What makes sales presentations effective – a buyer-seller perspective

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Abstract

Purpose – This exploratory research aims to examine the commonalities and differences in how buyers and sellers perceive and characterize an effective sales presentation in an attempt to present issues/themes that may help start a dialogue into the theoretical underpinnings of effective sales presentations.

Design/methodology/approach – The paper consists of a qualitative study involving both salespeople and buyers.

Findings – The study uncovers three common themes of an effective sales presentation – knowledge, adaptability, and trust – but exposes a gap between buyer and seller expectations and perspectives of these themes.

Practical implications – The findings provide insight for business-to-business (B2B) salespeople and managers as to what buyers and sellers consider characteristic of an effective sales presentation.

Originality/value – By focusing on how the two main parties to an exchange – the buyer and seller – define what makes an effective sales presentation, this paper adds knowledge to the area of B2B sales research.

Keywords Sales, Sellers, Buyers, Communications, Presentations, Effectiveness, Relationships

Paper type Research paper

An executive summary for managers and executive readers can be found at the end of this article.

1. Introduction

The sales presentation has been described as the "main body" of the sales call (Moncrief and Marshall, 2005), as well as the most challenging, rewarding, and enjoyable aspect of the buyer-seller interaction (Futrell, 2006). Here the salesperson's efforts unfold, exchange begins, and the buyer starts the decision process. Changes in the selling environment, new pressures and mandates, increased emphasis on the relationship-oriented sales approach, and numerous technological advances increase both the salesperson's capabilities and the customer's expectations (Piercy, 2010; Moncrief and Marshall, 2005; Bush *et al.*, 2007; Clark *et al.*, 2007), and make this interaction more important today than ever before. Recently, Agnihotri *et al.* (2009) explored the buyer-seller relationship to discover that technical knowledge as well as communication skills can enhance relationship building. Moreover, Johlke's (2006) research suggests that salespersons' experience underlies their presentation skills that ultimately enhance performance. Recent qualitative research has examined sales performance measurement from the sales manager's and salesperson's perspective (Zallocco *et al.*, 2009). However, no research to date has explored the fundamental question of what makes sales presentations effective in a buyer-seller exchange nor has

research attempted to present issues/themes that may help future research build theory in this important area.

Intuitively, firms should do everything possible to make certain their salespeople not only have complete information of their products and their respective industries, but also know how to present both themselves and their knowledge in the most effective way. A salesperson's ability to ask and answer questions, to provide insightful knowledge, to collaborate and build a long-lasting working relationship often determines whether a productive working relationship will ensue (Weitz and Bradford, 1999). However, if salespeople engage in presentations they believe to be effective but that their customers – potential or established – do not, the salespeople risk defeating their purpose, hurting their company, wasting valuable resources and/or jeopardizing their futures. Research in the personal selling literature typically focuses on one aspect or one step of the presentation. Surprisingly, absent from the existing literature is a thorough understanding of sales presentation effectiveness from both buyers and sellers. Although central to understanding personal selling and to providing a foundation for sales literature, little if any theory undergirds the effectiveness of the sales presentation itself.

Given the importance of the buyer-seller exchange, it is opportune to explore the critical issues surrounding effective sales presentations. The purpose of this exploratory study is twofold. First, we examine the perceptions of both buyers and sellers concerning what makes sales presentations effective. Second, we attempt to start a dialogue into the theoretical underpinnings of those perceptions of effective sales presentations.

2. Conceptual background

Historically, the personal selling literature was based on tradition and folklore often describing salesperson orientations (Blake and Mouton, 1970) or general sales approaches (Gwinner, 1968). Not until the 1960s and 1970s did empirical endeavors begin attempting to identify universal characteristics that affect sales performance (see Harrell, 1960; Howells, 1968). For example, the interaction in the buyer seller dyad was initially investigated by Riordan *et al.* (1977). In 1981, Weitz developed a contingency framework for studying the dynamics of the buyer seller dyad. Of the many components of this contingency framework, the one most closely related to the sales presentation is the selling behaviors construct. This construct includes such dimensions as – adapting to the customer, influences bases and tactics, and controlling the interaction. This groundbreaking framework was a catalyst for much of the sales research today; however, its variables related to selling behaviors and sales presentations remain relatively unexplored.

According to Weitz (1981), "effectiveness in sales interactions is defined by the degree in which the 'preferred solutions' of salespeople are realized *across their customer interactions*." Sales interactions begin when salespeople initiate communication with potential buyers for the purpose of obtaining a sale and ends when salespeople discontinue communications. Buyers may attempt to discontinue further communication but as long as the seller is still communicating, there is interaction; albeit one-way:

> Effectiveness is defined from the perspective of the salesperson rather than the salesperson-customer dyad (Weitz, 1981, p. 91).

Although salespeople are interested in providing solutions to clients, their primary goal – as well as that of their manager – is the sale. Weitz's (1981) claim that effectiveness is under the sole control of salespeople ignores the other interested party – the buyer. Although it may be correct to say that the salesperson determines whether interaction is going to happen, and that salespeople are measured by their performance, this view fails to recognize that it is the customer and not the salesperson who ultimately determines whether a sale is going to happen. An ineffective salesperson will likely not make many sales nor create many beneficial relationships. Further, in a business-to-business setting it is rare for a sale to occur as a result of only one meeting. A more realistic goal for salespeople is to obtain subsequent interactions with prospects or customers in hopes that profitable relationships will develop. A salesperson's presentation to a client (established or prospective) should be considered effective if both the buyer and seller agree to future interactions. Effectiveness, for the purpose of this study, is defined as the ability to arouse willingness in the client, to continue future interaction (Weitz, 1981).

Understandably most sales research focuses solely on the seller's side of the exchange. Isolated studies have shown that sales presentation skills can enhance selling success. Jolson (1975) showed that even scripted approaches to communicating one's message, known as canned presentations, as opposed to a presentation not prepared in advance (referred to as "ad lib"), could be effective when delivered by someone who knew how to present them in a warm and exciting manner to an audience. Symanski (2001) investigated the effectiveness of sales presentations by comparing telemarketing to in-person approaches for both the selling of goods and services. Face-to-face presentations resulted in higher recall ability among participants. Other research showed that how salespeople structure declarative knowledge in their memory, categorizing statements made to them by clients, was an important determinant of selling success (Symanski, 1988).

Sparks and Areni (2002) introduced the construct "sales presentation quality" to the sales literature. Their research found that the attitudes of recipients of sales presentations towards the proposal (and even to the salesperson) were influenced by the salesperson's language using Petty and Cacioppo's (1986) elaboration likelihood model as a theoretical basis. These authors limit the terms of their conceptualization of sales presentation quality to the language used by the seller during his or her presentation, not the overall presentation.

Individual characteristics, attitudes, experiences, skills, and abilities have been found to affect sales presentation effectiveness. Johlke (2006) found that a salesperson's experience enhances their presentation skills, thus supporting Jolson's (1975) pronouncement that a salesperson's experience impacts motivation. A salesperson's ability to recognize and accurately appraise the emotions of the buyers has a beneficial impact on their success (Kidwell *et al.*, 2007). Other research links effective salesperson listening with increased sales performance (Shepherd *et al.*, 1997). Customer-oriented sales forces have been found to have better sales performance (Keillor *et al.*, 2000). Furthermore, salespeople with greater general mental ability and social competence were better performers whereas those with high mental abilities and low social competency make poor performing salespeople (Verbeke *et al.*, 2008). DelVecchio *et al.* (2002) showed certain tactics used by salespeople increase the likelihood of success in promoting the development of business relationships. They also found that the differences in the effectiveness of selling techniques contingent on the buyers' position within the firm.

In sum, the presentation/meeting between a salesperson and prospective buyer is a crucial stage of the selling process. The preceding discussion shows that the majority of sales research focuses not on the effectiveness of presentations, but rather on other aspects such as performance, communication, selection, or training. Much of this research tends to focus on individual characteristics and behavior of salespeople during sales presentations. Existing research on the determinants of effective sales presentation are, at best, peripheral.

Since the academic literature on sales presentation effectiveness is rather limited, we next investigated personal selling textbooks. We conducted a content analysis of six current (2007-2010) personal selling textbooks and focused solely on the chapters dealing with sales presentation effectiveness. These textbooks, which represent academic instructional offerings for potential salespeople, provide anecdotal evidence or generalized guidelines culled from normative sources such as trade publications or other non-academic writings (see Table I for a summary of the content analysis). The chapters on sales presentations provide information on such topics as – features, advantages, and benefits; build trust; ask questions; close; and customize material. These personal selling textbooks do an excellent job providing guidelines for effective sales presentations (see column 4 of Table I) focusing on the "how to" or "what"

Table I Coverage of sales presentations in personal selling textbooks

Textbooks	Sales presentation chapters	Topics	Sales presentation guidelines
Selling: Building Relationships and Achieving Results **Hopkins et al. (2007)**	"Elements of a great sales presentation"	Presentation components Solution presentations Adjuncts to a presentation Demonstrations and visual aids	Keep presentation brief (about 17 minutes) State objectives prior to beginning of presentation Limit presentation objectives to three Customize materials Use selling vocabulary Decipher body language Establish trust
Relationship Selling **Johnston and Marshall (2008)**	"Communicating the sales message"	Identify customer needs Apply your knowledge to customer needs Satisfy customer needs	Ask questions Listen Sell features, advantages and benefits (FAB) Get customer agreement Establish the relationship Demonstrate the product State the value proposition Understand nonverbal communication Be prepared for the unexpected
Personal Selling: Building Customer Relationships and Partnerships **Anderson et al. (2006)**	"Sales presentation and demonstration: the pivotal exchange"	Plan the presentation Gather information Identify needs The relationship Customer satisfaction	Get active participation/promote involvement Connect information to customer's perspective Quickly establish rapport Look for and use responsive behavior Connect benefits to prospect's needs Combine factual and emotional appeals Use humor with discretion and only where appropriate Never disparage another individual or company Readily admit minor weaknesses in the product
Selling Today **Manning et al. (2009)**	"Approaching the customer"	Approach Presentation Demonstration Negotiation Close Servicing the sale	Develop the presentation strategy – combine the relationship, product and customer strategies Determine presentation objectives Develop six-step presentation plan Establish credibility
Fundamentals of Selling **Futrell (2008)**	"Elements of a great sales presentation"	Presentation purpose Presentation components Demos/visual aids Technology Presentation Goal Model Ideal presentation Difficulties	Stress features, advantages and benefits Use persuasive communication techniques Build trust Get prospect participation Build believability Use visual aids Demonstrate the product/provide dramatization Be prepared for presentation difficulties
Selling: Building Partnerships **Weitz et al. (2007)**	"Strengthening the presentation"	Attention Understanding Proof Value	Use verbal and visual tools Demonstrate the product Provide written proposals and hand-outs Do a value analysis Ask questions

aspects of sales presentations. What is surprisingly absent from these lists are references to academic research that supports this information. While coverage of sales presentations in textbooks is practitioner-based and pedagogically sound, they present little theory- or model-based evidence, emphasizing the "what" of sales presentations more than the "why." The textbooks focus on the behavior of sales presentations during the sales presentation. This observation is supported by the declaration of Dion and Notarantonio (1992) that a salesperson's communication with customers receives far less attention than it should, especially with its significance to a firm's success. Moreover, gaps between sales theory and sales application have been identified and calls for their alignment have been sounded (Zallocco et al., 2009).

Clearly, insufficient academic research exists in the sales literature concerning all aspects of sales presentations. More specifically, despite being one of the most deterministic steps of the entire sales process, very little research has been conducted regarding the underlying dimensions of effective sales presentations featuring cognitive or affective dimensions. This rudimentary and exploratory study will contribute towards filling a void in this important area of sales research. It will further the existing body of knowledge by providing insight into the cognitions, beliefs, and attitudes underlying the sales presentation from both sides of the exchange. In other words, it begins building theory.

3. Research questions

Although the topics researched on what makes a salesperson effective are important and helpful to increasing the body of sales force knowledge, they leave unexplored the central element of the presentation itself or the "why" behind effective sales presentations. The authors suggest that more studies be conducted to explore dyadic viewpoints, that buyers themselves may not be aware of any differentiation in the approaches of salespeople. How could they? All they are exposed to is what and how a seller presents to them.

This is the background for our research. We find it necessary to build upon this earlier approach, to learn more about the mindset (cognitive and affective) of buyers, and to uncover in what ways they parallel or diverge from those of salespeople. Hence, this study centers on three research questions:

RQ1. What makes a sales presentation effective from a salesperson's perspective?
RQ2. What makes a sales presentation effective from a buyer's perspective?
RQ3. If there are differences between respective perspectives, what are they?

4. Methodology

This qualitative research study was conducted using in-depth interviews. Such methodology has been shown to be appropriate, valuable, and necessary when the phenomena being investigated is not clearly understood and the relationships blurred (Chaisrakeo and Speece, 2004; Eisenhardt, 1989, 1991; Strauss and Corbin, 1998; Yin, 1994). Because the focus of much of the existing literature on sales presentations has been of a peripheral nature, we

determined that in order to obtain a clear understanding of seller and buyer cognitions and attitudes, we needed to use personal in-depth interviews (Geiger and Turley, 2003). This methodological approach has been successfully used in prior studies of sales and marketing phenomena (Noble and Phillips, 2004; Bush et al., 2007), and in gathering relevant knowledge about B2B interactions (Geiger and Turley, 2003; Haytko, 2004; Gupta et al., 2010). Further, we followed the call to simultaneously gathered information from both buyers and sellers (Zinkhan, 2006) by conducting interviews of both parties for this study. Finally, like other exploratory research, this study will provide essential groundwork for future theory building in sales research.

Two groups were interviewed in this study: front-line salespeople, and corporate buyers. We recruited respondents from professional associations and organizations, and from personal contacts. Respondents were informed of the research purpose, that their participation would be voluntary, and that they could withdraw from participation at any time during the interview. In total 20 in-depth interviews were conducted, ten were salespeople and ten were buyers. Individual characteristics of the respondents are provided in Table II. As shown in Table II, our respondents represent a diversity of industries such as healthcare, insurance, hospitality, and finance.

The interviews were conducted both in-person and over the telephone, and lasted from slightly more than 30 minutes to over an hour. Respondents were assigned a confidential, non-descriptive code for anonymity in the study, assured of confidentiality and the voluntary nature of their participation, and provided with contact information of the researcher/interviewer (a University issued business card) should they wish to contact him or her for whatever reason. Any questions or uncertainties regarding respondent's responses to the open-ended questions, which arose post-interview (usually during the transcription process), were resolved by contacting the participant directly. This technique has been shown to enhance the validity of qualitative methodology when used to collect data for research studies (Yin, 1994). The questions asked of the respondents appear in Table III.

A series of topics was created and revised several times in order to sculpt a more funneled approach, from more generalized questions regarding company philosophies to more specific inquiries such as individual styles and approaches. In keeping with qualitative methods, a mix of direct and indirect open-ended questions were used to allow the participants the opportunity to openly discuss their thoughts, share personal stories, and provide as much of their own unique experiences as they were willing (Eisenhardt, 1989; Yin, 1994). For consistency, we asked both buyers and sellers to consider the questions and discussion of sales presentation effectiveness in a generalized, context-neutral type of sales call.

Salespeople were asked about their company's philosophies or guidelines regarding presentations (expectations, distribution of materials, etc.), their own personal presentation style (adaptive or canned, use of visual aids, questioning of clients, etc.), and how it came to be developed (i.e., company provided or self-taught). Additional questions addressed the seller's perceived components of effectiveness and how much training they received (if any) from their employer related to presentation skills and techniques. Likewise, we asked buyers open-ended questions similarly

Table II Respondent characteristics

Code	Title	Industry	Gender	Years selling	Years buying	Goods or services
Salespeople						
S1	Account executive	Industrial sales	F	3		Goods
S2	Account executive	Consulting	M	15		Services
S3	Director of sales	Hospitality	M	23		Services
S4	Sales manager	Hospitality	F	24		Services
S5	Account executive	Import/export sales	F	3		Services
S6	Account executive	Media ad sales	F	5		Service
S7	Sales manager	Hospitality	M	15		Service
S8	Account executive	Healthcare	F	10		Goods
S9	Account executive	Insurance (comm.)	F	10		Service
S10	Account	Paper products	M	2		Goods
Buyers						
B1	Purchasing manager	Hospitality	F		20 +	Both
B2	Physician	Healthcare	M		20 +	Good
B3	Former regional vice-president	Finance	F		10	Service
B4	Procurement director	Industrial	M		17	Both
B5	Purchasing director	Healthcare	M		15	Both
B6	Purchasing manager	Retail	M		1	Both
B7	Logistics manager	Industrial	M		3	Good
B8	Purchasing director	Education	F		5	Both
B9	President	Financial	M		20 +	Both
B10	Purchasing coordinator	Technology	M		2	Both

Table III Sales presentation questions asked of respondents

Topic	Seller questions	Buyer questions
Philosophy	What is your philosophy regarding sales presentations (formal face-to-face interactions either regular or prospective clients)?	What is your philosophy regarding sales presentations (formal face-to-face interactions either established or potential vendors)?
Goals	What are your goals when you make a sales presentation; does client type matter?	What are your goals when you make a sales presentation; does it matter if you have worked with the seller before?
Style	How did you develop your presentation style?	Can you tell if a seller has been formally trained in how to make a presentation?
Training	Have any employers provided initiatives for training in how to sell or to present?	Not included
Effectiveness	How effective do you feel your style of making sales presentations is?	How effective are sales presentations that you experience? Are some more effective than others?
Importance	Do your clients care what style or type of presentation you make?	Do you care what style of presentation the seller uses?
Key element	What, for you, is the one key element in making an effective sales presentation?	What, for you, is the one key element that makes a sales presentation effective?

structured to narrow down from general to specific. Buyers were not asked, however, to reflect on their style of receiving presentations from salespeople, but rather to elaborate on their experiences, what they found to be effective (or not) and what suggestions they might have for salespeople regarding presentation style and effectiveness.

Once all data were collected, the transcripts of the interviews were analyzed by the three-member research team based on the general procedures of grounded theory (e.g. Strauss and Corbin, 1998). Members of the research team moved back and forth between categories and subcategories in the data in order to refine them where necessary. After this iterative process, the research team

identified majors themes based on the data. The final themes that emerged from this analytical procedure are presented in Table IV.

5. Findings

The intent of the analysis was to focus on buyers' and sellers' cognitive (thoughts during the presentation) and affective (likes and dislikes of sales presentations) dimensions during a sales presentation. The sales presentation effectiveness themes that emerged from the analysis for both the buyers and sellers focused on knowledge, adaptability, and trust. The goal of the researchers was to ferret out themes that were common to

Table IV Sales presentation effectiveness themes, definitions, and illustrative quotes

Themes	Definition	Sample quote
Knowledge	Knowing the product, customer, the ability to offer solutions during the presentation	Buyer: "If I ask a question about a possible problem with their product or about how well it will integrate into my current system and all they do is get quite or go back to telling me how great their product is, then I have no use for them" Seller: "I walk in the buyer's office and the first thing I do is to observe the plaques on the wall, pictures on the desk, awards, [...] because it starts to paint a picture of what your interests might be"
Adaptability	The ability to adjust the presentation to fit the needs of the current situation	Buyer: "Long presentations show that the sales rep. is not aware of, or worse, not courteous of my time" Seller: "There's pressure, you know, you've got to make that sale. At times, I definitely become too 'sales-y', but I sure don't want to be"
Trust	Building the presentation around honesty, sincerity, and integrity	Buyer: "One of the things I ask about is how well they know their own company. Too many salespeople jump around from job to job. I need to know the person I'm going to share company information with isn't going to be working for my competition six months from now" Seller: "You have to have a great deal of trust – you're asking very personal questions about the customer's business, industry, etc."

both buyers and sellers so that comparisons could be made and differences identified.

5.1 Knowledge themes

The first category of effectiveness themes concerns knowledge. Overall, both buyers and sellers unanimously stated the importance of being well informed during a sales presentation. Knowledge of products, customers, industries was paramount for effective sales presentations. Perhaps the most interesting finding of this exploratory study is how buyers and sellers differ in what they perceive is knowledge during a sales presentation.

Several buyers said that it is important for salespeople to know as much about their product as they can. Comments were made about salespeople not being able to answer questions that buyers asked them; again stressing the expectation that salespeople need to be knowledgeable on several levels if they wanted to be effective. Although some purchasing respondents had challenges in describing the attributes of an effective presentation, none had any difficulty in sharing their experiences in witnessing ineffective ones. One particular buyer may have summed it up for all buyers this way:

> What I'm looking for is factual information delivered by a knowledgeable sales rep who understands – here's the key – that their product has both advantages and disadvantages. If I ask a question about a possible problem with their product or about how well it will integrate with my current system and all they do is shut down and get quiet, or go back to talking about what a great product it is, then I have no use for them. No product or service is perfect, but too many salespeople believe that theirs is (physician/department head).

A presentation is effective, according to Churchill *et al.* (1985), when it achieves the organizational goal of the seller's firm regarding sales volume. However, this is short-term effectiveness. According to the buyers we interviewed, this lack of full disclosure, especially when the salesperson is aware of a product's shortcomings, results in long-term ineffectiveness that risks extending from the presentation to the salesperson, the product, and the selling firm. The speculation of the purchasing agent is that the salesperson was

trained not only in what to say to potential buyers, but also in what not to say.

Another buyer expressed concerns over salespeople not doing enough of their homework in advance of making a sales call or presentation:

> We are a heavily regulated industry [...] so there is an awful lot of publicly available information, very detailed reports that are accessible through web sites that tell all about the firm – where we are, where we've been. But [...]we don't see people [*sic*: salespeople] who are informed to the extent that's available [...] they tend to start the conversations with, "So, tell me all about you." You sort of read through that to mean, "[...] so I can try to sell you something." (owner, financial services company).

Salespeople also echoed the importance of knowledge during a sales presentation:

> I try to get as much material and information together as possible. I try to find out as much as I can about their company. I want to know what industries they're in, so I can pull industry data as well. I try to find out about their company so I know what would be a good fit, what would be an area I want to lead them into (media ads salesperson).

Another salesperson emphasized the importance of knowing the customer:

> The first thing is to know your customer; know what their needs are, what they're going to want and expect from you. Know what you are going to need to do to meet those needs so that you can be prepared to [...] tell them why they need you (tourism/hospitality DOS).

Several salespeople had a different perception of knowledge about customers during a presentation. This quote from a salesperson sums up the possible disconnect between buyers and sellers perception of knowledge:

> I need to know about you and your company, what your needs might be so I can better understand where you're coming from. I walk in your office and the first thing I'm going to do is observe the plaques on your wall, pictures on your desk, mementos, awards, [...] because it starts to paint a picture of what your interests may be. I'm looking for common interests. The Internet gives me a bit of knowledge that helps in the process, because when I go into a meeting, I can mention that I read an article about them (tourism sales director).

The findings from our first theme yield important cognitive differences between what buyers and sellers think is an effective sales presentation. Buyers feel that salespeople need to be as knowledgeable about the buyers' products and

company. Conversely, the salespeople seem to think that knowledge of their product is paramount for an effective sales presentation.

5.2 Adaptability themes

Adaptability themes represent both cognitive and affective dimensions in that respondents felt that effective sales presentations should be adaptable to each situation finding solutions for that situation. Both buyers and sellers emphasized the importance of developing a presentation to be productive, not to waste each other's time, and being direct with each other. Several buyers expressed these thoughts in their comments:

> We prefer a "high points" type presentation with the background information given in written form that we can peruse later if we're interested. We like the straightforward strengths and weaknesses of the product presentations that let us decide when it is right for our use (purchasing manager, healthcare facility).

> Long presentations show that the sales or product representative is not aware of, or worse, not courteous of, my time. Every minute with them is a minute I can't see customers (physician/department head).

Almost unanimously, the salespeople involved with this research study stressed the importance of being direct with their customers:

> Most people don't want to be "sold." They want help buying something. That's my personal philosophy. There's pressures, you know, you got to make that sale, so I know at times, I definitely become too "sales-y," but I sure don't want to be.

> I'm not a hard seller; I'm a closer. There's a difference and a lot of people don't know that; especially big boss type people. They think that you get somebody in there who is a real hard-liner type of salesperson and that they're going to close every time. My approach works more often than someone who is very aggressive (attractions sales manager).

One seller in particular was completely convinced that he is effective during sales presentations because he gets his clients – both established and prospective – involved in the presentation. He accomplishes this by asking questions, but additionally, he asks them to repeat their answers a louder, second time and keeping them involved throughout the entire presentation:

> I want them to think of themselves as having bought something, not having been sold something. I think of myself, not as a salesperson, but as someone with a vested interest in my customer's business. I want them to be successful and more importantly, I want them to know that's how I feel and how I see them. By getting involved in their business, it helps get them involved with mine. And then, guess what? We're working together with each other (medical sales rep.).

The findings from the next theme – adaptability – also surface cognitive and affective differences between buyers' and sellers' perceptions of effective sales presentations. One seller explained that the key in being adaptive for him is to make the buyer feel in control, that every decision is their decision. He achieves this by letting the customers take the lead in conversations and by asking well-directed questions. These questions have been well-practiced in advance in order to help the seller build rapport and learn more about the buyer's situations and problems. Conversely, the buyers tended to want an even more focused and direct presentation of facts, features, and benefits.

5.3 Trust themes

The final theme that emerged from our analysis was trust. Trust themes represent cognitive and affective dimensions where respondents felt that trust is the core of effective sales

presentations. It is interesting to note that this is the only effectiveness category where buyers and sellers did not express different perceptions in their comments. The term trust is used here as a catch-all term to encompass sincerity, belief, honesty, and other similar ideals. Most of the buyers and salespeople involved expressed the notion of trust as being one of, if not the, key elements in what makes sales presentations effective. For salespeople, it is about being honest, open and not trying to be someone they do not see themselves as being, just because they are dealing with different people. The impression that was given by several buyers was that they are aware of the reputation that salespeople must overcome when making presentations; that there are a great number of pre-conceived biases against them.

Many salespeople expressed the same core message in their responses regarding trust:

> On the one hand, what matters to clients is the cost and results. On the other hand, are they buying the spots, dots, and dollars? No. They're taking a step of faith and trust. They're not going to buy if you walk in with the cheapest thing in the world and they feel that you don't get their business [*sic.*: what they do] or that they can't trust you. So, to me it makes a big difference (media ad salesperson).

> If you're consistently polite – and there is no reason to ever not be – and you know what you're talking about, then you will be effective. If you're not, then you won't get anywhere with them and nothing you ever present to that group will be effective, because they will not see you as being effective (commercial insurance salesperson).

> You have to have a great deal of trust – you're asking very personal questions about how their business is doing, how the organization is doing, the industry, etc. [...] and how they individually are doing. So, a person has to be pretty comfortable with you to free up a lot of that kind of information; especially when they really don't know you or anything about you (consulting salesperson).

The findings from our final theme – trust – reveal similarities in buyers' and sellers' cognitive and affective elements of effective sales presentations. This was the only theme where both buyers and sellers discussed the importance of honesty, sincerity, and integrity as the foundation for effective sales presentations.

6. Discussion

This exploratory study begins to fill a gap in the sales literature by examining the "why" of effective sales presentations. It asks a simple and obvious question – what makes an effective sales presentation? It contributes to the sales literature by providing a more cognitive and affective framework of the sales presentation by talking with both buyers and sellers and starts to answer important questions – what does the buyer deem as an effective sales presentation and what does the seller deem as an effective sales presentation? And how are these perspectives different or similar? Is there a gap between the two parties? This exploratory study provides three broad underlying themes identified by the two parties as being essential to any effective sales presentation: knowledge, adaptability, and trust. It reveals that although the parties acknowledged the same issues there was a disconnect between buyers and sellers regarding knowledge and adaptability. As presented in Figure 1, buyers and sellers are seemingly going in opposite directions concerning what is knowledge and how to adapt during a sales presentation. The only area of agreement or where buyers and sellers come together as to what makes an effective sales presentation is the trust theme.

Figure 1 Effective sales presentation themes
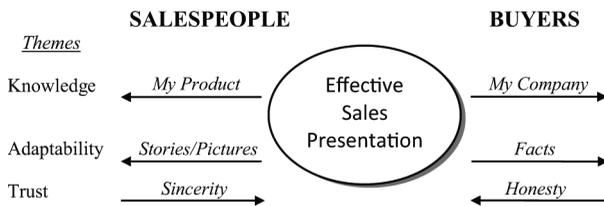
6.1 Managerial implications

The results show that buyers and sellers agree – a knowledgeable salesperson is crucial to an effective sales presentation. The salesperson must be knowledgeable not only about the product/service but also about the buyer's company (background, target market, needs, etc.). While there is full agreement here, the manifestation of that knowledge does not align between the parties. This disconnect, opposite sides of the same coin, reveals that salespeople believe an effective sales presentation comes from a "my product" perspective, whereas buyers tended to view presentations from a "my company" perspective. Though understandable, this difference could cost companies millions of dollars in lost sales. Buyers' main concerns seem to be why their company should spend limited financial resources on the seller's product or service, not why the product is worth buying. Consequently, if a sales presentation is given with the product as the focal point and not the prospective company, the salesperson's objective becomes buried beneath the product attributes, features and benefits. The buyer, after all, is the party that writes the check, not the seller. For salespeople to become more effective and subsequently more successful, the focus of their presentations should move away from what they are selling toward whom they are selling. The sales presentation should shift away from a benefit of the product/service toward the benefit of the buyer's company. In summary, the first area of opportunity for salespeople and buyers to be more in sync may simply be a matter of how the presentation is framed. Although seemingly customer oriented, salespeople will have to move even farther into the buyer's realm.

The second area of disconnect in what makes for an effective sales presentation centers around adaptability. Again, buyers and sellers seem to be going in opposite directions. Buyers indicated a preference for a "Joe Friday" style approach – just the facts. Salespeople, however, wanted to spend a portion of their face-to-face time with prospective clients getting to know them and their business; to begin laying a foundation for a working relationship. They want time to properly frame their presentation. This is not surprising; in many business-to-business transactions, the salesperson differentiates one firm from another – *ergo*, one product or service from another. Companies train salespeople to tell the client a story or to paint them a picture of how the product/service can help them the way it has helped others. Although salespeople might benefit by being able to meet with more buyers by staying with just the facts, this time spent with the client helps salespeople to truly understand the needs of the buyer. The problem for the salesperson becomes – how to determine the most important facts and how to frame those facts in a way that differentiates? Perhaps there is a happy medium on the continuum between "just the facts" and "let

me tell you a story." The sales manager and salesperson must answer the questions – How do you build a relationship with just the facts? How do facts tell a story? To be effective, the salesperson must be productive.

Finally, both parties come together and agree that trust is the foundation of an effective sales presentation. Relationship marketing's cornerstone tenet comes out loud and clear from both buyer and seller. Building trust will be a difficult challenge for sellers with limited time spent with buyers. Salespeople will have to spend even more time researching the company, client and situation to quickly build trust with just the facts. The findings present a daunting challenge for sales managers and salespeople. On one hand the salesperson must differentiate, deliver important facts to the customer and build trust. On the other hand, that has to happen in less time and within a different and more difficult context.

7. Limitations, conclusions and future research

There were several limitations to this exploratory study. The first was the study's sample size of 20 respondents. Although the number is within the established guidelines for qualitative research, a wider range of industry representation may have resulted in different interpretations. However, the respondents do cover a wide range of experience, include an equitable gender balance and represent both services and product industries. Second, respondents were recruited from professional associations and organizations and from personal contacts. This limited field may have restricted the finding's scope. Third, the interviews were performed over several months and therefore do not represent all economic cycles. For example, buyers and sellers many respond differently in an up cycle than a down cycle. Despite these limitations, this was understood to be an exploratory study from the onset. Our goal from the beginning was to explore what, if any, differences existed between the respective mindsets of salespeople and buyers in an attempt to start a theoretical dialogue in this area.

One objective of this exploratory research is to encourage more research on sales presentation effectiveness. Research needs to delve more into the cognitive and affective aspects of the buyer side of relationship marketing. Salespeople perceive it to be a cornerstone, yet buyers want a more straightforward relationship built on facts and trust. Perhaps this is the outcome of technology, when delivering the facts becomes much quicker and easier. Yet knowing what facts to deliver and how to do that remains an important area yet to be determined. One possible area worth exploring is the application of learning theory to improvisation and how salespeople can improve their adaptive selling skills (Chelariu *et al.*, 2002). Perhaps an experimental design showing the degree that learned improvisational skills impact sales presentation effectiveness could help further the existing knowledge of this area.

The themes and disconnects uncovered in this study point towards a possible shifting of business relationships. Salespeople continue to pursue established strategies of emphasizing the personal bonding or an affective approach as a way to gain buyers' trust (i.e., if they like me, they will trust me). However, buyer responses seem to show that if the salesperson demonstrates thorough knowledge of both their ware and its integration into the buying company's operation in a direct and concise manner, the buyer's trust will follow.

Buyers want just the facts or perhaps follow a cognitive approach. Research needs to be directed to help salespeople understand how to deliver those important facts. Because the salesperson does not have the luxury of differentiating the product via a long sales presentation, the literature needs to provide salespeople with guidelines on providing what the client desires. If there is a notable altering of expectations regarding how relationships are being defined, it could have tremendous impact on the business world. Understanding the priority of these three themes among the two parties would be valuable for sales managers. Knowing which one of these carries the most influence could greatly impact sales effectiveness. More theory building and testing is needed in this area.

This research uncovered a "my company" phenomena that buyers identified as part of an effective sales presentation. Clearly understanding this phenomena and how it impacts the selling process suggests both qualitative and quantitative research. What are the factors of this attitude, does it manifest itself more in certain types of industries, company size, experience and types of products? Researchers need to better identify and understand this occurrence and learn how to shift from "my product" toward the buyer's company.

Although exploratory, this study has shown that a gap exists between what salespeople and buyers consider characteristic of an effective sales presentation. It provides academicians with knowledge directly relevant to existing sales research, as well as provides directions for future studies. Further, it provides insights from which practitioners can develop improved training programs to help salespeople create sales presentations that are seen as being more effective in the eyes of buyers.

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Further reading

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Executive summary and implications for managers and executives

This summary has been provided to allow managers and executives a rapid appreciation of the content of the article. Those with a particular interest in the topic covered may then read the article in toto to take advantage of the more comprehensive description of the research undertaken and its results to get the full benefit of the material present.

Curtain up! Let the show begin! No, we are not at the theater. We are a buyer awaiting the salesperson's performance. So let the salesperson's efforts unfold, let the exchange begin and let the buyer start the decision process. It might not be as entertaining as a Broadway show or even a local drama group's offering, but there are certainly comparisons to be made. However, while many theater audiences know what they like and what they want from a performance, do we really know what we want from a seller? And does the seller really know what the buyer wants and does not want from the "show"? Can we answer the fundamental question of what makes sales presentations effective in a buyer-seller exchange?

Intuitively, firms should do everything possible to make certain their salespeople not only have complete information about their products and their respective industries, but also know how to present both themselves and their knowledge in the most effective way. A salesperson's ability to ask and answer questions, to provide insightful knowledge, to collaborate and build a long-lasting working relationship often determines whether a productive working relationship will ensue. However, if salespeople engage in presentations they believe to be effective but that their customers – potential or established – do not, the salespeople risk defeating their purpose, hurting their company, wasting valuable resources and/or jeopardizing their futures.

Although salespeople are interested in providing solutions to clients, their primary goal – as well as that of their manager – is the sale. It has been claimed that effectiveness is under the sole control of salespeople but that ignores the other interested party – the buyer. It is the customer and not the salesperson who ultimately determines whether a sale is going to happen. An ineffective salesperson will likely not make many sales nor create many beneficial relationships.

Further, in a business-to-business setting it is rare for a sale to occur as a result of only one meeting. A more realistic goal for salespeople is to obtain subsequent interactions with prospects or customers in hope that profitable relationships will develop. A salesperson's presentation to a client (established or prospective) should be considered effective if both the buyer and seller agree to future interactions.

Research in the personal selling literature typically focuses on one aspect or one step of the presentation. Surprisingly absent is a thorough understanding of sales presentation

effectiveness from both buyers and sellers. Although central to understanding personal selling, little if any theory underpins the effectiveness of the sales presentation itself.

In "What makes sales presentations effective: a buyer-seller perspective" John E. Cicala *et al.* examine the perceptions of both buyers and sellers. Effectiveness, for the purpose of this study, is defined as the ability to arouse willingness in the client to continue future interaction.

The results show that buyers and sellers agree that a knowledgeable salesperson is crucial to an effective presentation. The salesperson must be knowledgeable not only about the product/service but also about the buyer's company (background, target market, needs, etc.). While there is full agreement here, the manifestation of that knowledge does not align between the parties. This disconnect reveals that salespeople believe an effective sales presentation comes from a "my product" perspective, whereas buyers tended to view presentations from a "my company" perspective. Though understandable, this difference could cost companies millions of dollars in lost sales.

Buyers' main concerns seem to be why their company should spend limited financial resources on the seller's product or service, not why the product is worth buying. Consequently, if a sales presentation is given with the product as the focal point and not the prospective company, the salesperson's objective becomes buried beneath the product attributes, features and benefits. The sales presentation should shift away from a benefit of the product/service toward the benefit of the buyer's company. Salespeople will have to move even farther into the buyer's realm.

A second area of disconnect in what makes for an effective sales presentation centers around adaptability. Buyers indicated a preference for a "Joe Friday" style approach – just the facts. Salespeople, however, wanted to spend a portion of their face-to-face time with prospective clients getting to know them and their business; to begin laying a foundation for a working relationship.

The problem for the salesperson becomes how to determine the most important facts and how to frame those facts in a way that differentiates. Perhaps there is a happy medium between "just the facts" and "let me tell you a story". The sales manager and salesperson must answer the questions: How do you build a relationship with just the facts? How do facts tell a story? To be effective, the salesperson must be productive. What both parties do agree on is that trust is the foundation of an effective sales presentation.

(A précis of the article "What makes sales presentations effective: a buyer-seller perspective." Supplied by Marketing Consultants for Emerald.)