



THE TRUST PROJECT

► In Salespeople We Don't Trust; Where, When and Why Salespeople Aren't Trusted

By Dave Kurlan,

a top-rated speaker, best-selling
author, sales thought leader
and highly regarded sales
development expert.



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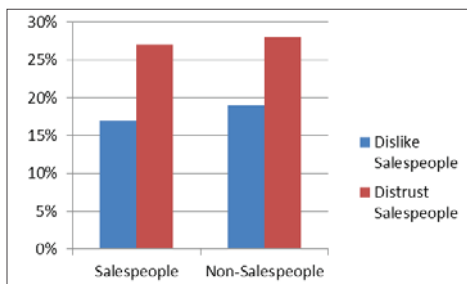
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People talk about the salespeople they don't like and especially those that they just don't trust. To combat that problem, companies seek out employees who are trustworthy and, in most cases, succeed in finding them. But the comments, anecdotes and accusations continue. Jane didn't like the way that salesperson looked at her – it was something about his eyes. Greg didn't like the way that salesperson acted – it made him very uncomfortable. Ted wanted to throw one salesperson out of his house – he was much too pushy. Are these experiences representative of reality? Could it really be that bad?

Objective Management Group, Inc., a company that specializes in evaluating sales forces and assessing sales candidates, has assessed and collected data on more than 500,000 salespeople. The data clearly shows that salespeople are sensitive to this perception that they aren't trusted. More than half of all salespeople have Need for Approval (the need to be liked or loved) from their prospects and nearly 90% of them trust their prospects unconditionally. From a business development perspective, these findings don't bode well for companies and their salespeople. When salespeople are too trusting, instead of recognizing the many stalls and put-offs they hear, they develop happy ears, believing they'll get that call next week. Even if they weren't so gullible, their need for approval would prevent them from pushing back, asking another question, or changing the outcome.

There is an abundance of data that demonstrates how salespeople react to the perceived lack of trust, but similar data from the people who actually buy from them wasn't as easy to find. In an effort to gather meaningful data, we asked people to complete a survey and answer questions about the level of trust they had for salespeople – old salespeople, young salespeople, men, women, salespeople who sell cars, insurance, remodeling, financial services, business services, real estate, industrial products and home services.

The results may not surprise you but there were some very interesting findings. More importantly, we now have data that shows the degree to which salespeople are not trusted as well as the conditions of the sales call that will affect trust.



One interesting finding is that salespeople are just as likely to distrust other salespeople as people who aren't in sales.

One possible reason is that salespeople were more likely to have been the victim of a scam than non-salespeople. 76% of the salespeople polled said they had been scammed and amazingly, only 28% of those scammed said that the incident further tarnished their image of salespeople. 50% more of the non-salespeople that were scammed said that the incident further tarnished their image of salespeople.

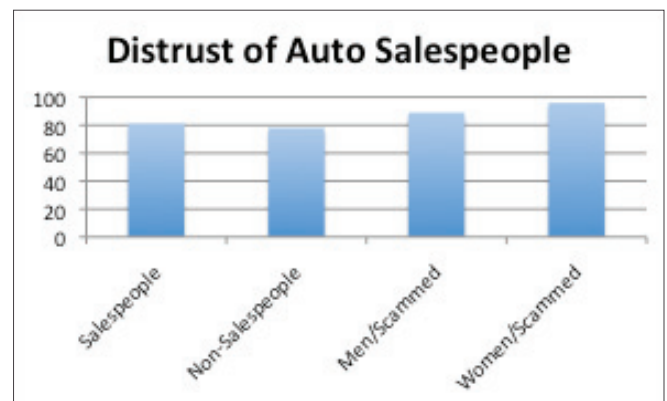
Nearly everyone that was polled – salespeople and non-salespeople alike – had a great experience with a salesperson. 50% of the non-salespeople said that this experience improved their impression of salespeople, while 61% of salespeople reported this change.

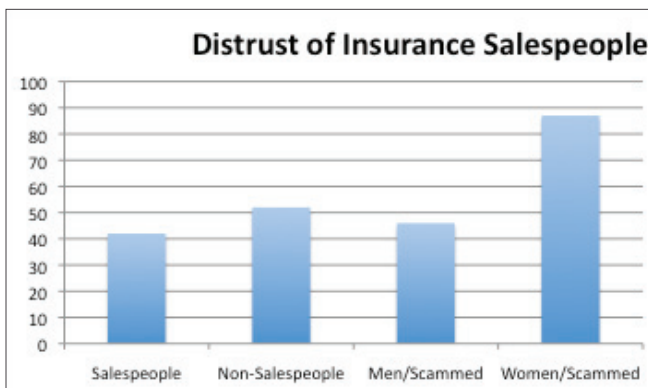
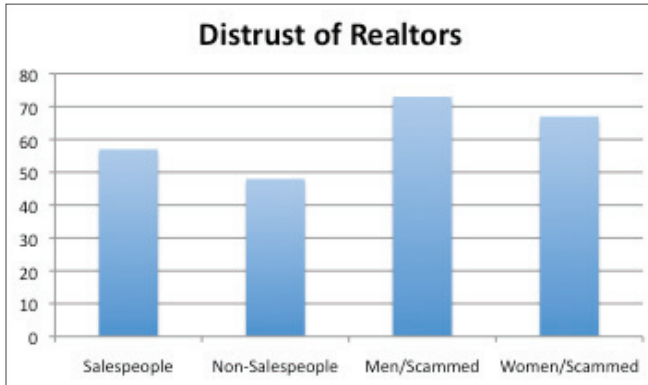
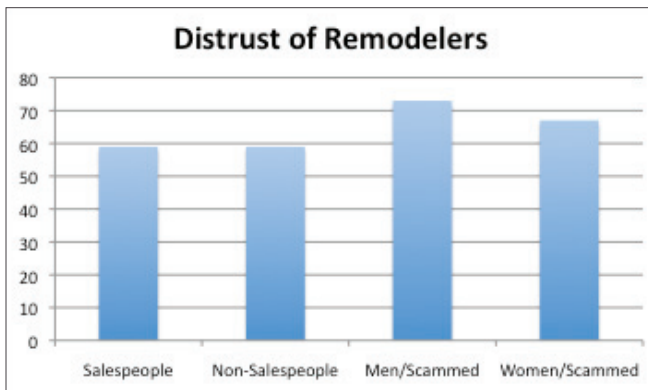
Conditions That Create Lack of Trust

There are several scenarios where trust is nearly impossible to establish. The industry in which a salesperson is associated and the location where the sale is taking place have a tremendous impact on trust.

Everyone – in every age and gender category – stated that the least trusted of all are automobile salespeople.

As you can see from the graph, nearly 100% of the women who were victims of scams do not trust automotive salespeople. This is significant because 100% of the women surveyed were scam victims!





When we look at the industries that were second and third on the list of least trusted salespeople, there were variations between the sales and non-sales communities. **All of the men indicated that the second least trusted group of salespeople were remodelers in the construction industry while women named insurance salespeople as the second least trusted group.**

There are variations when we reach the list of the third least trusted salespeople as well. **Among salespeople, the distinction belongs to Realtors whereas non-salespeople and men who were scam victims placed insurance salespeople as the third least trusted group of salespeople. Women named remodelers as the third least trusted group of salespeople.**

One question that arises from these findings is “Why is there so little trust in these particular industries?”

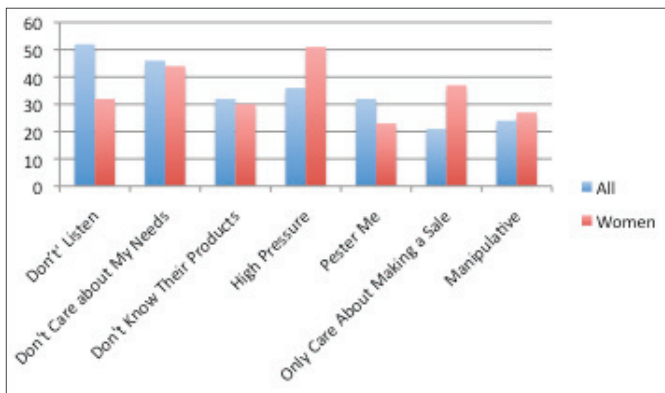
The commonality among these 4 industries is that their products are all sold directly to consumers and, except for automobiles, sold in the home. Is it fair to say that people distrust salespeople that sell directly to consumers? No. Salespeople who sell home services, like landscaping, fencing, pools, tree removal, cleaning services, etc. were distrusted by only 27% of the people surveyed. Financial services salespeople, those selling mutual funds, stocks, bonds and investments, aren’t among the most highly trusted either, but the distrust occurred less than 50% of the time. It’s clear from the results of this study that the overwhelming distrust is aimed squarely on the four industries named above.

If the reason for distrust is not connected to consumer sales, then what is it?

3 of the 4 industries in the study are notorious for their high levels of turnover. According to a 2011 article in the Journal of Economics and Sustainable Development, turnover in the insurance industry runs at 87%. According to Paul Taylor, chief

economist for the National Auto Dealers Association (NADA), based in McLean, Va., turnover among auto dealerships averages 42%. According to Rebecca Geldard, a business development expert with Ray White Real Estate, turnover of residential agents in that industry can hit 100%. The fourth least trusted group of salespeople, remodelers, (window, cabinet, and siding replacement folks), experience a 35% turnover rate according to ReplacementContractorOnline.com.

It must be mentioned that the turnover itself is not the cause of the overwhelming lack of trust. Rather, it is the salesperson’s lack of experience, knowledge and expertise that gives consumers the jitters. Executives from the four industries in question rarely invest in new salespeople until after they have proven themselves and managed to stick around. These salespeople are not provided with professional sales training until they have survived their first year and may not receive any even after reaching that milestone.



We asked people to identify the specific actions that caused them to dislike salespeople with such intensity.

This was one of the few areas in which the results for women varied dramatically from the rest of the survey participants. Women were more annoyed by self-centered behavior where salespeople cared only about making the sale. These salespeople also applied pressure and used manipulation, all associated with self-centered behavior. Men were more annoyed when salespeople failed to listen to them and when they were pestered with inappropriate and unnecessary follow up calls.



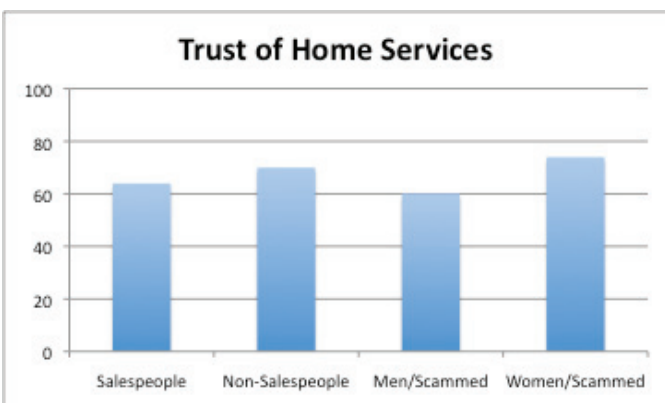
People may believe that professional sales training would lead to even greater distrust, but the exact opposite occurs.

When professionally trained by a reputable firm, salespeople are taught to be honest, put the customer first, ask questions and listen. They are taught to follow up only when it has been agreed to and they are provided with non-manipulative strategies and approaches. Unskilled and untrained salespeople are the ones that most often put themselves first, exaggerate, push and cause people feel uncomfortable and pressured.



You can also point a finger at the sales managers that these salespeople report to.

When salespeople turnover with alarming frequency, two resulting events simultaneously occur. Sales managers are turning over as rapidly as salespeople and inexperienced salespeople are being promoted to takeover for their sales managers. These salespeople, now way over their head, quickly become inexperienced, untrained sales managers. Not having had professional sales or sales management training, they are responsible for creating the pressure under which new untrained salespeople are working. This in turn causes them to pressure and manipulate their prospects and place their own interests ahead of their customers in order to hit their numbers and bring in the required amount of business. If these novice sales managers provide training and coaching, they are simply passing along their own inappropriate tactics, the very ones that cause distrust in the first place!



To this point, we have discussed salespeople, in high turnover businesses, that sell to consumers. Are there any businesses where salespeople are trusted? We learned that people have the highest level of trust for salespeople selling business services like payroll, benefits, commercial insurance, hardware and software, office furniture, etc. Industrial salespeople – those that work for manufacturers and their distributors – placed second. Salespeople providing home services, as described earlier, ranked third. See the graphs to the left for details.

As you can see from the graphs above, all of the participants were more likely to trust those that sell business services. More men trust industrial salespeople while more women trust home services salespeople. This finding could simply be a result of fewer women working in an environment where they are exposed to industrial salespeople. On the other hand, more women are likely to meet, either alone or with their husbands, those salespeople providing home services.

Do Gender and Age Impact Trust?

You already saw that salespeople annoy women differently than they annoy men and that women distrust insurance salespeople significantly more than men. But what about women as salespeople – does that change anything?

17% of the men and 7% of the women indicated that they would trust a female salesperson more than they would trust a male.

22% of the men and 6% of the women indicated that they would trust an older salesperson more than a younger salesperson.

So where does that leave a young, male, insurance agent selling to a woman who has been a victim of a scam (remember that number is 100%)? The simple answer might be that young, male insurance agents should avoid selling to women but that may not be possible or practical. Most personal line insurance agents call on couples, not single men, and most men will not purchase insurance without their wives' involvement in the decision. So where does that leave a young, male insurance agent? He fails and becomes part of the turnover statistic.

Can the same be said of the young, male, car salesman? People visit the dealership to purchase and lease their vehicles and there is a chance they could begin the discussion with a young, male. However, they will complete the sale with a more mature, male or female sales manager. The young, male automobile salesperson may not be trusted much more than the young, male insurance agent, but he does have his sales manager to bail him out.

Conclusion

Certain salespeople in certain high turnover industries earn very poor marks for trust, whether deserved or not. The high level of distrust results from lack of professional training in those industries due to the high level of turnover and unwillingness to invest in salespeople until they have proven themselves.

Most salespeople do not trust other salespeople either. It seems that many of them attempt to compensate for the perceived lack of trust and go out of their way attempting to earn their prospects' trust. Unfortunately, lacking professional sales training, their seat-of-the-pants tactics backfire and add to the lack of trust.

Companies in the low trust industries must revisit their policies and expectations about recruitment and training. They should retrain their existing sales forces, beginning with sales management, so that their existing core of salespeople learn to sell with integrity, in a customer-centric, consultative way, without pressure, manipulation or exaggeration. This will change the culture in such a way that incoming salespeople will be exposed to a more professional, higher integrity sales force.

Those companies should recruit salespeople with high integrity, who are better suited for the challenge, and possess the strengths and competencies required for sales success. They should offer professional sales training to provide them with the necessary skills to build trust and credibility.

Finally, companies should put their resources into retention instead of recruiting in order to build a more stable, trusted, effective, and productive sales force.



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