

A STUDY OF THE INFLUENCE OF SPQ*GOLD® IN THE SALES SELECTION PROCESS OF A DIRECT MARKETING AND ADVERTISING FIRM

Industry: Direct Marketing and Advertising

Number of salespeople: 49; 96

Year: 1993-1995

EXECUTIVE OVERVIEW

- 1. The results obtained in this study are consistent with the hypothesis that sales call reluctance affects sales production.
- 2. The results of this study also support the use of SPQ*GOLD® in the sales selection process.

TECHNICAL REPORT Introduction

The Sales Preference Questionnaire™ (SPQ GOLD®) is a special purpose diagnostic instrument specifically developed to assess sales call reluctance®. This condition limits the productivity of salespeople by emotionally limiting the number of contacts they initiate with prospective buyers on a consistent basis. In-depth research into sales call reluctance® began in the early 1970's by Dudley & Goodson, who are credited with discovering twelve distinct types of call reluctant behavior.

Research conducted with SPQ*GOLD® in various industries has repeatedly shown a systematic link between lower levels of call reluctance® and higher sales productivity (Dudley & Goodson, 1999). These results provide strong evidence, which indicates the psychometric properties of SPQ*GOLD® are adequate to support predictive validity. These results further support the utility of SPQ*GOLD® as a guide to supplement management decisions related to the sales selection process.

Purpose

The purpose of this study is to review the impact SPQ*GOLD® testing has had on the sales selection process in a direct advertising firm. This firm utilizes percentage of annual sales quota achieved as a metric of sales productivity. Based on this criterion data, sales personnel are classified as above average, average, or below average producers. This study will compare the percentage of sales people in each performance group for two measurement periods (1993 and 1995), based on the use of SPQ*GOLD® as a supplemental sales selection tool.

Method

Participants

Results were obtained from a study conducted in 1993 that included 49 sales people. These results indicated a statistically significant correlation between higher sales productivity and the Prospecting Brake™ scale, a comprehensive measure of sales call reluctance (r= -.155, p<.033). The results of this study were compared to a 1995 study that included a sample of 96 salespeople, who were also hired into the company based on their SPQ*GOLD® profile scores. The data collected in both studies represented percentage of annual sales quota obtained.

Procedure

A comparative analysis was made based on the annual sales figures obtained for each year referenced above. Comparisons were made for each level of sales productivity between the two years. Summary statistics on the difference in percentages were tabulated.

Results

The results of the tabulation are shown in Table 1. The influence of the initial study on the subsequent individuals hired by the company created a statistically "restricted range." Therefore a correlational analysis between the range of SPQ*GOLD® profile scores and sales productivity was not conducted.

Conclusion

The results of this study indicate a substantial improvement in the percentage of sales people at or above average in meeting their annual sales quota. Specifically, the results indicated a 9.9% improvement in hiring salespeople who met their quota and a 19.7% increase in people who exceeded their quota. This improvement represents substantial savings in the amount of dollars the company invests in the overall hiring and sales training process.

Performance Category	Study 1 1993	Study 2 1995	Study Comparisons
Cutegory	1770	1775	Comparisons
Below Average	51%	21.6%	29.4% Improvement
Average	22.4 %	32.3%	9.9% Improvement
Above Average	26.5%	46.2%	19.7% Improvement

Table 1. Sales Performance Comparisons