Critical success factors in the personal selling process

An empirical investigation of Ecuadorian salespeople in the banking industry

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Abstract *This article identifies the selling techniques that are critical success factors (CSFs) for salespeople who sell banking products and services in Ecuador. The study examines the selling techniques that differentiate top and bottom sales performers in the Ecuadorian banking industry. Both self-reported and supervisor ratings are used to measure salesperson performance. The results suggest that differences in performance between top and bottom performing salespeople relate to the use of five selling techniques: examining records at the prospecting stage of the selling process; approaching prospects using statements about the salesperson, the bank, or the names of persons who referred the prospect; using customer friendly language during the sales presentation; being knowledgeable of the benefits of the banks' products and being able to clarify the products' benefits; and ensuring post-purchase satisfaction of existing customers.*

Introduction

Both practitioners and academicians recognize that personal selling effectiveness has become vital to the success of banking institutions (Berry and Kantak, 1990; Bernstel, 2001). Researchers in sales have examined several demographic and psychological characteristics of salespeople in order to find the determinants of salesperson effectiveness and success (Predmore and Bonnice, 1994; Sengupta *et al.*, 2000). Johnston and Marshall (2003) state that the performance of salespeople is a function of both personal traits and organizational factors. Churchill *et al.* (1985) found that the key individual-level determinants of salesperson performance are aptitude, personal characteristics, skill level, role perceptions, and motivation

Sengupta *et al.* (2000) found that two other individual-level variables, strategic ability and intrapreneurial ability, are significant determinants of salesperson effectiveness. The influence of these two variables is mediated by two relationship-process variables – communication quality and customers' trust. Strategic ability is defined by Sengupta *et al.* (2000, p. 254) as:

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> ...the cognitive capacity of a key account salesperson (KAS) to analyze customer organizational and business problems and focus on their long-term interests.

They define intrapreneurial ability as:

> ...the KAS's ability to locate personnel or other resources within the seller firm and deploy them to assist the customer account (Sengupta *et al.*, p. 254).

Other individual-level variables that affect salespersons' performance include adaptability (Peterson *et al.*, 1995), voice characteristics (Peterson *et al.*, 1995), communication apprehension (Pitt *et al.*, 2000), and interpersonal listening skills (Castleberry *et al.*, 1999). Many of the variables that influence performance such as sales aptitude, mental ability, and personal traits are individual characteristics of salespeople, and are out of the control of management. However, management directly controls how salespeople are trained and developed. Management control and training are important potential contributors to a salesperson's long-term performance (Johnston and Marshall, 2003). By designing and implementing appropriate training programs, sales managers may increase the performance of their sales force. In order to design these programs, managers need an understanding of the importance salespeople place on different selling techniques. In an early exploratory study, Dubinsky (1980) identified the underlying dimensions of 84 selling techniques used in personal selling. He concluded that the 84 selling techniques of the personal selling process are divided into seven steps:

(1) locating and prospecting for customers;
(2) the pre-approach;
(3) the approach;
(4) the sales presentation;
(5) handling objections and resistance;
(6) the close; and
(7) the post sale follow up.

Dwyer *et al.* (2000) studied the effectiveness of the selling techniques used by salespeople in the insurance industry, and found that some selling techniques have the potential of being critical factors in the success or failure of salespeople who sell homogeneous goods. Dwyer *et al.* (2000) identified 12 variables that differentiate salespeople into top and bottom performers and found that top sellers used non-manipulative and customer-oriented practices, and were able to adapt their presentations to meet the specific needs of each prospect. However, a limitation of Dwyer *et al.*'s (2000) study was that it only examined one firm, in one industry (life insurance), and in one country (USA). The degree of generalizability of Dwyer *et al.*'s (2000) findings may be questioned, as different types of selling and different situations often imply different and occasionally contradictory CSFs (Rackham and DeVicentis, 1999).

A second limitation of Dwyer *et al.*'s (2000) study was the use of only self-reported measures of salesperson performance. Self reported measures of performance might have an upward bias (Tsui and Ohlott, 1988) and a low correlation with supervisor reports. Meta-analyses by Harris and Schaubroeck (1988) and Mabe and West (1982) estimated the self-reported and supervisor appraisal correlation coefficient to be below 0.35. Evidence of a low correlation between the two evaluation approaches is also found in the sales literature (Chonko *et al.*, 2000). Tsui and Ohlott (1988) found that low correlations between appraisals are explained by differences in the appraisal criteria used by raters (i.e. differences in the superiors' and subordinates' perceptions of the roles that employees should perform) and the relative importance raters assigned to the criteria. Tsui and Ohlott (1988) argue that rater consensus on the appraisal criterion and criterion weights typically are not found in an organizational context, and to overcome this limitation recommend a multiple rater approach to assess employee effectiveness.

The present research is designed to expand on Dwyer *et al.*'s (2000) study in two ways. First, a multiple rater approach (self-ratings and supervisor ratings) is used to assess sales performance. Second, the sales techniques are identified and examined that differentiate top from bottom sales performers of banking products and services in a Hispanic country (i.e. Ecuador).

Conceptual background

Critical success factors

Critical success factors (CSFs) are tasks or attributes that should receive priority attention by management because they most strongly drive performance. CSFs have been defined as "any characteristic, condition, or variable that significantly drives business performance" (Keck *et al.*, 1995). Ketelhohn (1998, p. 335) argues that due to competition, "key success factors are the minimum capabilities that a company must master to enter the competition". Ketelhohn (1998) states that CSFs are industry and task specific, invoking the analogy that "what is key to succeed in a 100m race is different from what it takes to succeed in a marathon" (Ketelhohn, 1998, p. 335). Following Ketelhohn's (1998) argument, Dwyer *et al.*'s (2000) findings on CSFs of selling techniques may be specific to the life insurance industry and US culture and not necessarily relevant to the banking industry in a Hispanic culture.

Williams and Ramaprasad (1996) proposed a taxonomy of CSFs. The taxonomy is based on four increasing levels of criticality:

(1) factors linked to success by a known causal mechanism;

(2) factors necessary and sufficient for success;

(3) factors necessary for success; and

(4) factors associated with success.

In our research, we will be able to identify the factors (i.e. selling techniques) associated with success (i.e. top performance). To identify the CSFs we contrast the practices of top salesperson performers with those of bottom performers. This approach was suggested by Day and Wensley (1988), and has been used by Keck *et al.* (1995) in an insurance sales setting.

Personal selling process

The basic parts of a firm's promotional effort are personal selling, advertising, publicity, and sales promotion (Futrell, 1992). Personal selling is defined as "the personal communication of information to persuade a prospective customer to buy something – a good, service, idea, or something else" (Futrell, 1992). Johnston and Marshall (2003) believe that personal selling messages have the potential to be more persuasive than advertising or publicity due to the face-to-face communication with customers.

Brooksbank (1995) suggests that personal selling is a critical component of marketing success. He defines the personal selling process as the "positioning of goods or services in the mind of a particular prospective customer" (Brooksbank, 1995, p. 63). With increasingly fragmented markets, the role of personal selling becomes extremely important.

> The role of personal selling will continue to be of overwhelming importance in the case of those companies operating in markets characterized by high volume customized goods and services with relatively long and complex decision making processes (Brooksbank, 1995, p. 61).

Researchers have found that cultural values affect the preference for inter-personal communication tools, such as personal selling. For example, in a cross-cultural study, Kim and Merrilees (1998) found differences in Australian and Hong Kong retailers' perceptions of personal selling. The difference in perception was attributed to differences in the retailers' degree of cultural orientation, measured using Hofstede's (1997) collectivism index. Given the fact that Ecuador is a more collectivist society than is the USA, it is possible that the sales techniques used by successful Ecuadorian salespeople are different from the ones described by Dwyer *et al.* (2000).

Influence of Anglo-American and Hispanic cultural values on personal selling

Many studies exist in the marketing literature on the diversity and scope of cross-cultural issues. Since 1970, a steady increase has occurred both in the number of studies overall and in the variety of countries explored (Sojka and Tansuhaj, 1995). Cross-cultural researchers have found that culture affects consumer behavior (Luna and Fourquer, 2001; Sojka and Tansuhaj, 1995), salesperson selection (Hill and Birdseye, 1989), salesperson perceptions of management leadership and intrinsic/extrinsic motivations (DeCarlo *et al.*, 1999), salesperson turnover (Naumann *et al.*, 2000), personal selling measures (Herche *et al.*, 1996), communication apprehension (Pitt *et al.*, 2000), and communication preferences (Kim and Merrilees, 1998).

Despite this strong research coverage, little attention has been paid specifically to Hispanic salespeople. One exception is a study by Comer and Nicholls (2000) that identified allocentrism and simpatía as two variables that differentiate Hispanic and Anglo-American salespeople. Allocentrism is the degree to which people emphasize the needs of the group rather than those from the individual. Simpatía "is an extension of allocentrism and emphasizes the use of behaviors that promote smooth and pleasant relationships" (Comer and Nicholls, 2000, p. 121). Hispanic salespeople emphasize the quality of customer relationships over a concern for the sales transaction. Allocentrism and simpatía may also influence the use of different sales techniques by successful Hispanic salespeople.

The above discussion suggests that research investigating the CSFs of Hispanic salespeople is needed. This is especially true in the banking sector where, to the researchers' knowledge, no published work in English has investigated the selling techniques used by top performing Hispanic salespeople. This study addresses this gap in the literature by conducting an empirical investigation that addresses an important research question: Which are the selling techniques that differentiate top from bottom performing salespeople of banking products and services in a Hispanic setting?

Study methodology

Context

The Ecuadorian banking system has been open to foreign banks that have operated in the country since the 1960s. Ecuador's openness to foreign investments, its dollarized economy, and the relative lack of published research in English that addresses South American contexts provides justification for the use of an Ecuadorian sample to address our research question. Hence, two large privately-owned Ecuadorian banks were selected for this study.

The two specific banks were chosen for four important reasons. First, the two banks rank among the largest banks in Ecuador, with deposits of more than US$ 1.6 billion and a combined market share of 39.9 percent as of June 2002 (Banking Superintendence of Ecuador, 2002). Second, the banks chosen are rated above industry average as to their risk level. Third, the two banks have more than 280 offices located in more than 80 Ecuadorian cities. Finally, the bank customers include large, middle, and small firms and individuals who operate in various sectors of the Ecuadorian economy.

Scale measurement

The list of selling techniques used in this study was based on Dwyer *et al.*'s (2000) study. Using a seven-point scale, participants were asked to rate the importance of 51 selling techniques to their success, with "1" indicating "Not at all important" and "7" indicating "Very important" (see Table I for complete list). The scale items were translated and back translated from English to Spanish. Three fully bilingual independent judges validated the equivalence of the instrument.

Self-reported and supervisor ratings on five outcome-related items were used to measure salesperson performance. The items measured were:

(1) sales commissions earned;

(2) exceeding sales objectives and targets;

(3) generating new-customer sales;

(4) generating current-customer sales; and

(5) overall selling performance.

Direct supervisors rated salespeople using a seven-point, Likert scale with "1" indicating "Far below average" and "7" indicating "Far above average". The same scale is used to self-rate salespeople. A standardized Cronbach's alpha of 0.81 was obtained for the combined measure of performance.

Consistent with previous research (Harris and Schaubroeck, 1988; Mabe and West, 1982; Chonko *et al.*, 2000) this study found a low correlation between self-rated and supervisor-rated performance ($r = 0.19$) and evidence of an upward bias in self-reported performance. The mean self-reported performance (5.67, $CI_{95\%}$ 5.56 to 5.79) was larger than that of supervisor-rated performance (4.74, $CI_{95\%}$ 4.58 to 4.90).

Data collection

A questionnaire in Spanish was designed that incorporated the above-mentioned measures. A total of 300 questionnaires were randomly distributed to the sales force of two the large Ecuadorian banks described earlier. A total of 246 questionnaires were completed and returned that included matches of self-reported and supervisors' ratings of salesperson performance.

Data analysis

Using the average of self-reported and supervisor ratings, salespeople were divided into four quartiles and the first and fourth quartiles were labeled top ($n = 41$, $\mu = 6.10$, $\sigma = 0.35$) and bottom ($n = 41$, $\mu = 4.16$, $\sigma = 0.42$) performers, respectively. Ratings for top and bottom performers were significantly different at $p < 0.001$ ($F = 523.97$).

Analysis of variance (ANOVA) models were used to identify the selling techniques that are significantly different as to their importance when the top and bottom sales performers are compared. At $p < 0.10$, top and bottom sales performers differed in their assessment of perceived importance on 18 selling techniques representing all seven steps of the sales process (see Table I).

Table I. Means, standard deviations and analysis (ANOVA) of variance model results

Selling techniques	Sales performance: Bottom performer[a] $n = 41$	Std Dev	Top performer[b] $n = 41$	Std Dev	Signif. (p)
Prospecting					
1. Personal observation/research: look, listen, and search for evidence of good prospects	6.22	0.85	6.57	0.67	0.04[c]
2. "Cold call" in person ("canvass"): first call on potential prospects in person without an appointment	3.93	1.69	3.74	1.79	0.64
3. "Cold call" by mail: contact prospects first through the mail	3.29	1.62	3.42	1.89	0.74
4. "Cold call" by telephone: contact prospects first using the phone	5.93	1.23	5.95	1.25	0.92
5. "Cold call" specialists: use specialists of junior salespeople ("bird dogs") to first contact potential prospects over the telephone	5.05	1.99	5.21	1.85	0.70
6. Prospects inquiries: respond to phone or mail inquiries from potential prospects generated from firm advertising, promotions, etc.	5.80	1.69	6.16	0.97	0.24
7. Center of influence: develop and cultivate well-known, influential customers who can influence other buyers	6.78	0.48	6.74	0.44	0.72
8. Examine records: examine directories, membership lists, phone books, company records, and other written documents	5.10	1.64	5.67	1.30	0.08[c]
9. Public exhibitions: organize or participate in public seminars, company trade shows, etc. directed at potential prospects	4.29	2.00	5.26	1.84	0.02[c,d]
10. Referral approach: ask prospects or current customers for the names of other potential prospects	5.88	1.31	6.37	0.87	0.04[c]
11. Introduction approach: obtain from prospects or customers personal introductions to new prospects via phone, letter, or in person	5.46	1.49	6.00	1.11	0.06[c]
12. Community contact: ask friends and acquaintances in your local community for names of potential prospects	5.39	1.46	5.84	1.34	0.15
13. Non-competing salespeople: seek names of potential prospects from salespeople in non-banking industries	5.02	1.89	5.21	1.52	0.62

(*continued*)

Selling techniques	Bottom performer[a] $n = 41$	Std Dev	Sales performance Top performer[b] $n = 41$	Std Dev	Signif. (p)
14. Contact organizations: seek prospect names from community groups, service clubs, civic organizations, etc	4.93	1.74	5.58	1.55	0.07[c]
15. Pre-notification ("warm call") approach: notify prospects through the mail that you will be calling on them soon	3.68	1.90	3.91	1.76	0.58
16. Personal networking: use social, community, and professional relationships to develop contacts, which will lead to sales relationships	5.85	1.30	6.19	1.18	0.22
Pre-approach					
1. Prospect Information: obtain information about prospects from current customers, local newspapers, or from prospects themselves prior to the sales interview	5.63	1.30	6.40	1.05	0.00[c]
2. Intermediary approach: have mutual friends or current customers contact the prospects to arrange sales interviews	4.66	1.76	4.77	1.77	0.78
3. Direct contact approach: contact prospects directly by letter or telephone to arrange a sales interview	5.80	1.68	6.37	0.98	0.06[c]
The approach					
1. Prospect-focused approach: open the sales interview with a compliment or a question to gain the prospect's attention and interest	5.95	1.43	5.91	1.54	0.90
2. Product-benefit approach: state the potential benefits of using your product to raise the prospect's curiosity and interest	6.22	1.28	6.40	1.40	0.55
3. Statement approach: open with a statement about yourself, the name of your company, or the name of the person who referred you	4.71	1.83	5.53	1.74	0.04[c,d]
4. Peak interest approach: open with dramatic efforts such as shock techniques, showmanship, or a gift to gain attention and interest	1.98	1.31	1.88	1.28	0.75

(*continued*)

Table I.

Table I.

Selling techniques	Bottom performer[a] $n = 41$	Std Dev	Sales performance Top performer[b] $n = 41$	Std Dev	Signif. (p)
The sales presentation					
1. Ask prospect questions: ask the prospect questions during the sales presentation to establish the prospect's understanding	5.87	1.30	6.19	1.14	0.25
2. Tailored sales presentation: make a sales presentation that is customized or specifically tailored to each prospect	5.46	1.57	5.60	1.18	0.64
3. Help prospect visualize offering: use printouts, diagrams, charts, etc. to demonstrate the product and reinforce the sales presentation	5.54	1.68	5.81	1.39	0.41
4. Product-benefit approach: focus the sales talk on the product and the benefit it offers	6.22	0.88	6.44	1.05	0.30
5. Talk prospect's language: use short, non-technical words in the sales presentation	5.54	1.27	6.33	0.81	0.00[c,d]
6. Partially standardized sales presentation: change the sales presentation slightly for each prospect	5.10	1.36	4.53	1.79	0.11
7. Use comparisons: compare your products to those of your competitors (e.g. "Our product has twice the sales as theirs")	3.05	2.16	2.95	1.95	0.83
8. Need-satisfaction approach: focus the sales talk around identifying the prospect's needs, using probing questions when necessary	5.88	1.29	6.67	0.61	0.00[c]
9. Use showmanship/dramatization: emphasize a selling point using unusual dramatic efforts	2.42	1.57	2.12	1.57	0.38
10. Standardized ("canned") sales presentations: make the same sales presentation to all prospects	2.73	1.52	2.48	1.64	0.46
Overcoming objections					
1. Direct answer method: provide a specific response to the exact question raised by the prospect	6.20	1.01	6.31	1.00	0.61
2. Non-dispute method: avoid or delay direct answers, or passively accept the objections without disputing the prospect	3.51	1.82	3.26	2.31	0.59

(*continued*)

Selling techniques	Bottom performer[a] $n = 41$	Std Dev	Sales performance Top performer[b] $n = 41$	Std Dev	Signif. (p)
3. Offset methods: accept the objection but offset it or minimize it with supporting product demonstrations, testimonials, comparisons, or other compensation product benefits	6.05	1.07	6.40	0.77	0.09[c]
4. Dispute method: dispute the objection – directly, indirectly, or by demonstration – as not true or not entirely correct	3.17	1.75	2.71	1.88	0.26
5. Comparative-item method: show the prospect two or more products and when the prospect objects to a feature in one product, reject it and substitute the other	3.39	1.94	3.50	2.06	0.80
6. Turn-around ("boomerang") method: convert the prospect's reason for not buying into a reason for buying (e.g. "that might be the very reason you should buy")	5.78	1.41	6.02	1.47	0.44
Closing					
1. Straightforward close: ask for the order in a direct manner, summarizing the benefits, if appropriate	5.71	1.45	5.95	1.56	0.46
2. Presumptive close: assume the prospect is ready to buy and ask questions to write up the sale (e.g. which of the two product choices)	4.83	1.99	4.84	2.17	0.99
3. Clarification close: clarify the product benefits with a demonstration, competitive comparison, or satisfied customer testimonial	4.51	1.78	5.14	1.55	0.09[c,d]
4. Arousal close: appeal to the prospect's emotions (e.g. fear of being under-insured; care for loved ones, etc.) or create a sense of urgency	5.24	1.74	5.56	1.40	0.36
5. Minor-decision close: seek approval on small decisions related to completing the purchase, leading up to the larger purchase decision	4.61	1.67	4.49	1.94	0.76
6. Single obstacle close: the prospect is almost ready to buy the product except for one reason, so the salesperson attempts to eliminate the obstacle	5.90	1.30	6.26	1.03	0.17
7. Use silence: say nothing and let the prospect make the decision	2.56	1.73	1.93	1.32	0.06[c]

(*continued*)

Table I.

Selling techniques	Bottom performer[a] $n = 41$	Std Dev	Sales performance Top performer[b] $n = 41$	Std Dev	Signif. (p)
Follow-up service					
1. Follow-up questions, complaints, and adjustments: when the policy (or product) is delivered, ensure that it is in order and that the customer is satisfied, answering follow-up questions if necessary	6.44	1.11	6.77	0.43	0.08[c]
2. Periodic follow-up of customer satisfaction: periodically check with the customer to ensure that they continue to be satisfied with their purchase	5.49	1.50	6.42	0.85	0.00[c,d]
3. Reassuring the customer: seek to rebuild or maintain the customer's confidence in his or her purchase decision	6.32	0.85	6.63	0.62	0.06[c]
4. Proper billing procedures and policies: explain your firm's billing procedures and interpret your firm's policies and practices	5.93	1.40	6.42	1.16	0.08[c]
5. Sending thank-you notes to customers: send a letter of thanks and appreciation to the customer	3.88	1.88	4.53	2.06	0.28

Notes: [a]Bottom performers: first quartile; [b]top performers: fourth quartile; [c]these sales techniques represent the initial 18 used in the analysis; [d]These sales techniques represent the final five used in the analysis

Table I.

A logistic regression model was used to identify the CSFs that best differentiate the top and bottom performers. Logistic regression is used to differentiate between the two groups because this technique has an advantage (over discriminant analysis) in that it is robust to violations of multivariate normality and equal variance-covariance matrices across group assumptions (Hair *et al.*, 1988).

The model used group membership as the dependent variable (i.e. top performers/bottom performers) and the 18 selling techniques as the independent variables. A backward stepwise procedure based on the likelihood ratio method was used to identify which of the 18 selling techniques are the best predictors of group membership. Stepwise is a systematic approach that is adequate for building models with a large number of independent variables (Mendenhall and Sincich, 1996). Table II shows the β coefficients, standard errors, Wald statistics and significance levels.

The logistic regression model produced a significant improvement over chance ($\tau = 65.63$ percent), by correctly classifying 86.6 percent of the observations (71 out of 82 observations), 87.8 percent of the top performers (36 out of 41 observations), and 85.4 percent of the bottom performers (35 out of 41 observations). The model is significant at $p < 0.01$.

Results

A total of five sales techniques representing five of the seven stages of the sales process were found to be the best predictors of group membership (i.e. top performers/bottom performers).

These were:

(1) *Prospecting* – organizing or participating in public seminars, company trade shows, etc. directed at potential prospects.

(2) *Approach* – opening with a statement about the salesperson, the name of the bank, or the name of the person who referred the prospect.

(3) *Sales presentation* – talk the prospect's language using short and non-technical words in the sales presentation.

(4) *Closing* – clarifying the product benefits with a demonstration, competitive comparison, or satisfied customer testimonial.

(5) *Follow-up service* – periodically check with the customer to ensure that they continue to be satisfied with their purchase.

A *post hoc* analysis based on ANOVA models found top-performing salespeople had more sales experience in general ($p < 0.01$), more sales experience in sales of banking products ($p < 0.07$), more education ($p < 0.06$), and higher salaries ($p < 0.02$) as compared to bottom sales performers. No difference between the two groups was found for age or gender.

Table II. Means, standard deviations, and logistic regression model results

Selling techniques (independent variables)	Poor Perf[a] $n = 41$	Std Dev	Top Perf[b] $n = 41$	Std Dev	β Coeff	Std error	Wald	Signif. (p)
	Sales performance							
Model constant					−13.04	3.07	18.01	0.00
Prospecting Public exhibitions: organize or participate in public seminars, company trade shows, etc. directed at potential prospects	4.29	2.00	5.26	1.84	0.33	0.15	4.70	0.03
The approach Statement approach: open with a statement about yourself, the name of your company, or the name of the person who referred you to the prospect	5.80	1.68	6.37	0.98	0.33	0.17	3.87	0.05
The sales presentation Talk prospect's language: use short, non-technical words in the sales presentation	5.54	1.27	6.33	0.81	0.56	0.30	3.49	0.06
Closing Clarification close: clarify the product benefits with a demonstration, competitive comparison, or satisfied customer testimonial	4.51	1.78	5.14	1.55	0.43	0.18	5.75	0.02
Follow-up service Periodic follow-up of customer satisfaction: periodically check with the customer to ensure that they continue to be satisfied with their purchase	5.49	1.50	6.42	0.85	0.71	0.32	4.49	0.03

Notes: [a]Poor performers: first quartile, 35 (85.4 percent) observations are correctly classified by the model; [b]Top performers: fourth quartile, 36 (87.8 percent) observations are correctly classified by the model

Discussion

This study identified five CSFs in the selling of banking products and services in Ecuador. First, salespeople who engage in organizing or participating in public seminars or company trade shows directed at potential prospects are more likely to be top rather than bottom sales performers. This result is consistent with O'Hara (1993) who found that trade shows are beneficial in the areas of prospecting, need determination, and intelligence gathering.

Second, salespeople who approach the prospect by opening with a statement about themselves, the name of their company, and the name of the person(s) who referred the salesperson to the prospect are more likely to top sales performers. This finding may be explained in two ways. First, both banks surveyed have been rated above the industry average as to their overall risk. Thus, using the name of the banks likely would be beneficial in the selling process. Second, statements about person(s) who referred the customers may be important in Hispanic sales contexts, given that Hispanic salespeople have a tendency to emphasize the needs of the group (i.e. allocentrism and simpatía) as compared to Anglo salespeople.

Third, consistent with Sparks and Areni (2002), salespeople who talk the prospect's language, using short and non-technical words in their sales presentations, are more likely to be successful compared to salespeople who use a technical and non-audience friendly language. Talking the prospect's language is consistent with the adaptive selling approach that suggests salespeople should customize their presentations to a customer's needs (Spiro and Weitz, 1990).

Fourth, salespeople who close the sale with a clarification of the product benefits via demonstrations, competitive comparisons, or satisfied customer testimonials are likely to be top sales performers. This is consistent with Thomas *et al.* (1992) who found that product and service knowledge are critical components of salesperson success.

Finally, salespeople who periodically check with the customer to ensure that they continue to be satisfied with their purchase are likely to perform better. Post-purchase satisfaction is critical not only for maintaining the existing customers but also for increasing repeat purchase behaviors (Johnston and Marshall, 2003).

Managerial implications

The results of this study are important for the banking industry in the context of the rapidly expanding Hispanic marketplace. In this context, differences in performance between top and bottom sales performers in the banking industry relate to the use of five selling techniques: organizing or participating in public exhibitions directed at prospects; approaching prospects using statements about the salesperson, the bank, and names of persons who referred the prospect; using a customer friendly language during the sales presentation;

being knowledgeable of the benefits of the banks products and being able to clarify the products benefits; and, ensuring post-purchase satisfaction of existing customers.

Bank managers in Hispanic markets can readily design training programs consistent with these selling techniques that have been identified as critical to sales success. Also, these managers may increase their participation in trade shows as a means for prospecting new customers. Finally, further evidence of the importance of customer satisfaction in the success of salespeople is presented. Hence, bank managers may develop programs to enhance satisfaction levels of existing customers as a means for improving long-term sales.

Limitations and directions for future research

Several research limitations have to be taken into considerations. First, this study only examined the Ecuadorian banking industry, and although it is reasonable to assume this group is nicely representative of Latin American banking employees, it is possible that our results may not generalize perfectly to other industries or countries in Latin America. Second, no analysis has been conducted as to the techniques that do not differentiate top and bottom sales performers. Third, other variables that may have an impact on sales performance such as personality, motivation of the sales force, and differences among sales territories or units have not been included in this study. Future research may address these limitations by including other industries in the analysis, by comparing our results with results obtained from samples from other countries, and by including other relevant variables in the study.

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