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Garrett Chapman
Georgia Southern University

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Inside Sales vs. Outside Sales & The Evolving Art of Communication

An Honors Thesis submitted in partial fulfillment of the requirements for Honors in the
Marketing Department of The College of Business Administration.

By
Garrett Chapman

Under the mentorship of Dr. Stefan Sleep

ABSTRACT

The 21st Century market is defined by the rise of technology and the level to which different businesses adapt to these innovations. The modern-day sales market has entered a new era of interaction between buyer and seller. While the traditional method of sales, entailing an inside representative supporting outside salespeople still exist, many companies have invested heavily into a strictly inside sales method. Inside sales is cost-effective for businesses, but it removes the benefits of non-verbal communication from the buyer and seller. Research was conducted through a detailed literature review and interviews of industry professionals in both the inside and outside salesforce. The literature review defines inside sales and outside sales in terms of the modern market, emphasizes the importance of non-verbals in the communication process, and highlights the market shift towards inside sales. The results of the interviews coincided closely with the information gathered in the literature review. The study finds that the outside salesperson relies on body language from both the buyer's and seller's perspective. The inside salesperson utilizes tone of voice and other similar techniques to overcome the absence of non-verbal communication. Body language remains a major key to communication, but slowly we are all learning to adapt.

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Dr. Stefan Sleep

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Dr. Steven Engel

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Introduction

This research focuses on the variation in the methods of communication engaged in by inside and outside salespeople during the sales process. Outside sales is the model that most think of when they think of a salesperson. Outside salespeople meet with clients and conduct the primary aspects of the sales process face-to-face with the client. A product of the modern market, the inside salesforce conducts business in a secondary location via phone, email, or other virtual technology. While outside sales models are still quite prevalent, the market began to shift towards the inside sales model in the early nineties. Many of the businesses that made this transition did so with the bottom line in mind because inside sales cuts costs. The rise of technology in the workplace played a major role in this shift as well. The nineties saw an influx of technological influence that improved communication via the Internet, phone, and other virtual methods (e.g. Skype). These evolving methods of communication have swept through the sales profession, leaving their mark throughout the industry. This market shift radically changed the way that companies do business. The shift also reduced the most innate connection between people, the ability to visualize the buyer in conversation.

Human beings communicate with far more than just their verbiage. In fact, non-verbal communication makes up 55% of communication between people. That can come in the form of a simple shoulder shrug, a smile, a facial expression, or even the way either person is dressed. Inside salespeople and the buyers lose this connection because they largely communicate via phone or email. That highlights the primary purpose of this paper, to investigate the evolving methods of communication that salespeople use. This work delves into what makes non-verbal communication so important and how it pertains to the sales profession. We then investigate how outside salespeople actively use non-

verbals to sell. Next, we discover how the inside salesperson overcomes the lack thereof and if it puts an inside salesperson at any disadvantage. Finally, we investigate whether businesses really do benefit from moving sales inside. This research compares the methods of the different salespeople and identify what makes each successful.

Technology has forever changed the way that we do business. This research highlights the effective means to which salespeople have adapted and evolved with the market shift.

Literature Review

The topics discussed in the literature review section involve defining both outside and inside sales roles, the market shift towards the inside sales method, and the importance of body language and communication.

Outside Sales

Outside salespeople conduct most of the sales process in a face-to-face meeting with potential clients. According to a recent of 100 sales vice presidents, outside salespeople deal with larger, more expensive sales with a longer, more complex sales processes. As a result, a more diversified set of skills than those of an inside salesperson is required (Martin 2013). Outside salespeople work with many different levels of management and different value must be produced for each specific group. As a result, outside salespeople have to be strategic and quick on their feet. An outside salesperson must be exceptional at fostering relationships because that is how new business is brought in. This makes emotional intelligence, or the ability to be aware of the thoughts and emotions of another, and situational awareness must-haves. An effective outside salesperson must be able to go beyond the words of a buyer. That salesperson must have the ability to hear any underlying needs or desires, which they can then turn in to a sale. However, these abilities do have their detriments for the business. Due to their higher perceived skill sets, outside salespeople command higher salaries. In addition to this, outside salespeople incur costs due to travel and other customer related expenses. Many of the sales that are contracted are done so due to established relationships developed over an extended period. As a result, those clients tend to leave with the salesperson if

they ever decide to move on (Zoltners, Sinha, Lorimer 2013). In simpler terms, outside salespeople sow large costs, but reap substantial benefits.

Before the rise of the digital age, sales and outside sales were synonymous with one another. Employing an outside salesperson was the method that worked and firms relied completely on a salesperson's ability to conduct business face-to-face. Any detriments to the process were just accepted as regular business expenses. There was no other tangible option available. However, with the evolution and adaptation of technology (e.g. the Internet and other virtual methods of communication) in business, outside sales techniques were forced to follow suit. The process starts with inside representatives prospecting potential clients with a phone call or an email. The purpose is to gather relevant information and to secure an opportunity for the buyer to meet with the field representative. With the meeting set and relevant information in-hand, the outside salesperson has everything they needed to contract a sale.

Inside Sales

The increasing adoption of inside sales teams by businesses is the product of the current market and the increased power of the modern consumer (Kucuk 2012). The modern consumer is more informed and powerful than ever before (Labrecque, et al. 2013). In the past, buyers relied heavily upon the salesperson to provide relative information so a proper decision can be made. However, the rise of the digital era increased the amount of information and different options that are readily available to the buyer. Via the Internet, buyers can research any information that they deem relevant. Due to this, the buyer is relying on their relationship with the seller less and less because informed decisions can be made independently. At this point, some buyers only need the

salesperson when the time comes to contract the sale and end the sales process. As a result, the buyer would prefer to do business with a quick phone call instead of a drawn-out sales visit (Kucuk 2012). In addition to this, inside salespeople provide opportunities for substantial growth due to an increased sales force and the ability to attack markets that would be far too expensive to reach if outside methods were employed. This point is especially true for products that are less expensive and have simpler sales processes. As a result, inside sales has gained significant traction over the last three decades.

There are significant competitive advantages that a business stands to gain when this method of selling is employed. Of these advantages, cost plays the primary role. Inside salespeople bring in more new customers for approximately 40% to 90% less than their outside counterparts (Zoltners, Sinha, Lorimer 2013). Cost reduction stems from smaller salaries and the elimination of travel expenses incurred from getting from client to client. Additionally, inside sales reps conduct the entire sales process in-house via telephone, email, and/or video calls with the support of a customer relationship management (CRM) systems. While an outside sales representative is limited to a specific region in relation to their home office, inside sales reps can stretch internationally. Managers see the role as requiring fewer interpersonal skills than outside sales (Martin 2013). This reduces the “ramp up”, or training-time, following a hire. Even in the traditional outside sales model, new hires typically serve the established field person, while they are in this ramp up period, in an inside role. These benefits come to the firm while incurring fewer costs. This makes it possible, and even advantageous, for the firm to hire and train more salespeople (Hedges 2015). This method makes sense for firms with simple products looking to cut costs. However, this is not applicable to

everyone. There are many companies that simply cannot succeed with only an inside salesforce because of the nature of the product, price, or sales process that they employ. Inside sales is most effective when the buyer knows what they need and when most of the information necessary to complete a sale is already in-hand.

Market Shift

While the outside salesforces remain prevalent, the market has gradually shifted inside over the past three decades. In a recent study, 47% of businesses had transitioned away from an outside sales model and towards an inside sales model (Martin 2013). The next logical question to ask is what would prompt a firm to decide whether to invest in an inside or outside salesforce. There are three key factors that help a firm make this decision. These factors are classified in terms of the stage of development the firm is in, the complexity of the firm's product and sales process, and a certain method's perceived effectiveness by the firm's sales leader (Martin 2013). In the early stages of a business's life, it is critical for firms to establish a wide base and reach as many potential clients as possible. Firms will typically employ an inside sales force to do this because of the ability to reach so many at a smaller cost. This helps a firm scale its operations in order to maximize sales productivity. After the firm has been in the industry for extended period, some reach a benchmark phase. At this stage, outside sales reps are typically required because this is when the sales process increases in complexity and the product increases in price (Martin 2013). Firms are going after larger clientele and typically require outside representatives to secure those bigger deals. The next key factor for businesses is predicated upon the type of product that is sold and the complexity of the sales process that the product requires. Larger capital expenditures typically involve a longer sales

processes, with multiple decision-makers weighing in. It is not uncommon that every level of an organization has a say in this type of purchase. For a sale like this to be made, outside sales techniques are the most effective means to contract the sale (Martin 2013). Point-specific sales processes are typically far simpler, with fewer decision-makers involved. For a sale like this, an inside sales method would be well suited to contract the sale. The final factor driving the decisions of firms is the perception of the sales leader. Most sales leaders believe that outside salespeople have superior skills, thus making them more valuable to the business (Landry 2015). However, if the sales leader believes that they simply incur too many unnecessary expenses, processes will be moved inside. These three factors are the key to knowing what sort of salesforce should be employed. Firms are forever conscious of their bottom line and are always looking to cut costs. More and more, firms are identifying outside sales as the fat that needs to be trimmed. At this point, it is nearly impossible to refute the idea that the market is shifting.

Body Language & Communication

Non-verbal communication is the most innate form of communication between human beings. These “cues” implicitly govern social interactions of all kinds. Of which, there are three primary forms of non-verbal communication: non-verbals that support the verbiage, communication of attitudes or emotions that may not be expressed in the verbiage, and the complete replacement of the verbiage itself (Argyle 1972). To put this into better context, imagine watching television in a different language. Even though there is no way to fully garner every piece of what the actors are communicating, there is still information that gets conveyed. An angry snarl, a toothy grin, or an eye roll are solid indicators of the direction of a conversation. In another study of facial expressions with

neutral phrases (e.g. “whatever”, “O.K.”, “Fine”, etc.), Albert Mehrabian (1967) determined that non-verbal communication makes up most of communication. He concluded that 55% of communication is deciphered via non-verbal cues, 38% through tone of voice, and 7% through the verbiage itself. These figures are especially applicable when individuals are discussing their emotions or when there is an incongruence between a person’s non-verbals and their words. These are the typical types of conversations that a salesperson has with their clients every day.

Non-verbal communication is also effective in determining another person’s level of warmth and confidence. These are two traits that are especially important in an effective salesperson. These perceptions help shape the emotions and behaviors between people, as well as within ourselves. Charles Darwin reinforces that sentiment with the Facial Feedback Theory. He reflected that, “Even the simulation of an emotion tends to arouse it in our minds” (Cuddy, Glick, Beninger 2011). His theory perpetuated the thought that even a fake smile can spark a positive emotion in the other individual and/or yourself. People are constantly evaluating other people. Non-verbal cues go a long way in determining someone’s warmth and competence (Burgoon, et al. 1984). The ideal example of this in action is the smile. People say that a “smile is contagious, even if it is fake”, and Darwin’s research would happen to agree. These subtle cues manage to make impressions on all those that the individual comes in contact. That simple smile conveys so much emotion, fake or not. Additional research shows that something as simple as a backwards body lean, the absence of a smile, low levels of eye contact, or bad posture lead to a greater detachment and sense of disinterest between two people (Ballew, Todorov 2007). In this separate study that measured these cues in congruence with

politicians running for office, participants could predict 68.6% of the gubernatorial races and 72.4% of Senate races in 2006 (Ballew, Todorov 2007). People are constantly evaluating others. Effective body language and non-verbal communication can be a powerful tool, regardless of if it is consciously utilized or not.

Non-verbal cues are a critical piece of the puzzle of communication and can have tremendous implications on the sales process. Those involved in sales must be vitally interested in maximizing their communication skills, and thus perfecting their non-verbal communication. Body language is most effective when it is used to complement what a person is saying (Mehrabian 1967). In a recent study, education and training in effective non-verbal communication actually enhanced the proficiency and success of personal selling (Peterson 2005). The study evidenced the importance of investing in body language and proposed that every business should consider doing the same. The participants only received one hundred minutes of training, yet there was evidence to show that it still yielded positive results. What could be deemed equally important, if not more-so, is the ability to read the body language of the other person (Anderson 2001). Proficiency with this gives a seller the ability to discern where the buyer is in the sales process and what their needs or desires may be. Salespeople that invest in their non-verbal communication stand to gain substantial results. Being able to communicate with your own body language and read that of others can provide a significant competitive advantage.

Methods

The information for this project was gathered via interviews of ten sales professionals currently working in the industry. In total, five inside salespeople and five outside salespeople were interviewed. These interviews took place over the course of two weeks. They were conducted over the phone and each conversation was recorded for future use. Interviews ranged from fifteen to twenty minutes. The data that was collected falls under the qualitative category of research. Conclusions were made based upon what we hear in each of the different interviews paired with background research.

Selection Process

Using the professional social network, LinkedIn, sales professionals were contacted and asked to be participants in the study. All of the participants were connections of professors in the sales or marketing department for the Georgia Southern University, College of Business. Those that agreed to partake in the study were sent letters of confidentiality that articulated their rights as participants. At this point, interviews were scheduled and carried out over the phone. Participants were classified as either inside salespeople or outside salespeople. Interviews were conducted across individuals from different industries with varying levels of experience. The basic descriptions of the research participants can be found in Table 1: The Participants.

Table 1: The Participants

Inside Sales Participants			
<u>Participant #</u>	<u>Industry</u>	<u>Sales Experience</u>	<u>Tenure With Current Company</u>
#1	Legal Process Outsourcing	3 years	2 years
#2	E-commerce Site Optimization	2 years	7 months
#3	Medical Technology	12 years	10 years
#4	Marketing Automation Software	2 years	8 months
#5	Telecommunications	10 years	5 years

Outside Sales Participants			
<u>Participant #</u>	<u>Industry</u>	<u>Sales Experience</u>	<u>Tenure With Current Company</u>
#6	Freight Brokerage	2 years	2 years
#7	Insurance	2 years	10 months
#8	Plastics	5 months	5 months
#9	Door and Millwork Manufacturing	15 years	8 months
#10	Luxury Clothing	9 years	9 years

Script

Based on the research that was conducted leading up to the interviews, a rough script was written out. The purpose of the script was to provide relative consistency throughout the different interviews, but provide an avenue towards open conversation regarding each individual's sales methods. The questions were open-ended with the goal of sparking conversation and leaving the door open for follow-up probing questions. The outline for the interviews is available upon request and a summary of the document can be found in Exhibit 1: The Script.

Exhibit 1: The Script**Engagement Questions – Outside Salesperson**

Can you walk me through your current sales process?

(Probe) How long does this process typically take?

(Probe) Are there a lot of decision-makers?

(Probe) Where do you find your clients?

Do you consciously use body language?

(Probe) How?

(Probe) How important is body language to your process?

(Probe) Does it affect your ability to move a sale along?

Are there any non-verbal cues that you look for in your buyer?

(Probe) Are these relatively consistent with different buyers?

What are the differences between your interactions on the phone compared to when you're talking with your buyer face-to-face?

(Probe) Do you think you have an advantage because you complete your sales with the buyer in front of you?

Why do you think that the market is shifting towards inside sales?

(Probe) Are there limitations to outside sales?

What are the most important things to know about an outside salesperson?

Engagement Questions – Inside Salesperson

Can you walk me through your current sales process?

(Probe) How long does this process typically take?

(Probe) Are there a lot of decision-makers?

(Probe) Where do you find your clients?

What is your primary method of communicate that you use with clients or potential customers?

(Probe) What are your feelings on communicating this way with customers?

(Probe) Do your customers prefer a simple phone call or email?

Are you familiar with Customer Relationship Management systems (CRM)?

(Probe) Do you use one, or something like one?

(Probe) Can you walk me through that process?

Does your office have any outside salespeople that you use to close a sale?

(Probe) Why do you think that is?

Since you, personally, don't go see your clients in person, is there something you do to make your buyer more comfortable or something you do to make sure your point gets made?

(Probe) Do you think this is effective?

Since you don't have access to your buyer's non-verbal communication, are there other cues that you look for?

(Probe) Do you listen for their tone of voice?

(Probe) Are there specific words or phrases that you look for?

Why do you think that the market is shifting towards inside sales?

(Probe) Do you think your skills would translate to outside sales?

(Probe) Are there limitations to inside sales?

What are the most important things to know about an outside salesperson?

Results

The shift towards an inside salesforce was recognized by these industry professionals. The observed results of the interviews coincide consistently with the literature review.

Non-verbals in Outside Sales

Something that was abundantly clear, following the interviews, was the idea that non-verbal communication came easily for all the outside salespeople. The outside salespeople actively seek to give the buyer a certain perception to make the buyer feel more comfortable. An easy strategy used by the seller was the consciousness of appearance. One participant emphasized the fact that his clients wear boots, jeans, and a polo. For this person, wearing a suit would make the seller look out of place and make the buyer uncomfortable. As far as other methods of non-verbal communication, displays of warmth, comfort, and confidence came easily for these participants. Outside interviewees naturally engaged in many of the strong non-verbals that were mentioned earlier. When asked about the types of non-verbals that they use, each of the five participants mentioned that they actively smile.

***“Smiles are definitely number one... you want them to be interested in you and your product...
You can best gauge that with a smile”***

The other major tactic that was mentioned is the element of effective body mirroring. This is a powerful tool that many people engage subconsciously. The goal of this tactic is to match the demeanor that the buyer displays to make them more comfortable interacting with the seller. According to the outside salespeople, effective

body mirroring subconsciously makes the other person feel understood. This builds a connection between the buyer and seller, fostering rapport and trust.

“I really want to mirror my clients. If he’s the more laid-back type, I’m going to match that... I want to match the energy they bring so they don’t feel overwhelmed or underwhelmed with everything that’s happening”

The outside interviewees had varying levels of value placed in their non-verbal communication. Some of the outside interviewees said that since it came easily to them, so was not something that should be focused upon too heavily. These individuals believed that these cues should remain natural and should not be forced. Others claimed that it is the most important part of their sales process. Those interviewees believe that from the moment a salesperson walks through the door, they are being judged. An effective salesperson, in the eyes of those other interviewees, needs to convey a certain persona to their client to establish trust between the buyer and seller.

“Walking in with a smile, shoulders tall is really important. It makes me feel confident in myself and it tells the buyer you know your stuff... how you walk in determines how the visit will go... it can make or break a sale”

All of these salespeople especially look for cues in their buyers. The outside interviewees use these cues to dissect the buyer’s feelings and emotions. In fact, the salespeople that mentioned they do not focus heavily on their own non-verbals followed up that sentiment by mentioning how much more important the buyer’s signals are. However, each sees how important their ability to be receptive to the buyer’s needs is to their sales process. The only way they can do this is by actively listening to what the buyer says. Beyond that simple verbiage, the outside interviewees look for other cues to decipher their buyers. Each outside salesperson mentioned different activities that an

uncomfortable or disinterested buyer engages in. This could range from the buyer constantly checking their phone or computer to their facial expressions and shuffling papers on their desk. The client is not always going to say everything that they are thinking. The job of the salesperson is to read these cues and to break through that figurative wall the buyer might be putting up. The outside salesperson wants to engage the buyer in any way possible. If they fail to engage, they cannot make that connection, rendering a successful sale impossible.

“It’s all about picking up on what the buyer is telling me, like if he is glancing over at his email a lot or sitting back with his arms crossed, you know he needs to be engaged to grab that interest back”

When asked if they believed inside salespeople would have any advantage over outside sales, perceptions were split. Some of the outside salespeople believe that the inside salesforce has a significant advantage simply because they can reach so many more people for less cost. These individuals also highlighted the fact that outside salespeople are limited to their territory when inside salespeople can connect with people all over the world. Although there was a caveat to the perceived advantage. All of the outside salespeople emphasized relationship building in their work and that it still had value in the sales processes. However, if an inside salesperson could foster even a remotely similar type of relationship, an advantage becomes evident. If the inside salesperson cannot foster that relationship, they are going to fail to make the sale.

“Inside sales is more convenient and definitely cheaper... There is no way that I can go see someone every day because I’m responsible for my territory... it can take me almost 45 minutes to get from one person to the next...”

The other outside salespeople believed that inside sales fails at the most important aspect of sales, connecting with the buyer. These individuals believe that a face-to-face encounter could never be replicated. They highlight the importance of the “little nuggets of information that are contained in a facial expression” that a phone call misses. Being receptive to the buyer is noticeably more difficult for these participants when they are relegated to an email or phone call. In these interviewees’ opinion, the inside salesforce lacks this simple connection to the buyer. As a result, the inside salesperson loses that trust that is so important in sales.

“A face-to-face interaction is more important than anything you can accomplish on the phone, no matter how often you’re making those calls”

Communication in Inside Sales

Many of the tactics that the inside salespeople used were actually quite similar to those of the outside salespeople. Inside salespeople are still conscious of their appearance and body language regardless of if the buyer sees them or not. One participant emphasized the fact that even though the buyer may not have access to his non-verbal communication, he should never act that way. This participant said that your non-verbals are expressed in your tonality and that the buyer still picks up on these cues, regardless of what the buyer can visualize. Furthering this point, he claimed that the buyer’s tone of voice is his biggest cue because it lets him pick up on what they are thinking.

“I don’t have access to their non-verbal cues, but I don’t act like they don’t have access to mine... I still dress professionally... They will know hear my non-verbals because it’s expressed in my tonality. On top of that, I really pay attention to their tone of voice because you can pick up on how they are feeling or what they are thinking ... it’s the biggest tool that I have”

“Smiling through the phone” was a phrase that was consistently mentioned during each interview. The inside interviewees believed that they could display similar levels of warmth with the smile because of the change in tonality. The power of smiling was consistent across both inside and outside sales. The smile generates warmth and the buyer feels that, making them feel more comfortable. Another salesperson mentioned how important it was to get the buyer to laugh. The laugh kept them both engaged and connected. With the buyer more comfortable, a successful sales call is more likely.

“You can definitely hear (a smile) through the phone... It’s honestly the best avenue I have to connect with someone on the phone”

Since none of the inside salespeople that were interviewed had access to non-verbal communication, they were all asked what they would listen for. The inside interviewees mentioned that there are key words that they listen for, but each emphasized that subtle cues were far more important. While certain words or phrases might prove to be helpful to them, they were rarely consistent from buyer to buyer. That makes subtle cues like tone of voice or depth of responses very valuable to them. If the buyer was giving dry, simple responses, then it was clear that they are not as engaged as the seller would want. To combat this, the inside salesperson will ask the buyer different questions or try to probe to get more meaningful responses.

“The ability to listen for any subtle cues is what separates openers and closers... it is how we figure out where they are in the buying cycle... Not only hearing those tones, but recognizing them inside of the call is really important to knowing what the best ways to communicate to that individual person are”

The inside interviewees recognized the limitations that existed for them. Not being able to sit in front of your buyer has clear disadvantages. When a sales process is

initiated and finished on the phone, the seller has a much shorter window to instill trust with the buyer or even gain their attention. A buyer can easily delete an email or hang up the phone. At that point the sale could be lost forever and the salesperson would be forced to move on. One participant conceded that being able to read the buyer and gauge interest in person is the biggest advantage that outside sales has over inside sales.

“You’re definitely facing a hurdle in not being able to connect with them on a face-to-face basis... it makes it that much more important to quickly establish credibility within the call... You have thirty seconds in a call to justify getting the next thirty seconds”

Even with those potential shortcomings, the inside interviewees all believed that they had a distinct advantage over the outside salesforce. Outside sales inherently incurs higher costs due to travel and other customer related expenses. An inside sales team can employ more salespeople for less and they can reach a wider market. These participants have embraced the role of technology in the workplace. Firms are always looking for more ways to make the most of their time and maximize their sales at the lowest possible cost. For these participants, inside sales makes the most of both of these things. In addition to the preferences of the buyer, the inside interviewees consistently believe that the buyer actually prefers the inside sales method as well. One participant mentioned that information is free flowing because of the Internet. His job was just to make sure that the deal went through. In his eyes, the aforementioned element of trust is simply too overblown. He goes further and says that the modern buyer and seller are more comfortable in separate locations. A seller does not have to feign interest in the buyer and the buyer does not have to endure being continuously sold to, something he says nobody likes anyway.

“I think of (inside sales) as an advantage because you get to more of what you want to make yourself comfortable... You can’t do that in a face-to-face meeting. It honestly makes your calls go better because it puts you in a better frame of mind... My clients prefer it too. With the product that I sell, we don’t need to meet”

One of the participants was adamant that inside sales, while not ideal for every sales process, is the future of sales. He brought up that technology opened the world and that businesses need to do everything they can to keep up with it. His market exists because of these technological advancements. The future of outside sales, in his eyes, must adopt a certain degree of inside sales techniques if they are to be a part of the evolving modern market.

“We can call people all over the world: Australia, the U.K., Canada, all over the U.S., South Africa... (Inside sales) is the only way that we can do business because we don’t have the volume in a singular location to justify flying just to meet with them... but we can do business all over the world, which is something that outside sales cannot say”

Conclusion

Different methods work for different products and processes. Businesses must decide for themselves what methods suit them. Both have their specific advantages and disadvantages, alike.

Inside Sales vs. Outside Sales

Body language and non-verbal communication will continue to be a major key to connecting people with each other. That will never go away. There are elements of this truth displayed throughout this profession. However, business people are learning how to communicate without it. Technology is pushing this new truth upon the industry and businesses are being forced to adapt. While good for closing and fostering relationships for future sales, outside sales does not always make fiscal sense for businesses. Inside sales, for many businesses, are good enough and its benefits outweigh its shortcomings. Inside sales represent businesses' attempts to match the rise of technology and grow with each new adaptation. While the subset of sales its fair share of shortcomings, businesses are learning how to overcome them. Outside sales are still important for the complex, expensive sales processes, but businesses that sell simpler, more standardized products stand to benefit from an inside sales model. For those businesses, an outside model just would not make any sense. Firms need to keep in mind the increased power of the buyer in the modern market. Businesses must assess their own processes and needs to make an informed decision on whether a transition should be made. The buyer has more power than ever before and businesses must adapt to satisfy the changing needs of the modern customer. For some, that means an inside sales model is absolutely necessary, but that is

not universally true. The market will continue to evolve and the businesses that can keep up are the only ones that will survive.

Implications of the New Market – The Future of Sales

A common theme that was displayed throughout many of the interviews was the element of “hybrid sales” methods. Hybrid sales is the mixture of inside and outside sales in a sales process. Many of these processes involve an inside sales representative prospecting potential clients and securing dates for the outside sales representative to go meet with the buyer in person. However, this is where the hybrid method goes beyond the traditional method. This inside sales representative can ask deeper preliminary questions and gauge their interests and needs as if they were probing to make a sale. The inside sales representative then takes this information and provides it to their field representative. This makes it so the field representative has more information going in so that they can maximize their window of time with the client. These firms use their new hires in this inside role while they trained the inside representatives to become field representatives in the future. Another aspect of this hybrid method that makes it effective is how it deals with different clients. Businesses can close sales on smaller clients with an inside salesforce and deploy their outside salesforce for larger clients that require a longer sales process with more decision makers. This is an ideal example of how businesses are adapting to the market, but maintaining what has been the backbone of sales for generations.

While the market is shifting, some things will never change. Outside sales, to some extent, will always have its own place in the market. Hybrid sales methods are the perfect example of this. There are some products and sales processes that could never be

adequately completed remotely, but the cost of performing the entire process in person does not make sense either. Inside sales and outside sales have their own specific strengths and weaknesses, but each has its own purpose. Businesses of the 21st Century must learn how to maximize each method to its fullest potential. Inside sales may be the future, but nothing can truly replicate the value of a face-to-face conversation.

In summary, body language plays a crucial role for outside salespeople throughout their sales process. These salespeople are effective at conveying confidence and warmth to their buyer through effective body language. This keeps the buyer at ease as they progress through the sales process. The outside salesperson also picks up on the non-verbals of the buyer and uses that information to see what the buyer is thinking. With that information, the outside salesperson can attempt to advance the sale. Inside salespeople must overcome a substantial obstacle because they are conducting business remotely. However, according to the inside interviewees, tone of voice makes up for the lack of physical presence to a certain extent. Non-verbal communication makes up 55% of communication, but tone of voice comes closely behind it at 38% (Mehrabian 1967). In the opinions of the inside interviewees, the convenience factor and the growing power of the consumer make up for that 55% loss of communication. Whether an inside salesforce or an outside salesforce has an advantage is relative to the business. Overall, the modern market will continue to evolve and businesses will continue to adapt.

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