



WHY SALES TRAINING HAS NOT CHANGED IN 100 YEARS

Synopsis

In this white paper, David Hoffeld writes about a startling problem that is hindering the profession of selling. He discloses documented proof that the core philosophy that is taught in sales training has not changed in nearly 100 years. David explains why this is problematic and why the discipline of sales, which was once thriving, has not evolved. The paper concludes with a practical analysis of how the discipline of sales can emerge out of its dark ages.

About the Author

David Hoffeld is CEO of the Hoffeld Group, a research based sales training, coaching and consulting firm that is the leader in the integration of proven science and sales. The Hoffeld Group takes the repeatable and predictable principles, which science has proven to create and enable influence, out of the laboratory and academic journals and apply them to selling. For a deeper look at the Hoffeld Group's groundbreaking research and innovative sales strategies visit HoffeldGroup.com.

When Change Is Good

The core philosophy of sales training has remained unchanged since the early 1900's. This audacious statement is one that stuns most sales professionals. Now to be sure, modern sales training has incorporated technology into its selling process. The entire Sales 2.0 movement is based on incorporating the latest technological advancements. Yet, though the tools sales people use have changed, the way sales people sell has not.

When sales professionals encounter this bold assertion they usually have one of two responses:

Response#1: Some respond with blatant indifference. They insist that because people have not changed since then, there is no need for sales training to change either. This response merely highlights the alarming ignorance of the proven science of influence that was previously disclosed. Though it is true that the inner workings of human beings have not changed since the early 1900's, what has radically changed is the understanding of human beings. Science has provided so many meaningful, research based insights into how humans are influenced that to sell without this knowledge is reckless and significantly increases the probability of failure.

Response#2: The second common response to the claim that the core philosophy of sales training has remained unchanged since the early 1900's is disbelief. In answering this reservation I will first put this issue in a proper context and then I will offer documented proof.

To understand the magnitude of the idea that not much has changed in sales training in roughly 100 years, it is first important to realize what has changed. When you study what life was like in the early 1900's it does not take one long to realize that almost every area of society has drastically changed. There is little doubt that we live at a privileged place and time in human history. Never before have so many advances in science occurred within such a short period of time that have so improved the quality of human life. For instance, during most of recorded human history medicine was a pseudoscience. Doctors did their best, but the mortality rate was dreadfully high. However, because of modern scientific discoveries, now the quality of medical care patients receive is drastically different than what was available in the early 1900's.

One prime example of these life altering medical breakthroughs occurred in September 1928 when Alexander Fleming discovered penicillin. Fleming reported his innovative results in the scientific paper "On the antibacterial action of cultures of a Penicillin with special reference to their use in the isolation of B. influenza" which was published in the *British Journal of Experimental Pathology* in 1929. It was Fleming's finding that is credited for paving the way for modern antibiotics.

Though antibiotics were not commonly accepted until almost halfway through the twentieth century, today it is estimated that they have saved the lives of millions of people. In fact, medical experts contend that the control of infections is one of the primary reasons that the mortality rate of children has plummeted and adult life expectancy has also dramatically risen.

Knowledge in almost every area has also grown significantly since the early 1900's. In the last 100 years there have been more scientific advances than in any other 100 year period in recorded human history. Even business practices have radically changed in the last 100 years. For example, 100 years ago marketing was in its infancy, but now it is studied as a science in nearly every college and business school.

There is one discipline that has remained stagnant since the last century. It is the field of selling. What makes this so concerning is that there has been an astounding amount of scientific breakthroughs in the last few decades that have disclosed how humans are influenced and how the brain processes information. These scientific advancements have been proven to significantly enhance a sales person sales effectiveness. However, within the discipline of selling, this proven science has been ignored as selling practices have remained virtually unchanged. This is disturbing because despite the fact that sales is the lifeblood of a company, the fundamentals of the training that equips sales people to sell are largely the same as they were in the early 1900's.

History of Sales Training

In the late 1800's and early 1900's sales people were central to the success of an organization. Sales people would travel from town to town meeting with homeowners and business owners sharing the products that companies offered. It was during this period that much of the sales training and selling methodologies that are still used today were formalized.

By the latter part of the 1800's sales scripts were introduced as a way to assist sales people. It was also at this time that systemized sales processes began to become commonplace. For example, in 1875 Ebenezer Hannaford published the first edition of *Success in Canvassing: A Manual of Practical Hints and Instruction, Specially Adapted to the Use of Book Canvassers of the Better Class* in 1875. The book had a simple three step process that he deemed, "the philosophy of canvassing."¹

- 1. Gain a Hearing**
- 2. Create Desire**
- 3. Take the Order**

Hannaford instructed sales people how to be organized, open a conversation, present products, overcome objections and close sales. His book also provided some best practices and some common mistakes that sales people should avoid. Hannaford stated that one potent selling technique that sales people should employ was to create a list of those within the community who had purchased their product. The sales person should then reference this list to boost their credibility and reduce the perception of risk in purchasing. Hannaford declared that "the majority of people are afraid to trust their own unaid-

1. Ebenezer Hannaford. *Success in Canvassing: A Manual of Practical Hints and Instruction, Specially Adapted to the Use of Book Canvassers of the Better Class, Revised Edition*. (New York: E. Hannaford, 1884). p. 4.

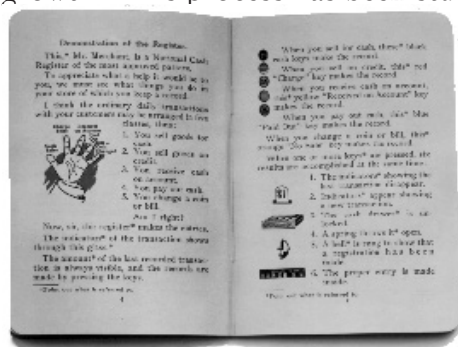
ed judgment about buying a book; but show them that Dr. A. and Rev. Mr. B., or Judge C. and Professor D., or Colonel E. and Squire F. – have taken your work, and you will decide them immediately.”²

Many of today’s sales concepts were also prevalent during the late 1800’s. Some of the most frequently taught were: asking open ended questions, not disclosing price until prospects understood the value of the product or service and customizing one’s sales approach to the specific needs of the prospect.

One well-known book on selling was authored by Norval Hawkins in 1918. Hawkins, who was head of sales for the Ford Motor Company titled his work, *The Selling Process*.³ Hawkins asserted that sales people should follow a four step sales process:

1. **Preparation:** The preparation step was composed of prospecting, analyzing the prospect and devising a unique approach for that particular prospect.
2. **Presenting:** In the presenting step sales people were instructed to discover prospect’s needs, gain the prospect’s attention and obtain the prospect’s interest.
3. **Convincing:** Hawkins specified that in the convincing step sales people should focus on fostering a desire for the product and overcome any objections.
4. **Closing:** In the final step, sales people were to ask the prospect to purchase, fill out all necessary paperwork and create an opportunity for future orders.

However, one of the first organizations to fully develop a comprehensive sales process was the National Cash Register Company, which was famously led by John Henry Patterson. The National Cash Register Company sold cash registers, which in the late 1800’s were a new technology that many business owners did not trust. Yet, what made The National Cash Register Company legendary was the fact that their selling process increased their sales to such an extent that it caused the company to experience rapid growth. This process has been studied, as it was well documented in a number of the company’s internal publications. It was most notably documented in the company’s sales training manual, the *Primer*, which was first produced in 1887.



Over the years the *Primer* swelled to over 300 pages. It was considered a revolutionary document for its day because it disclosed an exact sales process that sales people should strictly follow and informed them how to execute each part of the process.⁴ The process contained within its pages was comprised of four main steps.⁵

1. **The Approach:** It was in the Approach that sales people would ask strategic questions to acquire an understanding of the prospect’s situation. The goal of the Approach was to listen to the prospect and identify the problems that were keeping the prospect from becoming more

2. Ibid. p. 3.

3. Norval A. Hawkins. *The Selling Process: A Handbook of Salesmanship Principles*. (Detroit: Norval A. Hawkins, 1918).

4. Samuel Crowther. *John H. Patterson: Pioneer in Industrial Welfare*. (New York: Garden City Publishing, 1926). p. 106.

5. Roy Wilder Johnson and Russell W. Lynch. *The Sales Strategy of John H. Patterson: Founder of the National Cash Register Company*. (Chicago: Dartnell Corporation, 1932).

profitable. The sales person was implored to not act like the stereotypical sales person of the day, but rather to offer a consultative sales approach.

2. **The Proposition:** The Proposition was when the sales person would attempt to spark the prospect's interest by telling the prospect how the cash register could alleviate the prospect's problems and make the business more profitable.
3. **The Demonstration:** The Demonstration was the part of the sale where the sales person would demonstrate how his cash register's features would benefit the prospect and solve his problem. Sales people were trained on the exact way to demonstrate the cash register so that prospects understood the features and benefits. In addition, sales people were also shown how to guide their prospects in using the cash register so that the prospect felt comfortable and confident in the decision to purchase.⁶
4. **The Close:** The final step in the process was the Close. It was at the close that the sales person would assume the sale with closing questions or statements such as, "How soon do you want delivery?" "What color shall I make it?" or "Just sign here."⁷ However, before asking for the order, NCR sales people were told that they should be analyzing the prospect throughout the sales to ensure that he was ready to purchase. This was affirmed by making sure that the prospect had gone through a series of "mental operations."⁸ These mental states were "First, the conviction that he is losing considerable money through errors in store transactions; second, that a National Cash Register will stop these losses and pay for itself; third, that he must get one immediately."⁹

The National Cash Register Company's sales people were also trained how to handle objections¹⁰, sympathize with the prospect's business interests and convey sincerity and passion when presenting the product.¹¹ Sales people were also taught to avoid certain nonverbal signals¹² and to create urgency, but at the same time, "avoid giving the impression to the merchant that you are trying to force him to buy. No man likes to feel he is being sold."¹³

Now, to be sure, I have only provided a brief overview of the National Cash Register Company's selling methodology. Nevertheless, the sales process that the National Cash Register Company used is not that much different than those promoted by modern sales trainers. In some ways it is even more comprehensive than many current selling processes. Classic works like E. St. Elmo Lewis's *Creative Selling* (1911), Arthur Dunn's *Scientific Selling and Advertising* (1922), E.K. Strong's well-known *The Psychology*

6. NCR. September 15, 1893.

7. Roy Wilder Johnson and Russell W. Lynch. *The Sales Strategy of John H. Patterson: Founder of the National Cash Register Company*. (Chicago: Dartnell Corporation, 1932). p. 175.

8. NCR. September 15th, 1899. p. 434.

9. NCR. September 15th, 1899. p. 434.

10. NCR. November 1, 1891. p. 409.

11. NCR. February 1, 1899. p. 72.

12. NCR. September 15, 1893.

13. Roy Wilder Johnson and Russell W. Lynch. *The Sales Strategy of John H. Patterson: Founder of the National Cash Register Company*. (Chicago: Dartnell Corporation, 1932). p. 175.

of *Selling and Advertising* (1925) and Harry Tosdal's *Principles of Selling* (1926) and many others could be referenced as additional examples of how modern sales training is merely a copy of the ideas taught from the late 1800's thru the early 1900's. In fact, upon review of the literature on selling from this time period, it becomes clear that the fundamental difference between it and the modern books on selling are that modern books have contemporary language. Besides these semantic reconstructions, sales training has remained unchanged. What many wonder is why?

The Dark Ages of Selling

The reason that sales training had not progressed since the early part of the twentieth century is because of a major philosophical shift that altered how businesses utilized sales people. The evidence shows that prior to this time period, the study of sales was rapidly developing. For example, Stanford University's E.K. Strong wrote in 1925 that according to Library of Congress records only 1 book on sales existed in the year 1869. However, with each passing decade more and more books on sales were being published.¹⁴

	Published	Total
1869.....	1	1
1870 – 1880.....	1	2
1880 – 1890.....	3	5
1890 – 1900.....	6	11
1900 – 1910.....	36	47
1910 – 1920.....	220	267
1920 – 1922.....	151 (3 years only)	418

By the early 1900's, sales training was blossoming. A growing number of books on sales were being published every year and the quality of the literature was dramatically improving. For instance, one of the first textbooks on social psychology was authored by William McDougall in 1908.¹⁵ McDougall's book was reprinted numerous times and went on to sell over 100,000 copies. Though social psychology was in its infancy, its relevance in selling had caught the attention of the progressive thinkers who were studying the field of selling. In 1926 Harvard University Professor Harry Tosdal in his book, *Principles of Selling*, quoted McDougall numerous times.¹⁶

14. Edward K. Strong. *The Psychology of Selling and Advertising*. (New York: McGraw-Hill, 1925). p. 8.

15. William McDougall. *Social Psychology: An introduction*. (London: Methuen, 1908).

16. Harry R. Tosdal. *Principles of Personal Selling*. (New York: A. W. Shaw Company, 1926.) p. 76, 86, 91.

Because selling was being earnestly studied by academics, by the mid 1920's courses in selling were beginning to become prevalent at universities.

- As Strong confirms, “A few years ago not a course on salesmanship or advertising was given anywhere. Today many of our colleges and universities offer such courses and more and more emphasis is being put upon the training of salesman.”¹⁷
- Tosdal echoes this contention when he penned, “Salesman may take courses in business schools, colleges, universities, or correspondence schools... Recognized universities carry courses in salesmanship in their curriculum.”¹⁸

However, something happened that radically shifted the core philosophy of business and as a result halted the progression of the study of sales. It was this event that plunged sales into its dark ages, from which it is only beginning to emerge.

In 1929 the Great Depression disseminated the economy. Many businesses closed their doors and those that remained were forced to enter a survival mode. The economy was in shambles as both businesses and consumers had little money to spend and were unwilling to purchase anything that was not a necessity. To survive during this economic depression business leaders focused on making decisions that were devoid of any risks and would virtually guarantee profit.

This change in business philosophy also changed how businesses leveraged their sales people. In the past decades, sales people were the means through which many businesses would market their products. It was the sales people who would inform prospects about the products that the company sold. However, now with the Great Depression radically changing the landscape of buying habits, businesses found themselves in the precarious situation of having to both cut costs and ensure the generation of revenue. If they failed at either of these survival measures they would quickly find themselves out of business. Consequently, business leaders felt that continuing to use sales people to drive the awareness of their products was simply too risky. Instead, businesses began to rely heavily upon the young discipline of marketing and conduct surveys asking potential customers what type of products they wanted and how much they were willing to pay. Then armed with this information they would only create those products that they knew would sell. Though this method limited growth and innovation, it was the best way to ensure survival during the lean years that were produced by the Great Depression.

Alfred Sloan, the CEO of General Motors, expresses this shift in philosophy in his 1933 letter to General Motors stockholders. In this letter he announces that GM had invited one million motorists to provide feedback to the company's engineers regarding their likes and dislikes. Sloan writes:

To discuss consumer research as a functional activity would give an erroneous impression. In its broad implications it is more in the nature of an OPERATING PHILOSOPHY, which, to be fully effective, must extend through all phases of a business – weighing every action from the standpoint of how it affects the goodwill of the institution, recognizing that the quickest way to profits – and the permanent assurance of such profits – is to serve the customer in the way in

17. Edward K. Strong. *The Psychology of Selling and Advertising*. (New York: McGraw-Hill, 1925). p. 8.

18. Harry R. Tosdal. *Principles of Personal Selling*. (New York: A. W. Shaw Company, 1926.) p. 527.

which the customer wants to be served.¹⁹

Sloan's letter represents this vast shift from the previous era which had been focused on salespeople cultivating interest in a company's products. Now it began to be reversed with the emphasis upon identifying what prospects wanted and giving it to them. This change is understandable given the circumstances of the Great Depression. However, the impact that it had upon the discipline of sales still resounds today. As marketing became the driver of business it also became a business priority and began to be studied in place of sales. Colleges began to replace their classes on sales with classes on marketing. Slowly, over the next few decades marketing evolved into a science, while sales was labeled an art and left in the hands of those who had the "gift of gab."

This is why today selling is rarely studied seriously or taught at business schools. Professor at DePaul University Suzanne Fogel and her colleagues commented on the severity of this problem in their *Harvard Business Review* article when they wrote, "Take a look at the curricula of the world's top-ranked business schools, and you might come away with the impression that sales is unimportant. Most MBA programs offer no sales-related courses at all, and those that do offer only a single course in sales management. Even at the undergraduate level of business instruction, sales courses are sparse."²⁰

Even modern-day sales leaders have noticed that not much has changed in sales since the early part of the twentieth century.

- Neil Rackham, creator of SPIN Selling affirms that since the 1920's little has changed in the way sales people sell.^{21 22}
- Sales authorities Jason Jordan and Michelle Vazzana confirm, "Sales has somehow evaded the management rigor and professional discipline that has burgeoned in its peer groups. And there are currently fewer than 50 colleges and universities in the United States that offer a major or minor in sales. Compared to finance, manufacturing, or marketing, the discipline of sales is still in its infancy."²³

This is why sales training is trite, overly simplistic and undeveloped. It is also why research has shown that 38% - 49% of all sales people fail to make quota and that 85% - 90% of all sales training has no impact within a mere 120 days?^{24 25 26 27 28}

19. Alfred P. Sloan. "Quarterly Dividend Mailing to GM Common Stockholders," General Motors Corporation, September 11, 1933.

20. Suzanne Fogel, David Hoffmeister, Richard Rocco and Daniel Struck. "Teaching Sales." *Harvard Business Review*, July-August 2012. p. 94.

21. Neil Rackham. *SPIN Selling*. (New York: McGraw-Hill, 1988). p. ix.

22. Neil Rackham and John R. DeVincentis. *Rethinking the Sales Force*. (New York: McGraw-Hill, 1998). p. 3.

23. Jason Jordan with Michelle Vazzana. *Cracking the Sales Management Code*. (New York: McGraw-Hill, 2012). p. 9.

24. Barry Trailer and Jim Dickie. "Understanding What Your Sales Manager Is Up Against." *Harvard Business Review*, July – August, 2006.

25. *Sales Performance and Optimization Study*. CSO Insights, 2010.

26. *Sales Performance and Optimization: 2013 Key Trends Analysis*. CSO Insights, 2013.

27. *The Top 7 Sales Training Pitfalls & 7 Solutions for Sustained Success*. ES Research Group, 2012. p. 3.

28. David Stein. *Sales Training: The 120-Day Curse*. ES Research Group, 2011. p. 3.



Today, sales people are being trained with the same strategies as sales people in the 1920's. This is despite the fact that now, sales people are selling in a technology driven, hyper-competitive marketplace. In comparison to the selling climate of early 1900's, today everything has changed, except the way sales people are equipped.

The reality is that the profession of sales can no longer accept the same training that sales people received a century ago. Imagine if a doctor moved into your area and advertised that he or she went to a unique medical school that taught medicine in the same way it was taught in the early part of the twentieth century. This would mean that this doctor had no knowledge of the modern medical practices, treatments or medications. Would you allow your loved ones to receive medical care from such a person? Of course not. You would never want anyone you care about to receive outdated and ineffective medical treatment. You would insist that those whom you love receive the highest quality of medical care that is based upon proven science.

Likewise, why would those in the profession of sales allow the health of their businesses and livelihoods to be weakened by ignoring science and embracing sales training from the early 1920's. It is not only ludicrous, it is dangerous and unnecessary.

The Hope for Selling

In spite of the dismal state of selling, there is hope. In 1961, sales thought leader Robert N. McMurry famously proclaimed in his *Harvard Business Review* article, "Salesmanship—as an art applied at the face-to-face level—is just as primitive today as it was 100 years ago."²⁹ McMurry also asserted in the same article, "Selling is a human task that can only be explained satisfactorily in human terms. We must look a good deal further—into the mysteries of personality and psychology—if we want real answers."³⁰

29. Robert N. McMurry. "Mystique of Super-Salesmanship," *Harvard Business Review*, March, 1961.

30. Ibid.

McMurry's insight is as profound as it is correct. If the profession of sales desires "real answers" it must look into the "mysteries of personality and psychology." McMurry was bound by what was known at his time. In 1961 the proven science of influence was still in its infancy. Yet, today it is not. Today... McMurry's vision is able to be realized.

Never before in human history has there been so much scientifically validated information regarding what creates and enables influence. For sales people, understanding these scientific principles is indispensable because when sales people align their activities and behaviors with proven science their ability to sell is enhanced. In today's fiercely competitive, tumultuous selling climate neglecting proven science is no longer an option.

This is why I created the Hoffeld Group. The Hoffeld Group is a research based sales training, coaching and consulting firm that is the leader in the integration of proven science and sales. We study the scientific disciplines of social psychology, communication theory, cognitive psychology, cognitive neuroscience, social neuroscience and behavioral economics. We then take the repeatable and predictable principles, which science has proven create and enable influence, out of the laboratory and academic journals and apply them to selling. The results our clients achieve are amazingly consistent. When sales people base their selling efforts on proven science sales production increases, market share grows and sometimes businesses and careers are even reborn. In short, when sales people align their behaviors with science, their interactions are enriched and so is their effectiveness.