

Real world projects: Creating a home-grown fundraiser for your sales course

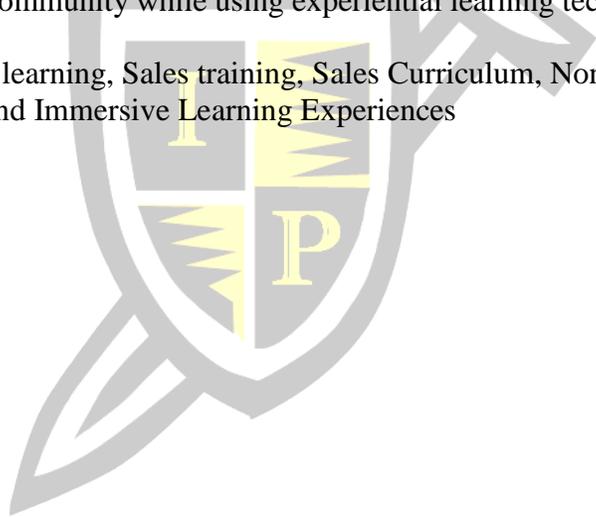
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ABSTRACT

More than any other area of business, expertise in personal selling and sales management can best be seen through applied learning styles. Many universities are now offering sale concentration in marketing or even MBA degrees. However, many students still feel instructors teaching methods are outdated. Instructors use many different techniques such as role-playing, dialogues, and case studies to teach personal selling. Students may be able to demonstrate excellence in selling using a non-profit organization. Giving your students the task to obtain commitment in the form of donations gives them real-world experience in selling. This project gives back to the local community while using experiential learning techniques to teach sales.

Keywords: Experiential learning, Sales training, Sales Curriculum, Non-profit Organizations, Teaching Techniques, and Immersive Learning Experiences



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INTRODUCTION

Experiential and active learning processes have increased in their adoption by colleges of business as they seek to develop individuals capable of critical thinking skills and creativity. Harsell and O'Neill (2010) have defined experiential learning as "the process of learning by experience." Experiential learning has been applied through such educational approaches as internships (cf. Dillon, McCaskey, & Blazer, 2011), to consulting projects (Maskulka, Stout, & Massad, 2011), and student-run businesses (Tompkins & Schlesinger, 2010), and study abroad experiences (Feinberg 2002). The commonly accepted advantage of experiential learning processes is that students, by means of being actively involved in the *context* of the business concepts under study (whether the workplace in an internship, the company setting for a consulting project, or the running of a firm whether virtually through simulation or actually through student-run firms) will more fully appreciate not only the key concepts being considered, but also the fit of their own functional roles with those also present in the context. The benefits of this learning is clear in that it delivers on stakeholder-valued competencies such as analytical thinking, people and task management, and self-management (Maskulka, Stout, and Massad 2011).

Furthermore, AACSB International recognizes the need for student engagement in the learning process as a part of the business curriculum of accredited institutions (AACSB International 2012). Experiential learning in the personal selling realm is also helpful to raising awareness of business practices, personality differences, and institutional environments within which business practices occur. Such experiential learning practice requires either in-depth and focused seminars on-campus or the participation in an internship.

One area in which experiential learning activities appear to have been limited is that of Personal Selling and Sales Management. Healy et al. (2011) tested sales course design via the use of Bloom's taxonomy and experiential learning theory. Inks and Avila (2008) reported on preparing the next generation of sales professionals through a mixture of simulated and real-world learning experiences. The authors identified limited instances of cases in which experiential learning activities were being conducted in non-profit settings. As such, the current program reports on the development and implementation of a novel experiential learning approach to engender appreciation of personal selling concepts within the non-profit context.

EXPERIENTIAL LEARNING APPLIED TO A PERSONAL SELLING COURSE IN A NON-PROFIT CONTEXT

Sales professionals often attack higher education institutions that attempt to teach sales techniques. Sales is one area of business that is not easily taught by theories and the traditional textbook (Clusky, Elbeck, Hill and Strupeck 2011). Other topic areas in marketing such as advertising, promotions, and distribution have a long history of being taught by lectures from the instructor and a textbook. However, personal selling and sales management concentrations are best taught through real-world experience. Sales concentrations are becoming ever more prevalent at the undergraduate and master's levels, therefore, institutions are working hard to create rich learning experiences to teach these skills (Spillan, Totten, and Ziemnowicz 2007).

A few instructors of sales courses have provided students real-world experiences that provided gain for their own personal ventures or a friend's for-profit venture. Many times students backlash because they feel they are benefiting a for-profit corporation with little or no

gratitude. Many professors rely on role-playing which many students do not adequately prepare for and are rather immature when acting out the scenario in front of their peers. Another technique by sales professors is to have a sales project that consists of selling an inexpensive, necessity such as a newspaper prescription. Students can't relate to these "boring" products so their motivation and engagement is lackluster. Higher education institutions have already invested capital in the development of sales concentration but by promoting these programs using these types of students activities they lose value.

Professors are often criticized by their old-school teaching habits. However, by partnering with a non-profit organization, students can gain the real-world experience in sales needed to succeed after graduation. Many stakeholders benefit from the project not just the students. The institution benefits through goodwill for the community. Also the faculty member benefits through service for the local community which is often part of the tenure and promotion requirements in higher education. By tasking the students to obtain donation for a local charity they also benefit by learning about non-profit organizations, having a volunteer experience to put on their résumé, and learning the essential skills of selling (Haley 2004).

In one example, a six-week summer course with enrollment of only 19 students, the students exceeded their optimistic goal of \$6,000 in checks, cash, gift certificates, and merchandise. The students' efforts benefited a local charity that provides shelter to children from birth to age 15 who are abused by their parents or guardians. It is an in between shelter for these children until their parents can have them back or an appropriate foster or adoption family is found. The students concentrate their efforts on the shelter's annual volleyball tournament which was being held at the end of the semester.

Our goal is set: benefiting a charity while teaching selling skills such as networking and strengthening relationships (Geissler, Gary L. Steve W. Edison, and Jane P. Wayland 2012). An early conundrum in the process: do prospects have a yes/no attitude about donating to a charity? Or can the student rebut and gain commitment? The selling project would only be successful if students had the opportunity to show their selling skills and ask for the sale at the appropriate time. An added benefit is the project's tie to other marketing principles, including target market analysis, environmental analysis, and goal development which can be used as a refresher for the previous courses taken in the marketing realm.

The project began with investigating details about the charity, description of the target market for the charity event, preparation of an external environment scan, situational analysis of the charity, and development of class/group/individual goals. Next, students created a territory analysis and selected locations where they would allocate more resources (salespeople). The next step was development of a prospect list by each group and then to qualify each prospect. The students then developed a pitch or sales script and a list of objections that might be encountered with corresponding rebuttals. The objections covered many areas such as information about the charity and university and the students' purpose. After the project is complete, a debrief presentation shares the group's results, including commitment ratios and charts/graphs of their results. Students reflect on activities they would have done differently throughout the internship-type sales position. The final step is students sending personalized thank-you letters to each committed local non-profit supporter.

7 STEP SELLING PROCESS

Moncrief and Marshall (2005) presented a seven step sales process framework which was utilized to describe the student experiential learning opportunity in greater detail.

1. Prospecting

During this first step of the selling process, students identify the charity's target market based on the charity's mission and the event they're supporting. The following are a few things to consider when developing the target market analysis: demographic/sociographics (stage in family life cycle: single/married, household size, education attainment, age, gender, income), life style characteristics, psychographics (similar values, attitudes), behavioral and degree of loyalty, and relationship to the product, service, or charity.

Next, the student develops an initial prospect list. Prospects are sourced from the student's center of influence. One good method is to ask students to make a list of friends or acquaintances with characteristics of the defined target market. Students will also find that technology is a useful tool for identifying leads.

2. Qualifying prospects

The second step is to qualify the prospects by asking the following questions: Does the prospect have a need/want? Does the prospect have the ability to commit? Can the prospect be approached favorably? Does the prospect have the authority to commit? This process weeds out leads that may waste time and create early motivation problems due to rejection.

3. Making an appointment

The first challenge in this step is determining the right individual with which to speak, or who can point you in the right direction. When calling on individuals or businesses, students must be aware of the time of day. For example, calling upon a restaurant during lunch or dinner rush should be avoided.

4. Making your presentation

Dressing the part is an important aspect of the fourth step in the selling process. Prospects see this as a manifestation of confidence. This doesn't mean that students need to wear a suit and tie but arriving in gym clothes will almost certainly not provide you with results you were seeking.

An emotional appeal tends to work well for charity commitments. This can be presented in the form of a short story, a video, or reciting statistics. Students need to be reminded that everyone has a story; they should ask the prospect about their involvement with other non-profits to glean more information that could be helpful in selling. If the students' charity benefits a disease like cancer, most people have a friend or loved one who has suffered from the disease. Remind students that listening is commonly listed as the number one quality of an effective salesperson (Ramsey and Sohi 1997).

5. Overcoming Objections

The fifth step is overcoming common objections. Students should prepare a list of common objections and corresponding rebuttals, and should work to memorize and anticipate these objections. As new objections are encountered, they should be added to the list and a rebuttal created for each.

Common objections that students may encounter will center around affordability (I can't afford it), awareness (I haven't heard of the charity), preference (I already support a different charity), and lack of funds (I have exhausted my charitable contributions for the year). Remember that many objections are just requests for more information and should not be viewed negatively. Other objections may include concerns about where the money goes and how it is used (Does the money stay local, and how much is used for administrative purposes?), lack of information (I need to know more about the charity), lack of time (I can't right now), or hesitation (I need to think about it).

6. Obtaining commitment (closing the sale)

Next, the students must ask for the sale. When closing, it's important to create a sense of urgency and reiterate the goals and timeline.

7. Follow-up and Referrals

It's common practice to send a personalized letter to each prospect that committed to donating. This letter should include the charity's tax information. At this point it's important to ask for referrals. A seller's closing rate increases significantly when he can ask for an individual by name and can express to them that someone they know has already supported the charity. The endless chain method, defined as obtaining at least one referral from each person the seller contacts, should be the students' goal (Pettit-O'Malley et al. 1993).

STUDENT FEEDBACK

Start early

Don't wait until the end of the semester! Rejection isn't any easier if delayed, and can sometimes set people back until they get on a roll. If you fail to start early the rejection may scare you into failure.

Be prepared

Print the sales script and a short charity information guide to have in front of you when calling prospects. Review this information shortly before calling on prospects in person. The process will get easier, but the first few times you call on prospects, having a "cheat sheet" with you can boost confidence.

Work smarter not harder!

The easiest way to find good prospects and get your foot in the door is to make a list of all the people you know, past work experiences, your current work, businesses you frequent, etc. Cold calling is a very difficult way of prospecting, but can provide good prospects if qualified properly.

Have confidence

Don't ever apologize for asking for a donation. The money is going to a local charity, not for you to get a new pair of shoes. Believing in the mission of the charity and seeing who the money benefits can provide motivation.

Always carry the letter

A letter on professional letterhead is the easiest way to gain commitment. Carrying this letter and giving it to your regular hairdresser/barber, your barista, and your local sandwich artist can provide results with very little effort. The letter legitimizes your position and tells the prospect details about the charity, about the event, and that you would like to offer them the opportunity to help support the nonprofit.

Personal touch

Emails to prospects took very little time, but didn't provide results in most cases. The student found that walking into businesses resulted in higher commitment ratios.

Start high

Don't be worried that you are asking for too much money. If the prospect says that the number is too high, explain that the charity is grateful for any amount they can give. Reinforce past success and reiterate your goals to justify your starting position.

Think small

Working with a local but active charity is easiest. Large charities may give the impression that money leaves the community (or worse yet, this may actually be true). Small business owners are rarely willing to donate to large charities. Accordingly, call on small, local businesses rather than large corporations

Talk a lot!

Tell everyone you know or meet about your project. This creates awareness of the charity and when people see you are excited about the activity, they're more likely to donate or get involved.

Call first

Always call the businesses beforehand to make an appointment with the manager. Cold-calling on foot is often unproductive if a prospect has a busy schedule. Knowing who to ask for poses a challenge as well. Depending on the size of the firm, asking for the manager or the person in charge of community relations can get you to the desired staff member quickly.

Memorize a few statistics

It is good to know a few quick statistics about the charity. Here are a few examples: —
-“A report of child abuse is made every ten seconds. Almost five children die every day as a result of child abuse.”

-“Approximately 15% of patients with aneurismal subarachnoid hemorrhage (SAH) die before reaching the hospital. There are almost 500,000 deaths worldwide each year caused by brain aneurysms and half the victims are younger than 50.”

-Event participants can also be a selling point for business prospects. Example: “Last year’s tournament participants included three-time Gold Medalist Misty May-Trainor and 2016 Olympic hopeful Nick Lucena along with over 250 other players.”

Emphasize what is in it for the prospect

Firms that donate to charities receive much more than a tax write-off. Name and brand recognition and association with a charity can provide goodwill for a company. Some companies may want to donate anonymously, but depending on the type of company, many will want the name and association benefits firms receive from supporting a nonprofit.

ADDITIONAL LEARNING OPPORTUNITIES

B2B vs. B2C prospects

Business-to-business and business-to-business consumer prospects pose different challenges trying to gain commitment. If you concentrate the project on B2C prospects students with many personal contacts may not get as much out of the assignment. By concentrating on B2B or a combination of B2B/B2C the students will be challenged with finding out who has the authority to commit to a charity. It isn’t always as easy as asking for the manager. The larger the company is the more “red tape” or managerial layers you may have to deal with in the process.

Corporate sponsorships

Depending on where your college is located there might be large-local corporate headquarters that may want to donate. Often these corporations will make one donations that exceeds the optimistic goal for the project. Remember these sponsorships take more time and should be started earlier than small, local business prospects. Team selling, which is discussed next, is a good way to approach large corporations.

Team selling

Selling in a team offers benefits and limitations. As a team students may feel more comfortable than with individual presentations. Another benefit is splitting up the presentation so the prospects don't get bored and you can base it on personality types. An analytic can provide the background on the charity, an emotional student can tell a detailed story about the mission of the charity and an assertive student can ask for commitment.

Motivating the sales force

The instructor can provide many learning experiences by providing different types of rewards (intrinsic and extrinsic) to motivate the students individually or as a group. A contest rewarding the most sales (performance goals), the most sales calls (activity goals), or ratios (conversion goals).

Presenting to a group of workers during a break

Many companies will allow a short presentation during employee breaks (often in the break-room). This is a great way to reach numerous prospects in a short-time. The student or group of students make one short presentation and then ask for commitment. Companies may have matching programs which can provide even more support for the charity.

Management Emphasis

The students should treat this as commission-based compensation plan. Rather than the charity paying the students the instructor rewards the students with a grade for the students' overall performance on the charity project. The two types of incentive pay are commission and bonus. A commission is based on an individual sale whereas a bonus is based on overall performance. Spiffs can also be rewarded to the salesforce based on games and other motivating techniques.

Legal/ethical Issues

An introduction to the differences between nonprofit and profit firms can provide student learning opportunities. The importance of establishing a 501(c)3 for your nonprofit should be understood before your students start their prospecting. The do-not-call list may also pose concerns for your students. Through close consideration of the details of the do-not-call list the students learn that nonprofit are not held to the same rules. Ethical issues may arise if students try to force their friends to donate in order to get a quick project grade. Friends, namely college students, are not qualified prospects and should be avoided.

ENHANCING YOUR CAREER

Job placement for students graduating with a concentration in sales is important to these programs and most institutions disclose these statistics when recruiting students. Sales positions offer an exciting yet challenging opportunity. Many graduates are willing to take on the

challenge for the typically higher pay for new graduates. Having the ability to offer an internship-style position in which the student worked with a local non-profit is attractive to sales employers. The experience demonstrates progressive sales knowledge and skills that are easily transferred to other selling situations. This project goes beyond the classroom and influences the student to give back to the community. Many students remain involved with non-profits throughout their lives with this experience being one of their first charity related occurrence.

CONCLUSIONS

Real-world fundraisers benefiting a non-profit are a must for a sales course, and provide students with a way to hone their selling skills while giving back to the surrounding community (Inks and Avila 2008). As with any class project, there are challenges, such as choosing a charity that the students can relate. Many non-profit managers are volunteers and have full-time jobs elsewhere. Having a representative from the charity speak to the class before they start their sales efforts or a visit to the local chapter of the charity help encourage students. A large part of the selling experience is creating relationships through networking. Instructors of the sales courses are no different, they must create relationships not only with other academic professionals but they must network to find other opportunities for non-profit partnerships with the university. Instructors must also work with the university to maintain those relationships for future opportunities.

Future researchers are encouraged to investigate ways to integrate charity and volunteerism into the marketing curriculum. A survey to potential future employers of students with a degree emphasis in sales would be useful. Also developing marketing and promotional campaigns for charities in close proximity to the university provide real-world experience without benefiting a for-profit corporation. The everlasting debate of if salespeople are made not born, however, most agree that with proper guidance salespeople can be made (Pettijohn and Pettijohn 1994). Therefore, a degree concentration in sales by providing the right educational experiences can provide the skills and training to prepare quality salespeople.

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