

SECRET SAUCE SALES

A Win Doesn't Mean You Were Right

THE COMMERCIAL QUESTION

How can an early-stage company learn from sales outcomes without mistaking a good result for a good decision?

THE ANSWER

Every win. Every loss. Same question: how do we be better next time?

What the evidence says

Baron and Hershey's classic experiments showed that people evaluate the same decision more positively when it happens to end well. A large preregistered replication published decades later reproduced the effect. That matters in selling because commercial outcomes are noisy. Timing, competition, internal politics and events outside the seller's control can all influence whether a deal is won.

Sales research points in a complementary direction. Sujan, Weitz and Kumar found that a learning orientation is associated with 'working smart': developing knowledge of sales situations and using it in selling behaviour. Supervisory feedback can influence whether salespeople orient toward learning rather than merely demonstrating performance.

ESTABLISHED EVIDENCE

Decision quality is vulnerable to outcome bias: the same decision can be judged more favourably simply because it happened to end well.

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Treat victories and defeats with the same curiosity. The practical reporting question - how do we be better next time? - is our operating rule, not a published research construct.

What this challenges

The result is a problem for the standard sales review that treats the scoreboard as the explanation. A win can reinforce a weak method. A loss can cause a company to abandon a sound one. If the team only asks what happened after it knows the outcome, hindsight makes a convincing story unusually easy to construct.

What early-stage companies should do

Capture important expectations while an opportunity is live: why we think the customer will act, what we think could stop them, what we expect to happen next and what evidence would change our view. When the outcome arrives, compare reality with the earlier judgement rather than rewriting the judgement to fit the result.

Review victories and defeats with the same curiosity. The purpose is not to remove judgement from selling. It is to make judgement easier to test and improve.

The Secret Sauce

A result tells us what happened. Learning begins when we work out what the result should change.

SECRET SAUCE INGREDIENT

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Academic sources

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