

# The Sunk-Cost Effect: Don't Chase B2B Sales Wins to the Ends of the Earth

**The Misunderstanding:** You make sensible decisions based on the future value of objects, investments and experiences.

**The Truth:** Your decisions are infected by the emotional investments you've made, and the more you invest in something the more difficult it becomes to abandon it.

The sunk-cost effect is a term that our brethren in the Finance or Accounting Departments may know all too well, but it's a concept that B2B sales professionals should know also. The sunk cost effect is the tendency to persist in an endeavor once an investment of effort, time, or money has been made, even though that endeavor is not providing returns.

Think of it in the context of a friendly poker game. So you're playing a hand of Hold 'Em poker that looks promising at the outset. You call a couple of bets before the flop and the flop comes. It isn't the best flop for your hand and you're likely behind to your opponents... but you call a couple more bets in the dire hopes that your hand will improve and you can win a pot that you are highly unlikely to win. This is called "chasing good money with bad money" and it is at the heart of the sunk-cost effect. You've perceived that you've made an investment and even though it's not going to end well for you, you continue to invest in the bleak hope that your luck will change.

Now as a B2B sales professional, imagine the poker analogy as it's applied to your profession. Let's substitute poker chips for your most valuable resource — your time. You may be feverishly chasing B2B sales opportunities that are extremely low forecast opportunities — simply because you've already invested two hours in a presentation, and another few hours corresponding via phone and email. Maybe they've gone silent for a couple months... maybe they're dragging you along with very sparse communication. Either way, B2B sales professionals need to know when to cut the cord and simply add those prospects to a bucket of Inactive or Long-Term Follow-Up. ■



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## Our History

Our company evolved from a 1990's consulting practice that guided hundreds of CEOs and Entrepreneurs on the implementation of sales training, systems and processes; staffed thousands of sales people; and created branding, messaging and go-to-market plans for hundreds of hi-tech and B2B clients. Today, that experience is the foundation for a hybrid demand generation operation piloted by a highly experienced and talented team of sales leaders at Insource Leads LLC. More than 10,000 sales appointments and leads are generated annually for our clients. We are changing our industry in a better direction that leverages outbound prospecting, business intelligence, and a performance-based production model. The collective impact to client sales pipelines is more than a billion dollars of new sales opportunities entering funnels every year. Our Services Insource Leads provides high-level appointment setting and demand generation services for business-to-business technology companies through the deployment and management of quota-based marketing programs. We research opportunities and successfully secure meetings with key executives and generate leads on behalf of our clients' B2B sales teams to expand their sales pipelines and accelerate sales cycles.



## Services Overview

Pay for performance appointment setting can jump-start your organization's sales pipeline. A 60-Day Pilot will offer your company the opportunity to build a sales pipeline with our meetings, monitor conversion rates, forecast ROI and provides ample data and results to determine the viability of a permanent partnership with Insource Leads

- Pay for performance provides for a guarantee of qualified meetings with qualified prospects
- Various meeting volume options
- Custom lead modeling according to your marketing plan
- No set-up or data Fees
- Pay-Per-Meeting pricing

Your Pilot will be designed to include a strategic lead nurturing plan for your solution, custom-built marketing database, experienced Inside Sales Reps dedicated to your program from beginning to end, and much more. Our Inside Sales Reps are trained on over 70 IT Products, Apps & Solutions.

For more details and pricing, contact us to receive a custom proposal from our Program Expert outlining a Pilot exclusively geared to your sales goals, target market and sales qualifiers. Contact us by phone, chat or through our web form to learn more about how we can grow your sales.

## What Our Clients Are Saying

*"In evaluating Demand Generation vendors, we found the pay-for-performance model offered by Insource Leads, to be super attractive. Other per-month or per-rep models we evaluated didn't provide a firm guarantee of results. So we were eager to work with Insource Leads, and have been more than pleased with the results." — IT Security Client*

*"What we liked most about working with the team at Insource Leads was the open communication we had throughout the course of the campaign. They were always available to discuss critical aspects of the campaign. In addition, they successfully developed a structured process to follow-up with key prospects." — Managed Services Client*

*"What I like most about working with the Insource Leads team is that they do what they say they'll do." — Workforce Management Client*

