THE HONG KONG POLYTECHNIC UNIVERSITY DEPARTMENT OF MANAGEMENT AND MARKETING

Departmental Research Seminar

Effects of Gen-AI Marketing System on Salesperson Performance and Turnover By



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Abstract

Underperformance is prevalent in the sales occupation, a large and fast-growing profession worldwide. To empower salesforce success in a dynamic business environment, companies increasingly invest in generative-AI marketing systems which automatically generate marketing materials that salespersons can deliver to the customers. However, empirical research on the effectiveness of such gen-AI systems is scarce, and there are concerns over whether they affect the retention of high-performance salespersons as they might feel being "replaced" by AI. Based on an analysis of panel data on over 1,000 salespersons of a beauty-product company, this research finds that gen-AI ads may enhance salesperson performance if used properly. The effectiveness of gen-AI ads is conditional on (1) communication media (mass vs private communication channels) and (2) salesperson experience. Moreover, experienced salespersons who frequently use gen-AI are less (instead of more) prone to leave the company. The findings provide novel implications on an important application of AI in marketing and sales force management.

Dr Guiyang Xiong (PhD, Emory University) is an Associate Professor of Marketing at Whitman School of Management, Syracuse University. He conducts empirical research on the performance of digital marketing tools (e.g., virtual reality and AI) and the marketing-finance interface, using econometric, statistical, and machine learning methods. Dr Xiong's research papers in these areas are published in premier journals including *Journal of Marketing, Journal of Marketing Research, Marketing Science* and *Production and Operations Management*. He currently serves as an Associate Editor for *Service Science* and on the Editorial Board of the *Journal of Marketing*.

All interested are welcome.



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