DO SALES PERSONNEL INFLUENCE PURCHASE DECISIONS AT STORES – A STUDY VALIDATING THE IMPACT OF IN-STORE SALES PERSONNEL ON PURCHASE DECISIONS

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Abstract

This research is done to find out the influence of in-store sales personnel on the purchase decisions of the buyers and also attempted to find out whether the sales personnel change the planned purchases and brand choice of the consumers in making purchase decisions. A theoretical model depicting the influence of sales persons on the purchase decisions of buyer has been proposed. The study has also taken into consideration the various demographic and psychographic variables of the respondents and how it affects the level of influence of the salespersons at the automobile showroom. A sample of the buyers in a prominent metropolitan city in India was selected and the

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responses were got from them. Primary data from 1080 respondents were collected. They were surveyed by structured questionnaire through personal interview method. ANOVA and MANOVA were used for analysis. The results revealed that the sales personnel have got a direct causal relationship on purchase decisions.

1. The Automotive industry in India

The automotive industry in India is one of the largest in the world with an annual production of 23.96 million vehicles in FY (fiscal year) 2015–16, following a growth of 2.57 percent over the last year. The automobile industry accounts for 7.1 percent of the country's gross domestic product (GDP). The Two Wheelers segment, with 81 per cent market share, is the leader of the Indian Automobile market, owing to a growing middle class and a young population. Moreover, the growing interest of companies in exploring the rural markets further aided the growth of the sector. The overall Passenger Vehicle (PV) segment has 13 per cent market share. India is also a prominent auto exporter and has strong export growth expectations for the near future. In FY 2014–15, automobile exports grew by 15 per cent over the last year. In addition, several initiatives by the Government of India and the major automobile players in the Indian market are expected to make India a leader in the Two Wheeler (2W) and Four Wheeler (4W) market in the world by 2020.India has emerged as a leading center for the manufacture of small cars.

1.2. Importance and role of in-store salespersons

A good salesperson will bring to a company a range of values that cannot be replaced by alternative marketing methods. They will be experts in their field, and well-connected within their customer base. They will be naturally likable and excellent at relationship-building. They will be able to quickly identify leads worth pursuing and know how to communicate with these people. They will be passionate about their product and be able to explain how it will benefit their client. This ability to create an emotional impact is still extremely important in the marketplace. It is ultimately this personal connection that often makes the sale, rather than the product or the company branding.

One of the main goals of the sale process is to build a very good rapport with customers. The salesperson should listen to the customers with empathy. The ability to accurately sense the reactions of other people and to recognize the clues and cues they provide allows the salesperson to relate effectively to them. If he/she can relate with empathy, he/she can build trust and influence them with a personal touch.The way to achieve consistent sales success is all about the art of influence and persuasion.Keeping in mind the role and influence of salespersons in purchase decisions they were included taken as the independent variable in the proposed model of this study. The indicators which constitute the traits of salespersons in this study were framed, keeping the desirable traits of successful persons.

2. Review of Literature and Theoretical Framework of the study

Research by Azim et al (2013), shows the importance and effect of preferential treatment by salespersons & customers-salespersons relationship & trust for store loyalty. Providing preferential treatment and building trust of customers on salespersons can be very helpful for the managers to make their customers loyal. The result also shows that trust on salesperson has more impact on making the customers committed towards the salespersons and hence create them loyal towards the store.

Jae-Eun Kim & Jieun Kim (2012) in their research has found out that, the influence of other customers, including the number of customers and social relations, is a significant source of human-related environmental cues. The study suggests that retailers need to effectively manage, control and manipulate human-related environmental factors in order to generate a positive influence on consumers' perceptions towards stores and their behaviours.

Heiner Evanschitzky et al (2012) had studied the role of the sales employee in securing customer satisfaction. They have analyzed the relationship between salespeople's attitudes, skills, and characteristics, and customer satisfaction.

Ruoh-Nan Yan et al (2011) had conducted a research aimed to understand whether and how sales employee clothing style would influence consumers' perceptions of store image through their expectations of service quality and to uncover how fashion orientation would influence the aforementioned relationship. Results indicated that formality of employee clothing (i.e. formal business, moderate, or casual attire) served as a cue in the retail environment for consumers to make inferences about the service quality expected to be provided by the sales employee.

Paolo Guenzi et al (2009) had developed and tested a comprehensive model of customer trust in a retail service setting. Three levels of the customer-to-store relationship are simultaneously taken into account: customer to sales associates, customer to store-branded products, and customer to the store itself. Their study had confirmed that trust in the salesperson and trust in store branded products have positive effects on overall store trust. Store trust, in turn, increases perceived value and loyalty intentions.

Owiti Mary Adhiambo (2007) has studied the influence of a sales person's appearance and personality on the purchase decision. The study has stated that in retail stores salespeople occupy a central position. Therefore a store image and ability to build loyalty can heavily depend on the characteristics and appearance of the salesperson. Much attention was given to the study of the influence of the external environmental factors on the purchase decisions of the buyers. In specific, the role of sales personnel in influencing the purchase decisions of the buyers at the showrooms is often overlooked and the impact was not statistically validated. That is why this study is taken up to close this particular research gap. The role of salespersons and their influence on the purchase decisions of the buyers of automobiles were studied.

The study has taken Salespersons as an independent variable and has attempted to find the impact the sales persons have on the purchase decisions which is taken as the dependent variable.For determining the construct sales persons

some of the significant attributes of them like Dress Code, Personality, Personal Grooming, Communicative ability, Product demonstration, Response to queries, Product knowledge, Level of patience, Attitude, Willingness to spend time, Listening skills and Understanding the needs of the customers were taken as indicators. These indicators were put under three heads. They are Physical Appearance, Skill sets, and Behavioural Traits. Dress Code, Personality, and Personal Grooming were put under Physical Appearance. Communicative ability, Product demonstration, Response to queries, and Product knowledge were put under the Skill sets of salespersons. The traits like Level of patience, Attitude, Willingness to spend time, listening skills and Understanding the needs of the customers were put under the Behavioural traits of the salespersons.

3. Research Objectives

- To find whether the opinions of Sales Persons change the purchase decisions made by consumers based on the marketer controlled promotional elements.

- To find out the perceived level of integrity that consumers have towards the advice provided by the in-store sales personnel

- To suggest strategies for the automobile showroom dealers to maximize sales by leveraging on grooming their in-store sales force

4. Research Methodology

The major purpose of this research is a description of the state of affairs as it exists at presentThis research is descriptive in Nature. The universe of this study consists of buyers purchasing automobiles in selected showrooms from a major metropolitan city in India.

Multistage random sampling was used for this study. The leading automobile showrooms in the metropolitan city were listed alphabetically and showrooms form the list was selected randomly. By random selection, a total of 58 dealers were drawn. The number of buyers from each showroom was drawn randomly.

Based on the pilot study, Standard Deviation of the variable viz., Sales Persons were calculated. Applying the Standard Deviation, Confidence Level, and the Precision Level to the formula n=Z2 x $\square$ 2 / D2 the Final Sample Size was 1080. $\square$ = 1.96 (95% confidence level) and D=0.5 (Precision Level).

The study made use of both secondary data and primary data. Secondary data were collected from various websites of websites containing database about automobile industry in India and websites having articles and research reports. Decision Maker/Buyer constitutes the sampling unit in this study. The primary tool for data collection is questionnaire which contains question types of closed-ended, ranking method and five points Likert scale with options from strongly agree to strongly disagree.

To analyze the data, two statistical techniques were adopted. The Statistical Package for the Social Sciences (SPSS) was used to analyze the preliminary data and provide descriptive analysis. ANOVA and MANOVA were used to test the measurement model.

5. Results and Analysis

Table 1 exhibits the level of influence, the various attributes of salespersons have on purchase decisions by the respondents. Amongst the twelve attributes of sales persons certain characteristics of them highly influence the purchase by the respondents. These attributes are given importance by the respondents and are expected from the storepersonnel when they decide to purchase. The attribute of salespersons which is considered to have extreme influence on purchases is their personal grooming. The respondents expect the store personnel to appear neat. Some of the other attributes of salespersons which have the influence on the purchase by the respondents is the way products are demonstrated by the salespersons.

Table 1. Level of Influence of Attributes of Sales Persons on Purchase

Characteristics/ Traits of Sales Personnel	Very Slightly	Slightly	Moderately	Very Much	Extremely	Mean	SD
Dress code	11.9%	21.0%	12.5%	21.2%	33.3%	3.43	1.43
Personality	4.5%	14.9%	3.5%	42.6%	34.4%	3.87	1.17
Personal Grooming	4.4%	8.2%	13.4%	22.4%	51.6%	4.09	1.17
Communicative Ability	3.4%	6.7%	30.8%	21.7%	37.4%	3.83	1.11
Product Demonstration	2.7%	10.1%	22.1%	21.9%	43.2%	3.93	1.14
Response to Queries	19.4%	15.9%	12.6%	21.8%	30.4%	3.28	1.51
Product Knowledge	16.8%	23.6%	13.9%	22.7%	23.1%	3.12	1.43
Level of Patience	16.8%	21.1%	17.1%	22.3%	22.7%	3.13	1.41
Attitude	20.1%	14.0%	15.6%	16.9%	33.5%	3.30	1.54
Willingness to Spend Time	13.8%	13.7%	17.0%	19.0%	36.5%	3.51	1.44
Listening Skills	10.8%	13.5%	40.7%	11.0%	23.9%	3.24	1.26
Understanding the Needs	7.8%	11.6%	27.0%	17.4%	36.2%	3.63	1.29

Table 2 states about the opinion of respondents on statements about the influence of various attributes of sales persons on their purchase decisions. The above listed six statements were asked to the respondents and they gave their opinion on a five point scale ranging from strongly disagree to strongly agree. Majority of the respondents strongly agree that level of patience exhibited by the sales personnel of the store would have an influence on their purchase at the particular store. They also agree that the product demos given by sales personnel has often made them think of changing the brand choice and they always intend to make a purchase when a sales person spends adequate time in explaining about the product, benefits and its features. The results of the study with regard to the influence of sales persons on purchase decisions fall in line with the findings of Azim, Hussain & Ali (2013), which

show the importance and effect of preferential treatment by salespersons and customers-salespersons relationship and trust for store loyalty.

Table 2 Influence of Sales Personnel on Purchase Decisions

Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	SD
SPPD1	3.1%	19.4%	21.1%	26.2%	30.2%	3.61	1.19
SPPD2	3.4%	23.9%	17.6%	27.0%	28.1%	3.52	1.22
SPPD3	11.4%	17.9%	18.8%	26.0%	25.9%	3.37	1.34
SPPD4	11.1%	13.9%	19.2%	22.8%	33.1%	3.53	1.36
SPPD5	9.4%	19.4%	14.3%	31.7%	25.3%	3.44	1.31
SPPD6	14.3%	13.9%	16.3%	19.6%	35.9%	3.49	1.45

Legend: (Table 2)

SPPD1: The product demos given by salespersonnel has often made me think of changing the brand choice

SPPD2: I consider the salesperson as a reliable source of product information than the marketers' communication

SPPD3: I consider the suggestions of the salesperson in taking purchase decisions

SPPD4: I have changed my brand choice based on the suggestions by the sales person

SPPD5: I always intend to make a purchase when a salesperson spends adequate time in explaining about the product, benefits and its features

SPPD6: Level of patience exhibited by the salespersonnel of the store would have an influence on my purchase at the particular store

Table 3 MANOVA of Attributes of Sales Persons With Regard To Age Group, Education, Income and Social Class

Effect		Value	F	Hypothesis df	Error df	Sig.	Partial Eta Squared
Intercept	Pillai's Trace	.934	2705.575[b]	3.000	577.000	.000	.934
	Wilks' Lambda	.066	2705.575[b]	3.000	577.000	.000	.934
Age Group	Pillai's Trace	.057	1.612	21.000	1737.000	.039	.019
	Wilks' Lambda	.943	1.615	21.000	1657.383	.038	.019
Education	Pillai's Trace	.042	1.378	18.000	1737.000	.132	.014
	Wilks' Lambda	.958	1.381	18.000	1632.488	.131	.014
Income	Pillai's Trace	.034	.835	24.000	1737.000	.693	.011
	Wilks' Lambda	.966	.835	24.000	1674.077	.693	.011
Social Class	Pillai's Trace	.031	1.504	12.000	1737.000	.115	.010
	Wilks' Lambda	.969	1.507	12.000	1526.890	.115	.010

MANOVA results presented in the above Table 3 indicate that the demographic factors education and social class had an impact on the perception towards attributes of salespersons. However the other two factors age group and

income do not have any influence over the perception towards salespersons and the same is revealed by the significant values of 0.132, 0.131, 0.693, and 0.693respectively. This can be inferred more clearly with following table 4.

As predicted by the MANOVA Table 3 education and social class had a significant impact on the perception towards the attributes of salespersons. But the above table clearly explains the level of impact over the three attributes individually. The table reveals that the consumers' perception on the salespersons behavioural traits is significantly different with regard to the demographic factor education with the significant value of 0.010 which is less than the 0.05. Whereas the consumers do not have any significant difference in their perception on skill sets and physical appearance of salespersons based on their education because of the significant values crossing beyond 0.05 i.e., 0.836 and 0.711 respectively.

Social class is the other demographic factor treated as a significantly influencing variable by the multivariate test. Here the social class is seen highly influencing the perception towards the physical appearance of salespersons. The above table portrays that the respondents' perception highly differ towards the physical appearance of salespersons with regard to the social class. This result was proved by the significant values of the factor 0.011which is less than 0.05. But the respondents had not shown any difference in their perception towards the skill sets and behavioural traits of the salespersons.

Table 4 Tests of Between-Subjects Effects (Sales Persons)

Source	Dependent Variable	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	Physical Appearance	345.460[a]	500	.691	.971	.632
	Skill Sets	174.115[b]	500	.348	.912	.857
	Behavioural Traits	270.006[c]	500	.540	1.150	.053
Intercept	Physical Appearance	1888.713	1	1888.713	2654.864	.000
	Skill Sets	1639.633	1	1639.633	4292.479	.000
	Behavioural Traits	1453.795	1	1453.795	3095.367	.000
Age Group	Physical Appearance	5.249	7	.750	1.054	.392
	Skill Sets	3.638	7	.520	1.361	.219
	Behavioural Traits	6.031	7	.862	1.834	.078
Education	Physical Appearance	2.666	6	.444	.625	.711
	Skill Sets	1.061	6	.177	.463	.836
	Behavioural Traits	8.030	6	1.338	2.850	.010
Income	Physical Appearance	2.344	8	.293	.412	.914
	Skill Sets	1.746	8	.218	.571	.802
	Behavioural Traits	5.863	8	.733	1.560	.134

Social Class	Physical Appearance	9.395	4	2.349	3.302	.011
	Skill Sets	.491	4	.123	.321	.864
	Behavioural Traits	2.002	4	.500	1.066	.373
Error	Physical Appearance	411.910	579	.711		
	Skill Sets	221.165	579	.382		
	Behavioural Traits	271.938	579	.470		

MANOVA results presented in the above Table 5 indicates that the demographic factors except for family type, the other three i.e., gender, occupation, marital status, and occupation did not have any impact on the perception towards the attributes of salespersons since their significant values are far above the 0.05. The variable family type has the significant value just above 0.05 level (0.052). This can be inferred more clearly with following Table 6.

Table 5 MANOVA of Attributes of Sales Persons with Regard to Gender, Occupation, Marital Status, and Family Type

Effect		Value	F	Hypothesis df	Error df	Sig.	Partial Eta Squared
Intercept	Pillai's Trace	.938	5393.828[b]	3.000	1061.000	.000	.938
	Wilks' Lambda	.062	5393.828[b]	3.000	1061.000	.000	.938
Gender	Pillai's Trace	.003	1.170[b]	3.000	1061.000	.320	.003
	Wilks' Lambda	.997	1.170[b]	3.000	1061.000	.320	.003
Occupation	Pillai's Trace	.005	1.894[b]	3.000	1061.000	.129	.005
	Wilks' Lambda	.995	1.894[b]	3.000	1061.000	.129	.005
Marital Status	Pillai's Trace	.001	.409[b]	3.000	1061.000	.747	.001
	Wilks' Lambda	.999	.409[b]	3.000	1061.000	.747	.001
Family Type	Pillai's Trace	.007	2.587[b]	3.000	1061.000	.052	.007
	Wilks' Lambda	.993	2.587[b]	3.000	1061.000	.052	.007

It was represented in the multivariate test Table 5 that no demographic variable except family type has influence over the sales personnel attributes. The significant value displayed in the above table reveals that the respondents do not differ in their perception towards any of the attributes of sales persons such as physical appearance, skill sets and behavioural traits based on the demographic factors (gender, occupation, and marital status). But respondents have shown a significant difference in their perception towards salespersons behavioral traits based on the type of family they belong to. Hence the study accepts the alternate hypothesis saying that there is a significant difference existing among the perception towards salespersons behavioural traits based on the family type.This study also supports the findings of similar studies conducted to find the influence of sales persons on purchase decisions. The results concur with the study by Owiti Mary Adhiambo (2007) who has studied the influence of a sales person's appearance and personality on the purchase decision.

Table 6 Tests of Between-Subjects Effects (Sales Persons)

Source	Dependent Variable	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	Physical Appearance	7.951[a]	15	.530	.752	.732
	Skill Sets	6.708[b]	15	.447	1.227	.244
	Behavioural Traits	11.106[c]	15	.740	1.485	.103
Intercept	Physical Appearance	3651.522	1	3651.522	5181.407	.000
	Skill Sets	3143.169	1	3143.169	8622.572	.000
	Behavioural Traits	2836.253	1	2836.253	5687.158	.000
Gender	Physical Appearance	.079	1	.079	.111	.739
	Skill Sets	2.538E-005	1	2.538E-005	.000	.993
	Behavioural Traits	1.649	1	1.649	3.307	.069
Occupation	Physical Appearance	.004	1	.004	.006	.937
	Skill Sets	1.382	1	1.382	3.792	.052
	Behavioural Traits	.921	1	.921	1.846	.174
Marital Status	Physical Appearance	.005	1	.005	.007	.935
	Skill Sets	.417	1	.417	1.143	.285
	Behavioural Traits	.047	1	.047	.093	.760
Family Type	Physical Appearance	.104	1	.104	.148	.701
	Skill Sets	.258	1	.258	.706	.401
	Behavioural Traits	3.625	1	3.625	7.269	.007
Error	Physical Appearance	749.134	1063	.705		
	Skill Sets	387.493	1063	.365		
	Behavioural Traits	530.131	1063	.499		

6 Conclusion

Buyers of automobiles are more likely to purchase from dealers who have the right salespersons. The tendency to respond to opinions of the salesperson in the purchase decision of automobile depends on the consumer innovativeness trait of the respondents. It is evident from the research that automobile marketers and dealers need to have right sales persons obsessed and groomed with necessary traits to get better results in terms of sales and customer satisfaction. If the potential of salespersons is used properly this would give real leverage to the dealers to ensure utmost customer satisfaction.

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