DETERMINANTS OF SALESPERSON PERFORMANCE IN SELLING NEW PRODUCTS
AYESHA MANZOOR¹ AND DR. KIRAN MANZOOR²

ABSTRACT
Salesperson performance is essential to commercialise and sell a new product in the market. It is significant to investigate determinants that affect salesperson performance while selling new products. Theories of reasoned action and perceived behavioural control were examined, which in turn shed light on different factors including attitude, self-efficacy, subjective norms, product and customer knowledge. Using the quantitative approach and survey method, the study attempted to obtain a clear insight of the determinants of salesperson performance vis-à-vis new product selling. Purposive sampling was used to select a sample which comprised of salespeople in a business-to-consumer market. The results indicated significant positive relationships between salesperson performance and positive attitude, high self-efficacy and knowledge about products and customers. Moreover, a highly positive correlation was found between the subjective norms and salesperson performance. This research proposed recommendation that managers focus on increasing salesperson knowledge about new products and customers, while boosting self-efficacy and positive attitudes towards selling a new product.

Keywords: Theory of Planned Behaviour, Theory of Perceived Behavioural Control, Salesperson Performance, New Product, Market Sale.

INTRODUCTION
The changing trends in the market demand the launch of new products for the growth and sustainability of a business. Releasing new products is necessary to exist in the market because the customers want to buy the latest and most innovative products (Shan, Gordon and Kogut, 1994; Sivadas and Dwyer, 2000). Different studies elucidated the drivers of the success behind new products (Abed, Ghazaleh and Haghighi, 2009). Even if the launch of a new product is uncertain, effective strategies can minimise the risk of announcing a product in the market. The marketing strategies consist of using company resources for needs assessment to assess customer demands, conduct marketing research and develop innovative products (Montoya-Weiss, 1994). Meanwhile, it should not be neglected that a salesperson’s role is very important for the success of a new product. Consequently, companies need to concentrate on this element while making strategies for a new product’s inauguration. Academic researchers have disregarded the role of the salesperson in a new product launch. Nevertheless, a few studies have shown that the salesperson role is a fundamental driver to the progress of a new product (Johlke, 2006; Lee, Murphy and Neale, 2009). Although the salesperson’s role in a new product’s commercialisation is relevant but still the phenomena have not gain attention in marketing research.

The research focuses on determinants of salesperson performance, including qualification, experiences, self-efficacy, product knowledge and interpersonal skills for dealing with customers, stakeholders and marketers. Previous literature has revealed that helpful behaviours of salespeople can improve their performance, which is valuable for an organisation

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(Baldauf et al., 2001). The salesperson’s skills can play a very significant role in the success of new product in the market. Because of today’s competitive marketing, sales organisations are challenged to have a marketing strategy that is more effective than that of its competitors in the market (Matsuo and Kusumi, 2002). Therefore, one of the primary goals need to be to increase the performance of their sales staff so that the company’s sales can strengthen. According to Kuster and Canales (2011), sales representatives are one of the main tool for the company’s survival because of their role in liaising between the company and customers. Similarly, the seller has an important role in the formation of long-term buyer-seller relationships. Because of the salesperson’s importance in marketing, their role becomes a considerably important to research (Baldauf et al., 2001; Paparoidamis and Guenzi, 2009). It is expected that some additional research is needed to understand the new product-related performance of a salesperson in the market.

Human behaviour change can be explained by the theories of reasoned action (Fishbein and Ajzen, 1975) and of perceived behavioural control (PBC). Ajzen (1991) developed model based on the concepts of attitude, subjective norm and PBC. Attitude is the way you feel and act towards the social situation. Attitude varies with experience and information exchanges about social interaction. This study focuses on the attitude of the salesperson, their interest in, desire for and enjoyment of the expected sale of new product. Subjective norms develop from the social pressure that determines the sales activities of a salesperson. Subjective norms are the behavioural expectations of others for certain tasks expressed in a certain way (Fishbein and Ajzen, 1975). Subjective norms are defined to consider other opinions in selling new products, like marketing strategies, managers behaviour can influence the salesperson performance.

Self-efficacy is associated with PBC (Ajzen, 1991), who defined it as “the human perception of their ability to produce the desired results of their actions”. It could be further elaborated as having the opportunities and confidence to complete tasks. Self-efficacy has an impact on the behaviour to implement the operational effort (Bandura, 1997; Orpen, 1999). The self-efficacy of a salesperson is to be able to apply their skills and capabilities to the promotion of a new product. “Individuals who have positive self-efficacy beliefs focus their attention and motivation on the tasks goal level of performance and persist in the face of difficulties” (Bandura, 1997). In addition, it is asserted that self-efficacy affects individual performance either directly or indirectly.

Sales knowledge and skills, with some other factors (social, economic and psychological), can impact on the success of a new product. A research was conducted, low commitment of a salesperson and found reasons including complexity of the products, lack of product knowledge and lack of adequate training of salesperson for selling a product (Anderson and Narus, 1990; Atuahene-Gima, 2000). Consequently, a salesperson’s effective product knowledge could help them improve their sales and outcome performance. Salesperson product knowledge enables them to survive competitively and to grow (Collinson, 2003). Furthermore, management control of a salesperson’s job could affect their efforts. Business strategies must clearly define the goals of the seller and allow them to achieve these goals at their best level. It can be argued that the salesperson will be more committed to a new product with proper guidance and support of the management Accordingly, the salesperson’s knowledge about the new product and customer segment can boost his performance. For a new product in the market, a salesperson can find out and gain effective marketing techniques and new skills. At this point, the salesperson needs to learn and apply professional techniques. In this regard, salesperson knowledge about the product i.e. what is being sold, and the salesperson’s knowledge about the customer to whom they sell, will help them to perform better (Hultink, Atuahene-Gima and Lebbink, 2000). Ajzen (1991) explained that subjective norms are perceived organisational, managerial, and social pressures to sell a new product. In this study, sales managers, marketing
managers, product managers, fellow salespeople and top management are considered to form normative pressures on a salesperson. To meet the expectations of managers will create a “must do” situation for a salesperson. Attitude is an intrinsic motivation to perform a task for self-satisfaction, whereas subjective norms are the extrinsic motivation to perform certain tasks for a reward and to satisfy others (Amabile et al., 1994).

**LITERATURE REVIEW**

New product development is an uncertain effort (Bstieler and Gross, 2003; Durmusoglu, 2013). One executive’s study claimed that “the new products in the market” are one of the most significant activities for an organisation (Henard and Szymanski, 2001). Ozer (2005) mentioned new product development as a critical activity for the survival of companies. New product development is a strategic priority for all the organisation (Henard and Szymanski, 2001; Fu, 2009; Durmusoglu, 2013). The salesperson’s role in the process of new product development is to accumulate the information from the market and interact with customers (Bell, Menguc and Widing, 2010). To best serve the customer, organisations allocate the sales force and salesperson to engage in day-to-day interaction with customers (Judson et al., 2006). Empirical evidence supports that in the development of a new product, salesperson participation can improve the process. Franke and Park (2006) argue that the field expertise and knowledge of a salesperson can benefit the company by improving the identification, development and introduction of new products. Due to technology advancement, the process of new product development carries different challenge including involving the sales force (Hultink, Atuahene-Gima and Lebbink, 2000). Salesperson involvement in the process of new product development could provide companies with useful information about customers, and thus their selling efforts will increase sales.

Ingram, Lafarge and Leigh (2002) were concerned with the need for salesperson participation in the process of developing new products, but were unable to conclude whether it was achieved most of time or not. Similarly, the salesperson’s performance in selling a new product has largely been ignored. Johlke (2006) demonstrated that salesperson’s activities are undertaking customer research, updating customer’s information, and introducing new products but does not directly link to the development process of a new product. In the process of new product development, vendor participation has been studied by Deeter-Schmelz, Goebel and Kennedy (2008). They concluded that the company did not know how to enthusiastically engage their sales force in the process of product development and selling. Frequently the new product comes from the ideas of the salesperson. An empirical assessment of the role of salesperson in the development process of a new product has been conducted (Judson et al., 2006). Research revealed there was direct and indirect input into the new product development process from the salesperson. Providing suitable incentives really increased their efforts for new product idea generation. Although many studies have acknowledged the value of the sales force in the process of developing a product, there has been less formal research conducted on the particular role of the salesperson and the extent to which organisations can rely on this potential resource. Bon and Merunka (1998) described that the salespersons competitive intelligence and efforts depend on their attitude towards performing certain activities in the market.

Kwaku (1998) examined the efforts outcome on salesperson performance and satisfaction in selling new product while investigating Australian firms. The conclusion showed that managers can presume a direct relationship between salesperson satisfaction and their performance. On the introduction of new product into the market, the manager must ensure that the selected salesperson is educated, trained and familiar with product. In one study, the effect of self-efficacy was investigated in relation to the workload and pay satisfaction of a salesperson. Social cognitive theory was applied to identify the mediating role of workload (Mulki, Felicia and Jaramillo, 2008). Success in launching a product remains uncertain until
product-related information is communicated to the customers by the salesperson. This may have a substantial effect on customer perception of the product and create potential buyers that eventually lead to product success. Salesperson commitment is one of the most important factors for the success of a product (Lee, Murphy and Neale, 2009). Baldauf, Cravens and David (2002) demonstrated that the salesperson’s effective performance comprises of adaptive sales, sales support and planning, and technical expertise. Salesperson effectiveness skills consist of planning, the ability to adapt a sale and to take advantage of technical expertise and to make a customer-orientated sale. The sales force practices these various aspects in the insurance sector of Thailand. The study claimed that sales force efficiency is an important strategic tool for businesses to create competitive advantage and increase overall performance (Abed, Ghazaleh and Haghighi, 2009).

Fu et al. (2010) examined the progress of sales while focusing on sellers’ attitudes, subjective norms, and self-efficacy perception in the development of new product performance. Their study examined the subjective norms mediating effects on the model. Studies analysed new products coming to market and expanding product line. The result showed that product performance increased by building self-confidence and positive attitudes in selling intentions. Subjective norms are less effective in sales structure. The relationship between salesperson skills and performance with the job commitment was studied by Basir, Ahmad and Kitchen (2010) in the telecom Malaysian industry. Only the interpersonal skills were found to be consistent with performance, while organisational commitment does not create any effect. A study has been conducted to investigate the effects of salesperson experience, age, and goal setting on the performance of a new product. In this study, age was found to have a negative effect on the growth line of new products, but the experience of the seller had a positive relation (Frank and Park, 2006).

This study is consistent in manner with previous studies (Ajzen 1991; Fishbein and Ajzen 1975), but ensures that salesperson performance have to be measured in the sales environment of a new product. Consumers shopping for new products for the very first time desire to encounter a knowledgeable salesperson because they are unfamiliar with the product. Customers therefore require that salesperson to provide complete information, and cannot avoid interaction with that salesperson. It is thus not surprising that salesperson knowledge about a product is rated as one variable of this study. Subsequently, a salesperson’s knowledge about new product is significant. It becomes necessary for a salesperson to be updated and demonstrate awareness about new products to improve their performance. The study examines the TPB benefits in the framework of new product selling and connect to improve salesperson positive attitude, self-efficacy and knowledge that have not been studied before instead of being focused on evaluating salesperson performance from the customer perspective. The hypotheses are formed based on the literature discussed previously. Assumptions about salesperson performance are developed from TPB, attitudes, subjective norms, and perceived behavioural control.
RESEARCH MODEL

Figure 1: Conceptual development of the relationships between variables

Source: Researchers

METHODOLOGY
The paradigm created was a descriptive study and survey method to understand the salesperson performance through self-evaluation. Quantitative data was collected through questionnaires. The study sample involved field salespeople of a business-to-consumer market with different sales territories in Pakistan. They were chosen through convenience and a snowball-sampling technique. Survey questionnaires were collected from 300 respondents. To collect data five different multi-item scales were used including Subjective Norms and Attitude Scale (Fu et al., 2010), General Scale for Self-Efficacy (Schwarzer and Jerusalem, 1995), Product knowledge and customer knowledge Scale (Smith and Park, 1992) and Salesperson Performance Scale (Behrman and Perreault, 1982).

RESULTS
In a sample of 300, males consisted of 80% (242) while females consisted of 20% (58). The ages of the respondents ranged from 21 to 40, with most of them (55%) belonging to the age group 26–30. Of the sample’s education level, 61% (183) had a Masters degree, 35% (106) were graduates, and 3% (11) had high school education. Of the sales experience of respondents, 87.9% had 1 to 5 years of experience, 10.2% had 6 to 10 years, but only 1.7% had more than 10 years of experience in the field of sales.

Table 1: Reliability analysis

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Cronbach’s Alpha</th>
<th>No of items</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Attitude</td>
<td>.92</td>
<td>6</td>
</tr>
<tr>
<td>2. Self-efficacy</td>
<td>.89</td>
<td>5</td>
</tr>
<tr>
<td>3. PC knowledge</td>
<td>.77</td>
<td>9</td>
</tr>
<tr>
<td>4. Subjective norms</td>
<td>.84</td>
<td>12</td>
</tr>
<tr>
<td>5. Salesperson performance</td>
<td>.90</td>
<td>5</td>
</tr>
</tbody>
</table>

A total of 32 items were used to measure the main construct of the study. A seven points Likert scale used 1 for strongly disagree to 7 for strongly agree. The categories were attitude (6 items), self-efficacy (5 items), PC knowledge (9 items), subjective norms (12 items) and
salesperson performance (5 items). Attitude 0.92 and salesperson performance 0.90 have the highest reliability, while self-efficacy had 0.89 and subjective norms 0.84 reliability. Product and customer knowledge scale had a lower reliability (0.77).

Table 2: Descriptive and correlation analysis

<table>
<thead>
<tr>
<th>Construct</th>
<th>M</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Attitude</td>
<td>5.31</td>
<td>.88</td>
<td>.366*</td>
<td>.566*</td>
<td>.394*</td>
<td>.454*</td>
<td></td>
</tr>
<tr>
<td>2. Self-efficacy</td>
<td>5.08</td>
<td>1.02</td>
<td>1</td>
<td></td>
<td>.579*</td>
<td>.626*</td>
<td>.552*</td>
</tr>
<tr>
<td>3. PC knowledge</td>
<td>5.30</td>
<td>.84</td>
<td>1</td>
<td></td>
<td>.630*</td>
<td>.629*</td>
<td></td>
</tr>
<tr>
<td>4. Subjective norms</td>
<td>5.32</td>
<td>.89</td>
<td>1</td>
<td></td>
<td></td>
<td>.712*</td>
<td></td>
</tr>
<tr>
<td>5. SP performance</td>
<td>5.46</td>
<td>1.29</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

The results revealed the means and standard deviation of the construct as: attitude 5.31 (.88), self-efficacy 5.08 (1.02), PC knowledge 5.30 (.84), subjective norms 5.32 (.89) and SP performance 5.46(1.29). It is indicated that SP performance has the highest mean, while self-efficacy has the lowest. The table shows that a positively significant relationship exists in selling a new product between attitude and SP performance (r= .45, p<.05). The table also indicates that self-efficacy is positively associated with the SP performance in selling a new product. (r=55, p<.05). There exists a statistically significant positive correlation in between PC knowledge and the SP performance in the sale of new product. (r=.62, p<.05). Moreover, a highly positive correlation found between the subjective norms and SP performance. (r=.71, p<.05).

Table 3: Regression analysis of attitude on a salesperson’s performance

<table>
<thead>
<tr>
<th>Standardised β</th>
<th>t-test</th>
<th>P value</th>
<th>R^2</th>
<th>F</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td>.45</td>
<td>8.78</td>
<td>.000*</td>
<td>.206</td>
<td>77.2</td>
<td>.000*</td>
</tr>
</tbody>
</table>

From the regression results, it is observed that the dependent variable (salesperson performance) is indicated 21% variation by the predictor (attitude). Attitude turned out to be the significant predictor of salesperson performance: β = .45, t= 8.78, p<.05.

Table 4: Regression Analysis of Self-efficacy on Salesperson Performance

<table>
<thead>
<tr>
<th>Standardised β</th>
<th>t-test</th>
<th>P value</th>
<th>R^2</th>
<th>F</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td>.55</td>
<td>11.4</td>
<td>.000*</td>
<td>.305</td>
<td>130.4</td>
<td>.000*</td>
</tr>
</tbody>
</table>

The result explains the regression between self-efficacy and salesperson performance. The 31% variation in dependent variables resulted because of the predictor. Self-efficacy significantly predicts the salesperson performance, i.e.: β = .55, t=11.4, p<.05.

Table 5: Regression analysis of subjective norms on a salesperson’s performance

<table>
<thead>
<tr>
<th>Standardised β</th>
<th>t-test</th>
<th>P value</th>
<th>R^2</th>
<th>F</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>
The regression analysis between the subjective norms and salesperson performance is summarised, and indicates a 51% variation in the dependent variable because of the predictor variable. \( \beta = 0.71, t=17.4 \) and \( p < 0.05 \) explained the significant result.

### Table 6: Regression analysis of PC knowledge on a salesperson’s performance

<table>
<thead>
<tr>
<th>Standardised ( \beta )</th>
<th>t-test</th>
<th>P value</th>
<th>( R^2 )</th>
<th>( F )</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.63</td>
<td>13.9</td>
<td>0.000*</td>
<td>0.39</td>
<td>194.5</td>
<td>0.000*</td>
</tr>
</tbody>
</table>

The regression analysis between the salesperson’s performance and their knowledge about the product and customer segment indicated a 39% variation in the dependent variable because of the predictor variable. \( \beta = 0.63, t=13.9 \) and \( p < 0.05 \) explained the significant result.

**DISCUSSION**

Carrying a new product in the market becomes a vital function of an organisation to survive and compete in the rapidly growing area of business. Salespeople play an integral part, not only in the development of new product but also in selling it. This, therefore, encourages the researcher to further describe the knowledge and valuable insight gained regarding a salesperson’s performance in selling a new product. This study examined the effect of a salesperson’s attitude, self-efficacy, subjective norms and PC knowledge on the sale of a new product. It scrutinised new-to-market manufactured goods and also a line addition that contains survey data from FMCGs industrial salespeople. So far, little or no work has been undertaken on salesperson performance in selling new product phenomenon. It hypothesised that a salesperson’s psychological variables are a significant predictor of a new product sale. It greatly boosts the progress rates of new product sales, including new-to-market products and line additions.

The hypotheses were based on the literature discussed previously. Assumptions about the salesperson’s performance developed from TPB, attitudes, subjective norms, and perceived behavioural control. Firstly, define the phenomena of salesperson performance in sale of a new product. Salespeople have good attitudes if they evaluate new product-related features (Ajzen, 1991). In particular, evaluating a salesperson’s attitude can be achieved by examining their affective, behavioural and cognitive components. Then, self-efficacy is considered in PBC as the perceived complexity or simplicity of performing the behaviour (Ajzen, 1991). Our results are consistent with previous studies, self-efficacy is the strongest predictor of performance with other PBC measures (Celuch, Goodwin and Taylor, 2007). The next variable determined whether the salesperson is knowledgeable. The salesperson should not pressure the customers to buy, but must have knowledge about the product and segment to whom they expect to sell it. These are very important factors in influencing their performance in selling a new product in the market. Lastly, the role of subjective norms is significant and influence individual behaviour.

The current study revealed that self-efficacy and the attitude of salespersons towards sale are stronger and preferable than a normative approach to enhance sales support for new products. In conclusion, the study highlighted important factors for managers about how to motivate salespersons to sell products. It also examined the relative influence of attitudes, self-efficacy, PC knowledge and the subjective norms of salespersons. There is a need to identify the problems and allocate resources accordingly. A salesperson can focus on customer emotions which may be a powerful motivational force related to their performance (Boles et
Managers are suggested to focus on increasing the salesperson’s interest in a new product. Building a salesperson’s new product performance through enhanced attitudes and self-efficacy would help to increase sales volume.

There exists a gap between the sales literature and a salesperson’s performance in practice. Thus, there is a need to understand the effect of different factors on salesperson performance. So far, in this area some research has indicated determinants of the behaviour of the seller and their personal characteristics, but no odds ratio of subjective norms with performance (Dong, 2010). In addition, the relationship between the performance of the salesperson with the sale of new products has not been adequately considered by the researcher, whose focus remains on the development of new products. Considering sales strategy is an important area for the success of new products, this study has examined literature on sales management and the contribution of salesperson performance, especially when selling new products to the market. An organisation cannot achieve their goals to reach customer commitment without focusing on the key role of the salesperson, because in the end salesperson motivate a customer to buy a new product.

CONCLUSION

Although salespeople have skills which need to be improved and require proper guidance and training to perform better in their field. Therefore, a performance self-evaluation will probably help them identify their weaknesses and develop the knowledge to improve their overall capacity. A salesperson self-assessment will allow them to look at what does not work in terms of sales and helps them to determine what they can do differently and more effectively. Based on previous research, a conceptual model was developed as a framework of study. The model suggests that salesperson attitude, self-efficacy, product or consumer knowledge determine their sales performance, which in turn may be influenced by subjective norms. Management marketing strategies influence salesperson motivation, commitment and performance. This study identified some factors for salespeople to increase their performance improvement. It also focused on the determinants that can motivate a salesperson. The study will provide managers with a valuable insight on developing and maintaining a highly satisfied and committed sales force. This research fulfils a need to understand the interrelationship among salesperson performance, their attitude, self-efficacy and product/consumer knowledge. It examines the impact of salesperson attitude and self-efficacy in their performance.

In addition, it is a revision of the theory of planned behaviour that has been previously applied by some studies (Ajzen, 1991). The main objective of this research has been to understand the determinants that can increase salesperson contribution in selling a new product. This study has therefore added to marketing literature by showing how sales information improves the performance of a new product. An effort is made to determine the factors affecting salesperson performance in selling a new product based on their self-evaluation. All this is done to improve the overall performance of a salesperson and help marketers in developing their marketing strategies for new products.

REFERENCES


