

The Formation of Buyer's Trust of the Seller in an Initial Sales Encounter

By: John Andy Wood, [James S. Boles](#), and Barry J. Babin

Wood, John Andy, James S. Boles, and Barry J. Babin, "The Formation of Buyer's Trust of the Seller in an Initial Sales Encounter," *Journal of Marketing Theory and Practice*, Vol. 16 (Number 1, Winter 2008) pp. 27-40. <https://doi.org/10.2753/MTP1069-6679160102>

This is an Accepted Manuscript of an article published by Taylor & Francis in *Journal of Marketing Theory and Practice* on 08 December 2014, available online: <http://www.tandfonline.com/10.2753/MTP1069-6679160102>. It is deposited under the terms of the Creative Commons Attribution-NonCommercial License (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits non-commercial re-use, distribution, and reproduction in any medium, provided the original work is properly cited.

Abstract:

This paper presents an empirical investigation of processes by which buyers form trustworthiness perceptions during an initial sales encounter. Verbal and nonverbal cues given off by a salesperson, as well as a business's physical appearance, are relevant to trustworthiness assessments. Results indicate that these cues significantly influence a buyer's judgment of a salesperson's expertise and likability, as well as a firm's capability. These assessments also influence trust of both the salesperson and the selling firm. The implications of these findings are discussed and include directions for future research.

Keywords: buyer trust | sales | relational exchange | seller trustworthiness

Article:

Trust is a key theoretical building block in relational exchange (Morgan and Hunt 1994). Research outside of marketing suggests that first impressions developed in initial face-to-face encounters include assessments establishing an individual's trustworthiness (McKnight, Cummings, and Chervany 1998). Marketing research, however, is inconclusive concerning trust assessments during a first encounter (cf. Leigh and Summers 2002; Swan, Bowers, and Richardson 1999). Even though trust has been a major topic in marketing research, most empirical studies observe behaviors and assessments within existing relationships rather than initial encounters.

Evolutionary psychology suggests an inherent human ability to use initial cues/signals in assessing others (Montepare 2003). Dwyer, Schurr, and Oh (1987) suggest that buyers develop trust expectations even after brief initial exchanges. Although the iterative process of trust formation from the relational trust framework (Morgan and Hunt 1994) may be appropriate in the analysis of long-term relationships, these relationships may never form if things go wrong during the initial sales encounter. Further, exchanges within existing long-term relationships

shed little light on events, behaviors, or characteristics influencing a buyer's initial trustworthiness assessments.

This research develops and tests a simple model of rapid interpersonal trust formation (RITF) in initial sales encounters. Within this framework, the study empirically examines the influence of predisposition to trust (from social learning theory) and attributions based on signals during initial encounters (from evolutionary psychology and attribution theory). The model posits important roles for both verbal and nonverbal cues of both the salesperson and the selling firm. Therefore, the findings can be used to suggest ways firms can build trust through effective first impressions.

BACKGROUND

Concept of Trustworthiness

Theory related to trustworthiness has roots in three broad frameworks. One view sees trust as an individual's learned expectancy about others based on outcomes from personal interactions with others (Rotter 1967; 1980). From this perspective, a predisposition to trust is a personality characteristic influencing a target's perceived trustworthiness by establishing a baseline amount of trust attributable to people of specific types.

A second view suggests trust develops out of assessments based on repeated observations (history) of a trustee's behaviors (Rempel, Holmes, and Zanna 1985). The trustor (buyer) assesses the partner's (seller's) trustworthiness and the resulting risks of opportunism (Blau 1964). This interpersonal evaluative approach is based on how well a seller fulfills a buyer's expectations. Unfortunately, this framework lacks a clear conceptualization of how trust starts because, initially, no history exists (Hardin 2002).

A third view sees trust building as a calculative process analyzing potential costs versus potential benefits (Doney and Cannon 1997). Trust emerges when an individual perceives another party's costs of cheating or behaving opportunistically as greater than the benefits of such actions. This cognitive, rational choice model appears to be particularly salient in trust formation during initial sales encounters and is compatible with evolutionary psychology, which posits that humans possess an instinctive ability to assess others during social exchanges (Buss and Kenrick 1998). This innate ability forms the basis of the cognitive calculative processes used in consumers' trustworthiness assessments (Doney and Cannon 1997).

Initial Trust Formation

Lacking experience gained from repeated sales encounters, a consumer's ability to assess a seller's trustworthiness reverts to a buyer's capability to use observation. This view is consistent with social learning theory to the extent that baseline trust expectancies are altered by experiences in similar situations (Rotter 1980). Thus, individuals make causal assessments of an individual's trustworthiness based on prior beliefs and situational cues (Folkes 1988).

Thus, the logical next step is determining what cues contribute to or detract from trustworthiness. A number of researchers have suggested cues that influence trustworthiness assessments in existing relationships (Leigh and Summers 2002; Swan, Bowers, and Richardson 1999). A key question here is, “are these same cues important during initial encounters?”

A Model of Trust Based on First Impressions

In the initial moments of a first sales encounter, a consumer relies greatly on an inherent capacity to judge another person based on his or her tangible characteristics. These characteristics are helpful in placing a salesperson in a category that either begets trust or does not (“professional” begets trust; “sleazy” does not beget trust). Those targets possessing desirable characteristics are likely deemed trustworthy.

Figure 1 presents a series of relationships related to trust formation from initial encounters. A consumer encounters a salesperson, and various cues from the salesperson, as well as cues from the selling environment, come together to establish the salesperson’s credibility in terms of the relative degree of likability and expertise established. These factors then do much to shape how much trust the consumer has for the salesperson whom he or she has just met.

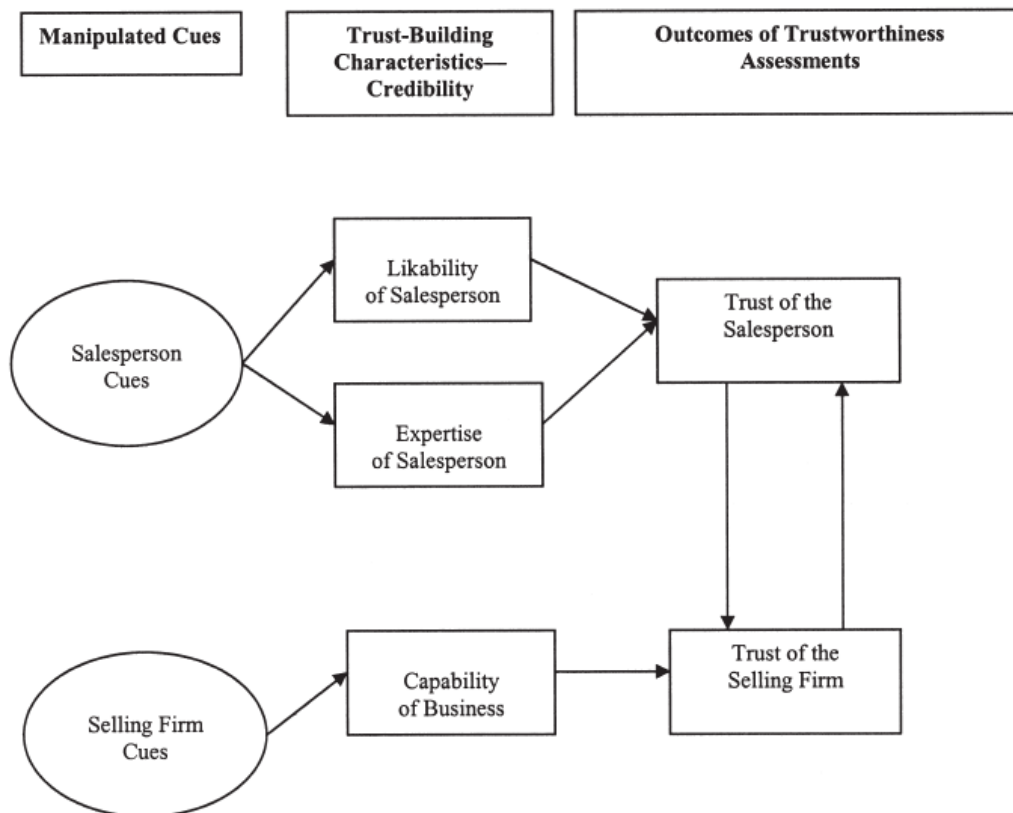


Figure 1. A Model of Trust Based on First Impressions

RESEARCH HYPOTHESES

Predisposition to Trust

All consumers enter an interaction with a predisposition regarding trust based on this specific personality trait developed through a social learning process. Thus, even when all tangible cues are the same, two consumers would not be expected to display the same amount of trust for a salesperson. Logically, predisposition to trust will shape trustworthiness assessments and ultimately the trust that develops for a salesperson.

Hypothesis 1: Predisposition to trust is related positively to trust building in the form of initial trust of the salesperson and selling firm.

Perceived Capability and the Firm's Trustworthiness

A businesses's physical appearance likely affects various buyer attitudes. Bitner (1992) suggests that physical appearances do more than just affect buyer attitudes. Buyers make attributions about selling firm trustworthiness based on things such as decor and furnishings. Empirically, the importance of appearance cues to ratings of capability is evidenced by the increased use of "trustmarks" by online retailers (Endeshaw 2001) as well as findings that store cleanliness leads to a buyer's assessments that the firm is trustworthy (Petreycik 1991).

In the absence of prior experience with a firm, buyers will use appearance cues to assess a firm's capability. Cleanliness or the use of proper displays suggests that the firm cares about the customer's opinion. An appealing appearance leads to attributions that the firm knows how to conduct business (ability) and is aware of the customer's viewpoint (positive intentions). Firm capability—as indicted by appearance—will, in turn, enhance perceived beliefs regarding how much the firm can be trusted. In other words, a capable firm can be counted on to provide consistently good outcomes, and predictability is a major component of trust.

Hypothesis 2: Firm appearance cues are related positively to consumer attributions of selling firm capability.

Hypothesis 3: Perceived capability is related positively to trust of the selling firm.

The Firm and Its Salespeople

Doney and Cannon (1997) suggest that attribution processes such as those mentioned above have an additional effect in the form of trust transference. Through trust transference, perceptions that a firm can be trusted transfer to the salesperson and other frontline service employees (Sirdeshmukh, Singh, and Sabol 2002). Thus, the following prediction is offered:

Hypothesis 4: Trust for the selling firm is related positively to trust of its salespeople.

Salesperson Credibility and Trustworthiness

Likability

Likability is a key attribution that determines how credible a salesperson is viewed. A likable salesperson leads a buyer to approach and engage a salesperson. Conceptually, salesperson likability in existing relationships is based on how friendly, nice, and pleasant a salesperson is viewed (Doney and Cannon 1997). Likability has a close relationship to a customer's trust through benevolence and has even been suggested as a dimension of salesperson trustworthiness (Swan, Bowers, and Richardson 1999). Salesperson cues, such as attractiveness for example, can enhance both likability and perceived credibility (in the form of performance expectations), although these effects become less pronounced as a relationship grows over time (Ahearne, Gruen, and Jarvis 1999).

Hypothesis 5: Salesperson cues positively influence consumers' attributions of salesperson likability.

Benevolence is a well-known component of trust. As individuals, we trust those we like. The same goes for encounters between salespeople and customers.

Hypothesis 6: Perceived likability is related positively to trust of the salesperson.

Expertise

Expertise is seen as the salesperson's ability to competently facilitate a specific sales task and can activate trust-building processes (Crosby, Evans, and Cowles 1990). Thus, unlike firm capability, salesperson expertise is task specific. Several research studies indicate perceptions of expertise are important to trust formation in existing relationships (for a review, see Doney and Cannon 1997).

Empirical evidence suggests that buyers use salesperson cues to develop assessments of salesperson expertise. Buyers who perceive that a salesperson is truly listening end up expressing higher levels of salesperson trust (Ramsey and Sohi 1997). Buyers also want information to be accurate before they deem a salesperson as capable (Crosby, Evans, and Cowles 1990). Appropriate nonverbal behaviors can also enhance perceptions of ability (Swan, Trawick, and Silva 1985).

In the immediacy of a first encounter, a buyer searches for indications of salesperson competence. Research based on existing relationships and stage one's exploratory findings suggest an appropriate greeting, followed by listening, indicates a salesperson "knows what they are doing." Buyers attribute the characteristic of expertise to salespeople displaying these signals and assess salespeople unfavorably when they fail to display these signals. Further, someone who has more expertise is at least capable of performing the required task and thus expertise contributes to trust.

Hypothesis 7: Salesperson cues positively influence consumer perceptions of salesperson expertise.

Hypothesis 8: Consumer assessments of salesperson expertise are positively related to perceived trust of the salesperson.

Finally, Sirdeshmukh, Singh, and Sabol (2002) suggest a reciprocal (nonrecursive) effect of trust transference. Positive assessments of a salesperson's trustworthiness influence trust-building attributions about the selling firm. Based on existing evidence from previous research, we hypothesize that:

Hypothesis 9: Salesperson trustworthiness is positively related to perceived trust of the selling firm.

PRELIMINARY STUDY

Cue Identification

A preliminary study was conducted for the primary purpose of developing experimental scenarios useful for testing the hypotheses described above. A convenience sample of 58 respondents, consisting of members of a civic group, an EMBA class, and an evening MBA class from two southeastern cities was used to provide initial data. Respondents averaged slightly over age 32 and had a mean income of \$55,000. Sixty percent were married, and 54 percent were female. Each was asked to describe a recent sales encounter with a new company or salesperson involving a significant purchase. Thirty-five percent of respondents discussed automobiles. Other items discussed were furniture, clothes, boat motors, home theater systems, and appliances.

Transcriptions of respondents' comments were content analyzed using TextSmart 1.1.1. The first iteration of the analysis involved creating a database of all answers followed by the calculation of each word's frequency. Words with matching meaning (smiles, smiling, etc.) were grouped together. The resulting list was used to code responses into homogeneous categories that account for a high percentage of all responses. The three categories developed from the frequency tables contain words associated with "salesperson nonverbal," "salesperson verbal," and "firm appearance" signals.

Respondents then rated various signals and cues. Tables 1 and 2 present mean scores and ranks of responses to Likert-type questions about the business and salespeople. These tables contain responses categorized by cue impression and importance. Results indicate whether a particular cue makes a positive/negative impression and the relative importance of the cue.

Listening is the most important of all salesperson behavioral traits during an initial encounter. Analysis of responses about verbal cues indicates the three most frequently listed positive salesperson behaviors are "answer," "explain," and "help." Helpfulness is often demonstrated by the ability to answer questions accurately, and matching customer needs with an appropriate product. A demonstration of interest as exemplified by "listening" and "responding" positively influences impressions and trustworthiness assessments. These signals during initial encounters become salient because prior personal knowledge of the salesperson does not exist. In the end, these initial results were useful in building the experimental stimuli described below.

Table 1. Mean Score and Ranks for Business Cues

| | Impression | | Importance | |
|---------------------------------------|------------|------|------------|------|
| | Mean Score | Rank | Mean Score | Rank |
| Positive Cues | | | | |
| Prices are clearly marked | 6.36 | 1 | 6.43 | 1 |
| Product displays are clearly visible | 6.03 | 2 | 5.93 | 3.5 |
| Professional-looking signs | 5.97 | 3 | 5.93 | 3.5 |
| Appealing storefront | 5.92 | 4 | 5.57 | 6 |
| Inside of business is clean | 5.72 | 5 | 6.29 | 2 |
| Well-lit parking | 5.67 | 6 | 5.79 | 5 |
| Receptionist greets you | 5.59 | 7 | 4.93 | 8 |
| Landscaping | 5.46 | 8 | 5.36 | 7 |
| Negative Cues | | | | |
| Business is dirty | 6.59 | 1 | 6.36 | 1 |
| Products not priced | 6.13 | 2 | 6.29 | 2 |
| Name of the business is not displayed | 6.05 | 3 | 5.57 | 4 |
| Parking lot is in disrepair | 5.79 | 4 | 5.21 | 6 |
| No one is present when you enter | 5.67 | 5 | 4.86 | 7 |
| Products are not easily visible | 5.49 | 6 | 6.00 | 3 |
| Unappealing storefront | 5.18 | 7 | 5.29 | 5 |
| Poor landscaping | 5.03 | 8 | 4.36 | 8 |

Table 2. Mean Score and Ranks for Salesperson Cues

| | Impression | | Importance | |
|-------------------------------------|--------------------------------|------|--------------------------------|------|
| | Mean Score (<i>n</i> = 39) | Rank | Mean Score (<i>n</i> = 19) | Rank |
| Positive Cues | | | | |
| Salesperson | | | | |
| appears to listen to you | 6.46 | 1 | 6.14 | 1 |
| is appropriately dressed | 6.29 | 2 | 5.93 | 2 |
| makes frequent eye contact | 6.13 | 3 | 5.86 | 3 |
| smiles a lot | 5.72 | 4 | 5.08 | 4 |
| has a friendly face | 5.54 | 5 | 5.71 | 5 |
| greet you with a firm handshake | 5.59 | 6 | 4.50 | 6 |
| appears eager | 4.82 | 7 | 4.64 | 7 |
| has stylish hair | 4.46 | 8 | 1.93 | 8 |
| is your gender | 3.92 | 9 | 1.64 | 9 |
| Negative Cues | | | | |
| Salesperson | | | | |
| is sloppily dressed | 5.97 | 1 | 5.23 | 2 |
| smokes | 5.87 | 2 | 3.15 | 6 |
| does not greet you with a handshake | 5.67 | 3 | 3.46 | 5 |
| does not introduce him- or herself | 5.45 | 4 | 4.15 | 4 |
| uses jargon | 5.21 | 5 | 4.38 | 3 |
| appears aggressive | 5.18 | 6 | 5.42 | 1 |
| wears expensive jewelry | 4.77 | 7 | 2.00 | 10 |
| appears to be a different race | 4.59 | 8 | 1.46 | 11 |
| appears very young | 3.87 | 9 | 2.69 | 8 |
| is overweight | 3.85 | 10.5 | 2.92 | 7 |
| has an accent | 3.85 | 10.5 | 2.54 | 9 |

METHODOLOGY FOR MAIN STUDY

Experimental Design

Four first-impression sales scenarios were created for the study. An example scenario is in Appendix A (italicized areas contain the manipulations). This results in a 2×2 between-subjects design with salesperson cues representing one factor and selling firm cues the other. A control group was also included that did not contain either experimental treatment.

These scenarios are the stimuli used as treatments in a pretest–posttest experimental design (Shadish, Cook, and Campbell 2002). One hundred and ninety-four volunteers from civic organizations in two southeastern cities randomly received one of four scenarios with a pre- and posttreatment questionnaire. Fifty-two percent of the respondents were female. The average age of respondents was 27. Average income was \$47,500. Subjects were given both oral and written instructions. Participants completed part one of the questionnaire, consisting of Rotter's (1967) interpersonal trust scale, $\alpha = 0.70$. The second part of the instrument consisted of one version of the scenario. After reading the scenario, respondents completed part three, consisting of the dependent measures.

Measures

Appendix B provides the measures employed in the study. Salesperson likability and expertise were assessed using measures from the trust and sales literature (Doney and Cannon 1997). All items use a seven-point response scale with 1 = strongly disagree and 7 = strongly agree. Using three items, coefficient alpha for likability is 0.89. The four expertise items have an alpha of 0.94. The firm capability scale has four items and a coefficient alpha of 0.85. Each construct seems to have convergent validity, and construct intercorrelations indicate discriminant validity, as each is less than the internal reliability of the corresponding construct.

Responses to items measuring trust of salesperson and selling firm had similar validity. Eight items measured trust in the selling firm (Doney and Cannon 1997; Kumar, Scheer, and Steenkamp 1995). The coefficient alpha is 0.91. Salesperson trust has seven items (Doney and Cannon 1997) and a Cronbach's alpha of 0.93. Examination of construct correlations indicates discriminant validity.

ANALYSIS AND RESULTS

Data analysis involved three separate but sequentially linked procedures. The first is an investigation of the effect of cues on a buyer's attributions about the salesperson and business as well as the effect of predisposition to trust. Using a 2×2 multivariate analysis of covariance (MANCOVA), the analysis begins by examining the covariate effect of predisposition to trust on assessments of salesperson characteristics in the treatments. In the experimental analysis, we look at the effect of the manipulated cues on subjects' mean assessments of likability, expertise, and capability. MANCOVA results provide evidence from tests of H1, H2, H5, and H7. Ordinary least squares (OLS) fitted regression models test H3, H6, and H8. Finally, two-stage

least squares (TSLS) is used to examine the proposed nonrecursive relationship between salesperson and selling firm trust (James and Singh 1978).

Experimental Results

Interaction Effect

Table 3 displays tests of significance for MANCOVA. All main effects are qualified by a significant interaction. Although not hypothesized, a significant business cues by firm cues interaction exists ($F_{(3,187)} = 3.07, p = 0.029$). The corresponding means (from Table 4) are plotted in Figure 2. Examination of Figure 2 and Table 4 suggests that the interaction is ordinal allowing for interpretation of main effects (Hair et al. 2006).

Individual Hypotheses

H1, which proposes that predisposition to trust is a significant covariate in the multivariate test of the main effects, is not supported based on an insignificant multivariate effect (Wilks's lambda = 0.974; $F_{(3,187)} = 1.68, p = 0.172$). In contrast, the main effects each have a significant effect on subject's perceived likability and expertise, as well as their ratings of the firm's capability. The results of the multivariate tests in Table 3 suggest that business cues (Wilks's lambda = 0.730; $F_{(3,187)} = 22.92, p = 0.000$) and salesperson cues (Wilks's lambda = 0.337, $F_{(3,187)} = 122.68, p = 0.000$) are related to the dependent variables. The univariate analyses also shown in Table 3 support the individual relationships between business cues and firm capability, and salesperson cues and both likability and expertise. Further, the means in Table 4 are consistent with the predicted direction of relationships. Thus, H2, H5, and H7 are all supported.

Linear Equation Results

Results indicate that both verbal and nonverbal cues affect trustworthiness. We test these propositions by regressing trust of the selling firm on capability, likability, and expertise. As seen in Table 5, the standardized beta for capability is 0.754 with a significant t -value of 15.77 ($p < 0.01$). The standardized beta weights for likability and expertise are also significant at 0.53 and 0.38. These factors' t -values are 8.95 ($p < 0.01$) and 6.43 ($p < 0.01$), respectively. The R^2 for trust of the salesperson is 0.74 and 0.57 for trust of the firm. The results support H3, H6, and H8, respectively.

Two-Stage Least Squares Results

Each of the above linear equations serves as the reduced form or first stage of the TSLS. However, the actual calculation of TSLS is a one-step process that avoids bias that may occur otherwise (James and Singh 1978). The results of the one-step process are shown in Table 6. Both beta estimates for reciprocal paths are large and significant, which indicates reciprocal causation. Further, the adjusted R^2 for trust of the firm is 0.722 and 0.689 for trust of the salesperson. We find support for H4 and H9 that trust of a salesperson transfers to trust of the business and the reciprocal relationship of trust of the business leads to trust of the salesperson. Further, neither relationship is clearly stronger than the other.

Table 3. Effects of Sales and Business Cues

| MANCOVA | | | | | | | |
|----------------------------------|---|-------------------------------------|-------------------------------------|-----------------------------|--------------|----------------|-----------|
| Effect | Multivariate Tests <i>F</i> -Statistic | Hypothesis Degrees of Freedom | Error Degrees of Freedom | Significance | Hypothesis | Outcome | |
| Predisposition to Trust | 1.68 | 3 | 187 | 0.172 | H1 | Fail to Accept | |
| Business Cues | 22.92 | 3 | 187 | 0.000 | | | |
| Salesperson Cues | 122.68 | 3 | 187 | 0.000 | | | |
| Business Cues × Salesperson Cues | 3.07 | 3 | 187 | 0.029 | | | |
| ANOVA | | | | | | | |
| Source | Between-Subject Effects | | Hypothesis Degrees of Freedom | Error Degrees of Freedom | Significance | Hypothesis | Outcome |
| | Dependent Variable | <i>F</i> -Statistic | | | | | |
| Business Cues | Likability | 2.46 | 1 | 189 | 0.118 | | |
| | Expertise | 16.13 | 1 | 189 | 0.000 | | |
| | Capability | 66.34 | 1 | 189 | 0.000 | H2 | Supported |
| Salesperson Cues | Likability | 201.83 | 1 | 189 | 0.000 | H5 | Supported |
| | Expertise | 328.56 | 1 | 189 | 0.000 | H7 | Supported |
| | Capability | 165.12 | 1 | 189 | 0.000 | | |
| Business Cues × Salesperson Cues | Likability | 3.02 | 1 | 189 | 0.084 | | |
| | Expertise | 4.27 | 1 | 189 | 0.067 | | |
| | Capability | 8.87 | 1 | 189 | 0.000 | | |

Table 4. Means and Standard Deviations for Dependent Variables

| Cues About Business | Cues About the Salesperson | <i>N</i> | Assessment of Likability | | Assessment of Expertise | | Assessment of Capability | |
|------------------------|-------------------------------|----------|--------------------------|-----------------------|-------------------------|-----------------------|--------------------------|-----------------------|
| | | | Mean | Standard Deviation | Mean | Standard Deviation | Mean | Standard Deviation |
| Positive | Positive | 43 | 5.892 | 0.68 | 5.529 | 0.93 | 5.186 | 0.75 |
| | Negative | 51 | 3.418 | 1.32 | 2.529 | 1.11 | 3.132 | 1.06 |
| Negative | Positive | 51 | 5.392 | 0.86 | 4.632 | 1.02 | 3.754 | 0.90 |
| | Negative | 49 | 3.500 | 1.23 | 2.265 | 1.01 | 2.469 | 0.82 |

Table 5. Results of Ordinary Least Squares

| Dependent Variable | R² | Independent Variable | Standardized Beta | t | Significance | Hypothesis | Outcome |
|---------------------------|----------------------|-----------------------------|--------------------------|----------|---------------------|-------------------|----------------|
| Trust of Selling Firm | 0.566 | Capability | 0.754 | 15.77 | 0.000 | H3 | Supported |
| Trust of Salesperson | 0.74 | Likability | 0.53 | 8.95 | 0.000 | H6 | Supported |
| | | Expertise | 0.38 | 6.43 | 0.000 | H8 | Supported |

Table 6. Results of Two-Stage Least Squares

| Dependent Variable | R² | Mean | Standard Deviation | Independent Variable | Standardized Beta | t | Significance |
|--|----------------------|-------------|---------------------------|-----------------------------|--------------------------|----------|---------------------|
| Trust of Selling Firm | 0.722 | 7.14 | 0.85 | Trust of Salesperson | 0.885 | 22.318 | 0.000 |
| Trust of Salesperson | 0.689 | -4.12 | 1.27 | Trust of Selling Firm | 0.951 | 20.537 | 0.000 |
| Residuals of Stage One of Selling Firm | 0.013 | 7.05 | 0.93 | Likability | -0.015 | -0.133 | 0.894 |
| | | | | Expertise | -0.104 | -0.896 | 0.371 |
| Residuals of Stage One of Trust of Salesperson | 0.009 | -3.76 | 0.926 | Capability | 0.097 | 1.339 | 0.182 |

DISCUSSION

Overall, results suggest that situational cues influence subjects' assessments of characteristics of trustworthiness for both the salesperson and the firm. These cues appear to influence trust regardless of a subject's predisposition to trust, which does not affect outcomes significantly in this study. As hypothesized, salesperson cues are related to likability and expertise. A negative impression of a salesperson based on his or her initial nonverbal communication is difficult to overcome.

For the firm, appearance cues of the business also influence assessments of firm capability. Moreover, the assessment of a salesperson affects judgments of a firm's capability. Reciprocally, the business's appearance influences assessments of a salesperson. The significant effect of salesperson cues upon assessments of firm capability and the influence of business cues on attributions about salesperson expertise provide further support for trust transference.

Given that cues influence a respondent's attributions about trust-building characteristics, study results indicate that these assessments initiate a process leading to trust of the salesperson and firm. Positive assessments of salesperson likability and expertise lead to trust of the salesperson. Perceived capability of the firm leads to trust of the selling firm. As suggested by Doney and Cannon (1997), trust transference is an additional process activated by the characteristics that lead to trusting outcomes.

MANAGERIAL IMPLICATIONS

Trust formation involves more than the iterative process of trust evolving over repeated interactions. Results indicate that this iterative process must have an origin, and initial sales encounters may form the basis of subsequent trust development. If cues perceived by a buyer do not lead to positive trust-building assessments, the buyers will likely "vote with their feet" and choose not to participate in further exchanges with the seller. By focusing on existing, ongoing business relationships, previous trust research has overlooked an area of interaction that is critical to the entire picture of buyer-seller trust development.

The critical nature of the initial sales encounter cannot be ignored. As Dwyer, Schurr, and Oh (1987) suggest, the exploration phase may be very brief, and failure by the buyer to reach positive assessments of the seller may end the relationship-building process. Study results indicate the presence of positive and/or negative cues is more influential in the formation of trust than a potential buyer's predisposition to trust. Perhaps the nature of sales encounters where most people have "learned" not to trust overcomes whatever propensity to trust might operate in other nonselling encounters. Managerially, it appears that achieving a positive outcome from the initial sales encounter is under the control of the seller regardless of the buyer's predisposition. Although all sales calls may not end in long-term business relationships, by avoiding negative verbal/nonverbal cues, a salesperson can increase the likelihood a prospect will consider using that salesperson/firm in future purchase situations.

Results reinforce the importance of good communication skills or provide training targeted at improving verbal and nonverbal communication skills. Not only are positive assessments of the

salesperson's trustworthiness important to the buyer but the same assessment reciprocally influences trustworthiness assessments of the selling firm. This supports previous research regarding the importance of the buyer–salesperson interaction (Goff et al. 1997). Managing the buyer's perceptions of the initial sales encounter can significantly enhance the relationship and the successful culmination of an eventual transaction.

FUTURE RESEARCH

Results suggest several avenues for future research. First, research can focus on additional trust-building processes as well as characteristics that invoke those processes. Numerous changes in the manipulation of the cues as well as the use of additional cues are possible avenues of future inquiry. Changing the scenario to a business-to-business or e-commerce setting or an in-store retail environment could yield additional insights. Professional buyers may give a salesperson “the benefit of the doubt” and overlook negative cues or it is just as possible salesperson cues may become even more salient.

Although much of the current research on trust focuses on cognitive processes in trust, affect may play an equally important role. In addition, perceived social equivalence, perception of firm size, as well as adaptability of both the firm and the salesperson may be salient. This study did not find a significant relationship with predisposition to trust, but other settings in different contexts may provide different results. Finally, factors yet unknown may significantly relate to the suggested affective trust-building process.

Future research could also systematically manipulate each verbal, nonverbal, or appearance cue to establish their salience for buyers. Further examination of issues surrounding initial buyer perceptions of the salesperson could establish the relative importance of verbal versus nonverbal cues. In addition, a study could manipulate only nonverbal cues or add additional cues such as attractiveness, race, or age. Likewise, manipulation of perceptions of the business could use “word-of-mouth” recommendation as a moderator of business cues uncovered in the current research and other studies.

Scenarios present some well-known limitations. Videotaped sales encounters would provide an alternative means to test the effects of verbal and nonverbal salesperson cues as well as cues regarding a firm's appearance. Another potential issue involves study two's scenario—an automobile purchase. Other types of retail encounters may provide different results because some evidence suggests that the auto-buying process may be viewed differently from many other retail purchases (Babin, Boles, and Darden 1995). In addition, it is possible that respondents, having had numerous sales encounters, may have elaborated on the basic RITF scenario and, mentally, converted that scenario into one that reflected previous sales encounters that involved long-term relationships. This would reduce the effect of the RITF scenario manipulations.

REFERENCES

Ahearne, Michael, Thomas W. Gruen, and Cheryl Burke Jarvis (1999), “If Looks Could Sell: Moderation and Mediation of the Attractiveness Effect on Salesperson Performance,” *International Journal of Research in Marketing*, 16 (4), 269–284.

- Babin, Barry J., James S. Boles, and William R. Darden (1995), "Salesperson Stereotypes, Consumer Emotions, and Their Impact on Information Processing," *Journal of the Academy of Marketing Science*, 23 (2), 94–105.
- Bitner, Mary Jo (1992), "Servicescapes: The Impact of Physical Surroundings on Customers and Employees," *Journal of Marketing*, 56 (2), 57–71.
- Blau, Peter M. (1964), *Exchange and Power in Social Life*, New York: John Wiley & Sons.
- Buss, David M., and Douglas T. Kenrick (1998), "Evolutionary Social Psychology," in *The Handbook of Social Psychology*, vol. 2, Susan Fiske, Daniel T. Gilbert, and Gardner Lindzey, eds., New York: Oxford University Press.
- Crosby, Lawrence A., Kenneth R. Evans, and Deborah Cowles (1990), "Relationship Quality in Services Selling: An Interpersonal Influence Perspective," *Journal of Marketing*, 54 (3), 68–82.
- Doney, Patricia, and Joseph P. Cannon (1997), "An Examination of the Nature of Trust in Buyer–Seller Relationships," *Journal of Marketing*, 61 (2), 35–51.
- Dwyer, F. Robert, Paul H. Schurr, and Sejo Oh (1987), "Developing Buyer–Seller Relationships," *Journal of Marketing*, 51 (2), 11–27.
- Endeshaw, Assafa (2001), "The Legal Significance of Trustmarks," *Information & Communications Technology Law*, 10 (2), 203–231.
- Folkes, Valerie (1988), "Recent Attribution Research in Consumer Behavior: A Review," *Journal of Consumer Research*, 14 (4), 548–565.
- Goff, Brent G., James S. Boles, Danny N. Bellenger, and Carrie Stojack (1997), "The Influence of Salesperson Selling Behavior on Customer Satisfaction with Products," *Journal of Retailing*, 73 (2), 171–185.
- Hair, Joseph F., William C. Black, Barry J. Babin, Rolph E. Anderson, and Ronald L. Tatham (2006), *Multivariate Data Analysis*, 5th ed., Upper Saddle River, NJ: Prentice Hall.
- Hardin, Russell (2002), *Trust and Trustworthiness*, New York: Russell Sage Foundation.
- James, Lawrence R., and B. Krishna Singh (1978), "An Introduction to the Logic, Assumption, and Basic Analytic Procedures of Two-Stage Least Squares," *Psychological Bulletin*, 85 (5), 1104–1122.
- Kumar, Nirmalya, Lisa K. Scheer, and Jan-Benedict E.M. Steenkamp (1995), "The Effects of Perceived Interdependence on Dealer Attitudes," *Journal of Marketing Research*, 32 (3), 348–356.
- Leigh, Thomas W., and John O. Summers (2002), "An Initial Evaluation of Industrial Buyers' Impressions of Salespersons' Nonverbal Cues," *Journal of Personal Selling & Sales Management*, 22, 1 (Winter), 41–54.
- McKnight, D. Harrison, Larry L. Cummings, and Norman L. Chervany (1998), "Initial Trust Formation in New Organizational Relationships," *Academy of Management Review*, 23 (3), 473–490.

- Montepare, Joann M. (2003), "Introduction: Evolution and Nonverbal Behavior: Adaptive Social Interaction Strategies," *Journal of Nonverbal Behavior*, 27 (3), 141–143.
- Morgan, Robert M., and Shelby D. Hunt (1994), "The Commitment-Trust Theory of Relationship Marketing," *Journal of Marketing*, 58 (3), 20–38.
- Petreycik, Richard M. (1991), "How To Keep It Clean—And Safe," *Progressive Grocer*, 70 (5), 250.
- Ramsey, Rosemary P., and Ravipreet S. Sohi (1997), "Listening to Your Customers: The Impact of Perceived Salesperson Listening," *Journal of the Academy of Marketing Science*, 25 (2), 127–137.
- Rempel, John K., John G. Holmes, and Mark P. Zanna (1985), "Trust in Close Relationships," *Journal of Personality and Social Psychology*, 49 (1), 95–112.
- Rotter, Julian B. (1967), "A New Scale for the Measurement of Interpersonal Trust," *Journal of Personality*, 35 (4), 651–665.
- (1980), "Interpersonal Trust, Trustworthiness, and Gullibility," *American Psychologist*, 35 (1), 1–7.
- Shadish, William R., Thomas D. Cook, and William T. Campbell (2002), *Experimental and Quasi-Experimental Designs*, Boston: Houghton Mifflin.
- Sirdeshmukh, Deepak, Jagdip Singh, and Barry Sabol (2002), "Consumer Trust, Value and Loyalty in Relational Exchanges," *Journal of Marketing*, 66 (1), 15–37.
- Swan, John E., Michael R. Bowers, and Lynne D. Richardson (1999), "Customer Trust in the Salesperson: An Integrative Review and Meta-Analysis of the Empirical Literature," *Journal of Business Research*, 44 (2), 93–107.
- , Fredrick I. Trawick, Jr., and David W. Silva (1985), "How Industrial Salespeople Gain Customer Trust," *Industrial Marketing Management*, 14 (3), 203–211.

APPENDIX A. Example Scenario: Negative Dealer—Positive Salesperson

You have decided to begin shopping for a new car. The model you are most interested in is the 2001 Concept. Because you have the afternoon free, you decide to go to a dealer and take a close look at the Concept.

Upon arrival at the dealer, you have *trouble finding a place to park. There are no signs designating the customer parking area so you park between two new cars. You are not impressed with the appearance of the dealership. There is litter in the parking lot and the cars appear somewhat dusty and unwashed. You notice only a small number of customers talking with salespeople.*

As you get out of your car, you are approached by an employee. He walks over to you and with a *friendly smile* introduces himself as Bobby, and hands you a business card. He is of average height and weight. His hair is *well groomed and appears freshly styled. He is wearing a neat gray suit with a matching tie that appears stylish and up to date.*

He shakes your hand and asks, "How can I help you today?"

You reply, "Mostly, I'm just looking."

"Take your time. Look around and see if there is anything that interests you. I'll be right inside if you need anything."

Before he can leave, you ask, "Would you please tell me where I can find the new Concepts?"

"They're right over there on the other side of the lot. They are between the Concourses and the Neptunes. Can I walk you over to them?"

You walk quietly across the lot together.

You reach a four-door Concept and start looking at it. Some of the options on this car include air conditioning, automatic transmission, antilock brakes, a stereo CD player, and power locks. At the bottom of the sticker, you notice there is not a price. You ask Bobby a few questions and learn that the car has dual-side air bags, a three-year limited warranty, and has been "prepped." *You find Bobby is well informed and helpful.*

As you begin to leave, you thank Bobby and tell him you need to look around. Bobby says, "I know that buying a car is an important decision, so make sure you make the choice that's right for you. Feel free to come back or give me a call if you have any other questions."

APPENDIX B. Measures

Predisposition to Trust

1. Hypocrisy is on the increase in our society.
2. In dealing with strangers, one is better off being cautious until they have provided evidence that they are trustworthy.
3. This country has a dark future unless we can attract better people into politics.
4. Fear of social disgrace or punishment rather than conscience prevents most people from breaking the law.
5. The United Nations will never be an effective force in keeping world peace.
6. Most people can be counted on to do what they say they will do.
7. The judiciary is a place where we can all get unbiased treatment.
8. It is safe to believe that in spite of what people say, most people are primarily interested in their own welfare.
9. The future seems very promising.
10. Most people would be horrified if they knew how much news the public hears and sees is distorted.
11. Most elected public officials are sincere in their campaign promises.
12. Even though we have reports in the newspaper, radio, and television, it is hard to get objective accounts of public events.
13. Most experts can be relied upon to tell the truth about the limits of their knowledge.
14. In these competitive times, one has to be alert or someone is likely to take advantage of you.
15. Many major national sport contests are fixed in one way or another.
16. Most idealists are sincere and usually practice what they preach.
17. Most salesmen are honest in describing their products.
18. Most students in school would *not* cheat even if they were sure of getting away with it.
19. Most repairmen will not overcharge even if they think you are ignorant of their specialty.
20. A large share of accident claims filed against insurance companies are phony.

21. Most people answer public opinion polls honestly.
22. If we really knew what was going on in international politics, the public would have more reason to be frightened than they now seem to be.

Likability

1. This salesperson is friendly.
2. The salesperson is approachable.
3. The salesperson is sincere.

Expertise

1. I feel this salesperson knows how to sell cars.
2. This salesperson is well qualified.
3. This salesperson is capable of selling cars.
4. This salesperson seems to be successful in selling cars.

Capability

1. This dealership is concerned about my welfare.
2. This dealership is well qualified.
3. This dealership is capable of selling cars.
4. This dealership seems to be successful in selling cars.

Trust in Dealer

1. The dealer described above can be trusted.
2. This dealer is reliable because it is mainly concerned with customer's interests.
3. This dealer would not tell a lie, even if it could gain by it.
4. This dealer has standards regarding honesty and would stick to them even when the chips are down.
5. This dealership will keep a promise they make to me.
6. This dealership will provide me with information that later will prove to be inaccurate.
7. Although circumstances may change, I believe this dealership will be ready and willing to offer me assistance and support.
8. In the future, I can count on this dealership to consider how its decisions and actions will affect me.

Trust Salesperson

1. This salesperson is honest.
2. In the future, I can count on this salesperson to consider how his decisions and actions will affect me.
3. Even if this salesperson gave me a rather unlikely explanation, I am confident that he is telling the truth.
4. This salesperson will keep a promise he makes to me.
5. If this salesperson gives me advice, I know he will be sharing his best judgment.
6. This salesperson is concerned about my welfare.
7. The salesperson described is trustworthy.