

SALES PERSON'S PROPENSITY TO COLLECT MARKET INFORMATION: A STUDY OF ANTECEDENTS AND THE MODERATING EFFECTS OF LOCUS OF CONTROL

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ABSTRACT

Salespeople play an important role in a boundary position between the market and the organization and are well positioned for collecting market information (MI). What motivates salespeople to gather MI is, therefore, the focus of this paper, and we did this by developing a baseline model of different direct effects on salespeople's propensity to collect MI, and then add locus of control (LOC) as a moderator.

Relationships were tested in Norwegian professional sales environments using regression modeling. Most direct effects were supported, and moderated by LOC. We conclude that adding LOC as a moderator increases the understanding of what motivates salespeople to gather MI.

INTRODUCTION

Over the last decades, there has been an escalating change towards highly turbulent and competitive business environments which has increased the need for market information (Narver and Slater 1990). Sales people has been argued to play an important role in collecting market information, due to their boundary-spanning position between the company and its environment (Aldrich and Herker 1977). At the same time, salespeople have been reluctant to collect MI, argued to be due to lack of incentives (Day 1994), or that collecting MI takes away valuable selling time (Cotteleer et al. 2006).

The important role of the salespeople to collect MI and the problems of getting them to do so has lead to an extensive amount of research on what motivates individual salespeople to collect MI (Ahearne et al. 2013; Mariadoss et al. 2014). But as the majority of these studies include an individual-level perspective, lack of focus on the effects of individual differences is somewhat surprising as the relationship between motivation and personality has a long history. The purpose of this paper is, therefore, to test how personality differences will affect this relationship.

METHODOLOGY AND APPROACH

Data was collected in Norwegian professional sales environments (N=255) through a cross-sectional design with a web-based survey and tested using regression modeling. We first tested a baseline model developed from previous literature. Then the moderating effects of LOC were tested by the means of a two group procedure.

FINDINGS

In the baseline model, we hypothesized a positive effect of the different independent variables on sales people's propensity to collect MI. The independent variables used was intrinsic motivation (IM), perceived information value (PIV), perceived organizational support (POS), activity perception (AP) and adaptive selling (AS). All positive relationship was supported, except for PIV.

In the moderation model, we found that External LOC positively moderated the effect of AS, and PIV on collecting MI. And Internal LOC positively moderated the effect of IM and AP on collecting MI.

As the complexity of the sales job has increased, leading to a number of new tasks imposed on the sales person (Jones et al. 2005). There is an increased danger of increased role ambiguity (Rhoads, Singh, and Goodell 1994). Deeper understanding of what motivates sales people's existing tasks, like the collection of MI, is, therefore, important. Leading to a focus on working smarter, rather than working harder (or more).

References available on request from first author.