

How First Impressions of a Customer Impact Effectiveness in an Initial Sales Encounter

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First impressions of others affect both the content and outcomes of a variety of interpersonal encounters. In sales encounters, a salesperson's first impressions of a customer provide a starting point for probing customer needs and for adapting to those needs. This implies that salesperson effectiveness in an initial sales encounter is associated—at least in part—with a salesperson's first impression of the customer. The reported quasi-experiment is the first study to explore empirically the connection between salespeople's first impressions, their cognitive structures, and sales effectiveness in a single, initial sales encounter. The results provide an intriguing glimpse into the dilemma salespeople face in trying to establish the basis of a relationship while achieving short-term sales outcomes (e.g., closing a sale, satisfaction).

First impressions of others have long been shown to affect both the content and outcomes of interpersonal encounters (e.g., Clark 1963; Dipboye, Fontenelle, and

Garner 1984; Macan and Dipboye 1988; Marshall, Stamps, and Moore 1998; Snyder and Swann 1978). In personal selling, first impressions of customers may result from the customer referral information commonly available to salespeople or from information gained upon initially meeting the prospect. In an initial sales encounter, a salesperson's first impressions of a customer provide a starting point for further probing the customer's needs and adapting a sales strategy to meet those needs. Yet, despite considerable analogous research in cognitive, social, and educational psychology, no research to date has explored empirically the link between salesperson first impressions of a prospect and personal selling effectiveness.

Understanding the connection between a salesperson's first impressions of a customer and the outcomes of an initial sales encounter is valuable for at least two reasons. First, how a salesperson approaches a specific sales encounter, especially when it is the initial meeting between salesperson and prospect, impacts buyer and seller perceptions of that sales encounter. Second, what happens in a single sales encounter is the basis on which aggregate sales performance is built (e.g., Is the prospect willing to meet again with the salesperson?). Thus, this study explores both objective and subjective performance outcomes indicative of more immediate (e.g., closing the

sale, episode-specific customer satisfaction) and longer-term (e.g., customer perceptions of relationship building) success. Subjective measures are important indicators of sales effectiveness in the many sales contexts where salespersons are likely to have repeated contacts with customers over time (Frazier 1983; Weitz 1981).

This is the first study of its kind to apply cognitive structures to explore the nature and impact of first impressions. Specifically, this research examines the association between characteristics of salespeople's knowledge structures (e.g., similarity of the first impression to the rest of the knowledge structure), as deployed in anticipation of an initial sales encounter, and sales effectiveness. The cognitive structure approach (see Sujana, Sujana, and Bettman 1988; Szymanski 1988) provides a way to investigate how various aspects about first impressions (i.e., aspects about the initial categorization of customer) impact sales effectiveness. Thus, this research both explores the generalizability of findings from psychology about first impressions (e.g., Macan and Dipboye 1988; Snyder and Swann 1978) and offers a cognitive structure perspective to help reveal why first impressions might impact personal selling outcomes.

Also, unlike the extant cognitive structure literature that links salesperson knowledge structures to aggregate sales performance (e.g., Weitz, Sujana, and Sujana 1986), this study explores the effects of cognitive structures within a single sales encounter. As such, the study introduces and investigates the notion that personal selling is an ill-structured problem, one for which several potential solutions might exist. This perspective highlights the importance of aspects of the initial categorization of customers in predicting personal selling performance. For example, because a salesperson's initial categorization of a prospect may be uncertain, this study investigates the impact of a salesperson's confidence in his or her first impressions of a prospect. Consequently, we offer new direction for exploring personal selling by viewing selling as a variety of ill-structured problems that can be investigated via salesperson cognitive structures. The article begins by discussing its conceptual foundations. Method, findings, and results follow.

CONCEPTUAL FOUNDATIONS

Categorization and First Impressions

Following Weitz et al. (1986), Sujana, Sujana, and Bettman (1988), and Szymanski (1988), a salesperson's selling knowledge can be organized by customer categories. These customer categories presumably evolve from repeated contacts with certain customer types and/or from

customer types that a salesperson may have been trained to identify. Salespeople use their customer categories as possible answers to the questions, "What type of customer is this?" and, thus, "What type of sales strategy is most appropriate for this customer?"¹ Durable goods salespeople, for example, have been found to vary their price quotes according to customer type (Wise 1981; Wise, Cox, and Floto 1977). As mentioned, this study extends the categorization literature by exploring how initial categorization affects sales outcomes for a specific sales episode.

Salesperson first impressions are thus conceptualized as the a priori assignment of a prospect to customer types or categories. First impressions may result from the customer referral information commonly available to salespeople, informal client contact, or information gained upon initially meeting a prospect. Although impressions of the customer may be altered during a sales encounter (yielding adaptive selling), the initial customer categorization may help the salesperson size up a prospect prior to the sales exchange. This initial impression provides the salesperson with a frame of reference that directs the initial buyer-seller interaction (see Macan and Dipboye 1988; Snyder and Swann 1978).²

The cognitive psychology literature reveals first impressions to be an important determinant of the content and outcome of interpersonal encounters (Clark 1963; Dipboye et al. 1984; Macan and Dipboye 1988; Snyder and Swann 1978). Meta-analyses reveal that expectations based on first impressions precipitate expectations for an interpersonal encounter and that first impressions are an important influence in a broad range of interpersonal interactions (Harris and Rosenthal 1985).

While the majority of the first-impression research on which we build focuses on personnel recruiting and educational settings, these contexts have much in common with initial sales encounters. For example, interviewers use a priori judgments about job candidates to direct interview questioning (Macan and Dipboye 1988; Snyder and Swann 1978). During face-to-face interactions, a priori impressions (e.g., previewing job applications) serve to guide information gathering and affect interaction behaviors and outcomes (Dipboye et al. 1984). Similarly, educators' initial impressions influence subsequent interactions with students and, ultimately, student performance outcomes (Clark 1963). Applied to personal selling, these findings suggest that first impressions, or a priori categorization, of customers may affect the course and content of a sales encounter. All this suggests that sales encounter effectiveness is based, to some degree, on a salesperson's first impression of a prospect. To elucidate how a salesperson's first impressions might impact sales effectiveness, we next discuss the nature of problem solving in personal selling. Specifically, we suggest viewing personal selling as an ill-structured task.

The Ill-Structured Nature of Personal Selling

Research linking salesperson knowledge structures with sales effectiveness commonly presumes that more elaborate knowledge structures yield greater sales effectiveness (e.g., more customer categories and more attributes used to describe those categories) (Alba and Hutchinson 1987). This cognitive complexity hypothesis predicts that effective salespeople (in contrast to less effective salespeople) organize their knowledge into a greater number of customer categories that are described in detail (Leong, Busch, and John 1989; Weitz 1981; Weitz et al. 1986). Empirical evidence does support that salespeople who exhibit greater aggregate sales performance use more attributes to describe their customer categories (Leigh and McGraw 1989; Sujan et al. 1988; Szymanski and Churchill 1990). In contrast, however, the number of categories in a salesperson's knowledge structure is not related to aggregate sales effectiveness (Sujan et al. 1988; Szymanski and Churchill 1990).

A possible explanation for these findings is that the cognitive complexity hypothesis does not readily apply to personal selling. The cognitive complexity hypothesis assumes that the categorization task is a well-structured problem for which a unique and verifiably correct solution exists, as occurs in contexts like mechanics (Chi, Feltovich, and Glaser 1981; Miyake 1986; Preece 1976) and math (Anderson 1982). This hypothesis implies that salespeople assign prospects correctly to a discrete category. Furthermore, because each category represents a unique solution to a different problem, the categories are maximally distinct. In summary, the cognitive complexity hypothesis builds on four assumptions of dubious validity in many personal selling settings: (1) that salespersons have in their knowledge structure the "right" category for each customer they encounter, (2) that the salesperson's perception of a prospect is veridical and affords the information necessary to categorize the prospect, (3) that the salesperson assigns the prospect to only one category, and (4) that category assignment is unambiguously correct.

Personal selling, like other interpersonal encounters, is better described as an ill-structured problem. Problems are ill structured when there are several feasible solution paths and many possible solutions. In many personal selling settings, there is no one correct category assignment for the prospect (i.e., no unambiguously correct answer to the question "What type of customer is this?" or "How should I sell to this customer?"). Unlike chess masters, who catalogue a vast array of definitive strategies based on an opponent's moves (Chase and Simon 1973), salespeople do not have concise alternatives prior to and/or during the sales interaction. This seems especially true for an initial sales encounter—when a myriad of options are available to both the customer and salesperson.

All this suggests that salespeople's categorization of prospects is better described by the graded structure or "fuzzy set" orientation to categorization (Alba and Hutchinson 1987; Barsalou 1985). A graded structure approach suggests that the salesperson may judge a prospect to possess characteristics of several, possibly overlapping, customer categories. For instance, a prospect for financial services may fall into a category of needing capital gains, whereas another may need to receive a recurring revenue stream; yet a third may fall somewhere between these two categories. Referral cues, such as age, family size, and type of employment, provide an initial means of classifying each customer. Advanced age, for example, may be a cue from which a salesperson infers that the customer is of a type who prefers a revenue stream generated by low-risk investments. A younger prospect, in contrast, might be assigned to a category characterized as willingness to pursue capital gains with riskier financial products. When a customer is perceived to fall between these two age extremes, the salesperson might tentatively assign the prospect to both customer categories. Salespeople will discount these category assignments to reflect their confidence that the category is appropriate for a customer (Kleine and Kernan 1992). Thus, the answer to the question "How should I sell to this prospect?" is often riddled with uncertainty and subtle nuances, especially in selling contexts where adaptive selling is most needed (e.g., insurance sales).

Surprisingly, the sales literature has not explored how graded cognitive structures relate to a salesperson's assessment of a specific sales episode in spite of the attention paid to the cognitive structure literature in explaining the sales interaction (e.g., Leigh and Rethans 1984; Leong et al. 1989; Szymanski 1988). Thus, this study explores cognitive categorization elements related to first impressions from an ill-structured-problem perspective (i.e., exploring confidence in category assignment, multiple category assignment, and similarity between and within first-impression categories as predictors of personal-selling effectiveness). This is particularly noteworthy given that in contexts possessing similar ambiguities to sales contexts, such as education and human resource management contexts, significant effects associated with first impressions have been found that have never been discussed from a cognitive structure perspective (e.g., Clarke 1963; Marshall et al. 1998).

HYPOTHESES

Overall knowledge structure. While the characteristics of salespeople's overall customer knowledge structures are related to aggregate sales performance (Leigh and McGraw 1989; Sujan et al. 1988; Szymanski and Churchill 1990), the ill-structured problem-solving perspective

suggests that characteristics of a salesperson's first impressions will more likely predict effectiveness in a specific sales encounter. That is, a salesperson's total knowledge structure may not be useful for determining the outcomes of a specific sales episode. Rather, characteristics of the portion of the knowledge structure applied to the sales "problem" (e.g., certainty about the accuracy of the first impression, complexity of the first-impression category) will better predict sales effectiveness in a single sales encounter. The exploration of these contentions may help researchers to better understand the link between knowledge structure and sales performance. On this foundation, we propose:

Hypothesis 1a: Characteristics of a salesperson's overall knowledge structure (e.g., complexity, category similarity) are not related to sales effectiveness in an initial sales encounter.

Hypothesis 1b: Characteristics of the category (or categories) that describes a salesperson's first impression of a prospect are related to sales effectiveness in an initial sales encounter.

Characteristics of the first impression (i.e., the a priori customer category assignment) are explored next.

Confidence in the assigned category. Consistent with the ill-structured problem-solving contention, a salesperson may not have a clear impression of a prospect. Referrals, for instance, often provide the only information available to a salesperson for categorizing the prospect prior to their initial meeting. Yet, as mentioned, several categories may seem appropriate to differing degrees. Whether one or more categories are considered appropriate a priori, the choice of initial customer category assignment is especially important because it guides how salespeople begin a sales encounter. The perceived appropriateness of a given assignment is reflected in the salesperson's confidence in the prospect's membership in that category (Kleine and Kernan 1992). That confidence affects the sales episode. For instance, highly confident customer assignments may contribute to hypothesis-confirming behavior (see Snyder and Swann 1978) where salespeople endeavor to force fit customers into a preassigned category. This could yield negative customer perceptions of the salesperson's willingness to really get to know the customer, that is, correctly categorize the customer. In support, the extant first impression literature finds that positive first impressions often lead to favorable interpersonal outcomes (e.g., student grades, successful interviews) apart from a true understanding of the other party (Clark 1963; Dipboye et al. 1984). In contrast, low salesperson confidence in category assignments may improve customer perception of the salesperson's sensitivity but hinder the salesperson's ability to engage in transaction-related activity as the salesperson strives to find the

right course of action—potentially hampering the immediate sale and lessening the perceived value of the initial sales interaction. Hence, we propose:

Hypothesis 2a: The greater a salesperson's confidence that a first impression of a customer is appropriate, the greater the likelihood of the more immediate objective and subjective sales effectiveness outcomes (i.e., closing the sale, episode-specific customer satisfaction) in an initial sales encounter.

Hypothesis 2b: The greater a salesperson's confidence that a first impression of a customer is appropriate, the less favorable the longer-term subjective sales effectiveness outcome (i.e., customer perceptions of relationship building) in an initial sales encounter.

Assigned category complexity. Greater category complexity implies a better developed or articulated category (or categories). It has been argued that the number (depth) of category descriptors predicts effective selling at the aggregate level (e.g., Sujan et al. 1988). Less clear is whether the number of first-impression category descriptors is linked to the success of a single sales encounter. Findings that more successful salespeople have more complex categories overall suggest that a more complex category may indicate a more complete understanding of that customer type. Thus, we propose:

Hypothesis 3: The more descriptive attributes used to describe a first-impression category, the greater the sales effectiveness (i.e., closing the sale, episode-specific customer satisfaction, customer perceptions of relationship building) in an initial sales encounter.

Alternatively, purely from a first-impression perspective, low category complexity may indicate a category where a small number of descriptors adequately delineate a particular customer type. Such categories may result in first impressions that are stereotypical and difficult to change, leading to hypothesis-confirming behavior with the salesperson striving to perceive customer behaviors as fitting the first impression (see Snyder 1981; Snyder and Swann 1978). The link between number of category descriptors and stereotyping behavior, however, has not been established in the literature and is to date only conjecture.

Assigned category similarity. Category similarity describes the degree to which categories share descriptive attributes. Salespeople with a greater degree of similarity among the categories in their total knowledge structures evince greater aggregate-level sales effectiveness (Sujan et al. 1988). Translating this finding to a single initial sales encounter, it appears that sales effectiveness may depend on the similarity of the first-impression category to the other categories in the salesperson's knowledge structure. Similarity between the initial categorization and other customer categories may enhance sales effectiveness by per-

mitting salespeople to easily reclassify customers during a sales interaction. This would allow the salesperson to fine-tune a basic approach in response to nuances of the sales encounter. If the salesperson's knowledge structure is composed of dissimilar customer categories, shifting from one category to another would imply making a dramatic shift in selling approach (e.g., from a soft sell to a hard sell). Such abrupt changes may impact the quality of the sales encounter. To avoid abrupt changes in selling tactics, for example, salespersons with distinct customer categories may stay with a category assignment that is not an optimal fit rather than switch categories (see Snyder 1981; Snyder and Swann 1978). A similar logic holds for within-category similarity (i.e., the degree to which category descriptors share a common conceptual theme). As salespeople engage in hypothesis-confirming behavior for their initial impressions of customers (see Snyder 1981; Snyder and Swann 1978), a dissimilar group of category descriptors for that initially assigned customer category (e.g., customer needs, shopping styles, and demographics) may cause a salesperson to seem confused and lacking in sufficient focus to be effective. The following hypotheses are offered:

Hypothesis 4a: The greater the similarity of an assigned first-impression category to other categories in the knowledge structure, the greater the sales effectiveness in an initial sales encounter.

Hypothesis 4b: The greater the similarity of descriptors within a first-impression category, the greater the sales effectiveness in an initial sales encounter.

Attitude toward assigned categories. Furse, Punj, and Stewart (1984) revealed that salespeople like some customer categories more than other categories; salespeople prefer doing business with some customer types more than with other types. These preferences may be due to such attributes as perceived ease of a sale, quality of the interpersonal interaction, or type of customer need or product preference. Yet to be explored empirically is the possibility that a salesperson's initial attitude toward a customer type may affect sales effectiveness. As it seems reasonable that salespeople are more effective selling to prospects assigned to customer types they personally like, we propose:

Hypothesis 5: The more favorable a salesperson's attitude toward an assigned first-impression category, the greater the sales effectiveness in an initial sales encounter.

Summary. The preceding hypotheses anticipate that characteristics of a salesperson's overall knowledge structure are not associated with sales effectiveness outcomes of a single initial sales encounter. In contrast, it is hypothesized that characteristics of the customer categories that comprise a salesperson's a priori first impressions of a

prospect will impact sales effectiveness outcomes of an initial sales encounter. Described next is the quasi-experiment conducted to examine the proposed relationships.

METHOD

Sample

The sample included 116 sales dyads. Each dyad consisted of a salesperson and a consumer couple playing the roles of seller and buyer in a simulated sales setting. The consumer couples were real-life married couples. The salespeople were practicing life insurance agents. Life insurance sales is an appropriate context for this study, as objective and subjective sales outcomes are routinely pursued. Consumer couples and salespeople were recruited from a major Southwestern metropolitan area. Nine dyads were discarded due to poor response quality. No unique characteristics distinguish the deleted dyads from the remaining 107 sales dyads that provided the basis for the analyses.

The consumer couples were paid participants selected from a panel maintained by a national market research firm. Couples were screened to ensure that they were prime candidates for life insurance purchase (i.e., married, male head 25 to 45 years old, children at home if household head younger than 30, both spouses at least high school graduates, household income between \$20,000 and \$120,000). Within these constraints, quotas were established for sociodemographic segments in accordance with the population distribution of the local area.⁴ The resulting consumer sample is a representative and diverse cross-section of the target population.

To participate in the study, salespeople were required to have recent experience selling insurance. Most of the salespeople were volunteers solicited from local chapters of the dominant national trade association representing agents. The remainder of the salespeople were systematically recruited from the *Yellow Pages Directory*. The distribution of years of experience of those salespeople who participated in this study consisted of 46.6 percent with 5 or fewer years, 19.8 percent with 6 to 10 years, 17.2 percent with 11 to 20 years, and 16.4 percent with more than 20 years of experience. The titles of the salespeople consisted of life insurance agent (46.3% of the agents participating), independent agent (3.4%), insurance broker (6.0%), financial planner (13.8%), and other titles (28.5%).

Procedure

Figure 1 summarizes the procedures followed in this quasi-experimental study. Details of the experimental procedure appear in Appendix A. To strengthen internal validity, a simulated sales setting was employed. Study controls

such as referral data presentation, assurance of consistency in acquisition of salesperson knowledge structures and probability assessment, and manipulation of customer scripts (particularly insurability) contributed to the decision to use a simulated sales setting. The inherent trade-offs, in terms of external validity, particularly to the extent that the insurance sales process might have been modified, were duly noted. As such, the study included several checks to assess the perceived realism of the sales encounter. These postinteraction checks suggest strongly that consumer couples and salespersons found the simulated sales interaction to be realistic.

- Eighty-eight percent of the consumers and 86 percent of the salespeople found it easy to imagine having a “real life” meeting similar to what occurred in the study.
- Ninety percent of consumers and 81 percent of salespeople agreed the study was quite realistic; 68 percent of the consumers and 58 percent of the salespeople disagreed that the study seemed contrived.
- Sixty-two percent of the consumers and 75 percent of the salespeople forgot the meeting was “just pretend.”⁵

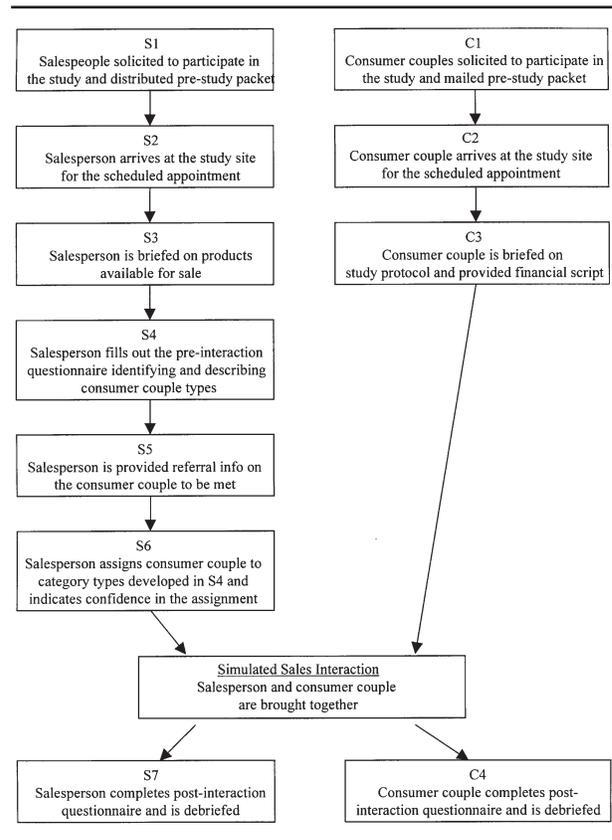
MEASURES

Whenever possible, multiple-item measures available from the existing literature were used. Some items were modified to make them appropriate for the research context. All items measuring each construct were context tested and modified based on pretests and depth interviews with salespeople and consumers. Item responses were typically recorded on 7-point scales (7 = *strongly agree*, 1 = *strongly disagree*). The quality of all multi-item measures was evaluated via factor analysis. Appendix B lists the items that represent the multi-item constructs. Determining salespeople’s categorical structures involved taking preinteraction measures. Appendix C details the coding procedures applied to these data.

Constructs Measured Prior to the Sales Interaction

Confidence in the assigned category (or categories). To permit salespeople the opportunity to indicate their relative certainty of their first impressions, they were given the opportunity to assign customers to multiple customer categories. A salesperson’s confidence that a particular customer category was appropriate for the prospect couple he or she was about to meet was assessed by asking the salesperson to express the probability that a specific category was appropriate for that couple. This rating could range

FIGURE 1
Study Design Flowchart



from 0 percent (not at all confident) to 100 percent (completely confident). A confidence rating was obtained for each category to which the salesperson believed the customer couple may be a member.

Salesperson attitude toward the assigned category. Salesperson attitude toward a customer category, or how much the salesperson likes or dislikes that customer type, was assessed for each customer category the salesperson believed was appropriate for the prospect couple (up to as many as three assignments). This variable was measured by a 7-point Likert-type scale that ranged from 1 (*very negative attitude toward the category*) to 7 (*very positive attitude toward the customer category*).

Overall knowledge structure similarity. Similarity of categories in the overall knowledge structure was assessed by the single- versus multiple-paradigm approach (Mervis and Rosch 1981). A salesperson’s knowledge structure was designated single paradigm if the majority of his or her categories share a common basis. This rule implies, for the present data set, that the majority of the categories in the knowledge structure are constructed from descriptor

attributes that share a common theme. The multiple-paradigm designation describes a knowledge structure where less than the majority of the category descriptor attributes exhibit a common basis; the salesperson's categories generally do not share descriptive attributes.

Assigned category similarity. Category similarity was assessed both within a category and between a category and the rest of the knowledge structure for up to three customer categories the salesperson believed appropriate for assigning the prospect couple. Similarity of attributes used to describe a customer category (similarity within) was expressed as the ratio of unique attributes used by the salesperson to describe the category to the total number of attributes used by the agent to describe that category. This variable may range in value from 0 to 1.0. Zero means that all of the attributes for a given category were variations of the same descriptor or that none of the categories are different from one another. In contrast, a value of 1.0 indicates that all of the attributes for a given category were unique (e.g., demographic, product or needs based, interaction style) and are not shared by another customer category.

Similarity of an assigned customer category to the rest of the knowledge structure (similarity across) was operationalized as the ratio of attributes that are unique to this category (i.e., are not used in the description of any other customer category) to the total number of distinct attributes used to describe categories in the knowledge structure. This similarity index can range from 0 (none of a category's attributes are unique to that category; the category is very similar to the rest of the knowledge structure) to 1.00 (all of a category's attributes are unique to this category; the category is not similar to the rest of the knowledge structure).

Knowledge structure complexity. Knowledge structure complexity was represented in two ways: by the number of customer categories in a salesperson's knowledge structure and by the total number of attributes used to describe those categories. For each, a larger number indicates greater knowledge structure complexity.

Assigned category complexity. Complexity of a category assigned to the prospect was represented by the number of attributes a salesperson used to describe an assigned customer category. As above, the larger the number of attributes, the greater the category's complexity (this was assessed for up to as many as three category assignments). Complexity reflects the depth of a category's description. Values for category complexity ranged from 1 (the least number of attributes needed to describe a category) to 8 (the largest number of attributes found in these data to describe a category).

Constructs Measured After the Sales Interaction

Objective sales effectiveness. Traditional, objective sales effectiveness was represented by whether the salesperson closed a sale with the prospect couple.

Subjective sales effectiveness. Subjective aspects of sales effectiveness were assessed via perceived consumer satisfaction and relationship building, two important subjective outcomes of many sales encounters (Crosby, Evans, and Cowles 1990). Satisfaction captures the customer's perceived satisfaction with the specific sales episode. Relationship building is the customer's perception of the degree to which the salesperson laid groundwork such that future business interaction would be desirable (see Appendix B for scale items).

RESULTS

The proposed hypotheses address two key questions. First, are aspects of overall knowledge structures related to sales effectiveness in an initial sales encounter (Hypothesis 1a)? Second, are characteristics of the first impression applied to an initial sales encounter related to sales effectiveness (Hypotheses 1b-5)?

Is Total Knowledge Structure Related to Sales Effectiveness?

Examined first is the relationship between salespeople's total knowledge structures and sales effectiveness in a single initial sales encounter. The data support the notion that salespeople's knowledge structures do contain multiple customer categories. Salespeople's total knowledge structures are represented by two characteristics: complexity (indicated by the number of customer categories and the total number of attributes used to describe those categories) and knowledge structure similarity (represented via the single- or multiple-paradigm-orientation approach). Correlation coefficients appropriate for the nominal- and ordinal-level data were used to test for these relations. These knowledge structure characteristics evidence no statistical relationship with closing a sale or with satisfaction or relationship building, the two subjective outcome measures (see Tables 1 and 2). Recognizing the hazards associated with using a null result to buttress a prediction, these results are consistent with Hypothesis 1a, which predicts no statistical relationship between characteristics of a salesperson's overall knowledge structure and sales effectiveness (objective or subjective) in an initial sales encounter.

TABLE 1
Salesperson Total Knowledge Structure
With Objective Sales Outcome

<i>Salesperson Knowledge Structure Characteristics</i>	<i>Objective Outcome (sale/no sale)</i>
Knowledge structure complexity	
Number of customer categories	Kendall's $\tau = -0.04, p = .50$
Number of attributes	Kendall's $\tau = 0.04, p = .44$
Knowledge structure similarity	
$\chi^2 = 0.593, df = 1, p = .44$	

Are First Impressions Related to Sales Effectiveness?

These analyses examine relations between characteristics of those customer categories that comprised salespeople's first impressions of the customers and sales effectiveness in an initial sales encounter (Hypothesis 1b). Seventy percent of the salespeople identified at least two customer categories as possibly appropriate for the customer couples they were about to meet (see Table 3), adding validity to the ill-structured nature of problem solving during sales interactions.

Assigned category characteristics and objective sales outcome. Do characteristics of the customer categories assigned to the prospect predict whether the salesperson closed a sale? Logistic regression analyses examined the predictive power of the characteristics of the category the salesperson identified as the best fit to the prospect. The five predictors were salesperson confidence in the category assignment, attitude toward the customer category, the two knowledge structure similarity measures (similarity of the category within the knowledge structure, similarity across categories in the knowledge structure), and category complexity (indicated by the number of attributes used to describe the category). Consistent with Hypothesis 1b, these attributes do evince some association with closing a sale ($\chi^2 = 10.9, df = 5, p < .05$) (see Table 4). Holding all else constant, likelihood of closing a sale increases as the number of category descriptors declines ($b = -0.24, \chi^2 = 4.01, df = 1, p < .05$) and salesperson confidence in the appropriateness of the customer category increases ($b = 0.16, \chi^2 = 3.67, df = 1, p \leq .05$). This is consistent with Hypothesis 2a, yet opposite the Hypothesis 3 prediction that sales effectiveness is related to greater category complexity. In contrast, it appears that fewer category descriptors predicts closing a sale in an initial sales encounter. The characteristics of the salesperson's second-choice customer category do not predict closing a sale ($\chi^2 = 9.001, df = 5, p = .11$). In-

adequate sample sizes prohibit examination of the relation between attributes of salespeople's third and fourth customer category choices.

Assigned category characteristics and subjective sales outcomes. A multivariate (i.e., canonical) regression was performed to evaluate how the five characteristics of the customer categories applied by the salespeople relate to the more immediate (i.e., episode-specific customer satisfaction) and longer-term (i.e., relationship-building) subjective outcome variables. The results are both complex and interesting (see Table 5). The relationship between the set of five category descriptor variables and the subjective variable set is statistically significant ($\Lambda = .91; F_{\text{exact}} = 1.91; df = 10, 410; p < .04$) consistent with Hypothesis 1b. Dimension reduction analysis reveals that only the first dimension is statistically significant. Canonical structure coefficients reveal that the dependent variate is characterized by both satisfaction and relationship building (i.e., their structure coefficients are ≥ 0.30) (see Pedhazur 1991). The standardized canonical coefficients reveal the variate to be characterized by increasing satisfaction (standardized coefficient = 1.25) and decreasing relationship building perceptions (standardized coefficient = -0.45), suggesting that these may be relatively incongruent objectives when related to first impressions for an initial sales encounter.

Turning to the predictor side of the variate, increasing salesperson confidence that the category is correct (standardized coefficient = 0.47), less favorable salesperson attitude toward the customer category (standardized coefficient = -0.36), and fewer unique category descriptors within the category, that is, greater similarity (standardized coefficient = -1.29) characterize this variate because their canonical loadings are $|0.30|$ or larger. In light of the apparently competing subjective outcomes, these results provide partial support for Hypotheses 2b, 4b, and 5. Similar analyses conducted with characteristics of the second assigned customer category evidenced no relationship with the subjective sales outcomes ($\Lambda = .89; F_{\text{approx}} = 1.58; df = 10, 284; p = .11$).

The results provide an intriguing glimpse into how first impressions affect sales outcomes. Certain aspects of first impressions seem to positively impact satisfaction within a specific sales encounter while concurrently limiting customer perceptions of relationship building. This is not to suggest that a satisfactory sales episode cannot serve to support future sales opportunity but, rather, that relationship-building behaviors are apparently limited by elements of first impressions that lead to episode-specific sales satisfaction. This is consistent with the literature from cognitive and educational psychology, where first impressions, even when inaccurate, often lead to beneficial interpersonal exchanges without leading to an understanding of the other party's true nature (e.g., Clark 1963;

TABLE 2
Salesperson Total Knowledge Structure and Subjective
Sales Effectiveness Multivariate (canonical) Regression Analysis Results

<i>Predictor</i>	<i>Outcome Variables</i> (standardized canonical coefficient)		<i>Wilks's Lambda and</i> <i>Exact F Statistics^b</i>
	<i>Satisfaction</i>	<i>Relationship</i> <i>Building</i>	
<i>Total Knowledge Structure Attribute^a</i>			
Number of customer categories	-1.21	1.29	$\Lambda = .99; F = 1.15; df = 2, 209; p = .32$
Number of attributes used to describe customer categories	-1.36	0.90	$\Lambda = .99; F = 0.83; df = 2, 209; p = .44$
Paradigm orientation (similarity)	0.65	0.56	$\Lambda = .98; F_{\text{exact}} = 2.76; df = 2, 209; p = .07$

a. The standardized canonical coefficient for each predictor variable is 1.0.

b. The Wilks's lambda and associate exact *F* statistic reflect a test for the presence of an overall multivariate relationship between the predictor and two outcome variables considered simultaneously.

TABLE 3
Number of Customer Categories Identified as Appropriate Prior to the Sales Encounter

<i>Number of Customer</i> <i>Categories Selected a Priori</i>	<i>Frequency</i>	<i>Percentage</i>	<i>Percentage of Salespersons</i> <i>Who Assigned Customer to at</i> <i>Least This Number of Customer Categories</i>
1	32	29.9	100.0
2	46	43.0	70.0
3	17	15.9	27.1
4	12	11.2	11.2
Total	107	100.0	

TABLE 4
First Assigned Category Characteristics and Objective Sales Outcome Logistic Regression

<i>Variable</i>	<i>df</i>	<i>Parameter</i> <i>Estimate</i>	<i>Standard</i> <i>Error</i>	<i>Wald</i> <i>Chi-Square</i>	<i>Probability ></i> <i>Chi-Square</i>	<i>Standardized</i> <i>Estimate</i>	<i>Odds</i> <i>Ratio</i>
Intercept	1	0.33	1.16	0.08	0.78		1.39
Confidence in category assignment	1	0.02	0.01	3.67	0.05	0.16	1.02
Attitude toward category	1	-0.07	0.21	0.09	0.75	-0.03	0.93
Category similarity							
Within	1	0.04	0.05	0.69	0.41	0.13	1.04
Across	1	0.09	0.08	1.29	0.26	0.17	1.09
Category complexity	1	-0.34	0.17	4.01	0.04	-0.24	0.71

NOTE: Overall statistics: $\chi^2 = 10.9, DF = 5, P < .05$.

Dipboye et al. 1984). This phenomenon, explained in cognitive psychology in terms of hypothesis confirmation (Snyder 1981; Snyder and Swann 1978) and self-fulfilling prophesy (Darley and Fazio 1980), allows for positive interpersonal outcomes apart from relationship formation.

The results do not imply that relationship building does not occur or is unrelated to first impressions in initial sales encounters. Rather, there seems to be a trade-off between first-impression elements that contribute to successful episode-specific outcomes (i.e., closing the sale and

TABLE 5
Multivariate (canonical) Regression
Analysis of First Assigned Category
Characteristics With Subjective
Sales Effectiveness Indicators

Variable	Standardized Canonical Coefficient
Predictor variables	
Confidence in category assignment	0.47 ^a
Attitude toward category	-0.36 ^a
Category similarity	
Unique within	-1.29 ^a
Unique across	0.49 ^a
Category complexity	0.71
Dependent variables	
Satisfaction	1.25 ^a
Relationship building	-0.45 ^a

NOTE: Wilks's $\Lambda = .91$; $F_{\text{exact}} = 1.91$; $df = 10, 410$; $p < .04$.

a. Indicates a variable with a canonical structure coefficient $\geq |0.30|$. These variables are used to interpret the variate (see text for details).

encounter satisfaction) and perceptions of more long-term outcomes (i.e., relationship building). Strong first impressions that are relatively less elaborate, distinctive, and attitudinally less favorable may simplify the selling effort and may, in turn, enhance the salesperson's ability to focus on the sale at some cost to customer relationship formation. Conversely, when first impressions are weaker (i.e., less certain), less distinctive, and more favorable attitudinally, relationship formation seems to be bolstered. Such impressions may allow the salesperson to establish rapport with the customer by focusing less on the immediate exchange and more on building a platform for future encounters through searching for the appropriate categorization for the customer.

Relating objective and subjective outcomes. Although we advanced no hypotheses concerning how subjective sales effectiveness relates to objective sales effectiveness, we thought this relation would be interesting to examine as a post hoc analysis. A logistic regression analysis, with satisfaction and relationship building as predictors of closing a sale, was conducted. Overall statistical significance is obtained ($\chi^2 = 15.3$, $df = 2$, $p < .01$) (see Table 6). Satisfaction is the only significant predictor of a closed sale ($b = 0.43$, Wald $\chi^2 = 12.3$, $df = 1$, $p < .01$). Greater satisfaction increased the likelihood of closing a sale.

DISCUSSION

Findings

Other scholars have found that characteristics of the salesperson's knowledge structure exhibit statistically

significant relationships with aggregate sales performance (e.g., Sujan et al. 1988; Weitz et al. 1986). Recognizing the dangers of a null result, this study found no evidence of a relationship between characteristics of a salesperson's overall customer knowledge structure and effectiveness in a specific sales encounter. Lending support for Hypothesis 1a, neither the number of customer categories in a total knowledge structure nor the number of attributes used to describe these categories were found to impact significantly either making a sale or the subjective sales outcomes assessed in this study. Characteristics of the aggregate knowledge structure do not appear to predict sales effectiveness in a single initial sales encounter.

Consistent with Hypothesis 1b, however, the results yielded support for the notion that characteristics of a salesperson's first impressions of a prospect—that is, those customer categories a salesperson perceives applicable to a prospect when anticipating a sales encounter—do appear to predict sales effectiveness in a single sales encounter. The notion that personal selling in specific sales episodes is better explained in terms of ill-structured problem solving, rather than in terms of cognitive complexity, is bolstered. As such, this study's findings offer a number of important observations regarding salesperson first impressions of a customer prior to a sales interaction as well as the outcome dynamics of a single sales encounter.

It appears that what makes a customer-related cognitive structure work for a salesperson in an initial encounter is the manner in which parts of the structure are directed toward addressing the particular challenges presented by a given customer. There does appear to be some uncertainty regarding categorization of prospects as salespersons engage in deploying their customer-related knowledge structures when encountering a specific sales episode. Apparently, sales encounters may be viewed as ill-structured problems, evinced by the predictive power of confidence in category assignments. The first category to which salespeople assigned prospects revealed a number of characteristics that were significantly related to the outcomes of satisfaction and relationship building, whereas the second category did not.

Prior to this study, the influence of first impressions on personal-selling effectiveness was but a conjecture in the sales literature (e.g., Weitz 1981). Our results seem to indicate that first impressions may significantly hinder a salesperson's objectivity about the appropriateness of recategorizing customers (see Snyder and Swann 1978). From this study, it seems that certain traits associated with the first impression may lead to behaviors that seek to confirm, rather than objectively test, one's initial assessment of the sales prospect. Surprisingly, this confirmation-seeking behavior may lead customers to help in solidifying the first impression, resulting in a self-fulfilling prophecy (see Darley and Fazio 1980).

TABLE 6
Logistic Regression Parameter Estimates—Subjective
Sales Effectiveness as Predictors of Objective Sales Outcome

<i>Variable</i>	<i>df</i>	<i>Parameter Estimate</i>	<i>Standard Error</i>	<i>Wald Chi-Square</i>	<i>Probability > Chi-Square</i>	<i>Standardized Estimate</i>	<i>Odds Ratio</i>
Intercept	1	-1.38	0.93	2.21	0.14		0.25
Satisfaction	1	0.1093	0.03	12.32	0.0004	0.43	1.12
Relationship building	1	-0.3330	0.21	2.3932	0.12	-0.19	0.72

NOTE: Overall statistics: $\chi^2 = 15.3$, $DF = 2$, $P < .01$.

Interestingly, it seems that certain aspects of the first impression that lead to successful short-term sales outcomes (i.e., closing the sale, satisfaction) often hamper longer-term sales outcomes (i.e., relationship building). High confidence, less favorable attitudinal disposition, and fewer unique category descriptors, as characteristics of the first impression, were significantly related to higher sales encounter satisfaction and lower perceptions by the customer of salesperson attention to relationship building. Furthermore, a sale occurred more frequently in instances where salesperson confidence in the category assignment was higher and fewer attributes were used to describe the category (i.e., lower complexity). It also appears that the less attractive the initial customer categorization, in terms of the salesperson's disposition toward the category and/or the less distinctive the qualities within the category, the better the salesperson is able to get down to business, potentially due to fewer distractions (i.e., the salesperson liking the customer or finding the customer unique). Furthermore, lower ambiguity in assignment of this first category depicts an a priori orientation that is less likely to be subject to second-guessing, possibly leading to even more hypothesis-confirming behavior (see Snyder and Swann 1978). As such, strong first impressions may be yielding somewhat fruitful interpersonal exchanges without providing a deeper understanding of the other party's true nature necessary for a longer-term relationship (Clark 1963; Dipboye et al. 1984).

On the other hand, characteristics that tended to negatively impact sales encounter satisfaction were found to positively impact customer perceptions of relationship formation. Weaker first impressions (i.e., a less certain impression), more likeable initial customer categories, and more varied descriptors used to define those categories seem to promote behaviors perceived by the customer as relationship building. Each of these elements seems to encourage a salesperson's search for a customer category fit. Perhaps that search indicates a sense of salesperson concern for the customer, leading to the establishment of an interpersonal rapport resulting in customer perceptions of relationship formation.

Implications

The future research implications resulting from this study apply to the role of cognitive structure in framing salesperson orientations toward a sales encounter. The ill-structured nature of the sales interaction is evident by the number of categories used in sizing up a customer and the varying amount of confidence in assigning customers to those categories. Certainly, the type and manner in which prospect referral information is presented may influence how precontact orientations are framed. For instance, the source of referral information may bias the manner in which prospect information is processed and the degree of certainty salespeople exhibit in precontact assessment of potential customers. What specific referral cues do salespeople focus on when sizing up customers, and how does reliance on those cues differ as a function of various characteristics of the salesperson's knowledge structure? Likewise, more research should be aimed at understanding the apparent trade-offs between immediate and longer-term sales outcomes. Strong precontact first impressions seem to increase the likelihood of a specific sale but appear to undermine relationship-building perceptions. Additional research could offer both academicians and practitioners a better understanding of the factors contributing to this phenomenon.

Considerable research activity in marketing has been dedicated to investigating characteristics of the salesperson or sales organization that contribute to long-term sales performance. Less clear, however, are the salesperson, situational, and interpersonal interaction characteristics that contribute to successful sales encounters of both a subjective and objective nature. Further understanding of buyer-seller relationships through exploring salesperson orientation toward the customer and the exchange characteristics indicative of early versus mature sales relationships is needed. Each sales episode, particularly early exchanges, plays an important role in establishing the foundation of the relationship. For instance, as parties assess each other's compatibility as a long-term partner, roles are identified and negotiated. How these roles are

addressed early in the relationship may contribute to the extent to which buyers and sellers experience role consensus and whether relationship role ambiguity is present. Further research investigating how this occurs in a specific sales encounter and develops across a series of sales encounters is needed.

Management implications address both training and motivation-related issues. From a training perspective, addressing the impact of confidence surrounding first impressions is critical to understanding how salespeople enter a sales episode. Should the sales context be transactional in nature, and long-term relationships with the customer are either not feasible or strategically unwarranted, then training and reinforcing cognitive structures that are characterized by relatively simple and somewhat similar categories appear to be advantageous. In addition, providing screening skills that contribute to relatively more confident assignment of prospects to customer categories seems to be linked to customer satisfaction with the sales episode and higher close rates. Furthermore, the extent to which salespeople can establish a priori dispositions that distance themselves from the prospect (i.e., attitude toward the customer categories) may focus their efforts on the sales task, resulting in successful single-episode sales encounters. Should sales management desire to establish a basis of long-term relationships with the customer, many of the aforementioned behaviors work to the detriment of this objective. The results of this study appear to indicate that greater latitude in potential customer categories serves to contribute to sales encounter outcomes where customers perceive positive relationship possibilities. Likewise, a generally positive orientation toward the customer seems to contribute to communicating positive relationship messages.

While considerable attention in the marketing literature and, to some extent, the sales literature, both in the academic and popular press, has been directed toward building long-term relationships with customers, little has been done empirically to capture the trade-offs involved in short- versus long-term sales behavior. What is clearly evident in this study is that success in the sales encounter does not appear to dictate perceptions regarding the relationship potential of a sales dyad. Motivation and, more specifically, compensation systems designed to generate short-term sales results may be insufficient for building future customer relationships and could be detrimental.

Limitations

Any study using a simulated sales interaction is, intentionally, only an approximation of a real sales encounter and subject to all the inherent threats to external validity. However, as reported earlier, study participants perceived the simulated sales encounter as being very realistic.

Each salesperson interacted with a consumer couple. Data were collected from both the husband and wife to obtain each spouse's own perceptions of the sales encounter. Study protocol minimized spousal interaction after the sales encounter until each had completed the postinteraction questionnaire. However, as both interacted with the same salesperson, it is possible that the independence assumption of the reported MANOVAs and canonical correlation analyses is violated because of nonindependence due to groups (Kenny and Judd 1986). Evidence that bias due to nonindependence had limited impact on the reported results came from several unreported analyses (e.g., Scarinao and Davenport 1987).⁶

Conclusion

While the personal-selling literature has sought to understand the relationship between salesperson knowledge structures and sales performance, it has fallen short of providing insight into how this salesperson customer knowledge directs behavior within a specific sales encounter. This study investigated how the initial categorization of a customer impacts objective and subjective sales outcomes. The research and managerial implications of the findings address a number of key issues that should provide substantive directions for academics and practitioners alike.

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APPENDIX A Details of the Experimental Procedure

Consumers who agreed to participate in the study were mailed an attitudinal presurvey about life insurance (Figure 1, C1). Recruited salespeople were mailed a packet containing copies of forms, policy descriptions, and so forth, to prepare them for the simulated sales experience (Figure 1, S1). Consumers and salespeople were told that the study was about life insurance selling.

When the salespeople and consumer couples arrived at the research location for their scheduled meeting, they were escorted to separate rooms for briefing (Figure 1, S2 and C2). At this time, the consumers were provided financial scripts to follow (Figure 1, C3). These scripts were designed to approximate their household income statement and balance sheet. These statements were based on national averages of household expenses, liabilities, and assets for couples of their age and income level. The scripts were tailored to aspects of the couple's particular circumstances (e.g., home ownership, children, husband/wife employment status, etc.). Each script provided some existing life insurance but

(continued)

was designed to make the couple significantly underinsured (at 1 times annual income).

Scripts that closely approximated the couple's own financial situation were used to overcome any resistance to disclosing and/or having suitable recall of such information in a research setting. Although constrained by the financial information supplied in their scripts, the consumers were told that their own experiences, preferences, and financial objectives should guide their interactions with the salespeople. Finally, couples were reminded they did not have to purchase a policy and that they should purchase a policy from the salesperson only if they were satisfied with the agent, policy, price, and service offered.

Salespeople were first briefed on the two insurance products they could sell (Figure 1, S3). Salespeople were then asked to identify and describe the typical customer types they encounter (Figure 1, S4). When finished, each salesperson received a referral profile of the couple he or she was about to meet (Figure 1, S5). This referral profile was developed with the help of practicing insurance agents to assure that the referral data used was typical of the information that life insurance agents normally have prior to their initial contact with a prospect. After reviewing the referral profile, the salesperson completed a sales-interaction-specific customer classification questionnaire in which the salesperson assigned the prospect couple to one or more of the previously identified and described customer categories (Figure 1, S6).

While agents were instructed to behave as they normally do with customers, they were encouraged to step out of the usual sales process, which typically requires two sales calls and an attempt to close the sale where appropriate. Normally, multiple calls are required due to the need to prepare computer-generated proposals. These reports were provided during the sales simulation by research support staff, and agents were informed that this service would be made available to them. This type of analysis is commonplace in the industry, particularly for products that have annuity characteristics. In spite of these modifications to the selling process, agents reported that they found the simulated sales interaction to be realistic and similar to what they might experience in real life.

The incentive to sell was provided by the salesperson's intrinsic motivation and a sales contest among participating chapters of the professional association. Nonprofessional association members were provided a modest financial incentive to encourage a sale. No significant difference in close (sale) rate between professional and nonprofessional association salespeople was found.

After the briefing, the consumer couple and salesperson were brought together in one room. Following introductions, they were left to interact on their own. The researchers observed the sales interaction through a one-way glass window. The interaction was terminated when it became clear that the couple had made a purchase or was not going to buy at this time. The typical sales meeting lasted one hour. The consumer couple and salesperson were again separated after the sales encounter to complete postinteraction questionnaires. Data assessing consumer perceptions of the interaction experience and consumer and salesperson perceptions of the realism of the simulation were collected (Figure 1, S7 and C4).

APPENDIX B

Summary of Multi-Item Measure Indicators of Subjective Sales Performance

Satisfaction ($\alpha = .90$)

- I am satisfied with the insurance and financial counseling I was given.
- I am satisfied with the customer needs and insurance information that was communicated at the meeting.
- I am satisfied with the agent as a life insurance agent.
- I am satisfied with the quality and value of the policies that were offered.
- I am satisfied with the social contact that took place.
- I am satisfied with the agent as a financial service provider.
- I am satisfied with the financial terms of the sale discussed.

Relationship building ($\alpha = .74$)

- The agent is someone I could get along with as a friend.
 - The agent did use the first meeting to get acquainted.
 - The agent is someone with whom I can have a lasting, business-like relationship.
-

APPENDIX C

Creating the Salesperson Customer Categories

Salesperson preinteraction categorical measures. First, salespeople's sales-related cognitive structures were elicited by asking them to identify and describe the different types of customers they usually encounter while performing their sales function. Additionally, the salesperson indicated his or her confidence in making a sale to each customer type and the likelihood of accurately assigning customers to each customer category (Figure 1, S4).

Then, the salespeople received a referral data sheet for the customer couples they were about to meet (Figure 1, S5) and were each asked to classify the customer couple into one of the customer types they had just described (Figure 1, S6), yielding their first impressions of the customers. The salespeople also indicated their confidence that they assigned the customer couples to the correct customer category. They were then given the opportunity to identify a second (and, if they wished, a third) consumer category that might apply to the consumer couples and to express, for each, their certainty (probability of correct choice).

Preparing the salesperson data. Salespeople's open-ended descriptions of the consumer types were coded through a three-phase process (Kassarjian 1977; Weber 1985). First, two researchers reviewed independently all the salesperson's open-ended responses to identify the bases of customer categories and the characteristic attributes listed most often (i.e., the common customer types and attributes). The bases of the cus-

customer category types were determined by considering the entire description advanced by the salesperson. Three common bases of consumer categorization emerged: (1) needs or problem solving (product categories and features are primarily need derived in this industry; therefore, it is understandable that these descriptors could coexist in the same category), (2) demographic description, and (3) customer shopping behavior and/or interaction style. Each customer category and its descriptive attributes were then assigned a unique code used subsequently by coders. (A listing of common attributes is available from the first author.) In addition, for each of the customer categories identified, coders indicated their perception of the salesperson's attitude toward the category, using a 7-point scale (1 = *very unfavorable*, 7 = *very favorable*).

Second, each salesperson's customer category description was then blocked to prepare these data for coding. A block is a complete statement, thought, or idea. Each block defines a category attribute. Two researchers independently blocked the agents' open-ended responses.

In the third step, three coders, independent of the researchers, coded each agent's customer categories and their attributes, using the numeric codes developed for this purpose. Coders first assigned an attribute code to each attribute within a customer category. They then assigned a category code to designate the customer type overall. This judgment was based on a gestalt impression suggested by the listed attributes. More than 3,000 attributes were coded by each coder. The majority of coders agreed in 92 percent of the cases. Disagreements were mediated by a fourth coder. This expert judge, who is not an author and has more than ten years' experience in insurance sales, cast the deciding vote. The results of this coding process revealed that

- 25 percent of the 469 customer categories identified by the salespersons participating in this study were classified as customer need or product fit,
- 45 percent of the customer categories identified were distinguished as demographic, and
- 30 percent of the categories identified were characterized as customer shopping behavior or interaction style.

NOTES

1. It is assumed that the customer type assigned to a particular customer constrains what sales strategies might be deemed appropriate for that sales encounter. Furthermore, it is assumed that multiple sales strategies might be appropriate for a given customer category. Whether and how this occurs awaits future investigation.

2. The emphasis placed in this study on salespeople's initial impressions is not intended to diminish the importance of the adaptation that salespeople engage in during a sales encounter. Nor does the study seek to discount the effect of mid-encounter recategorization behavior that might be associated with the outcome of the sales encounter. In fact, the study, in part, reflects the propensity to adapt by permitting salespeople to pre-assign customers to more than one pre-encounter category and indicates varying degrees of confidence in those assignments. The issues of whether and how salespersons reassess customers during a sales encounter continue to present intriguing avenues for future research; however, they fall outside the research question that motivates this study.

3. Salespeople who organize their knowledge of customers and selling contexts confront a dilemma. At one extreme, each sales encounter could be treated as a unique event that requires primary data collection and a sales strategy designed uniquely for each customer. At the other extreme, the salesperson presumes all customers are similar and delivers the same sales presentation to each. Between these two extremes are salespeople who recognize that sales encounters are neither unique nor identical. These salespeople use their prior sales experiences to look for similarities between sales situations so as to simplify their task by assigning customers and/or the sales contexts to categories (Mervis and Pani 1980). The salesperson can sell similarly to those customers assigned to the same category. Those characteristics that contribute to a higher probability of sales success might be used in this category assignment process.

4. Details are available from the first author.

5. All scales were from 1 to 7, with 7 = *strongly agree* and 1 = *strongly disagree*. All percentages reported in the postinteraction check are those respondents selecting scale values of 5 or higher.

6. Analysis details are available from the first author.

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