

CONSUMER'S PERCEPTION
ABOUT THE TRUTHFULNESS OF A SALESPERSON:
A MULTI-ITEM SCALE



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A MULTI-ITEM SCALE

A dissertation submitted in partial fulfillment of the requirements for the degree of
Master of philosophy/science in Management with specialization in Marketing at the
Faculty of Management Sciences

International Islamic University, Islamabad



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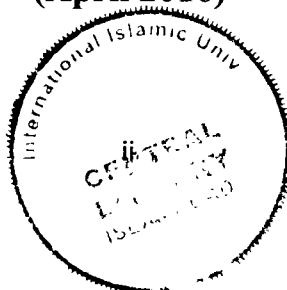
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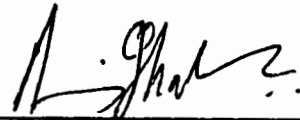
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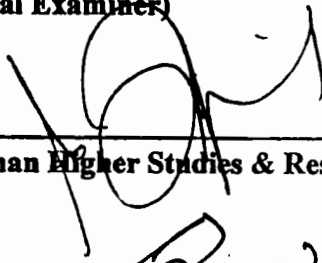
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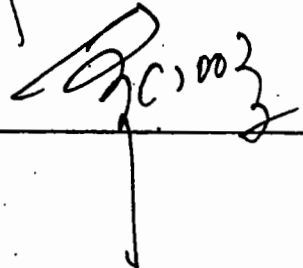
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DECLARATION

I hereby declare that this thesis, neither as a whole nor as a part thereof, has been copied out from any source. It is further declared that I have prepared this thesis entirely on the basis of my personal effort made under the sincere guidance of my supervisor and colleagues. No portion of work, presented in this thesis has been submitted in support of any application for any degree or qualification of this or any other university or institute of learning.

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APPRECIATION AND GRATITUDE

No words of gratitude will ever be sufficient for the Allah Almighty who made me capable of learning, blessed me with the knowledge & intellect and facilitated me with the finest of the mentors all through my academic years.

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Faheem ur Rehman

FORWARDING SHEET

The thesis entitled "Consumer's perception about the truthfulness of a salesperson: A multi-item scale" submitted by Faheem ur Rehman as partial fulfillment of MS degree in Management Sciences with specialization in Marketing, has completed under my guidance and supervision. The changes advised by the external and the internal examiners have also been incorporated. I am satisfied with the quality of student's research work and allow him to submit this thesis for further process as per IIU rules & regulations.

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ABSTRACT

Globalization and increasing competition in all industries has pushed marketing managers to develop long term sustainable relationship with the customers. Salespersons play a very vital role in making the buyer-seller relation durable. However, on the other hand, salesperson are losing trust among buyers due to several reasons. Customers now perceive salespersons as untruthful and therefore, salesperson are losing trust among buyers. In this study we have addressed the issue of salesperson's trust from the back grope of perception of truthfulness. We have developed a scale to measure the perception of truthfulness of a salesperson. The results of this study are beneficial to Salespersons and marketing managers as it will help them out to know about customer's perception about them and they will be in better position to answer the queries of the customers

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Chapter 1

INTRODUCTION

INTRODUCTION

1.1 Background of the study

In today's highly competitive market, it is critical for successful businesses to have strong ties with customers in order to maintain and grow their market share (Paparoidamis & Guenzi, 2009). The salesforce of any organization is considered to be the ears of the organization as the salesforce provide feedback about the product/service along with the suggestions for improvement. Salesforce acts as a liaison between the buyer and seller which is pre-requisite for any exchange process. The shift toward relationship marketing has further increased the importance of relationship between buyers and sellers for successful exchange (Sarmiento, Farhangmehr, & Simões, 2015). In this situation, companies expect from their salesforce to generate long term sustainable relationship along with sales volume (Mallalieu, 2006).

On other hand, sales peoples are under intense pressure to keep a balance between their self-interest, organizational interest and customer's interest (Albrecht, Bakker, Gruman, Macey, & Saks, 2015). In several situations, they find these interests conflicting with each other due to which they face ethical dilemmas. The main root cause behind all dilemmas is the lying behavior of the sales force that damages the trust of the customers from the salesforce, organization and the brand (Madhani, 2014). The salesforce in most industries are now being perceived in negative manners which is pretty questionable and it can potentially drop the effectiveness of salesforce as a selling medium.

1.2 Problem statement

If we generally ask a group of people to describe a salesperson in one sentence, then most of the people will define him/her as “someone who exaggerates”, “someone who lies for his own benefit” or “a person who tries to sell something which you don’t need”. All these statements give a clear indication that salespersons are losing trust among buyers and they are being perceived in a negative manner by the prospects.

A research conducted to observe consumer’s perceptions about sellers reflected that consumers used terms like “Aggressive”, “Conscientious”, “Dishonest”, “Fast-talking”, “flirtatious”, “overzealous”, “Tricky”, “Jerks” and many others for the salesperson. Persistent negative perception of buyers about the salesperson can question the effectiveness of personal selling as a promotional medium. In this situation, It is very critical to understand how seller is perceived by consumers as it directly affects the sales effectiveness (Stafford & Royne Stafford, 2003).

A survey of sales managers revealed that almost 49% of the salesperson had lied during their sales call, 34% salesperson made unrealistic promises with their prospect or customers and 22% salesperson sold products that customers did not need (Michele, 1997). A poll conducted to evaluate honesty and ethical standards revealed that salespersons are perceived by the customers to be at the bottom of ethical ladder (Darley, Luethge, & Thatte, 2008).

On the other hand, an ample research has indicated that salespersons that develop a trusting perception of buyers are more likely to be successful (Plank, Reid, & Pullins, 1999; Roman & Munuera, 2005). Another survey reflects that consumers

make purchase decisions predominantly using the values like justice, truth, and beneficence and less frequently using values of confidentiality and harm avoidance. (Roman & Munuera, 2005). Trust is considered as one of the important variable in sales management which influences purchases intention (Kennedy, Ferrell, & LeClair, 2001), satisfaction (Anselmi & Zemanek, 1997), commitment (Geyskens, Steenkamp, & Kumar, 1999), loyalty and salesperson performance (Singh, 2016).

A trustworthy salesperson is one who not only tells the truth but also doesn't withhold important information (Wood, Boles, Johnston, & Bellenger, 2008). A wide amount of work is available in the field of sales management about the antecedents of trust but rarely truthfulness of salesperson is being described.

The international standards of honesty states clearly that “one should always tell the truth” and “honesty is the best policy” but still more than 95% of unethical business behaviors involves violations of such obvious accepted standards (Velasquez, 1992). Truth-telling is implicitly considered as a prerequisite for long term and successful exchange (Strutton, Hamilton, & Lumpkin, 1997; Li & Sakamoto, 2014)

According to Francis Bacon (1909) using dissimulation “deprives people of two of the most principal instruments for interpersonal action—trust and belief.” Many other researches provide evidence that lying is an undesirable behavior which undermines trust of the salesperson ultimately affecting the interpersonal relation of two parties. (Bok, 1978; Ford, King, & Hollender, 1988; Lewis & Saarni, 1993; Unerman & Baskin, 2012)

1.3 Significance/ Rationale of study

Most of the unethical behaviors that occurs in a sales interaction like misrepresenting product performance, inappropriate silence in return of a legitimate question, incorrect delivery time, true cost (Madhani, 2014) and many others mostly involves failure to tell the truth (Strutton, Hamilton, & Lumpkin, 1997). Literature review indicates that in western literature, truthfulness is not given the prior importance which it deserves. Several conceptualizations in literature appears to be covering little aspect of truthfulness in sales settings like salesperson orientation (Kwon & Rudd, 2007), Salesperson's honesty, Ethical behavior (Hansen & Riggle, 2009) etc. However, conceptualization of truthfulness as a separate construct is not yet available till date.

This gap could be benefitted by the extensive literature provided by Islam. According to stafford, buyers and sellers perspective can be more robust when buyers perceptions are determined and empirically tested (Stafford & Royne Stafford, 2003). This thesis explores the model of truthfulness as a Meta thesis for business ethics which addresses the issues of salesperson credibility and trust from the back grope of truthfulness. This thesis attempts to expand the scope and application of truthfulness which is the life blood of any organization. Truth is considered as the only sustainable advantage available for brand these days (Unerman & Baskin, 2012).

Truthfulness establishes end means relationship. According to imam Ghazali, the idea of truthfulness cannot be realized other than it becomes a hard rock of society. He expanded his idea into six different dimensions (Ghazali, 1105).

Similarly, another prominent Muslim scholar merged its six dimensions to three dimensions (Nadwi, 1999) which are discussed in detail in the literature review.

In this study, the researcher tries to develop a scale to measure the perception of consumers about the truthfulness of a salesperson by taking the guidance from the Islamic literature. This study will reflect that salespersons could be more successful by being truthful with their customers. Furthermore, the developed scale of truthfulness can help the researchers to investigate about the impact of truthfulness on the trust and credibility.

1.4 Research question

- ↓ How to conceptualize perception of consumers about the truthfulness of a salesperson as a key construct in sales management?

1.5 Research objectives

- ↓ To develop a scale for measuring perception of truthfulness of a salesperson using Islamic literature.

CHAPTER 2

LITERATURE REVIEW

Literature review

2.1 Salesperson and Ethics

The ethics of salespersons is one of the highly criticized areas of marketing. Salespeople are considered at the bottom of ethical ladder as compared to the other professions (Singhapakdi & Vitell, 1992). In a survey conducted in US indicated that almost 42% of the ethical concerns are due to the sales and marketing deceptions (Crittenden, Hanna, Peterson, & Crittenden, 2010). The reasons why salespersons are categorically labeled as unethical includes pressuring buyers to buy something which they don't need, to hide important information of the products (Murphy & Laczniak, 1981), to lie about the performance of the product, misrepresenting product capabilities (Strutton, Hamilton, & Lumpkin, 1997) and to exaggerate the benefits of the product (Prendergast, Li, & Li, 2014). To summarize, salesperson has the moral obligation to work in the best interest of the prospect, firm and self but often conflict arise to work in best interest of all at same time due to which they often encounter truth telling dilemmas (Singh, 2016)

Truthfulness of the salesperson is the most important question out of all the above-mentioned unethical practices. Different justifications are also present in the literature to cover up the salesperson acts. According to Schwepker and Good, Sales persons are under intense pressure to meet their targets and these targets often give rise to ethical issues. Whereas, salesperson are also involved in negotiations which set

a basis for dishonesty and aggression. (Bellizzi & Hite, 1989). However, dishonest and deceptive activities of salesperson toward the customers make it challenging to develop long-term relationship with the customers (Schwepker Jr & Schultz, 2013). Other reasons includes nature of competitive job, predominance of short-term oriented goals, sales incentives that requires temptations and many others but still no one can say salespeople should involve in unethical ways of selling due to their circumstances and role (Mallalieu, 2006).

Truthfulness is an integral part of marketing communication which ensures trust of consumers, reduced cost (Doney & Cannon, 1997) and creates opportunities for innovation and expansion (Stancich, 2003). In general, truthfulness is often understood as just spoken words despite the fact that it is much more than that. In 2008, Radoilska defined truthfulness as “the stable disposition to not only tell the truth but to do so in a responsible, relevant and unambiguous way.” Whether a person who tells selective truth, out of context truth, or omits relevant information is untruthful (Radoilska, 2008) or not is still an unsolved question because of lack of a comprehensive definition of truthfulness.

2.2 Truthfulness and ethics

Ethics are considered as a key driver toward success for any organization as it helps to build long term relations with the customer which results in increased profitability, customer commitment, loyalty and life time value (Hansen & Riggle, 2009). However, despite its importance, salespeople are highly criticized for ethics issues in sales settings (Raghunathan, 2013). Most prominent ethical issue that has been reported is that salespeople lied on sales call. These lies directly affect their

reputation and credibility and it also spoils the company's overall image. The outcome of these lies might appear to be profitable in the form of closure of sales but in long term it affects Brand loyalty (Drennan et al., 2015), customer commitment, customer trust (Wood, Boles, Johnston, & Bellenger, 2008), Customer life time value (Zanoli, Naspetti, Janssen, & Hamm, 2015) and many others (Chen, 2015).

Marketing managers are now focusing on relationship building with customers and unethical behavior of sales spoils the buyer-seller relation (Kennedy, Ferrell, & Leclair, 2001). In addition, it also generates negative word of mouth which means losing more customers along with bad reputation (Baxendale, Macdonald, & Wilson, 2015). Considering the importance of ethical behavior of the salesperson in the sales settings, several guidelines have been designed from time to time in order to address this issue. One of the most popular guide is provided by Strutton which can be used as a model to control unethical behaviors. Here is a tree provided in the literature which guides salesperson about how to react ethically in sales settings (Strutton et al., 1997).

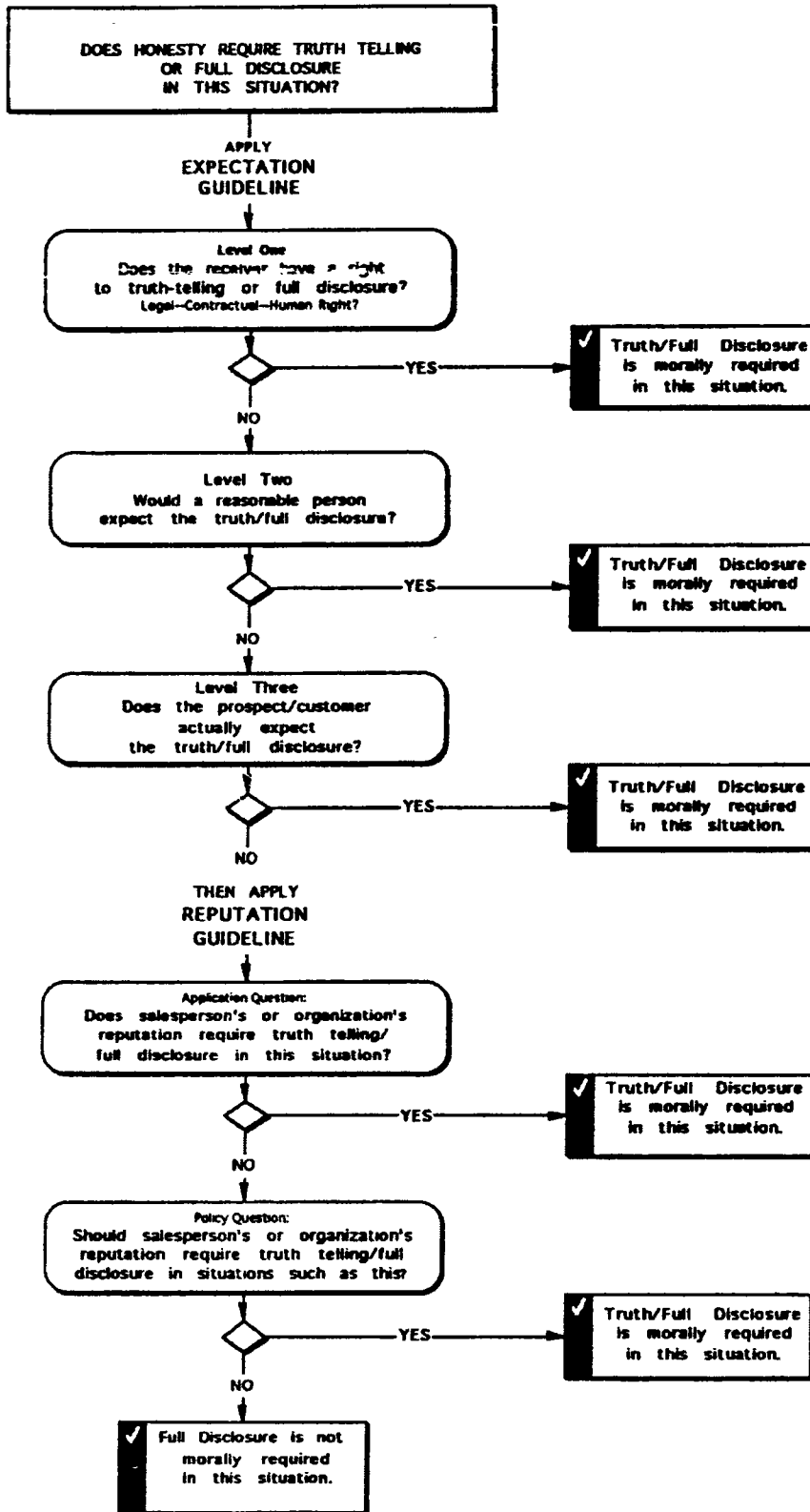


Figure 1 salesperson's guide to react ethically

2.3 Intrinsic value of truthfulness

Truthfulness is intrinsically valuable in the business and it is considered as a pre-requisite in any exchange relationship (Radoilska, 2008). Organizations invest a large chunk of money to be perceived truthful by customers in all aspects varying from its offerings to salesperson commitments. Companies which are perceived untruthful have less chances of staying in business as customers, suppliers, and other stake holders will no longer trust them (Radoilska, 2008).

Several arguments are available in the literature that truthfulness is instrumentally valuable rather than intrinsically valuable. Consider that a salesperson only tells truth when it's beneficial for him then will we consider it truthful or untruthful? This argument makes it clear that truthfulness is intrinsically valuable and it's necessary for a successful exchange relationship (Radoilska, 2008).

Concept of Truth and Truthfulness in Western Philosophy

First of all, understanding the philosophies for the concept of truth and truthfulness will help to develop clarity in understanding the notional value of truth in society. There are many theories of truth that have been proposed by philosophers over the ages.

Theory of Truth	Proposed by	Definition	Time Period	Source
Coherence theory of truth	Harold Henry Joachim	As a theory of truth, coherentism restricts true sentences to those that cohere with some specified set of sentences. Someone's belief is true if and only if it is coherent with all or most of his or her other beliefs.	1906	http://books.google.com/books?id=38880000000000000000 White, Alan R. 1969 'Coherence Theory of Truth', <i>Encyclopedia of Philosophy</i> , Vol.2, Macmillan 130-131.
Foundationalism	Modern Foundationalism proposed by Rene Descartes	The focus of this theory is that all knowledge- or cognitive awareness of the subject (human being) are based on a solid foundation.	Ancient Greece, 1639	Grenz & Franke 2001, p. 31
Consensus theory of truth	Ancient Philosophers	A consensus theory of truth is the process of taking statements to be true simply because people generally agree upon them.	Ancient Greece	Fern, 1964
Divine command theory	Various forms of divine command theory have been presented in the past by philosophers including William of Ockham, St Augustine, Duns Scotus, and John Calvin.	Divine command theory is a meta-ethical theory which proposes that an action's status as morally good is equivalent to whether it is commanded by God. The theory asserts that what is moral is determined by what God commands, and that to be moral is to follow his commands.	300-400 AD	tps://en.wikipedia.org/wiki/Divine_command_theory
Modified Divine command theory	Robert Merihew Adams	God's commands preclude moral truths and must be explained in terms of moral truths, not the other way around. Adams writes that his theory is an attempt to define what being ethically 'wrong' consists of and accepts that it is only useful to those within a Judeo-Christian context.	2006	Pojman & Rea 2008, p. 558
Correspondence theory of Truth	Bertrand Russel	Truth is understood in terms of the way reality is described by our beliefs. A belief is false when it does not reflect states-of-affairs events, or things accurately. In order for our beliefs to be true, our beliefs must agree with what is real. Note that the correspondence theory is not concerned with the discovery of truth or a means for obtaining true belief because the theory, itself, cannot establish the nature of reality. It is believed by constructivists that representations of physical and biological reality, including race, sexuality, and gender, as well as tables, chairs and atoms are socially constructed. So 'Truth' is also socially constructed as	1912	Bertrand Russell. <i>The Problems of Philosophy</i> Oxford: Oxford University Press, 1912
Constructivist epistemology	Heracitus, Protagora, Jean Piaget	truth is found by attending to the practical consequences of ideas. To say that truth is mere agreement of ideas with matters of fact, according to James, is incomplete, and to say that truth is captured by coherence is not to distinguish it from a consistent falsity. In a genuine sense, James believes we construct truth in the world: truth is in no sense absolute. Beliefs are considered to be true if and only if they are useful and can be practically applied. At one point in his works, James states, "... the ultimate test for us of what a truth means is the conduct it dictates or inspires."	Ancient Greece till current time	"Encyclopédie de la Pléiade" Logique et connaissance scientifique or "Logic and Scientific knowledge"
Pragmatic theory of truth	William James	truth is found by attending to the practical consequences of ideas. To say that truth is mere agreement of ideas with matters of fact, according to James, is incomplete, and to say that truth is captured by coherence is not to distinguish it from a consistent falsity. In a genuine sense, James believes we construct truth in the world: truth is in no sense absolute. Beliefs are considered to be true if and only if they are useful and can be practically applied. At one point in his works, James states, "... the ultimate test for us of what a truth means is the conduct it dictates or inspires."	1907	William James. <i>Pragmatism: A New Name for Some Old Ways of Thinking</i> New York: Longman Green and Co., 1907
Semantic theory of truth	Alfred Tarski	A semantic theory of truth is a theory of truth in the philosophy of language which holds that truth is a property of sentences	1930s	A semantic theory of truth is a theory of truth in the philosophy of language which holds that truth is a property of sentences
Pluralist theory of truth	Crispin Wright	A pluralist theory of truth is a theory of truth which posits that there may be more than one property that makes a proposition true.	1992	Wright, Crispin (1992) <i>Truth and Objectivity</i> Cambridge: Cambridge University Press

James's pragmatic theory of truth still holds sway over the intellectual discourse of the West. In his views if something is not practical or practically applicable then it cannot be considered as truth. In critique of this concept, Durkheim argued that James's pragmatist theory of truth, due to its emphasis on individual satisfaction, was unable to account for the obligatory, necessary and impersonal character of truth (Schamus, 2010).

Truth is an attribute of beliefs and linguistic expressions, it is not an entity in the external world (Hunt, 2005). Hunt (2005) suggests that the philosophy of scientific realism is much more appropriate as a foundation for considering scientific endeavors particularly in Management Research. Further on quoting Harre' (1986) he suggests that any development in social understanding of things specially in the scientific community, which functions to develop theories by studying existence, cannot happen without trust. The precursor to trust is truth, this truth is not of the literal kind, meaning things that are literally true, as literal truths are difficult to reach and need absolute surety, what is required for trust to develop is for the proponent to be proposing what they honestly believe to be the truth.

There are two quite prevalent notions about truth and truthfulness that exist in modern society. There is an intense focus to be truthful at all times. It is considered a basic virtue to be truthful at all instances, it is considered a fundamental expectation to be truthful at all times (Williams, 2004). On the other hand the notion of truth is a suspicious mystery. The existence of truth is denied as a notion and even if it is considered there are many issues attached with it. Like, is truth subjective or relative and does it really have any importance in carrying out activities in any aspect of life

(Williams, 2004). Perhaps this is the reason why there is scant modern literature on the idea of truth and truthfulness and their application in practical aspects of life.

2.4 Concept of Truth and Truthfulness in Islam

Truth is specially emphasized in Islam as an important trait in a Muslim.

Quran says

“And he who brings the truth and he who confirms (and supports) it – such are the men who do right. And Allah will say: this is a day on which the truthful will profit from their truth. Theirs the gardens, with rivers flowing beneath their eternal home” (Holy Qur’an, V.119)

In addition, Truth telling is tacitly recognized as a pre-requisite in any business transaction (Strutton et al., 1997). Islamic literature indicates rich texts about truthfulness and considers it as one of the fundamental transcendental values/virtues.

A prominent Muslim Scholar Imam Ghazali delineated truthfulness in a very comprehensive way, explaining six dimensions or levels of truthfulness by supporting his arguments with Quranic Verses and Hadith. These dimensions include: 1) Truthfulness in speech 2) Truthfulness in intentions 3) Truthfulness in resolution 4) Truthfulness in action 5) Truthfulness in determination 6) Truthfulness in attainment of religious status and rank (Ghazali, 1105).

Truthfulness in speech is considered as the truth of a person in describing past, present and future along with three exceptions. **Truthfulness in intention** is the sincerity of purpose which doesn't remain scattered if mixed with temptations or

passions. **Truthfulness in resolution** is the person's truthfulness in making and fulfilling his promises. **Truthfulness in actions** means that a person's actions should be in accordance with his intention and speech. **Truthfulness in determination** is the concordance of one's inner-self with outer-self. Lastly, **Truthfulness in attainment of religious status and rank** is highest level of truthfulness which demands complete progress in religion like truth in God fear, hope, reliance with God and others (Ghazali, 1105).

Another prominent Muslim scholar Allama Syed Sulaiman Nadwi (1999) parsimoniously merged these six dimensions of truthfulness into three dimensions which are 1) truthfulness of tongue 2) truthfulness of heart/intention 3) truthfulness in action. These dimensions are explained with details in support with Quranic verses and Hadith as below.

2.4.1 Truthfulness of tongue

Truthfulness of tongue is most widely understood meaning of truthfulness. It refers to the spoken words of a person. In Quran, it is mentioned very clearly to speak truth and be among truthful.

“O you who believe! Have fear of God, and be among the truthful.” (Quran 9:119).

Truthfulness is considered as the trait of all Prophets and Allah Almighty himself as reflected in the following verse

“And mentioned in the Book, Ishmael: surely, he was a man true to his word, and he was a Messenger, a Prophet.” (Quran 19:54)

"And mentioned in the Book, Abraham: surely he was a most truthful Prophet."

(Quran 19:41)

2.4.2 Truthfulness in intention

Truthfulness of heart refers to the concordance of heart and tongue (Nadwi, 1999). In simple words the person is truthful if the expressions of words are coming from his heart. This dimension of truthfulness reflects the intention of a person in accordance with his speech. According to Strutton, the intention of the salesperson must be considered in his truth telling behavior as truthfulness requires conveyance of what is believed to be accurate information (Strutton et al., 1997). A person who is untruthful from heart is not only a liar but also considered as a hypocrite in Islam as mentioned in the following verse

"And Allah bear witness that the hypocrites are indeed liars" (Al-munafiqun)

In another verse, it says

002.042 "Confound not truth with falsehood, nor knowingly conceal the truth"

2.4.3 Truthfulness in action

Truthfulness in action refers to the concordance of one's activities with his inner state (Nadwi, 1999). It is clearly mentioned in Quran at several places.

“Only those are believers who have believed in Allah and His Apostle and have never since doubted, but have striven with their belongings and their persons in the Cause of Allah: Such are those who are (sincere) and true.”

Similarly in another verse it is mentioned

“It is not righteous that you turn your faces to the east and the west. But righteous is he who believes in Allah, the Last Day, the angels, the Scripture, the Prophets and gives his wealth, for love of Him, to kinsfolk, to orphans, the needy, the wayfarer, to those who ask, to set slaves free; and observe proper worship and pay zakat. And those who keep their treaty when they make one, the patient in tribulation and adversity and time of stress. Such are the people of truth, the God fearing”

In the above mentioned verse, actions have been presented which leads to righteousness and at the end of the verse Allah Almighty states such person as truthful which is a clear indication that truthfulness in actions is mandatory for being truthful.

2.5 Trust

Trust is considered as a backbone in the literature of sales management where a large number of studies are linked with the conceptualization of trust (Wood, Boles, Johnston, & Bellenger, 2008). Trust is commonly described as “*the willingness to rely on an exchange partner in whom one has confidence*” (Guenzi, 2002, p. 753). Trustworthiness creates the perception of credibility in the mind of customer and it is considered as the most persuasive problem of marketing (Baer, 1990). The relationship of trust has been explored with a broad range of marketing literature

including Customer satisfaction (Cyr, 2008), Loyalty (Dolors, 2012), commitment, Purchases intention, word of mouth and many others (Paper, 2007).

The wide use of trust in literature has resulted in its multiple conceptualizations and measurements depending on the context. Many researchers have conceptualized it as a personality trait (Plank, Reid, & Pullins, 1999). Conversely, some researchers have conceptualized trust as a predisposition of a customer about the buyer that how buyer will behave. In context to sales management, trust could be defined as

"A confident belief that the salesperson can be relied upon to behave in such a manner that the long-term interest of the customer will be served"
(Crosby, Evans, & Cowles, 1990).

Despite the enrich literature available on trust, it has been viewed from the functional points of view. Trust building is an interactive process which involves the Salesperson and the buyer and it is generated gradually and reinforced by the actions of a salesperson and his previous positive actions (Frederique, 2007). Mutual trust plays a vital role in the exchange relationship between a salesperson and a consumer due to the reciprocal nature of the exchange. However, truth telling is the key ingredient to develop trust and exchange relationship in sales settings (Strutton et al., 1997). Therefore, truth telling behavior is considered as an essential moral requisite in the salesperson (Radoilska, 2008).

Signaling theory also provides us guidance in trust building relationship with a salesperson. The actions of a salesperson gives signals to the prospect/customer and if

customer perceive these signal as positive, beneficial and transparent then it reinforces his level of trust toward the salesperson (Zand, 2007).

Conversely, if he perceives these signals as negative or it depicts just the self-interest of salesperson, deception then customer may become defensive while buying anything from the seller. A large number of research studies have shown that relational signals play a critical role in building interpersonal trust (Weber, Malhotra, & Mumighan, 2005)

In the past few decades, marketers have shifted their attention toward relationship marketing and companies have diverted their attention in building long-term relationship with the customers because it is considered as a mean of gaining competitive advantage (Hunt S. , 1997). Berry states Trust as “the single most powerful relationship tool available to a company (Berry, 1996). While, trust is the focal construct in relationship marketing which leads to satisfaction, commitment, loyalty and word of mouth. Empirical research shows that *“the effect of trust on satisfaction and long term orientation is larger than the direct effect of any of its antecedents. Moreover, the effect of economic outcomes on satisfaction and long-term orientation is nearly completely mediated by trust”* (Geyskens, Steenkamp, & Kumar, 1998, p. 243). Whereas, at same time trust can't foster in buyer and seller relationship if the element of truth telling is missing. If consumers perceive that salesperson is truth-teller and is working in the best interest for them then surely it will enhance their trust level while buying and vice versa (Radoilska, 2008).

2.6 Importance of trust in Islam

Trustworthiness is one of the most imperative principles of ethics in a transaction. Trust is considered as a moral virtue which demands sincerity in work and pureness of intention. A sales person should communicate the pros and cons of a commodity to the buyer so that he purchases the commodity in full satisfaction and it will also establish mutual trust. Says the Holy *Qur'an*:

“O you believers! Do not betray Allah and the Messenger, nor knowingly, betray your trusts”. (8:27)

2.7 Truthfulness and trust

There is a strong connection of perception of truthfulness and trust. Consumers interact with salesperson on frequent basis and they act as a naïve psychologist and start perceiving about the truthfulness of a salesperson based on their experiences. If they perceive a salesperson to be truthful then they start trusting them which results in making the bond stronger between buyer and seller. Conversely, being perceived as untruthful certainly decrease the chances of bonding and trust and customers start switching toward competitors. According to Srancich

“Truthfulness is thus conceived as an important strategy that will ensure trust, which translates into reduced transaction costs and opportunities for innovation and expansion” (Stancich, 2003)

2.8 Attribution theory

According to attribution theory, people have an inborn tendency to make sense to their surroundings by acting as a psychologist (Heider, 1958). Attribution theory explains the phenomena of how an individual uses the information to perceive and explain the events. This theory examines how information is collected and how different nodes are connected to form a causal judgment. A recent extension to attribution theory has further delineated the idea of relational attribution which could be referred as the explanations made by an individual to infer the cause of an event based on the relationship with another person (Eberly, Holley, Johnson, & Mitchell, 2011). These attributions are uniquely grounded in the interaction between two parties. For example a salesperson explaining the different promotional schemes of a product could be perceived in different manners based on the relationship of prospect and salesperson.

Type of Relationship	Perception about salesperson activities	Action
Strong relationship	Prospect may believe that salesperson is explaining more because he want me to get benefit of these promotions and he is thinking of my benefit from these promotion.	Prospect will listen to the promotion and higher probability of buying
Weak relationship	Prospect may believe that salesperson is trying to sell his	Prospect will become defensive and he will resist

	product by manipulating different promotions so that I will buy the product and he could he the commission on the top of it.s	while buying the product.
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Figure 3 Variation of salesperson relationship

2.9 Cognitive response theory

Cognitive response theory which was proposed by Green Walt (1968) also suggest that social influence depends on the favorability of the thoughts available in the memory at the time of decision (Harmon & kenneth, 1982). There are two different types of thoughts that exist in a consumer's mind. These thoughts includes

- Message thoughts (based on message/presentation by the salesperson)
- Own thoughts (based on previous knowledge of consumer)

If the perception of truthfulness will be positive about the salesperson then it will increase the acceptance of message delivered by the salesperson. Conversely, if the perception of truthfulness of salesperson will be negative then it will decrease the chances of acceptance of the message delivered by the salesperson.

2.10 Truthfulness and salesperson

One of the renowned salesperson Joe Girard highlighted the importance of trust that sales person earns a yield from his credibility, trust and truthfulness (Girard & Casemore, 1980). Truthfulness is a key ingredient in developing trust between salesperson and the customer (Strutton et al., 1997). Whereas, trust has been extensively researched in the literature of sales management. Many renowned

salespersons, academicians and researchers have highlighted its importance and considered it as the life blood of an organization which not only develops trust but also helps to build long term relationship with customers (Doney & Cannon, 1997; Kennedy, Ferrell, & LeClair, 2001; Hartmann, Klink, & Simons, 2015)

Islamic literature also indicates that our beloved Prophet Muhammad (P.B.U.H) was a renowned trader of Quresh tribe in Makkah and was considered as an emblem of truthfulness, competence and good character (Azzam & Gouverneur, 2009). After hearing about the fame of Muhammad (P.B.U.H), Khadija (R.A) (a wealthy business woman) sent a message to Muhammad (P.B.U.H) to trade her goods to Syria (Azzam & Gouverneur, 2009). Muhammad (P.B.U.H) accepted the proposal and went to Syria to trade the goods of Khadija (R.A).

Prophet Muhammad (P.B.U.H) traded the goods in Syria with honesty and truthfulness, telling the negative and positive aspects of the goods clearly (Janneh, 2010). His truthfulness and trustworthiness resulted in extraordinary gains more than anyone else had done before (Janneh, 2010). This incident clearly points out that a salesperson could perform better in selling their products/services by being truthful in every aspect with their customers. Credibility and reputation are the keys to success in sales which could be attained by being truthful with the customers in every aspect (Schiffman & Reisner, 1999). Conversely, it is considered that a certain amount of slightness and craftiness is necessary to meet the tactical realities of the business.

Truthfulness is discussed in Islamic literature with great detail. In a hadith, it says

“The truthful merchant [is rewarded by being ranked] on the Day of Resurrection with prophets, veracious souls, martyrs and pious people” (Tirmidhi, No: 1130).

In another hadith, it is mentioned

“The seller and the buyer have the right to keep or return the goods as long as they have not parted or till they part; and if both the parties spoke the truth and described the defects and qualities [of the goods], then they would be blessed in their transaction, and if they told lies or hid something, then the blessings of their transaction would be lost.” (Bukhari, No: 1937)

The main purpose of this study is to develop scale for measuring perception of truthfulness based on the literature provided by Islam and to testify the perception of consumers about the truthfulness of salesperson. This thesis also provides an insight to the salespersons that how they could improve their performance besides following moral ethics.

2.11 Proposition

Perception of Truthfulness of salesperson can be measure through these three dimensions

1. Truthfulness in speech
2. Truthfulness in intention
3. Truthfulness in action

CHAPTER 3

RESEARCH METHODOLOGY

Methodology

The scale development of “consumer’s perception of truthfulness of salesperson” is divided into two stages which are as explained below

Stage 1: Item generation

One of the important psychometric requirements is to ensure content validity of the items (Hinkin, 1995). There are two different approaches which are used in items development one is inductive also referred as “**grouping**” and the other one is deductive approach also referred as “**Logical partitioning**” (Hunt S. D., 1991). In the scale development of perception of truthfulness, we have used both approaches to ensure content validity of the measure.

Before constructing the questionnaire, we conducted in-depth interview with five (5) prominent Muslim scholars. The criteria was set for Muslim scholars to have at least 8 years of experience in teaching Quran or Hadis at renowned institute. The basic motivation for conducting the interviews was to have an understanding of the truthfulness and its facets based on the guidance provided by Islam. Here is the summary of their views about truthfulness

- | | | |
|---|-------------------------------------|--|
| 1 | Moulana
Ahsan
Ullah
chisti | <p>In order to understand the truthfulness in detail, we need to understand the circumstance and context in which it is spoken. There are several Quranic verses and Hadis covering the commandments about truthfulness. In Quran, you will find that mostly the word truth is used for Islam and Almighty Allah and to be specific, truthfulness has been considered as a pre-requisite in a momin.</p> |
| 2 | Moulana
hadayat
khan | <p>Understanding in truthfulness requires a thorough analysis of many things. In terms of sales, the character of the person is very important. Our Beloved Holy prophet was also considered as “Sadiq” and “Ameen” based on this character and dealing with the community. It is very important to understand a truthful person will be sincere from the depth of his heart. In terms of sales, Salesperson will be telling defects first before selling the goods or services like you will find a lot of examples in Islamic literature that Muslim merchants used to tell the defects of the product first before selling the benefits</p> |
| 3 | Moulana
Fazal
Azeem | <p>Truthfulness means that what person is saying is exactly as it is in reality. There is no exaggeration and misrepresentation in the conversation. There are several factors which are helpful in determining the truthfulness of a person that includes in his character and his intention and his positive actions</p> |
| 4 | Moulana
Abdul
Haleem | <p>The truthfulness in related to the concordance of heart and tongue so whenever somebody speaks then it is important that what he is saying is exactly same as what he believes in. There are several incidents available in detail in Islamic books about the munafikeen. The munifikeen were those people which appears to be Muslim and by tongue they used to say that we believe in 1 God but from the depth of their heart they didn’t believed on it and they are considered to be the worst liars.</p> |
| 5 | Moulana
Kaim Ali
Shah | <p>The relationship is truth is with reality. being truthful is one of the requirements of a human society and brings countless benefits, while lying is one of the key elements of corruption in human society, and the cause of the devastation of social structure and ties, one of the most evil features of bad conduct, and causes widespread harm. Hence Islam commanded truthfulness and forbade lying.</p> |

The interviews and Islamic literature provided a basis for the development of our questionnaire. Both inductive and deductive approaches were used for the item generation to ensure the content validity. Initially twenty two items were generated which were then presented to Scholars and marketing experts for cross verification.

After making the suggested changes, the questionnaire was presented to ten PH.Ds students to classify each randomly ordered item into one of the four categories, the three dimensions plus the “other” category. This was done as per the recommendation of Schriesheim and Hinkin that Sorting is a cognitive task which requires intellect rather than experience so the use of students is more appropriate (Schriesheim & Hinkin, 1990). The items which were assigned to the proper priori category by more than 80% of the respondents were retained in the study for further use.

3.1 Convergent validity

Convergent validity is very important tool to observe that either variables within a single factor are highly correlated or not. It can be seen by analyzing factor loading of the analysis.

3.2 Discriminant validity

Discriminant validity is used to observe that which factors are not correlated or distinct. The rule of thumb is that items should relate more strongly to their own factors as compared to the other factors. It can be checked by examining the pattern matrix as the items should load significantly onto 1 factor.

3.3 Face validity

The items loading into different factors should make sense and if an item is loading onto a different factor then what might be the explanation. Researcher can easily judge the face validity by looking at each item thoroughly.

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3.4 Reliability

Reliability refers to the consistency of an item when repeat measures are taken. Cronbach's alpha is most widely used to check the reliability of the scale and as a rule of thumb, a variable is considered to be reliable if it has the cronback;s alpha of more than 0.7

CHAPTER 4

RESULTS AND ANALYSIS

RESULTS AND ANALYSIS

A questionnaire consists of 19 items was made which was divided into three parts. Truthfulness in speech was tapped using 7 items, Truthfulness in intention was tapped using 5 items and truthfulness in action was tapped using 7 items. The final questionnaire was then translated into Urdu (native language) which was then distributed among the consumers for pilot testing. Thirty respondents were interviewed along with the developed questionnaire to know about their perception of truthfulness of the salesperson. The finalized 19 items are as follows

Sr. No	Items
Truthfulness in speech	
1	The salesperson generally gives the right information about the product/service.
2	It has been observed that the salesperson lies about the product/ service being sold. (Reverse coded)
3	Sales person generally tells the merits of their product/service.
4	Sales person generally tells the demerits of the product/service as well.
5	Sales person provide information about their product/services which is supported by evidences.
6	Most of the sales person use deception to conceal real nature of product.(Reverse coded)
7	The salesperson doesn't exaggerate about their products/Services.
Truthfulness in Intention	
8	Sales person is sincere from the depth of his heart.

- 9 The salesperson has malafied objective to deceive consumers(Reverse coded)
- 10 It has been observed that the salesperson believes in his heart that he is giving the best value for money.
- 11 Salespersons persuade customers with positive intentions.
- 12 Salesperson tells about the important function of the product but also tells that how they can add value to the community.

Truthfulness in Action

- 13 The salesperson does whatever he commits with customers.
- 14 The activities of the salesperson are the reflection of his sincere inner motives.
- 15 It has been observed that there is a gap between promise and action of the sales person.*(Reverse coded)*
- 16 It has been observed that the salesperson would gladly accept the return of a faulty product.
- 17 It has been observed that sometimes the salesperson feel hesitant to take back their faulty product. *(Reverse coded)*
- 18 It has been observed that sales person is committed to deliver their promises.
- 19 It has been observed that sometimes it is hard to fulfill promises into actions *(reverse coded)*

Figure 4 Initial items generated

Based on the 30 questionnaires collected and interviewed in pilot testing, Cronbach's alpha for the whole scale was checked in order to ensure the reliability of the scale. The reliability of truthfulness of speech was 0.935, truthfulness in intention was 0.864, truthfulness in action was 0.914 and the reliability of the whole scale was 0.862.

After getting the positive results in pilot testing, data was collected from 317 respondents using self-administered questionnaires. Unit of analysis was individual consumers who interact with salesperson on frequent basis. After collection of data, exploratory factor analysis was run to analyse the correlation among the items and it is considered as one of the best tool to explore the factor and assess the quality of item in scale development process.

First of all, we conducted KMO and Bartlett test to check the sample adequacy for which results are as follows.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.897
Approx. Chi-Square		1758.003
Bartlett's Test of Sphericity	Df	105
	Sig.	.000

Figure 5 KMO and Bartlett test

Total of 317 responses were taken in the analysis and KMO value is 0.897 which is above the threshold value of 0.7. This suggests that the sample is adequate enough to perform an EFA and meaningful results can be extracted from this sample.

Communalities

	Initial	Extraction
It has been observed that the salesperson lies about the product/service being sold. (Reverse coded)	1.000	.575
Sales person generally tells the merits of their product/service.	1.000	.866
Sales person generally tells the demerits of the product/service as well.	1.000	.589
Sales person provide information about their product/services which is supported by evidences.	1.000	.689
The salesperson doesn't exaggerate about their products/Services.	1.000	.547
Sales person is sincere from the depth of his heart.	1.000	.679
It has been observed that the salesperson believes in his heart that he is giving the best value for money.	1.000	.616
Salespersons persuade customers with positive intentions.	1.000	.567
Salesperson tells about the important function of the product but also tells that how they can add value to the community.	1.000	.650
The activities of the salesperson are the reflection of his sincere inner motives.	1.000	.569

It has been observed that there is a gap between promise and action of the sales person.(Reverse coded)	1.000	.668
It has been observed that the salesperson would gladly accept the return of a faulty product.	1.000	.529
It has been observed that sometimes the salesperson feel hesitant to take back their faulty product. (Reverse coded)	1.000	.666
It has been observed that sales person is committed to deliver their promises.	1.000	.668
It has been observed that sometimes it is hard to fulfill promises into actions (reverse coded)	1.000	.665

Extraction Method: Principal Component Analysis.

Figure 6 Communalities table

Communalities tells about the extent to which item are correlated with other item. Higher communalities are desirable and as a rule of thumb, communality above 0.5 is considered adequate. Extracted from each item should be above 0.5. All the communalities extracted are above 0.5 which suggest adequate test result.

4.1 Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings ^a
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	5.754	38.360	38.360	5.754	38.360	38.360	4.585
2	1.565	10.436	48.796	1.565	10.436	48.796	3.729
3	1.177	7.846	56.642	1.177	7.846	56.642	4.367
4	1.046	6.976	63.619	1.046	6.976	63.619	1.274
5	.714	4.757	68.375				
6	.702	4.679	73.055				
7	.607	4.043	77.098				
8	.582	3.883	80.981				
9	.510	3.398	84.379				
10	.483	3.217	87.596				
11	.424	2.824	90.421				

12	.415	2.764	93.185			
13	.363	2.421	95.605			
14	.351	2.342	97.947			
15	.308	2.053	100.000			

Extraction Method: Principal Component Analysis.

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Figure 7 Total Variation explained

Rotated Component Matrix^a				
	Component			
	1	2	3	4
It has been observed that the salesperson lies about the product/ service being sold. (Reverse coded)	.386	.563	.320	.079
Sales person generally tells the merits of their product/service.	.079	-.010	.028	.927
Sales person generally tells the demerits of the product/service as well.	-.023	.298	.697	-.118
Sales person provide information about their product/services which is supported by evidences.	.118	.084	.709	.407

The salesperson doesn't exaggerate about their products/Services.	.418	.114	.582	-.143
Sales person is sincere from the depth of his heart.	.434	.122	.688	.049
It has been observed that the salesperson believes in his heart that he is giving the best value for money.	.755	.102	.189	-.017
Salespersons persuade customers with positive intentions.	.715	.195	.106	.084
Salesperson tells about the important function of the product but also tells that how they can add value to the community.	.736	.235	.074	.219
The activities of the salesperson are the reflection of his sincere inner motives.	.554	.227	.445	.111
It has been observed that there is a gap between promise and action of the sales person.(Reverse coded)	.182	.786	.118	-.064
It has been observed that the salesperson would gladly accept the return of a faulty product.	.318	.352	.548	.060
It has been observed that sometimes the salesperson feel hesitant to take back their faulty product. (Reverse coded)	-.164	-.786	-.140	-.040
It has been observed that sales person is committed to deliver their promises.	.781	.072	.213	-.083

It has been observed that sometimes it is hard to fulfill promises into actions (reverse coded)	.073	.788	.197	.010
<p>Extraction Method: Principal Component Analysis.</p> <p>Rotation Method: Varimax with Kaiser Normalization.</p>				
<p>a. Rotation converged in 5 iterations.</p>				

Figure 8 Rotated Component Matrix

According to Rotated component matrix, 4 factors have been emerged based on the collected data about the perception of truthfulness of a salesperson. We will discuss about the each item one and one and it's loading on different factors

1. It has been observed that the salesperson lies about the product/ service being sold. (Reverse coded)

The first item has been loaded significantly onto the 2nd component with factor loading of 0.563. Although it also shows the cross loading on factor 1 and factor 3 but major contribution of the item is on factor 2. The item is designed to simply gather the response of consumers about the lying behavior. If consumer perceive that salesperson is lying then it means that salesperson is not perceived to be truthful in sales settings.

2. Sales person generally tells the merits of their product/service

The 2nd item has been loaded significantly onto the factor 4. If we carefully examine the responses against this item then we found that mostly response against this item was agree or strongly agree. As all salespersons surely tells the merits of their product to the prospects. In this situation, it is better to drop this item from the scale.

3. Sales person generally tells the demerits of the product/service as well.

The 3rd item has been loaded significantly onto the factor 3 with factor loading of 0.69. All salespersons tells the merits of the product/service but a truthful salesperson will be one who will also tell the demerits of their product. Consumers rank salespersons higher who tells the demerits of the product and perceive them to be truthful.

4. Sales person provide information about their product/services which is supported by evidences.

The 4th item has been loaded significantly onto the factor 3 with factor loading of 0.709. In addition, it shows very minimal cross loading onto the other factors. This item is designed to check the consumer's perception about information being provided by salesperson.

5. The salesperson doesn't exaggerate about their products/Services.

The 5th item has been loaded significantly onto the factor 3 with factor loading of 0.582. Although it shows cross loading onto the other factors but it is very -minimal as compared to this factor. Exaggeration is generally present in salesperson speech. Consumers perceive a sales person to be more truthful who doesn't exaggerate about the benefits of the product.

6. Sales person is sincere from the depth of his heart.

The 6th item is significantly loaded in the 3rd factor with the factor loading of 0.688 and it also shows cross loading with factor 1. This item could be dropped due to significant factor loading into 2 factors in order to actually tap each factor with minimal error.

7. It has been observed that the salesperson believes in his heart that he is giving the best value for money.

The 7th item is significantly loaded on the factor 1 with the factor loading for 0.755 and it shows very minimal cross loading into the factor 2 and factor 3. This item is designed to check the consumer's perceptions about salesperson's intention.

8. Salespersons persuade customers with positive intentions.

The above mentioned item has been significantly loaded on factor 1 with the factor loading for 0.715 and it shows minimal cross loading on other 3 factors. The analysis of responses indicates that respondents has varied

opinion about the positive intention of salesperson based on their past experiences.

9. Salesperson tells about the important function of the product but also tells that how they can add value to the community.

The above mentioned item is significantly loaded onto the first factor with minimal cross loading on 2nd factor. Recent trend of companies toward societal marketing has forced salesperson to tell about their product for adding value to community. However, it also represents the intentions of the salesperson.

10. The activities of the salesperson are the reflection of his sincere inner motives.

The above mentioned item is significantly loaded on factor 1 with 0.554 factor loading and also it has higher factor loading on factor 3 with 0.445.

11. It has been observed that there is a gap between promise and action of the sales person.(Reverse coded)

The above mentioned question is a reverse coded question which has been loaded on factor 2 with the factor loading of 0.786.

12. It has been observed that the salesperson would gladly accept the return of a faulty product.

Generally, it has been observed that salesperson's don't take back the product from consumers despite promising at the time of sales. A salesperson is considered truthful and honest if he gladly takes back the product from customer and it also develops trust in the eyes of customers. The above-mentioned item is significantly loaded on factor 3 with the factor loading for 0.548. Cross loading of same item has been observed in factor 1 and factor 2.

13. It has been observed that sometimes the salesperson feel hesitant to take back their faulty product. (Reverse coded)

The above-mentioned item is a reserve coded item which is significantly loaded on factor 2. It has minimal cross loading on other factors.

14. It has been observed that sales person is committed to deliver their promises.

Consumer's always desire that all promises made during sales should be fulfilled by the salesperson and the company. The above mentioned item is very important in this aspect to judge about the salesperson commitment to deliver the promises. It has been significantly loaded on factor 1 with minimal cross loadings.

15. It has been observed that sometimes it is hard to fulfill promises into actions (reverse coded)

The above mentioned item is very important to observe the perception of consumer about the salesperson. It is significantly loaded on factor 2 with minimal cross loading.

After thorough analysis of each item in the scale and the results of exploratory factor analysis, following items will be retained in the scale measuring Perception of truthfulness of a salesperson.

Truthfulness in Speech	
1	Sales person generally tells the demerits of the product/service as well.
2	Sales person provide information about their product/services which is supported by evidences.
Truthfulness in Intention	
3	It has been observed that the salesperson believes in his heart that he is giving the best value for money.
4	Salespersons persuade customers with positive intentions.
5	Salesperson tells about the important function of the product but also tells that how they can add value to the community.
6	It has been observed that sales person is committed to deliver their promises.
Truthfulness in Action	
7	It has been observed that there is a gap between promise and action of the sales person.(Reverse coded)
8	It has been observed that sometimes the salesperson feel hesitant to take back their faulty product. (Reverse coded)
9	It has been observed that sometimes it is hard to fulfill promises into actions (reverse coded)

Figure 9 Final Generated items

To further consolidate the EFA results it is recommended to conduct a Confirmatory Factor Analysis (CFA) (Hinkin, 1995). A CFA is a more stringent analysis to confirm the integrity and robustness of the measurement constructs. In CFA the main

decisions are based on the coefficients of correlation, coefficient of variance and model fit statistics.

CFA RESULTS

To further consolidate the EFA results, we conducted Confirmatory factor analysis for which results are as follows

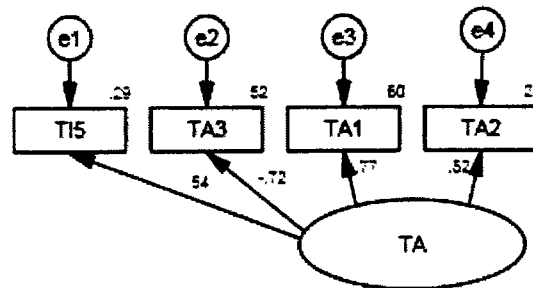


Figure 10: Truthfulness in action

The figure given above shows the CFA results for the construct of Truth in Action. All the R-values indicating extraction indicate a strong effect and are also statistically significant at p-value of less than and equal to 0.05. Item TA3 is showing a negative sign as it was a reverse coded. The R2 values are also quite meaningful with item TA1 showing the highest R2 value. All the values are significant at the 0.05 level of confidence measurement.

	Value		Value
CMIN/DF	3.69	RFI	0.92
RMSEA	0.09	IFI	0.98
SRMR	0.03	TLI	0.94
NFI	0.97	CFI	0.98

Model Fit – Truth in Action

Values given in table indicate the goodness of fit statistics for the construct truth in action. The CMIN/DF value is 3.69 and the RMSEA is 0.09, which indicate moderate

fit. On the other hand SRMR value is 0.03, NFI, RFI, IFI, TLI and CFI are all above 0.9 which indicates good fit. Based on this analysis the model can be considered as an acceptable fit.

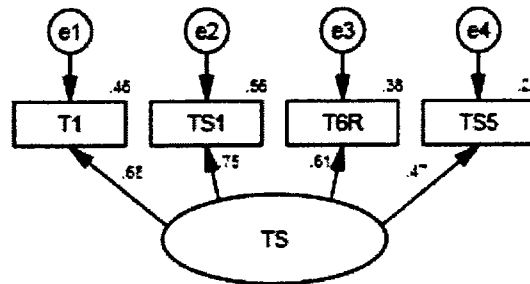


Figure 11: Truthfulness in Speech

Next analysis is for the construct of Truth in Speech, the results are depicted in figure. All the R-values indicating extraction are above 0.4 which suggests a strong effect and are also statistically significant at p-value of less than and equal to 0.05. The R2 values are also quite meaningful with item TS1 showing the highest R2 value, these values are above 0.2 showing a strong relationship. All the values are significant at the 0.05 level of confidence measurement.

CMIN/DF	0.82	RFI	0.98
RMSEA	0	IFI	1
SRMR	0.01	TLI	1
NFI	0.99	CFI	1

Model Fit – Truth in Action

Values given in table indicate the goodness of fit statistics for the construct truth in speech. The CMIN/DF value is 0.82 and the RMSEA is 0.00, which indicate excellent fit. Similarly, SRMR value is 0.01, NFI, RFI values are 0.99 and 0.98 respectively, while IFI, TLI and CFI values are 1. These values indicate good fit. Based on this analysis the model can be considered as an excellent fit.

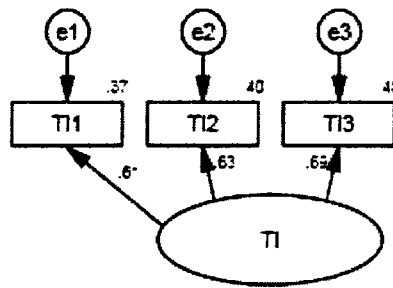


Figure 12: Truthfulness in Intention

The fig given above shows the CFA results of the construct of Truth in Intention. All the R-values indicating extraction are above 0.6 which suggests a strong effect and are also statistically significant at p-value of less than and equal to 0.05. The R2 values are also quite meaningful with item TI3 showing the highest R2 value, these values are above 0.3 showing a strong relationship. All the values are significant at the 0.05 level of confidence measurement.

CMIN/DF	0	RFI	0
RMSEA	0.266	IFI	1
SRMR	0	TLI	0
NFI	1	CFI	1

Values given in table indicate the goodness of fit statistics for the construct truth in intention. The listed values suggest that only a base model was created and a

saturation model cannot be achieved. This suggests that more items and resulting constraints are required in this construct to achieve a model fit.

CHAPTER 5

CONCLUSION & DISCUSSION

5. CONCLUSION AND DISCUSSION

Truthfulness is an important construct especially in the area of sales management which enhances trust and credibility of a salesperson. On the other hand, market practices of salesperson reflect deception, dishonesty and untruthfulness which have ultimately resulted in negative perception of consumers about salesperson. In-depth interviews with consumers about their perception of truthfulness indicated that salespersons are losing their credibility rapidly because of their deception and untruthfulness. In this thesis, we have developed a scale to measure the perception of consumer's about the truthfulness of a salesperson that will help researchers and practitioners to address the issue to salesperson credibility and trust which affects the sales of an organization.

The results for truthfulness in action and truthfulness in speech constructs suggest significant basis for furthering this line of research. Results for truthfulness in intention suggest that more work is required for specifying this construct. As this was a constrained study in itself bound by time and scope, still the results suggest that the developed methodology should be replicated in differing contexts in-terms of industries and cultural settings to further explore and consolidate the conclusions of this study.

5.1 Utility and usefulness of the scale

Salesforce is one of the important tool for any organization which can become the success factor or at the same time it can become the failure for any organization. If salesperson approach customers with right product, right message at right time then it can bring fruitful results for the organization in terms of sales. Recent researches in the field of sales management reveals that salesperson are losing trust among buyers and they are being perceived in negative manners. In this situation, it is very important for companies to measure the perception of consumers about their salespersons and at same time it is critically important for academicians to measure the perception of consumers about salesperson in different societies to address the issue to salesperson credibility.

5.2 Managerial implications

From the perspective of sales management, Salespeople can better meet positive expectation and negative ones when they are aware of the buyer's perception. Therefore, this study will also help salesperson in every field to better understand about consumer's perception. Therefore, salespersons can increase customer's satisfaction and enhance marketing relationship by knowing their perceptions and expectations. (Stafford & Royne Stafford, 2003).

Furthermore, the scale will be helpful to measure the perception of consumer's about salesperson periodically to see the change and it will also help to track the performance of salesperson in different territories.

5.3 Limitations and Future research direction

There are several limitations of the study which should be considered while generalizing the scale to different industries. First of all, the scale doesn't covers the salesperson from all the industries. Salespersons might be perceived differently in different industries. Therefore, data must be collected from the consumers of specific industry to know about the perception of consumers about the salesperson of a particular industry.

Secondly, truthfulness is a very broad concept and it can't be directly measured so we have used the perception of truthfulness to measure the concept. It must be empirically tested as an antecedent of trust in different industries.

Thirdly, data has to be collected on a larger scale for confirmatory factor analysis from consumers of different countries localities through quota sampling in different industries to make the scale more generalizable.

CHAPTER 6

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