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Knowledge is Power: Can Consumer Knowledge Limit Perceptions of Sales Pressure?

James J. Zboja, PhD, Susan Brudvig, PhD, Mary Dana Laird, PhD, and Ronald A. Clark, PhD

Steve confidently walks up to the open house. He has done his homework and knows precisely what he wants. He has also used the Internet to look up selling prices of comparable homes in the area. The well-seasoned real estate agent approaches with a friendly style, aware that this sales interaction will be a bit different from those in years past. The advantage of information asymmetry long enjoyed by salespeople has given way to a more knowledgeable customer. Can this be a good thing? If so, what does this mean for salespeople?



Although some salespeople still apply high-pressure sales tactics, most academics and marketers agree that “pressure is an effective strategy for producing managerially undesirable consequences.”¹ In fact, consumer perceptions of sales pressure (POSP) have been found to negatively impact both satisfaction with and trust in the salesperson,² which can impact desirable outcomes such as loyalty and repurchase.³ Given the importance of these outcomes, our research seeks to better understand an understudied area—consumer perceptions of sales pressure. We explore the roles of consumer entitlement, self-perception of high levels of product knowledge and persuasion knowledge, awareness of sales persuasion tactics, and how these influence consumer POSP. We also examine the degree to which consumer product knowledge strengthens or weakens these relationships. Specifically, we test whether product knowledge can enhance the negative impact of persuasion knowledge on perceived sales pressure, while also mitigating the positive impact of consumer entitlement. Hopefully, this understanding will help firms prevent situations in which consumers feel pressured to buy and instead will create mutually beneficial sales exchanges.

Consumer Entitlement and Perceived Sales Pressure

Large-scale research has documented an increase in entitlement in the last few decades,⁴ which has led the popular press to suggest that younger generations are more entitled than older generations.⁵ Some have argued that entitlement may be partially to blame for a declining resilience among younger Americans.⁶ This, coupled with the finding that consumer entitlement

can mitigate the relationship between value and satisfaction,⁷ could suggest that entitled consumers are more likely to perceive pressure during a sales interaction. Meanwhile, consumers have more resources than ever to learn about products before buying them. As consumers become more sophisticated and knowledgeable about their purchases, it stands to reason that knowledge plays a role in sales interactions. Product knowledge has been found to influence the extent of a consumer's sense of perceived pressure in a buying situation. For example, perceived product knowledge of the salesperson has been found to reduce felt sale pressure.² Meanwhile, the same study found that perceived persuasion knowledge of the consumer also minimized perceptions of sales pressure. In other words, knowing that someone is attempting to persuade you tends to soften the intensity of pressure you may feel. Our research seeks to explore the interaction of a consumer's product knowledge with the impacts of both entitlement and persuasion knowledge on perceptions of sales pressure.

Research Findings

We tested our hypotheses via a survey of 347 adult consumers. Our results were mostly confirmed. Consistent with our hypotheses, we found that a higher level of consumer entitlement was related to a higher level of perceived pressure in the sales interaction. In comparison, a higher level of persuasion knowledge resulted in lower perceived pressure. Further, product knowledge was found to moderate the relationship between persuasion knowledge and perceived pressure. Specifically, the mitigating impact of persuasion knowledge on perceptions of pressure was not realized at low levels of product knowledge but increased with consumer product knowledge. So, where reducing felt pressure is concerned, knowledge is indeed power.

Implications for Reducing Perceptions of Sales Pressure in Real Estate

Considering these findings, it would behoove real estate agents not only to encourage, but also actively enable, clients to be more informed in their buying efforts. This could be accomplished through many means. Agents can make a concerted effort to ensure that their customers are more knowledgeable about their products and services. Firms could provide informative website content or host seminars/webinars that offer in-depth training on the real estate market or other home buying-related subjects. As a result of their enhanced product knowledge, these enabled consumers will feel less pressured in a buying situation, resulting in a more satisfying and trusting interaction with their agent. To help reduce perceived pressure via enhanced persuasion knowledge, transparency in the selling process should be the standard. The buying process will feel like more of a buyer-seller partnership, with the goal of a high-quality purchase and experience for all involved. Even though the moderation of product knowledge was insignificant where consumer entitlement is concerned, including the client in a partnership will certainly also appeal to the ego of the more entitled consumer. Given the extent to which entitled consumers value their opinions and input, it seems likely that the more that buyers feel heard and valued by the agent, the more responsive they will be with their purchases. This is universally true of

consumers, but even more so with entitled consumers. Purchasing a home is a deeply personal and likely emotional endeavor, so putting the client at ease is vital.

Lastly, the firm's efforts to educate the customer should begin with their human resource management. Hiring the right people in customer contact roles is essential. For instance, in many cases, the agent may be the only customer contact with the firm. Further, buying a home is almost certainly the biggest purchase an individual or family will make, so the emotions and anxiety that often accompany the ride should always be acknowledged and managed. It is essential that the right people are trained to be experts in product knowledge and information management to help the customer parse through the volumes of data available to them with only a few clicks of a mouse. Through training of both client and agent, a win-win situation should emerge in which a relationship between buyer and seller can grow.



Recommended Reading

Zboja, James J., Susan Brudvig, Mary Dana Laird, and Ronald A. Clark (2021), "The Roles of Consumer Entitlement, Persuasion Knowledge, and Perceived Product Knowledge on Perceptions of Sales Pressure," *Journal of Marketing Theory and Practice*, 29(4), 435-447. <https://doi.org/10.1080/10696679.2020.1870239>

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About the Authors

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Dr. Jim Zboja’s (PhD – Florida State University) research generally focuses on interpersonal influence in selling interactions and in organizations. Much of Jim’s work has also focused on consumer perceptions of sales pressure, including the development of a scale to measure the same. He has been published in *Journal of the Academy of Marketing Science*, *Journal of Business Ethics*, *Journal of Services Marketing*, *Journal of Consumer Behaviour*, and *Journal of Managerial Psychology*, among others. Jim’s teaching has included courses on personal selling, services marketing, and is currently focused on marketing research. Jim has industry experience in sales and merchandising roles with Campbell Soup Company, BellSouth Mobility, among others. Finally, Jim obsessively enjoys watching live music with his wife Mary Dana and daughter Julie.

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Dr. Susan Brudvig (PhD – Florida State University) directs the Graduate Business Informatics program. Dr. Brudvig's primary stream is applied research to improve quantitative analysis used in business, including problems in clustering and predictor importance. She is also interested in unique applications of analytic techniques, which has brought her to this project and to interdisciplinary research in pedagogy. At NKU, she teaches courses in analytics, such as business analytics, prescriptive analytics, and information systems management. Susan has Fortune 500 experience in product forecasting, and she maintains an active consulting practice in the Midwest.

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Dr. Mary Dana Laird (PhD – Florida State University) studies individual differences and stress and publishes in journals including *Human Resource Management Review*, *Journal of Occupational Health Psychology*, and *Journal of Management*. She serves as an associate editor

for *Organization Management Journal*. In addition to earning graduate degrees in human resource management (i.e., MS, Texas A&M University; PhD, Florida State University), Mary Dana has worked in HR for a large non-profit and a major corporation. Because of her work experience and research, Mary Dana enjoys teaching “the people side of business” in classes on organizational behavior, human resource management, and recruitment and selection.

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Dr. Ronald A. Clark’s (PhD – Florida State University) research has focused on understanding consumer responses to social influence in retail, sales, and social contexts. Dr. Clark has published articles on consumer psychometrics/scale development, social influence, persuasion, group dynamics, consumer models of social response, consumer personality and individual differences, consumer self-concept, and consumer responses to sales pressure. Dr. Clark’s research has been published in *Journal of the Academy of Marketing Science*, *Psychology & Marketing*, *Journal of Marketing Theory and Practice*, *Journal of Social Psychology*, *Journal of Consumer Behaviour*, *Cornell Hospitality Quarterly*, *Journal of Retailing and Consumer Services*, *Journal of Promotion Management*, *Journal of Fashion Marketing and Management*, *International Journal of Consumer Studies*, *Social Behavior and Personality*, *Journal of International Consumer Marketing*, *International Journal of Logistics Management*, *Journal of International Business and Cultural Studies*, *Journal of Applied Marketing Theory*, and others.



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