

## Information Overload and the Sales Force

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Today's marketplace is characterized by a variety of choices as marketers attempt to appeal to narrow niche markets. While intuitively a greater number of choices would seem to aid salespeople in allowing them to appeal to increasing numbers of consumers, or to more nearly satisfy the wants and needs of those consumers, some evidence suggests that too many choices can have a negative impact on consumers and potentially salespeople (Jacoby, Speller, and Kohn 1974). Theorizing regarding information overload suggests that a large number of choices can cause consumers to experience negative affect (e.g., confusion, frustration) or to make mistakes in choosing products (Jacoby et al. 1974). Assuming that too many choices can have an impact on consumers suggests that an abundance of brands or versions can also impact the sales force. The primary contribution of this study is to investigate the influence of information overload on the sales force.

Investigation of the influence of information overload on the sales force has practical and theoretical implications. From a theoretical perspective, investigation of the influence of information overload builds upon research by identifying factors that influence sales performance and self-efficacy. Research investigating the influence of information overload on sales performance informs managerial decisions by identifying a potential cost of expanding product lines.

The goal of this study is to investigate direct and indirect influences of information overload on sales force performance. The outcomes associated with information overload suggest that sales performance may be reduced directly through mistakes or feelings of frustration in sales presentations or indirectly through reduced self-efficacy.

The hypothesized direct influences of information overload on sales performance are based in theory regarding more effective salespeople being better able to mentally categorize potential customers (Weitz, Sujan, and Sujan 1986). Information exceeding a salesperson's ability to assimilate or process during a given unit of time will result in mistakes in categorizing consumers, resulting in the use of less effective presentations by the salesperson. Negative affect caused by an excessive number of brands or versions would lessen salesperson performance by making the salesperson less attractive to the potential customer.

The hypothesized indirect influences of information overload on sales performance are based in theory regarding self-efficacy (Bandura 1977). In evaluating their performance, salespeople would notice a pattern of mistakes and negative affect that would lessen their beliefs in their ability to perform the tasks associated with selling. Studies have offered evidence that self-efficacy is positively correlated with sales performance (e.g., Sujan, Weitz, and Kumar 1994). Thus self-efficacy was hypothesized

to partially mediate the influence of information overload, consistent with both indirect and direct influences on sales performance.

A web based survey of insurance agents from two national firms was used to test the hypotheses. E-mails requesting participation were sent to 2,041 agents in the United States; the agents were identified using agent locaters on corporate web sites. Responses were received from respondents in 17 states, although a majority was from one state, resulting in a response rate of 5.1 percent. Surveys included a self-report measure of information overload developed for this study, in addition to self report measures of self-efficacy and sales performance (Kumar et al. 1994). All scales demonstrated reliability above that recommended by Nunnally (1978) for basic research. Responses were analyzed using regression following the procedures detailed by Baron and Kenny (1986) for the testing of mediation.

Results of the regression analyses offer evidence that the influence of information overload on sales performance is mediated by self-efficacy. Per Baron and Kenny (1986) the first step in establishing mediation is demonstrated by a significant relationship between sales performance and information overload ( $t = -4.026, p < .05$ ). The second step is to show a significant relationship between information overload and self-efficacy ( $t = -5.490, p < .05$ ). The third requirement for establishing mediation is the inclusion of both self-efficacy and information overload in the regression equation. The lack of a statistically significant relationship between information overload and sales performance ( $t = -1.406, p > .10$ ), while self-efficacy remains a statistically significant predictor of sales performance ( $t = 5.151, p < .05$ ), offers evidence of complete mediation by self-efficacy.

The results of this study offer evidence that a large number of brands or versions can have a negative impact on sales performance indirectly through self-efficacy. If replicated, such results suggest that managers may need to consider the costs to sales force performance of offering broader or deeper brand lines. Results inform theory regarding the indirect antecedents of sales performance and self-efficacy. Future research could examine the impact of information overload on other variables important in the sales literature such as job satisfaction and intention to leave.