Interpersonal Trust During Market Turbulence
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An extremely important factor contributing to an effective buyer-seller relationship is interpersonal trust. Without interpersonal trust, the buyer and the seller would not be able to accomplish their prospective goals. In 2020, many sales teams struggled to adapt to the uncertainties of a turbulent market. Amidst the global COVID-19 pandemic, interpersonal trust became a “make it or break it” for many salespeople.

Many research studies focus on the importance of *business trust* in fostering an effective customer-salesperson relationship. While business trust is extremely important to buyer-seller relationships, our research focuses on the impact of both *business and personal trust* on relationship performance, particularly amidst market turbulence. Both types of interpersonal trust—business and personal—make an impact on how buyer-seller relationships handle changes in the market.

In real estate, business and personal trust are especially important to both the buyer and the seller. As market turbulence increases, strain occurs that impacts the customer-salesperson relationship. During such times, buyers and sellers deal with fluctuating needs and wants, therefore placing an even greater strain on the relationship. A strong foundation of trust between the buyer and the seller is essential to building a relationship that can withstand unstable times.

With competition greatly increasing in virtually all industries, interpersonal trust has the potential to provide the seller with a competitive advantage over their competitors. While building interpersonal trust, including both business trust and personal trust, can be a lengthy process, the benefits of developing strong relationships with customers will prove to be fruitful in the long run.

**Interplay Between Business Trust and Personal Trust**

Interpersonal trust consists of two distinct parts: business trust and personal trust. As individuals think of the buy-seller relationship they traditionally perceive business trust as the most important. However, our research sheds light on the other aspect of the buyer-seller relationship that is often overlooked, personal trust.
As defined in our research, business trust is the trust that develops between a salesperson and customer, which includes expectations of reliability and integrity related to business interactions and activities. Business trust is the glue that holds the working relationship between the customer and salesperson together. If business trust cannot be achieved, then the customer-salesperson relationship is unlikely to succeed. When business trust exists, sellers provide reliable information, while buyers deliver their needs and expectations is a clear manner.

The other component of interpersonal trust in the buyer-seller relationship is personal trust. Our research defines personal trust as the willingness to rely on and confide in an individual outside of business interactions. For example, a salesperson may ask a customer about how the customer’s family is doing, which can in turn lead to more information about the customer’s needs and desires. The salesperson can participate in the discussion and build trust with customers by listening to buyers’ thoughts and life events beyond the scope of business. Personal connections can forge a deeper relationship between the customer and the salesperson, therefore proving the salesperson to be trustworthy in a personal as well as in a business sense. When business trust and personal trust combine, together they have a positive impact on the performance of the buyer-seller relationship, including customer loyalty and customer satisfaction.

**How to Manage Market Turbulence**

The competitive advantage of having interpersonal trust is even more prevalent during times of high market turbulence. Market turbulence affects the ability of the buyer and seller to communicate, while also affecting customer satisfaction and customer loyalty.

It is important to recognize that even if both business trust and personal trust are present, it doesn’t guarantee an increase in performance. It is crucial to analyze the buyer-seller relationship and determine which type of interpersonal trust resonates most with the customer. When a strain does occur, the salesperson selects either business trust or personal trust, sometimes both, to better provide for the client. For example, customers who rely more heavily on personal trust need assurance that they are more than merely a transaction. While salespeople must provide accurate business information to customers that lean more on business trust, ultimately selecting the proper form of trust will increase the overall performance of the relationship.

**Interpersonal Trust in Real Estate**

In real estate, business trust and personal trust together represent a dynamic resource for the salesperson. Salespeople must first establish business trust by proving their integrity through reliable information. Once the foundation of business trust is set, the salesperson can make strides towards developing a personal relationship with the client. Although fostering personal trust can be a lengthy process, a strong buyer-seller relationship will prove to be valuable in the long run. During times of uncertainty, it is especially important for the salesperson to provide the
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A type of interpersonal trust that resonates most with the customer. Whether that be relying on the business trust established at the beginning of the relationship or the personal trust built over time, the salesperson has opportunities to develop an even stronger relationship with the client. Overall, the outcomes of a buyer-seller relationship with both types of interpersonal trust lead to increased customer satisfaction and loyalty. The real estate market is constantly going through fluctuations but having personal and business trust with the customer will prove to be a long-term competitive advantage for your firm.

Recommended Reading


About the Authors

Stephanie M. Mangus, PhD
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Dr. Stephanie Mangus’ (PhD – Louisiana State University) research focuses on buyer-seller dyads in sales and relationship marketing. Her research has been published in the Journal of the Academy of Marketing Science, Journal of Business Research, the Journal of Personal Selling and Sales Management, and Psychology & Marketing. Her work has been presented at conferences by the American Marketing Association, the Academy of Marketing Science, the Association for Consumer Research, the National Conference for Sales Management, and the Thought Leadership in the Sales Profession Conference. Mangus received the 2013 William O. Bearden Research Award from the Southeast Marketing Symposium for her dissertation proposal and the Best in Track Award from the American Marketing Association for her work examining customer retail experiences. She teaches personal selling and sales management courses at the undergraduate level and was recognized with the 2019 AMA Sales SIG Excellence in Teaching Award.

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Dr. Eli Jones (PhD – Texas A&M University) is a Professor of Marketing, Dean of Mays Business School, and Lowry and Peggy Mays Eminent Scholar at his alma mater. He was Dean of the Sam M. Walton College of Business and the Sam M. Walton Leadership Chair at the University of Arkansas. Also, he served as Dean of the E. J. Ourso College of Business and the E. J. Ourso Distinguished Professor of Business at Louisiana State University (LSU). While at the University of Houston, he rose through the ranks as an Assistant Professor, Associate Professor with tenure, Full Professor, Associate Dean for Executive Education Programs, and the founding Executive Director of the Sales Excellence Institute. He has published in the Journal of
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Marketing, Journal of the Academy of Marketing Science, Journal of Personal Selling & Sales Management, Management Science, and Journal of Applied Psychology, among others. Before becoming a professor, Jones worked in sales and sales management for three Fortune 100 companies. Positions held include key account manager, key account executive, zone sales planning manager, sales manager, and zone sales manager designate.

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Dr. Shrihari Sridhar’s (PhD – University of Missouri) use of quantitative models and advanced data science help firms assess and improve the effectiveness of their strategy and resource allocation. His current focus is on the deployment of machine learning to companies in the business-to-business (energy, education, media) sector. Sridhar has published in various top-tier academic and practitioner outlets, such as Harvard Business Review, Marketing Science, Journal of Marketing, and the Journal of Marketing Research. He currently serves as Area Editor for the Journal of Marketing Research, Journal of Marketing, and Journal of the Academy of Marketing Science. He is on the Editorial Board of Journal of Retailing. His research has been featured in National Public Radio (NPR), Reuters Inc., FOX News, Forbes, and Booz & Co. and won several research awards. He was recognized with the Marketing Science Institute’s Young Scholar Award, and, in 2014, he was the youngest and only untenured faculty to receive the Varadarajan Award for Early Career Contributions to Marketing Strategy Research.