

Personal Selling and Social Media: Investigating Their Consequences to Consumer Buying Intention

Anthony Paul C. Villamor, and Roberto M. Arguelles

Abstract--- In today's highly competitive global market, social media and personal selling have become crucial tools for companies to influence consumer buying intention. Personal selling and Social media advertising offer greater opportunities for business success. Marketing activities supported by social media and personal selling allow companies to directly influence consumer buying intention. The study aims to determine which of the factors of personal selling or social media will have greater effect on consumer buying intention, as well as finding how those factors motivate the consumer to purchase the product.

The result of this study from 250 respondents reveal that social media has greater effect in developing consumer buying intention compare to personal selling. Moreover, the result shows that the most prominent determinant of social media in influencing consumer buying intention is quality orientation. Thus, it suggests that firm must allocate greater funds to social media activities because the shopping enjoyment that the customer experience. On the other hand the quality perception of personal selling contributes also to consumer buying intention.

Keywords--- Consumer buying intention, Personal Selling, Social media

I. INTRODUCTION

IN today's economy, the use of Social Media and Personal selling to the companies and different businesses are very essential in increasing their sales and performance. Literature review in between 2007 and 2009, social networking marketing spending increased 165.8% from \$884 million to \$2.34 billion [1] which shows that how companies relies on social media marketing. The importance of social media as platforms of social interaction, communication and marketing is growing [2]. Social media is the democratization of content and the shift in the role people play in the process of reading and disseminating information and thus creating and sharing content [3]. Without time and space barriers in the virtual world, social media can offer consumers instant and insightful content [4]. Because of its ease of use, speed and reach, social media is fast changing the public discourse in society and setting trends and agendas in topics that range from the environment and politics to technology and different

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business industry. The social networking websites are still one of the inventions of the modern era because they connect so many people, through social networking sites companies can use social networks to communicate their offerings to potential employees, market new products and get feedback on their current products as well as new ideas for future products[5]. Many companies use Social Media marketing to easily reach their customers and create a good relationship with them. Certainly social media helps the company to have an efficient way of advertising their product, creates fast and convenient transaction with their customer and positively affects consumer buying intention.

On the other hand Personal Selling also plays an important role in affecting consumer buying intention. Personal selling is an oral presentation in a conversation with one or more buyers for the purpose of making sales[6]. Personal selling is a unique element of marketing communication. Unlike advertising and sales promotion which main focus is to create awareness about the existence of a product or service and provide information as to the features of the products, its availability and price on a mass basis, personal selling is an individualistic approach that is designed to meet specific need of prospects. Personal selling is a shared flow of communication between a potential buyer and a salesperson that is designed to identify consumer needs and wants, match those needs to the firm's offered products and convince the consumer to purchase the product. Today the world becomes more complex and the risk in purchasing is high. Personal selling is the personal communication between a firm's sales force and customers for the purpose of making sales and building customer relationship[7]. Point-of-purchase in decisions play a key role in influencing customer's in the final stages of decision making, as then customer's will make final decisions or change brands [8]. As a general rule, goods that are new and different technically complex or expensive requires more personal selling effort. It is where salesperson actively presents products to customers, showing its positive attributes that will influence their attitudinal and subjective norms thus resulting to consumer buying intention. Personal selling also contributes in affecting consumer buying intention. Thus, this paper proposed the hypothesis that social media attributes has a greater effect on consumer buying intention than personal selling.

II. RESEARCH MODEL

Figure 1 illustrates the research model based on the concept of the Theory of Reasoned Action (TRA) but modified.

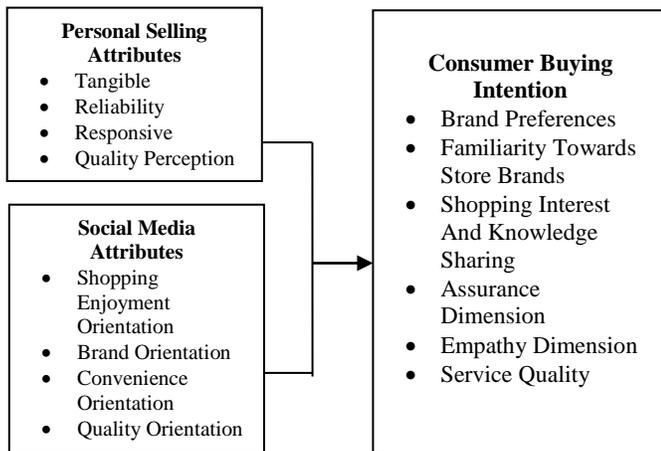


Fig 1 Research Framework

III. METHODOLOGY

A random field survey was conducted to test the hypotheses. The respondents in this study were the general public who are exposed to personal selling and social media activities.

The questionnaire was divided into three parts: Personal Selling, Social Media and Consumer Buying Intention. Part 1 relates to respondents' perception about personal selling, composed of 16 items along the four distinct dimensions of tangible, reliability, responsive and quality. Part 2 focuses on the characteristics of social media as a tool in influencing consumer purchasing intention which includes 10 questions along shopping enjoyment orientation, brand orientation, convenience orientation and quality orientation. Part 3 describes the respondents' buying decisions with 11 items related to consumer brand preference, familiarity towards store brands, shopping interest and knowledge sharing. The indicators were all measured using 5-point Likert's scale for 'strongly agree (5)' to 'strongly disagree (1)' responses.

All 250 questionnaires were used for data analysis and understanding in the study. The valid response rate is 100%. In addition, among the 250 participants, 86 (34.4%) were male and 164 (65.6%) were female. Also, 123(49.2%) are respondents from age 18 years old and below and 127(50.8%) are respondents from age 19 years old and above.

IV. RESULTS

As a result of our evaluation from the respondents, the researchers found out that Empathy Dimension has the highest mean recorded ($\mu = 4.0775$) which shows that the subjective norms of the consumer is highly influence by the empathy that they feel about the product thus create a positive buying intention compare to other factors that affect consumer behavior; Tangible Dimension ($\mu = 3.9176$), Reliability Dimension ($\mu = 3.7400$), Responsive Dimension ($\mu = 3.7130$), Quality perception ($\mu = 3.6180$), Shopping Enjoyment Orientation ($\mu = 3.1598$), Brand Orientation ($\mu = 3.3359$), Convenience Orientation ($\mu = 3.1500$), Shopping Interest And Knowledge Sharing ($\mu = 3.2143$), Brand Preferences ($\mu = 3.9067$), Familiarity Towards Store Brands ($\mu = 3.6840$) and Quality Orientation ($\mu = 3.0680$) who got the lowest mean.

In order to confirm content validity, items used to test the proposed research model were adapted mainly from some previous researches and modified to suit the study. The measures for personal selling attributes were based on existing research [9], while the measures for social media attributes were based on existing research[10].

Reference [10] suggests that, service providers can provide free samples or free subscription for the potential web shoppers to test the products or services to create the condition for prior online purchasing experience. Also, they may provide e-mail updates on product development or offer special to increase the customer impulse purchase and quality orientation. The measures for consumer buying intention attributes were based on existing research [11]. This concludes that there are gaps between the service providers and the customers which results to constraints that produce bigger expectations and more service quality failure.

The researchers examined the conceptualized model by testing the hypothesized relationships among the research variables. The results show that the four variables of personal selling slightly correlates the consumer buying intention ($\beta = .419$, $p < .01$). Fragmenting it to show highest correlation of personal selling variables to consumer purchasing decision variables, correlations of tangible dimension to empathy dimension ($\beta = .317$, $p < .01$), reliability dimension to familiarity towards store brands ($\beta = .353$, $p < .01$), responsive dimension to empathy dimension ($\beta = .306$, $p < .01$) and quality perception to shopping interest and knowledge sharing ($\beta = .444$, $p < .01$), which compose personal selling and consumer purchasing decision, were found to be slightly significant.

On other hand, the results reveal that social media significantly correlates consumer buying intention ($\beta = .441$, $p < .01$) supporting hypotheses 1. Breaking it down to show highest correlation between social media variables and consumer buying intention variables, shopping enjoyment orientation to shopping interest and knowledge sharing ($\beta = .375$, $p < .01$), brand orientation to brand preference ($\beta = .391$, $p < .01$), convenience orientation to shopping interest and knowledge sharing ($\beta = .366$, $p < .01$), quality orientation to shopping interest and knowledge sharing ($\beta = .444$, $p < .01$). Furthermore the result show that consumer decision was highly influence by social media and recognize as an effective tool to communicate efficiently and effectively to their customers.

The researchers also examined the conceptualized model by testing independently the effects of personal selling and social media to consumer buying intention. The results confirm that in general view social media has a greater effect to consumer buying intention ($r^2=0.191$, $p=0.01$) compare to personal selling ($r^2=0.172$, $p=0.01$). The Quality orientation which the social media delivers to the consumers highly affects their interest and the way they perceive such product ($r=0.2.197$, $p=0.01$). It is important that the quality of the product is properly delivered by social media because it highly affects consumer buying intention. Furthermore Personal Selling partially affect consumer buying behavior ($r^2=0.172$, $p=0.01$). Results reveal that in Personal Selling the quality of the product is also important and positively affect consumer

buying intention ($r^2=0.197$, $p=0.01$).

TABLE I
GENERAL OVERVIEW. PERSONAL SELLING, SOCIAL MEDIA AND CONSUMER
BUYING INTENTION

Independent	Dependent	β	R^2	Sig
Personal Selling	Consumer Buying Intention	.419	.172	.000
Social Media		.441	.191	.000

To summarize, social media variables (shopping enjoyment orientation, brand orientation, convenience orientation, and quality orientation) do have a considerable influence on consumer buying decision, than the personal selling variables (tangible, reliability, responsive and quality perception) which partially influence the behavioral intention of consumers. The theoretical and scientific outcomes of the study are discussed in further detail below.

V. DISCUSSION

Statistical Regression was used to test the conceptualize model. This study was conducted from different consumers. It aims to draw out important factors of social media and personal selling in influencing consumer buying intention based on the Theory of Reasoned Action (TRA) as its basic theory for exploring an individual's behavior [12]. It supports the idea that the intention of a person is predicted by his behavior, and that these intentions are mutually determined by the person's attitude and subjective norm about his or her behavior. Over the past decade, TRA has become a widely accepted model for exploring an individual's behavior [12]. The Theory of Reasoned Action (TRA) explains that both attitude and subjective norms are independently affects the consumers purchasing decision.

Subjective norms are one of the two key constructs of the TRA. The researchers defined subjective norms to be the degree to which an individual acknowledges whether or not those people who are important to him/her think he/she should purchase a product. The study defines attitude norms as the degree to which the consumer has a favorable/unfavorable evaluation of purchasing the product. Attitude is considered as consumer personal belief that such factor will contribute to the intention to purchase the product. Reference [13] suggested that a customer's attitude toward knowledge sharing in the organization is influenced by his beliefs regarding expected rewards, association and contribution. The subjective norms and the attitudinal norms influence the behavioral intention of individual resulting to either positive or negative behavior. Consumers' has positive attitude in social medial because it shows much empathy to its viewer resulting to positive response.

The results of this study confirmed that the influence of social media was proven to be the greater motivators of consumer buying intention in purchasing products. Since consumers' enjoy different social media advertisement and it affects their cognitive and affective behavior, it leads to positive attitude that tend them to purchase products. Advertisements like commercials on T.V, newspaper, magazine, social networking sites (facebook, twitter, blog) and tangible ads like poster, tarpaulin and billboard are some of

the social media tools that the company use to enhance quality orientation of the product that will positively influence consumer buying intention.

The paper presents how the variables of social media and personal selling affect the decision making of the consumer towards the particular products. The results show that the brand and quality orientation of social media was positively influence the shopping interest and knowledge sharing of the consumers. Furthermore some variables of personal selling were partially affected consumer purchasing decision like reliability and quality perception.

The researcher finds that consumer purchase most of their products because of the influence of social media that motivates consumer subjective and attitudinal behavior. Service providers can provide free samples or free subscription for the potential web shoppers to test the products or services to create the condition for prior online purchasing experience. Also, they may provide e-mail updates on product development or special offer to increase the customer impulse purchase and quality orientation. The more a customer is familiar to a certain product and knowledgeable about the important information of the product such as the features, attributes, and benefits through advertisements, the more likely he or she is motivated to purchase. Brand preference emphasizes the deployment of the marketing mix and human resources to deliver a distinctive brand in the customer's minds [14]. Consumers can find easily the product that they need through social media; they were influence by the empathy that the advertisement portrays to its viewer.

The research identified to be reliable for businesses that are using social media and personal selling in promoting their products. Businesses can use social media as an efficient and effective way to influence their consumer decision making. The impact of social media to the minds of consumer is more effective than personal selling, it saves much of business money and time in promoting products by the simply use of social advertisements. The findings of this study provide useful insights for educators, businessman and students on how social media and personal selling build positive decision to the minds of the consumers so that learners' will have a greater view on how they will influence consumer buying intention.

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