

INTERNATIONAL JOURNAL OF MULTIDISCIPLINARY: APPLIED BUSINESS AND EDUCATION RESEARCH

2023, Vol. 4, No. 1, 63 – 68

<http://dx.doi.org/10.11594/ijmaber.04.01.08>

Research Article

Social Media as A Tool for Direct Selling Business in Dipolog City, Zamboanga Del Norte

Emerald A. Soledad*

College of Business Administration, Jose Rizal Memorial State University – Dapitan Campus, Philippines

Article history:

Submission November 2022

Revised January 2023

Accepted January 2023

*Corresponding author:

E-mail:

emeraldsoledad@jrmsu.edu.ph

ABSTRACT

The presence of social media has disrupted the way people live, behave and interact. Philippines is ranked number one as active social media users with an average of 4.17 hours per day. Direct selling businesses in the country continue grow each year, and have introduced new products and expanded new customer reach. With this information presented, the right use of social media will help direct selling businesses reach a well-engaged community of buyers. The research aims to develop relevant marketing strategies to promote the use of social media in direct selling. Descriptive research was being utilized with two sets of researcher-made questionnaires. A pre-survey activity was performed prior to the actual data gathering to validate the reliability of the survey tool. There were one hundred twenty (120) total respondents: comprised of one-hundred (100) direct selling customers and twenty (20) direct sellers, who participated in the data gathering process. Furthermore, the study will use frequencies, percentages, and weighted means for the data treatment. The findings of the study show that Facebook, Twitter, Instagram, and YouTube are the most widely used channels among the respondents of the study. The extent of social media usage by the direct sellers is moderate and social networking site is the most preferred platform to use in doing direct selling-related activities to achieve convenience, productivity, product availability and market growth. Therefore, it can be concluded that social media can be a strategic tool for direct selling business in Dipolog City, Zamboanga del Norte, Philippines.

Keywords: *Descriptive Research, Dipology City, Direct Selling, Social Media, Zamboanga del Norte*

Introduction

Over the last decade, social media grows tremendously as a platform that helps people

connect with other around the globe (Odhiambo, 2012). The presence of social media has disrupted the way people live, behave

How to cite:

Soledad, E. A. (2023). Social Media as A Tool for Direct Selling Business in Dipolog City, Zamboanga Del Norte. *International Journal of Multidisciplinary: Applied Business and Education Research*. 4(1), 63 – 68. doi: 10.11594/ijmaber.04.01.08

and interact. It has become ubiquitous whose presence plays an integral part of the daily lives. In 2012 alone, Facebook has 1 billion users where majority of the chunk are outside United States (Hartonen, 2013). Since the emergence of cloud-based social media made people to communicate to hundreds or thousands of online users and to various brands (Digital Jugglers, 2017; Mangold & Faulds, 2009), the impact of consumer-to-consumer interactions was overblown in the market place (Mangold & Faulds, 2009).

In the Philippines, the Internet plays a central part in the day-to-day lives of the Filipinos. According to the latest data of We Are Social, and in partnership with Hoot suite, Philippines ranks number one on the average spending time on the internet at 85.23% on desktop and 83.36% on mobile. Every year, internet users across the world grow with 27% growth in internet users in the Philippines alone for this year. That's a total of 58% internet penetration which 38% of the internet activity is done using mobile. A total of 2.789 billion active social media users worldwide and 58% of that are active users from the Philippines. There is a 25% growth in social media users in 2016, where Philippine ranks seven as one of the largest users of social media worldwide. The Philippines ranked number 1 for the active social media users with an average of 4.17 hours. Facebook is the top social media platform with 1.871 million users followed by FB messenger with 1million and WhatsApp with 1million users. A total of 1.871 billion Facebook users worldwide with 42% are active Facebook users in the country.

In the Philippines, the simplest way to earn extra income is through direct selling. If an individual wants a sideline job to augment the budget, then joining a direct selling business is one of the possibilities. According to Euro Monitor Report (2017) on direct selling, in the Philippines direct selling continued to grow in 2016, even though more slowly than in 2015, since players introduced new products and expanded customer reach. Consumers will continue to enjoy the personal relationship offered by direct selling players, along with convenience and easy payment schemes. Direct selling will benefit from the trust and loyalty that has already been built, which players continue to

strengthen. Also, the success of the sales representatives in direct selling drives the channels. More people, especially women, will be encouraged to start their own direct selling business, enabling companies to widen their customer reach and product distribution.

Popular social media platforms are social networking sites, micro-blogging, and photo and video sharing services. Each of these platforms has its appropriate application. When used appropriately, they can transform every business as far as market growth is concerned. Hyder (2016), the CEO of the Marketing Zen Group, observed that at present, direct selling companies use personal connections and without using appropriate social media strategies, these companies are lagging behind (Hyder, 2016). Furthermore, Hyder emphasized the ways direct sellers can maximize social media in their marketing strategies. These social media marketing strategies include platforms but not limited to Facebook live stream, strategic content for Twitter and Instagram, and any social networking sites for authentic community engagement.

With the information presented above, the right use of social media helped direct selling businesses reach a large-scale market, online presence, targeted marketing tactics and well-engaged community of buyers. The intention of this research was to find out the right social media strategies to be used by the direct sellers to increase sales.

Theoretical Background

This section discusses the underlying theories that provide foundational support for the proposed study. This research anchored on the theory of Social Media by Dann and Dann.

Social Media. Social Media, also known as **Social Networking Site** or **Social Networking Service**, refers to online web and mobile applications that allows users to socialize by participating in social activities (Oxford, 2017). Kaplan and Haenlin 2009 described two related concepts, such as Web 2.0 and User-Generated Content. Web 2.0 is a new way for the developers and end-users to operate the World Wide Web (Shodhganga, 2016) by allowing the online community of users to manage, control and collaborate in a dynamic

manner (Kaplan & Haenlein, 2010). Blogs, wikis and collaborative projects are applications of Web 2.0. User-Generated Content, on the other hand, refers to the possibilities on how social media is maximized.

The five categories of social media are social networking sites, social news, media-sharing sites, blogs and micro blogging sites. Social networking site a platform where individuals with common interests meet, connect and collaborate (SEOPressor, 2017). Social news is facility for the online users to read real-time news, vote, react, submit contents and participate (SEOPressor, 2017). Media-sharing sites where users can save and share their files like pictures, videos and other forms of media with other community members. Blogs that create a good avenue for users to circulate and to connect online debate. Micro blogging sites allow users to share short contents.

Additionally, there are seven blocks of social media to completely describe the platform, these are: identity, conversations, presence, relationships, reputation, sharing, and groups. Identity refers to the amount of personal information that users are willing to publish online. Conversation is the degree to which online users share and communicate. Sharing is the actual content that these users disseminate (Tessem & Nyre, 2013). Presence refers to the ability of the users to determine when other is online. Users, within the social media environment, those associated with one another form a relationship. Reputation refers to how other users of equal interests in the same are setting (Turban, Strauss, & Lai, 2016). Online groups refer to the ability of the users to create communities and sub-communities online.

Social media is an interconnection among content, users and communication technologies. According to Dann and Dann (2011), social media has three unified distinctiveness which are communications media, content and social interaction (Privacy Rights Clearing House, 2016).

Communications media is the foundation activates sharing of content and interaction online (Gonzalez & Lopez, 2012). Content, in the form of photos, video, text or multimedia, is the motivation of individuals to sit in an online environment (Wikipedia, 2016). Finally, social

interaction refers to how online users interact with the use of the different social media channels (Umberson & Montez, 2010).

Micro-blog. Microblog is one of the social media platforms and a broadcast medium. Microblog is smaller in size compared to a traditional blog. It allows the users to publish information in small elements like short sentences, individual elements or video links, which are called *micro posts*. Microblogging is posting updates, events, thoughts or simply alerts (Ebner, 2008; McFedries, 2007). In the present world, it is important for organizations in using microblogging as part of their overall marketing strategy and branding campaigns.

Image and Video Sharing Services. Image sharing and video sharing services are another type of social network service or social media platform which refers to the publishing of a user's digital photos and videos online. Sharing of photos and videos can be done in different methods such as peer-to-peer, peer-to-server, peer-to-browser, social networks, link aggregation sites, and mobile. According to the 2016 statistics, Instagram now has 400 million active users, and 75% of these users are outside the US.

Erkan (2015) conducted a study on customers' engagement of Instagram with brands in different sectors. The results revealed that the most popular brands in Instagram are in the Apparel sectors. The customer engagement rate is lower than other sectors, but Apparel proved to have the highest number of followers online (Erkan, 2015) which could also provide significant results regarding consumer behavior if interpreted by researchers in other fields.

Methods

This study utilized descriptive research. It was a quantitative approach that used researcher-made survey questionnaires distributed to two (2) different respondent-groups. The researcher conducted the study in Dipolog City, Zamboanga del Norte, Philippines. The said city served as the research locale due to its accessibility. The two (2) respondent-groups in the study were the direct sellers and buyers. The sample size was based on 1:5 ratio, such that for every direct seller, there are five customers.

Table 1. Research Respondents

Respondents	Sample Size (n)
Single-Level Direct Sellers	20
Buyers	100
Total	120

The study made use of researcher-made survey questionnaires. Each respondent type has a dedicated survey tool. The research instrument gathered information about the respondents' profile, social media practices of the direct sellers and the buyers, and the extent to which the social media platforms are used.

To determine the extent to which the social media platforms are used by both direct sellers and customers in the context of social networking site, micro-blog, photo sharing and video sharing services, the following was the choices of the respondents and the corresponding description.

There was a pre-survey activity that was performed before the actual data gathering. The said pre-survey serves as a dry-run to validate the reliability of the researcher-made questionnaire. Data collection employed was snow ball sampling, also called as chain referral sampling, where respondents of the study recruit future respondents from among their acquaintances. Moreover, transmittal letter was sent to the respondent-groups asking permission to conduct the study.

Results and Discussion

Majority of the direct sellers are millennials, ages 18 – 27 years old, female, single,

college graduate and are either employed with a sideline business or a full-time business owner. Individuals who pursue in direct selling are below 40 years of age which constitute 80% of the entire respondents. This means that younger individuals are into sideline businesses.

For the direct sellers, Facebook tops in the Social Networking Site channel as all of them have a Facebook account. Twitter, on the other hand, is the most preferred platform for micro-blogging. For photo sharing service, ninety percent of the direct sellers have Instagram accounts. Meanwhile, Instagram is the second preferred platform for video sharing next to YouTube.

On the other hand, Facebook is still the most preferred social networking site by the customers. Twitter and SnapChat are the two popular micro-blogging platforms. For video sharing service, eighty-four percent of the customers surveyed have Instagram accounts. YouTube, Instagram and SnapChat are the three most preferred sites for video sharing.

The number of times the respondents use or access their social media accounts were taken into consideration. Knowing the frequency of usage is essential in creating a content calendar for social media marketing. Table 2 shows the frequency of social media usage by the direct sellers and the customers. Majority of the direct sellers (70%) and the customers (69%) log in to their social media accounts on a daily basis regardless of the type of channels.

Table 2. Frequency of Social Media Usage

Social Media Platforms	Daily	Once a Week	2-3 Times a Week	4-6 Times a Week	Once a Month	Twice a Month
Direct Sellers (n=20)						
Social Networking Site	70%	0%	5%	25%	0%	0%
Micro-blogging Service	30%	5%	30%	5%	0%	5%
Photo Sharing Service	35%	5%	30%	25%	0%	0%
Video Sharing Service	35%	0%	35%	20%	0%	10%
Customers (n=100)						
Social Networking Site	69%	3%	9%	18%	1%	0%
Micro-blogging Service	24%	12%	14%	10%	11%	5%
Photo Sharing Service	37%	5%	20%	19%	9%	3%
Video Sharing Service	33%	4%	20%	23%	15%	4%

The summary of the results is shown in Table 3. Overall, the social media usages are moderate in both direct sellers and customers. Though, these two different subjects have the same interpretation, it can be observed that customers are more active social media users

than the direct sellers since they have a higher weighted average value of **3.01**. Looking into each social media platform, the customers have a consistent higher rating on its degree of usage as compared to the direct sellers.

Table 3. Extent of Social Media Usage Summary

Social Media Platform	Direct Sellers (n=20)		Customers (n=100)	
	Weighted Mean	Description	Weighted Mean	Description
Social Networking Site	2.97	Moderate Extent	3.38	Great Extent
Micro-blogging Service	1.86	Less Extent	2.50	Less Extent
Photo Sharing Service	2.79	Moderate Extent	2.99	Moderate Extent
Video Sharing Service	2.51	Moderate Extent	3.17	Moderate Extent
Grand Weighted Mean	2.53	Moderate Extent	3.01	Moderate Extent

Facebook, Twitter, Instagram, and YouTube are the most preferred channels for social networking sites, microblogging, photo sharing and video sharing service, respectively among the respondents from Dipolog City, Zamboanga del Norte. Regarding the frequency of checking their social media accounts, the majority of the respondent's log-in on a daily basis at early morning and late evening. The number of times the respondents use or access their social media accounts were taken into consideration. Knowing the frequency of usage is essential in creating a content calendar for social media marketing.

Applications of Social Media Platforms in Direct Selling-Related Activities

1. Convenience: Social networking site is the preferred platform to achieve convenience. This social media channel is used to promote products online, engage with customers and deal with direct selling tasks.
2. Productivity: Direct sellers prefer to use social networking site to achieve productivity. Specifically, social networking site is used as a tool to manage online orders.
3. Product Availability: In the context of product availability, the social networking site is widely used among the direct sellers. Applications include product management, promotions of new products, and responding to product inquiries.

4. Market Growth: To achieve market growth, social networking site is the most preferred platform. Applications of social networking site to achieve market growth include promoting products online, tapping new market or customer segments, and engaging with customers.

Conclusion

This research was anchored on the Social Media theory by Dann and Dann. According to the theory, social media has three interconnected characteristics which must be available for a setting to be working properly online, these characteristics are: communications media, content and social interaction.

The findings of the study show that Facebook, Twitter, Instagram, and YouTube are the most widely used channels among the respondents of the study. The extent of social media usage by the direct sellers is moderate and social networking site is the most preferred platform to use in doing direct selling-related activities to achieve convenience, productivity, product availability and market growth.

Therefore, it can be concluded that social media can be a strategic tool for direct selling business in Dipolog City, Zamboanga del Norte, Philippines.

Recommendations

Social Media Marketing Training Program for Direct Selling Businesses in Dipolog City,

Zamboanga del Norte, be implemented by DTI (Department of Trade and Industry).

References

- Odhiambo, C. A. (2012). Theseus. Retrieved February 25, 2017, from Theseus: <https://www.theseus.fi/bitstream/handle/10024/44591/Christine.A.Odhiambo.pdf?sequence=1>
- Hartonen, L. (2013). Social media in Hotel AVA's marketing communications. HAAGA-HELIA University of Applied Sciences, 6.
- Digital Jugglers. (2017, March 20). Impact of Social Media Awareness. Retrieved April 25, 2017, from Digital Jugglers: <https://digitaljugglers.com/2017/03/20/impact-social-media-awareness/>
- Mangold, W. G., & Faulds, D. J. (2009). Social media: The new hybrid element of the promotion mix. *Business horizons*, 52(4), 357-365.
- We Are Social. (2017). Digital in 2017 Global Overview: A collection of internet, social media, and mobile data from around the world. Retrieved January 29, 2017, from Slideshare: <http://www.slideshare.net/wearesocialsg/digital-in-2017-global-overview>
- Euro Monitor. (2017). Direct Selling in the Philippines. Retrieved January 12, 2017, from Euro Monitor: <http://www.euromonitor.com/direct-selling-in-the-philippines/report>
- Hyder, S. (2016). Social Media Marketing for Direct Selling Companies in the Digital Age. Retrieved March 30, 2017 from Forbes: <https://www.forbes.com/sites/shamahyder/2016/12/29/social-media-marketing-for-direct-selling-companies-in-the-digital-age/2/#f2a34adee3f0>
- Dann, S., & Dann, S. (2011). E-Marketing theory and application. New York. United States of America: Palgrave MacMillan.
- Oxford. (2017, February 20). Social Media. Retrieved from English Oxford Living Dictionary: <https://en.oxforddictionaries.com/definition/social-media>
- Kaplan, A. M., & Haenlein, M. (2010). Users of the world, unite! The challenges and opportunities of Social Media. *Business horizons*, 53(1), 59-68.
- Shodhganga. (2016, October 25). Shodhganga. Retrieved February 12, 2017, from Indian Electronic Theses and Dissertation: <http://shodhganga.inflibnet.ac.in/bitstream/10603/12>
- SEOPressor. (2017, January). The 6 Types of Social Media. Retrieved February 20, 2017, from SEOPressor: <http://seopressor.com/social-media-marketing/types-of-social-media/>
- Tessem, B., & Nyre, L. (2013). The Influence of Social Media Use on Willingness to Share Location Information. *TrustBus: International Conference on Trust, Privacy and Security in Digital Business* (pp. 161-172). Czech Republic: Lecture Notes in Computer Science.
- Turban, E., Strauss, J., & Lai, L. (2016). *Social Commerce: Marketing, Technology and Management*. USA: Springer.
- Privacy Rights Clearing House. (2016, February 1). Social Networking Privacy: How to be Safe, Secure and Social. Retrieved February 20, 2017, from Privacy Rights Clearing House: <https://www.privacyrights.org/consumer-guides/social-networking-privacy-how-be-safe-secure-and-social>
- Gonzalez, & Lopez, M. E. (2012). Social media in an integrated marketing communication strategy. Retrieved February 15, 2017, from Theseus: <https://theses.fi/bitstream/handle/10024/51614/Manuel%20E%20Lopez%20k0900353%20-%20Thesis%20-%20Final%20version%20-%202012-5-12.pdf?sequence=1>
- Wikipedia. (2016). Social Media. Retrieved from Wikipedia: https://en.wikipedia.org/wiki/Social_media
- Umberson, D., & Montez, J. K. (2010). Social Relationships and Health: A Flashpoint for Health Policy. *Journal of health and social behavior* 51, S54-S66.
- Ebner, M. (2008). Microblogging - more than fun?. *Proceeding of IADIS Mobile Learning Conference 2008*, Inmaculada Arnedillo Sánchez and Pedro Isaías ed., Algarve, Portugal, 2008, p. 155-159.
- McFedries, P. (2007). All A-Twitter. *IEEE Spectrum*, October 2007, 84.
- Erkan, I. (2015). Electronic word of mouth on Instagram: customers' engagements with brands in different sectors. *International Journal of Management, Accounting and Economics*, 2(12), 1435-1444.