

Social media and sales: investigating the antecedents and impacts of social media usage among sales professionals

Paolo Guenzi, paolo.guenzi@sdabocconi.it
Sarah Ghaddar, sarah.ghaddar@sdabocconi.it

Abstract

The research project here presented aims to empirically investigate the antecedents and implications of social media usage among sales professionals. In an attempt to bridge the gap between conceptual theory and empirical evidences in the current scientific literature, the research proposes a new causal model, which validity is going to be tested through a large-scale data collection involving over 13.000 Italian sales professionals. In designing the causal model, the study relies on two consolidated conceptual frameworks: the MOA framework (motivation-opportunity-ability), and the one recallable to the Institutional theory which focuses on the role of social context in conditioning individual behaviors. For research purposes, these two conceptual frameworks have been adapted coherently with the theoretical premises highlighted by the previous literature on the topic. In conjunction with the conceptual causal model, the study will test an original scale oriented to measure the phenomenon.

Research background and objectives

The successful implementation of supporting technologies in sales processes is still controversial. Even if 75% of the salespeople realize that technological means are a fundamental part of their job, 55% of them see these means as a hurdle rather than a toll capable of facilitating the achievement of their objectives. It does not come as a surprise that 59% of the salespeople declare that they have to use too many tools, 56% think these are not sufficiently personalized, and 55% retain that these tools are used as a mean to control not to support performance. The result is, that only 15% of the salespeople believe these tools are really efficient and only 13% states using them to their full potential (Accenture, 2016).

Among the technological means, social media are increasingly attracting the attention of academics and practitioners, particularly in the sales field as they could be interpreted as computer-mediated tools potentially enabling a seamless communication with the market.

A rising number of companies declares using social media to manage client relations (Houssem, 2013), but the majority of these companies also admits using them in an experimental manner (McKinsey, 2012). Particularly the extent, mean and success with which these social media are effectively used by the salespeople are mainly unexplored. The main part of the scientific research on this topic has a theoretical character with conceptual models, which have been tested very little at an empirical level. Consequently, all views promoting social media as an unavoidable mean to achieve automatic high positive returns result are to be considered superficial.

In reality, numerous research conducted on the more general topic of the consequences of the adoption of technological tools in the sales network have proven problematic: for example in a research of CSO Insights (2012) only 15% of the interviewed managers have declared to have experienced a positive financial impact thanks to the usage of such tools.

Similarly, scientific studies on the impact of social media on the economic results of the company have shown little or no correlation. This is derived from the fact that often the positive influence is indirect: the usage of social media improves customer relationships and then with time, this can generate higher returns (Rodriguez, Ajjan e Peterson, 2016). It is also intuitive that the technology per se does not necessarily produce positive results. Actually, the literature on this topic has underlined that the success of the salespeople's adoption of technological tools (as of social media), and their influence on the company's performance, depends mainly on the existence and the setup of

specific processes, on the availability of specific individuals and organizational competencies and on the general organizational support (Marshall et al., 2012). Rodriguez, Ajjan and Peterson (2016) have shown that the positive impact on customer relations (in terms of acquisition, retention, finding of opportunities, etc.) when using social media is given when the company sets up a clear and formalized sales process.

In light of this premise, it makes sense to empirically analyse how and to what extent social media are used by salespeople and what consequences this generates. Also it would be useful to understand what conditions generate positive economic returns on the investments made (for example technology, training, etc.) to introduce and stimulate the usage of social media by salespeople. These conditions can be represented by relative internal variables (culture, structure, process, operational mechanisms but also characteristics and competencies of individual salespeople and supervisors) but also by external factors, such as market, types of client relations in that sectors etc.

Moore, Raymond and Hopkins (2015) have classified social media in 12 macro-categories and have analysed and compared the usage of each of these categories both by salespeople and supervisors, in B2B and B2C contexts and they have analysed how much social media is used in each of the selling stages. Summarizing, their study has shown an adoption rate of 20-30% for the main part of the categories. Higher rates have only been achieved by tools for online conferencing (46.8%), for participation in web communities (49.9%) and for the usage of social and professional networking sites like Facebook or LinkedIn (65.9%). The research has also shown that social media is used more by supervisors than by salespeople, and more in B2B contexts than in B2C. In the end the study has shown that the social media usage in the different selling stages is averagely equal, since it showed 3.5 average (on a scale of 7) in every stage and didn't show differences among the stages.

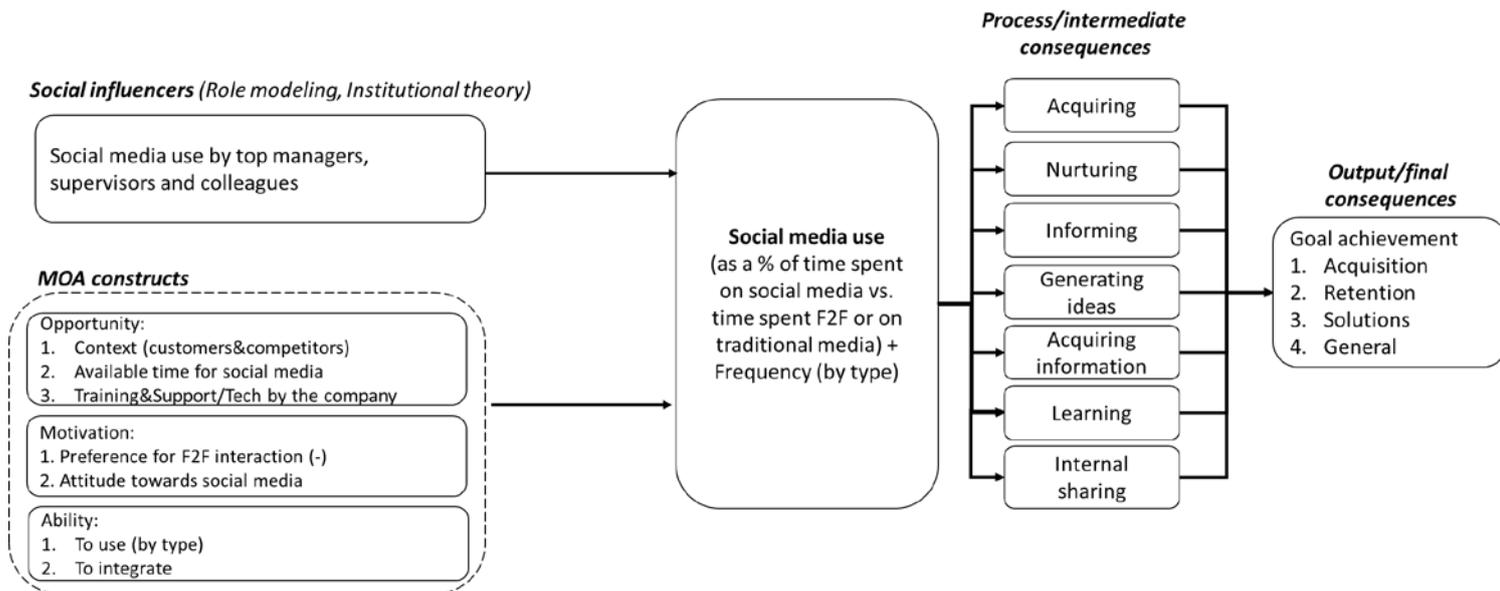
Starting from these theoretical premises, the research project – detailed below - aims to bridge the gap between conceptual theory and empirical evidences in the current scientific literature, by overcoming a knowledge gap synthesizable as the lack of a conceptual framework oriented to investigate the antecedents and consequences of social media usage among sales professionals. As briefly mentioned, most of the current literature on the topic has until now embraced a descriptive approach, mainly focusing on a theoretical conceptualization with the objective of stimulating empirical studies. In particular - following such theoretical contributions - the study proposes a causal model, which relies on a new systematization of: the *drivers of social media usage*, thus the individual and contextual aspects potentially shaping the personal proneness to leverage news tools, and the *consequences of social media usage*. This latter one could be classified in two sub-categories, the *intermediate consequences* referring to the *perceived utility determining the purpose of use* across the selling process and the *final consequences*, related to the *outcome of use and its impact on commercial performance*.

Research Design & Framework

The research project embraces an empirical approach oriented to measure and analyse the phenomenon on a large scale, by focusing on a major European country. As will be further detailed below, the data gathering involves a field survey addressed to a sample of over 13.000 Italian sales professionals in B2B as well as B2C contexts.

In measuring the amplitude (in terms of *social media mix*) and the depth of social media usage (e.g. the time spent on social media for professional reasons in a typical working day, the frequency of usage by social media type, as well as the purpose of use in the sales process) among sales professionals, the research project aims to identify the related antecedents and impacts. More specifically, the research investigates which individual and organizational variables influence the social media adoption, and consequently whether and to which extent this usage has an impact on goal achievement. The research framework is depicted in figure 1.

Figure 1 – Research Framework



Looking at the antecedents, in order to identify the drivers of social media usage, the MOA framework (motivation-opportunity-ability) has been adopted, in conjunction to the Institutional theory. As mentioned, the research framework focuses on two macro-classes of drivers, by assuming that social media usage among sales professionals could be the resulting condition of exogenous and endogenous factors. More specifically, aspects that could be ascribed to environmental conditions (here summarized in terms of *social influencers and contextual opportunities*) and personal attitudes (here described in terms of *motivation and ability*). Here below, we propose a more detailed overview concerning which variables have been taken into account as predictors of individual behaviors (social media usage, in our case), coherently with the key results emerging from the previous literature on the topic.

Social influencers aims to explain the individual-level variance concerning the adoption of behaviors stimulated by role models. Therefore, the aspect investigated is the role played by potential *social influencers* within an organization. The behavioral attitude towards social media among top managers, supervisors and colleagues is supposed to represent an informal mechanism of influence in the workplace, encouraging or discouraging the use of social media by a sales professional, as well as the related amplitude and depth of usage.

Contextual opportunities focus on (i) the specific market environment, thus on the propensity of competitors and customers to use social media in business relations, (ii) the available time during the work activity, to be understood as dead times potentially encouraging the experimentation of new tools, and (iii) the organizational readiness in terms of technological equipment and organizational attitude to train for and support the social media usage.

Motivation investigates (i) the personal interaction preference, in terms of attitude to prefer face-to-face interactions in social - and not just professional - relationships, and (ii) the attitude towards social media in the daily life. While preferring face-to-face interactions could negatively influence the proneness to mediate client relations through the usage of digital tools, on the contrary a positive attitude towards social media in the personal sphere is supposed to increase the willingness to use them in the professional sphere as well.

Finally, *ability* refers to (i) the self-reported ability to use social media, for which the evaluation is required by type of medium used and (ii) the capability to adopt a complementary approach by balancing social media and traditional tools, thus conjugating and integrating the use of social media in daily work activities.

Deepening the purpose of use taken into account within the different stages of a sales process (the process of usage/intermediate consequences), the perceived utility involves three main aspects: managing business relations, enumerating both prospecting and nurturing client relations (more specifically, the steps involved are summarized as acquiring, nurturing, informing); learning and market information acquisition concerning competitors, prospects and clients (acquiring information, generating ideas and learning); and the internal knowledge sharing.

Concerning whether and to which extent such combination of use could impact on performance, it is important to highlight that “goal achievement” is self –reported, thus it refers to the personal perception of achieving above average results and not to objective results, which could not be investigated through field surveys. Performance items mainly include new client acquisition, client loyalty and value creation as the ability to propose new solutions.

Questionnaire construction

Though the literature review oriented the design of a theoretical research framework as well as the consequent phase of questionnaire construction, in absence of validated scales addressed to measure the constructs investigated, new original items were defined.

The questionnaire enumerates the following six sections:

1. Type of social media used and frequency of usage (among a list of thirteen social media);
2. Time allocation in a typical working day while managing relations: (i) traditional tools (telephone, emails), (ii) face-to-face interactions (e.g. meetings), (iii) social media usage;
3. Purpose of social media usage for professional reasons;
4. MOA constructs;
5. Social influencers;
6. Goal achievement.

In addition to the sections mentioned, the opening section is employed to gather data concerning the respondent, potentially assuming a role of control variables and clustering variables. More specifically: age, gender, job position, customer type (B2B/B2C), customer portfolio size, work experience and current industry.

The social media list enumerates the 12 macro-categories emerged from the classification of Moore, Raymond and Hopkins (2015), with the addition of a macro-category referring to the nowadays widely spread instant messaging systems (e.g. WhatsApp, Facebook Messenger etc.).

With the exception of the first two questionnaire’s sections (frequency of usage by type and time allocation in a typical working day), all variables are measured with multi-item scales. More specifically, unless the self-reported ability to use a social medium - which is expressed by respondents on a 7-points scale (from “*for nothing*” to “*a lot*”) - all the variables involve a 7-point Likert scale.

In order to start the data collection, we are testing the questionnaire involving sales professionals with different roles. The impressions and suggestions collected will be used to adjust the questionnaire structure as well as the question wording before launching the survey on a large-scale basis.

Data collection

The data collection will be addressed to a sample of over 20.000 sales professionals operating in B2B as well as B2C contexts within the Italian market. In order to increase the sample size, the data gathering will include a partnership agreement with one of the major worldwide recruitment company. More specifically, data gathering will be carried out online and it will involve different sales roles, enumerating salespeople, sales managers, supervisors and executives. As depicted in the timetable below, once launched, the survey will remain active for a period of three/four weeks. In terms of time engagement, on the whole, for those sales professionals declaring to use social media for professional purposes (thus providing the compilation of all questionnaire's sections), the average response time estimated is about ten/fifteen minutes.

Key references

- Accenture (2016) "Empowering Your Sales Force. It's Not Just Automation. It's Personal."
- CSO Insights (2012), "Sales performance optimization survey"
- Houssem (2013) "5 Large Companies that Consider Social Media a Must." High Quality Social Media. Site5, 18 Sept. 2013. Web. 24 Apr. 2013.
- Marshall, G. W., Moncrief, W. C., Rudd, J. M., & Lee, N. (2012). Revolution in sales: The impact of social media and related technology on the selling environment. *Journal of Personal Selling & Sales Management*, 32(3), 349-363.
- McKinsey and Company (2012), "The Social Economy: Unlocking Value and Productivity Through Social Technologies," McKinsey Global Institute, 1-184.
- Moore, J. N., Raymond, M. A., & Hopkins, C. D. (2015). Social selling: A comparison of social media usage across process stage, markets, and sales job functions. *Journal of Marketing Theory and Practice*, 23(1), 1-20.
- Rodriguez, M., Ajjan, H., & Peterson, R. M. (2016). Social Media in Large Sales Forces: An Empirical Study of the Impact of Sales Process Capability and Relationship Performance. *Journal of Marketing Theory and Practice*, 24(3), 365-379.