

An Efficiency Prediction of Mobility Solutions in Direct Selling Businesses of Mainland China

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Abstract

In this empirical research, the subjects were renowned direct sellers in China, and the survey was conducted with a questionnaire to (1) investigate whether adaptive marketing has any positive impact on sales performance through reliability and validity analyses, (2) analyze the comparison between direct and indirect impact and define the best analysis model, and (3) find out through reliability and validity analyses whether the introduction of mobile solutions to direct selling companies and salespeople has any positive impact on sales performance. This experiment is a theoretical and empirical investigation into the framework using the AMOS software. The model that considers the indirect impact between each dimension is better than the one that considers the direct impact. Adaptive marketing also positively impacts sales performance. The introduction of mobile solutions to the direct selling industry can improve sales capacity and benefit sales performance.

Keywords: Direct selling, AMOS, reliability analysis, adaptive marketing, mobility.

1. Introduction

According to the latest statistics published by the World Federation of Direct Selling Associations [21] in 2013, The top three global direct selling markets were the United States, Japan, and China, with global market shares of 19%, 14%, and 12%, respectively. According to the statistics provided by the Information Management System of the Direct Selling Industry, managed by the Ministry of Commerce of the People's Republic of China [7], at the end of 2013, the status of the development of direct selling in the country is as follows. There were 41 direct selling enterprises, comprising 19 domestic-funded enterprises and 22 enterprises with foreign investment, 311 branches, 10,911 service points, 3,085 types of direct selling products, and 2.066 million salespeople practicing direct selling. In 2013, they contributed RMB21.577 billion of revenue, a 41% increase over 2012, and broke the highest record of annual growth rate of the direct selling industry in China. In terms of the volume of salespeople practicing direct selling, four enterprises had over 100,000 staffs, with a total of 1.9241 million people, constituting 93.57% of the overall number of the industry. One of the four enterprises had 1.1871 million salespeople