

RESEARCH PROPOSAL

Formative 3

An Exploration of the impact of direct sales vs retail sales on the buying behavior of consumers

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MODULE: RESM8419

Words: 7431

Literature Review for the Honors degree

**Bachelor of Commerce (B.Com Honors) in the subject Research
Methodology**

at Varsity College, Pretoria

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Introductory Comments:

The name of the company will be left out of the paper due to the fact that the COO advised that we would like the findings to be confidential for ethical purposes, he stated that a lot of competitors have tried to copy the company's business model and therefore he does not want to share trade secrets. The company is a direct sales company which targets the bottom of the pyramid and believes in giving their consumers the best value products for their money. Due to the fact that I may not share any information with regards to the company's business model or the way they go about their business for reasons mentioned above my study will be confidential and not published in any form to keep my findings confidential and honour my promise to the company which is key.

1.1. Introduction

The purpose of this study is to gain an in-depth understanding of how retail sales and direct sales can have an impact on the buying behavior of consumers from the perspective of the seller in an organizational context of Company X, with reference to how it benefits or impedes an organizations sales. There are both advantages and disadvantages of perusing retail and direct sales strategies as well as components that need to be considered when selecting whether to implement retail or direct methods of selling to promote the brand image in a favorable manner.

What is currently known is that when looking at both retail and direct sales one may see that both have evolved immensely and so have their consumers, consumers are a lot more informed on products and brands due to the web and social media. This forces both retail and direct selling to adapt and grow with their consumers in order to remain successful and grow. Consumers may have a certain preference when it comes to the type of selling and how they react to it, all the way from their thought process to their buying behavior consumers are constantly changing.

What is currently not known when looking at direct or retail forms of selling it is difficult to analyze which form of selling is more effect without fully understanding how each effects the buying behavior of consumers, however this can only be done through extensive research which needs to be gathered and analyzed. Consumers have evolved extensively and so it is vital that companies know exactly how to best approach their target market and make use of retail or direct sales with regards to their product in order to make a profit and remain current.

In order to get the best understanding of the topic one will need to go in depth into the theoretical approaches related to the impact of direct sales vs retail sales on the buying behavior of consumers with regards to Company X by using concepts and previous literature gather from academic resources and other resources available. The objective of the research below is to answer the research question what is the

impact of direct and retail sales on the buying behavior of consumers with regards to Company X and achieve the objectives with regards to the topic being studied, because the study is an explorative in nature it will be a qualitative study and not a quantitative study to stay narrower and not go too broad in the category that is retail and direct sales.

Research Purpose

To understand the different impact direct sales and retail sales has on consumers buying behavior with regards to the products they purchase, for example certain products could be sold better in direct sales due to the fact that all the benefits and value of the product could be shown to the consumer, however certain products don't need to show value and added benefits and could be better off being sold in a retail environment.

To provide insight to companies with regards to what products would be sold better from a direct sales approach or from a retail sales approach. This will need to be supported by data collected and analyzed within the study.

Research Problem

Direct sales and retail sales strategies influence the consumers buying behavior towards certain products in a positive or negative way, however managers often have a limited understanding of what strategy would best suit the sales volumes in a positive way with regards to certain products, the better their understanding on this topic the more will positive influence on the company and its sales volumes. Due to the size of the markets and complexity thereof organizations must insure that they do not select the wrong sales technique (direct or retail sales) because it can have catastrophic impact on the success of the company, the sales technique implemented by the company can alter a consumers attitude towards certain products effecting the company's sales volumes in a positive or negative light which can either assist in gaining a competitive advantage in the market which will save time and money spent by the organization. A negative effect will however take away from the companies' competitive advantage forcing the company to spend more time and money to increase sales volumes.

Research questions

Primary research question

What is the impact of direct sales vs retail sales on the buying behavior of consumers with in Company X?

Secondary research questions

1. The secondary questions will be, what are the benefits of direct and retail sales on consumers buying behavior?
2. Does a company's brand image have an effect on its sales with regards to retail sales?
3. Do sales agents selling techniques and personality influence the sales of certain products?
4. Does the type of product have an effect on whether it would be sold using a direct sales technique or a retail sales technique?

Rationale of the research study

Primary research rationale

To provide insight into direct sales and retail sales in order to better understand products sales volumes with regards to consumer buying behavior. Clark 2008 states that we know that consumers are constantly developing and so are retail and direct selling companies. One does not know to what extent consumers have developed or how this will effect direct and retail sales companies, this is important for companies to quantify just how much effect these changes will have on their companies in order to adapt. By doing this extensive research we may find connections between the change and development in consumer behavior and development and the best way that companies can adapt to stay relevant.

Secondary research rationale

The secondary research rational will be to evaluate the effect direct sales have on products sales volumes, to understand why certain companies would use direct sales or retail sales and lastly to evaluate the relationship between direct sales and retail sales with regards to certain products

1.2. Research Paradigm

The paradigm that will be discussed will be interpretivism, the main idea is that people are different from objects as you cannot study humans the same way you study objects (Du Plooy-Cilliers, F., Davis, C. and Bezuidenhout, R. 2014:24-31). Willis (2007) states that researchers try view the world through the perceptions and experiences of the participants.

Based on the research conducted, the study will follow an interpretivist research paradigm due to the fact that it searches for causes of change in consumer preference due to retail sales or direct sales environments. The aim is to identify how a retail sales environment or a direct sales environment may affect the brands equity (Du Plooy-Cilliers et al 2014). The interpretive approach identifies a cause and effect relationship, where different influencers and other dimensions need to be considered. This study focuses on two dimensions within the interpretivist paradigm: the effect that retail sales environments and direct sales environments have on brand equity and the effect consumer preference has on brand equity.

1.3. Theoretical approach

Stern (1962) believed heavily in the idea of impulse behaviour, while many others focused on rational action when it came to consumer behaviour. Stern (1962) suggested that suddenly buying a products based off of impulse went hand in hand with rational purchasing decisions when it came to the average consumers buying behaviour.

An important contribution of Hawkins Stern's model is the categorization of impulse buying behaviour (Shapiro, 2015). The model suggests four kinds of impulse buying.

Pure impulse buying

Pure impulse buying can be stated as purely buying on the basis of impulse, consumers usually end up buying something which is not a standard routine item for them. Pure impulse buys is also known as 'escape purchase'. It breaks the consumers' usual purchasing pattern. Dutta and Mandal (2018) state that visuals play an integral role in pure impulse buying. By making use of visual aspects products have a high sense of appeal to the emotion of the buyer. Oure impulse purchases generally include products that are new and exciting for consumers and attract them visually.

Reminder impulse buying

Piron (1991) suggests that reminder impulse buying happens when a consumer has existing knowledge or experience of the product but had no intention in purchasing the product. This form of impulse buy usually appeals to a consumers of fashion preference.

The products that complement the consumers current list of products they want to buy will also form part of this buying theory, for example if the consumer was already buying a dress then nails, make up and lipstick will be add on and could form part of the reminder impulse buying strategy.

Suggested impulse buying

Suggested impulse buying happens when the consumer sees a products for the first time and develops some form of attachment to the product and purchases it based on their suggestive impulse buying behaviour (Stern, 1962; Dutta and Mandal, 2018).

Planned impulse buying

Stern (1962) suggests that planned impulse buying happens when the consumer has a need for the product but is uncertain about its specifications. Stern (1962) states

that a lower price or other different kinds of sales promotion techniques may lead to planned impulse buying.

Price as a factor that triggers impulse buying behaviour

Marketers make use of several strategies in order to trigger impulse buying behaviour amongst consumers. According to Stern (1962) the pricing decision, may be the most important trigger of an impulse buying decision. Marketers use this technique in order to get consumer to spend more than they originally would have. This technique will be most common in products which have a low shelf life as well as require minimal storage space in the consumers' household. This technique isn't effective with more expensive products such as houses and cars.

Stern (1962) states that products with a short shelf life need to be purchased frequently by consumers. Since consumers have to purchase these products repeatedly, they spend less time in planning to buy it and purchase the products when they see them. Convenience products such as milk, bread and sugar would be seen as regular purchases. Consumer postpones purchasing non convenient products until there is a need for them making these purchases less planned and more impulsive (Chhabra, 2010).

Mass distribution and self-service

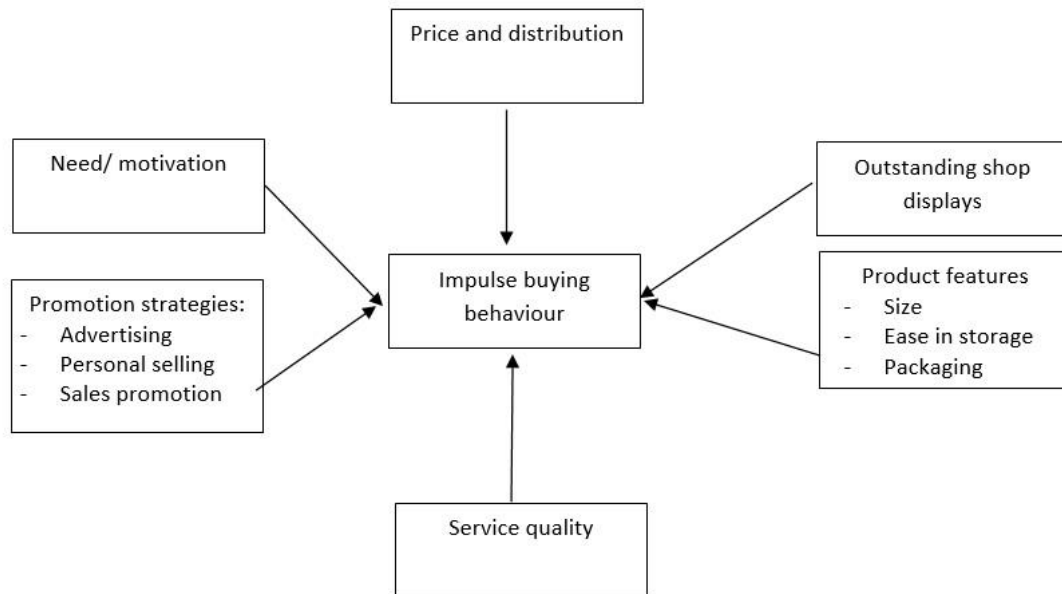
The theory is that the more places a product is available, the more likely the consumer will buy it. Stern (1962) states that impulse buying is not planned therefore marketers make products available at multiple locations so that there are more opportunities for the consumer to buy it.

Iyer and Ahlawat (1987) state that due to the fact that a self-service option gives the consumer the opportunity to explore their options freely they are more likely to buy products impulsively.

Ease of storage

Products that can be stored easily are more likely to be purchased impulsively by consumers due to the size and weight which impact the consumers buying decision to purchase the product based on an impulse. When products require specific transport then consumers are most likely not going to purchase these products based on an impulse (Stern 1962).

Figure 1: Sterns impulse buying theory



Source: Agarwal, A. and Chetty, P. (2019). *Use of Hawkins Stern's impulse buying theory (1962) in online shopping*. [online] Project Guru.

1.4. Literature Review

Definitions of retail sales and direct sales

Amadeo (2019) states that retail sales is the purchases of finished goods and services by consumers and businesses. These goods and services have made it to the end of the supply chain. The supply chain starts with the goods producer or provider and ends up with the retailer.

Kenton (2020) adds that retail sales tracks consumer demand for finished goods by measuring the purchases of durable and non-durable goods over a defined period of time. According to Lilyquist (2019), direct selling refers to selling products directly to the consumer in a non-retail environment. Instead, sales occur at home, work, online, or other non-store locations.

This system often eliminates several of the middlemen involved in product distribution, such as the regional distribution center and wholesaler. Instead, products go from manufacturer to the direct sales company, to the distributor or rep, and then to the consumer. The products sold through direct sales are usually not found in typical retail locations, which means finding a distributor or rep is the only method to buy the products or services.

Ellsworth (2015) adds that direct sales refers to the sale of products or services away from a fixed retail location. These products are marketed and sold directly through independent sales representatives, also known as consultants, sales personnel, distributors, and a variation of other names.

Evolution of retail sales and direct sales

Schmitz (2017) states that the retail industry is very dynamic in nature, due to the fact that it's always adapting to better serve the end consumers. For the past decade, we've seen a plethora of updates and advancements which have launched the industry into another sphere. Schmitz 2017 adds that it's irrelevant as to how much the industry changes, the idea that "customer experience is king" will always remain the same.

In order to fully understand the history of retail one must truly grasp the past as well as the future of retail. According to Schmitz (2017) it's critical to understand the fundamental concept documented by Harvard University's N.S.B. Gras. In 1939, he observed that the progression of any institution, including the retail industry, "is linked to the progression of the economic and social system." Simply put, retail is at the consequence of economic and social factors and forces and must constantly be altered as it seeks to attract consumers and create the ultimate consumer experience.

Schmitz (2017) states that retailers should shift their focus and efforts on three key areas when looking towards the future: the first being workforce, the second being supply chain and the third is bridging the gap between the physical and digital worlds in a retail environment.

According to Thayer (2016) direct sales have been around since the dawn of civilization; when gatherers settled to build farms and towns, the first direct sellers began to sell their products across Europe, Africa and Asia. This depicts that direct sales is the oldest sales model there is.

Thayer (2016) states that there are door to door sales personnel and that the door-to-door model took selling to another level, becoming an American institution unto itself. Direct sales continued to evolve, and so parties became the new craze which takes a slightly different approach to door to door sales. Instead of going from door to door sales personnel set up promotional events with a group of people and present their products to the group.

Thayer (2016) states that direct sales constantly seek to evolve and with the birth of the internet in the 1990s, and its maturation in the early 2000s, sales personnel found an all-new tool at their disposal. Sales personnel can now make use of Facebook and eBay as well as other sales platforms and deliver the products directly to the end consumers' door step. Thayer (2016) adds that direct selling isn't going anywhere.

According to Simon (2015) today direct sales have evolved from avoidance to desire due to the fact that social media had been introduced making it easier for sales personnel to sell bringing the consumer directly to them. Direct selling to a target market used to take a lot of time, effort, research and money. Sales personnel had to do extensive research on demographics, find new prospects and build relationships. Simon (2015) further states that sales personnel may now build relationships with their consumers through social media posts and interaction instead of telesales or dinners.

Types of customers in retail and direct sales

Table : Summarized table of types of retail customers

Type of customer	Description
The informed shoppers	According to Nicasio (2018) the informed shoppers do extensive research before making the purchase therefor in order to deal with an informed shopper listen to them and acknowledge their expertise, ask them questions about knowledge they may not of accumulated through their research with regards to the product.
The showroomer	The showroomer who looks at products in person but prefers to buy them online, in order to deal with showroomers you need to shift the focus from price to value, for example they don't have to wait for the product they can take it home now. Nicasio (2018)
The wanderer	Nicasio (2018) states that the wanderer is a customer that is just looking around, the ideal way to approach a wanderer is to just let them know if they need anything you are there for them.
The customer on a mission	Nicasio (2018) adds that the customer on a mission already knows what they want and want to spend as little time as possible in the store and get in and get out, the best approach will be to make their shopping experience as simple and easy as possible and eliminate barriers.
The indecisive shopper	According to Nicasio (2018) the indecisive shopper aren't sure if they want to buy anything or what they want to buy, when approaching them its best to try educate them and be honest about what products capabilities are and aren't.
The bargain hunter	The bargain hunter searches for the lowest price they don't care about brand loyalty, in order to make a sale here you need to sell them on value and make them feel they getting the best value for their money. (Nicasio, 2018)
The chatty customer	Nicasio (2018) describes a chatty customer as someone who loves to tell stories and might keep you from other potential customers, the easiest way to deal with these customers is to be polite and tell them that it looks like another customer might need your help.
The regular customer	The last customer is the regular customer they are an easy sell as they already like you, make sure to remind them that they are valued and you appreciate them in order to keep them coming back.(Nicasio, 2018)

Source: Nicasio, F., 2018. 8 Common Types Of Customers In Retail (And How To Sell To Them) - Vend Retail Blog. Vend Retail Blog

Table 2: Summarized types of customers in direct Sales

Type of customer	Description
A potential customer	A potential customer is someone who is not a customer yet so you need to show them value in buying your product as well as make yourself available should the customer have any questions. (Firuta, 2016)
A new customer	Firuta (2016) states that a new customer is someone who just bought from you, you must guide them into becoming a long term customer through being onboard and helpful as well as keeping contact and making yourself available if they need you.
An impulsive customer	According to Firuta (2016) an impulsive customer is someone who can make a decision in an instant therefore you need to make their purchasing as easy and quick as possible.
A discount customers	Firuta (2016) adds that discount customers need a deal so you should add value that they cannot get anywhere else as well as explain the deal to them so they understand they will get some sort of a coupon or discount code.
A loyal customer	Firuta (2016) states that loyal customer is an easy sale but one must not mess it up and must keep the customer excited and learn from the experience so that they can turn another customer into a loyal customer in the future.

Source: Firuta, J., 2016. 5 Types Of Customers And How To Approach Them (Pt1) | Success By Livechat. Success by LiveChat.

Conceptualisation

Concept	Connotative Meaning	Denotative Meaning
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Branding	according to Venter Janse Van Rensburg is not only about ubiquity, visibility, and functions, it is about bonding emotionally with people in their daily lives (Gobe seen the 17th of April 2017 at 14; 29pm)	Research study refers to direct and retail selling Branding is the most valuable asset of any business
Brand identity	Is typically made up of the following core elements, name, logo, logotype, colour, style, strategy according to Aaker pg. 229-231.	What customers use to associate with the Cook4life or Under Armour.
Direct sales	Selling a product or service in either a person-to-person or party plan method. (Gigi Starr,2018)	Cook4life does this through presentations their sales agents give their Consumers.
Retail sales	The sale of goods individually or in small quantities to consumers. (Gigi Starr,2018)	Under Armour do this through sales in their stores made by their sales team
Self-esteem	is seen as peoples overall evaluations and feelings about themselves (MacDonald & Leary, 2012, pg. 334)	The way Cook4life or Under Armour makes a person feel based on the emotion they portray.
Consumer behavior	Refers to the actions taken (both on and offline) by consumers before buying a product or service. (DJ Team,2020)	Cook4life and under armour are bought at a premium price because of

		the value attached to brand.
Brand loyalty	The tendency of some customers to repeatedly purchase the same brand of goods rather than competing brands (Lesson,2016)	Choosing Cook4life over Under armour or visa versa. Repeatedly purchasing from Cook4life over Under Armour or visa versa.

Research Design

Leedy (1997:195) defines a research design as a plan for a study, providing this overall framework for collecting data. Macmillan & Schumacher (2001:166) state that a research design is a plan for selecting subjects, research sites, and data collection procedures to answer research questions.

Qualitative research according to Van der Merwe (1996), is aimed at development of theories and understanding. Denzin and Lincoln (2005), defines qualitative research as a situated activity which locates the observer in the world.

The research method which will be used in the study will be a explanatory research method to explore qualitative research design using questionnaires due to the fact that this study is an exploration of the impact of direct sales vs retail sales on the buying behavior of consumers with regards to Cook4life and Under Armour, which makes it a qualitative research design. Qualitative research methods are exploratory and inductive by nature (Trochim, 2006). Any data that is gathered and stored that is not numerical would be seen as qualitative data because any numerical data would be seen as quantitative

data, with regards to my study, I have made use of primary and secondary sources of data for my findings and results.

3.3 Population and Sampling Methods

The accessible population will be a smaller group to analyze and it will be easier to gather information from them. I will make use of 5 interviews with sales personnel from Company X. I will be interviewing the COO, Marketing Manager and sales manager from Company X to gather information.

Population parameters (characteristics)

- The population is willing and able to participate in the study
- The population is between the ages of 18 and 50
- Male participants will make up the study
- Participants will give insight into the retail and direct sales industry
- The brand that will be analyzed operates in the direct sales industry and retail industry
- Participants must be literate
- Participants must be located in the Pretoria area or Tzaneen area

3.4 Sampling

Sample is a subset of a population that is considered to be a representative of the population (Du Plooy-Cilliers et al (2014)). William (2006) states that sampling is selecting units from a population of interest in order to generalize results back to the population from which they were chosen.

In research we have a probability sampling. Surbhi (2016), describes probability sampling as a technique where the subjects of the population get an

equal opportunity to be selected as a representative sample. Whether or not each unit within the population has an equal opportunity to be a part of the sample (Du Plooy-Cilliers, et al 2014:136-137). The research study will follow a probability sampling method due to the fact that a specific industry will be targeted (retail and direct selling). This gives each person an equal opportunity to be part of the sample which will be studied.

Sample size for the proposed research will be 5 participants within the sample which will be asked to participate in my study in order to gain better knowledge and understanding of how the customers think when they are choosing to buy from a direct sales company or retail sales company. The research study will specifically look at Company X.

3.5 Data collection Method

Rouse (2016), describes data collection as the systematic approach to gathering and measuring information from a variety of sources to get a complete and accurate picture of an area of interest.

McLeod (2014), describes structured interviews as a formal interview where questions are asked in a standardized order and the interviewer will not deviate from the interview schedule or probe beyond the answers received, these are based on structured close-ended questions. Surbhi (2016), states that a structured interview is one in which a particular set of questions are prepared by the interviewer in advance. Semi-structured as interviewers and respondents who engage in a formal interview, the interviewer develops a list of questions that need to be covered during the interview; the interviewer may stray from the set of questions when deemed appropriate. (Cohen and Crabtree, 2006). Keller (2018), state that a semi-structured interview is

conducted with a fairly open framework which allows conversational two-way communication. The interviewer is able to follow trajectories in the conversation that may stray from set guide of questions when deemed appropriate. A semi-structured interview process will be used in the study due to the fact that there will be probing questions in order to generate as much information as possible to contribute to the overall findings in the research paper.

Refer to Appendix A for data collection steps

Refer to Appendix B for interview guide

3.6 Data Analysis Method

Sridhar (2018), describes data analysis of evaluating data using analytical and statistical tools to discover useful information and aid in business decision-making. Marshall and Rossman (1999:150), describes data analysis as the process of bringing order, structure and meaning to collective data, data analysis interprets data that signifies a search for general statements among categories of data.

In the research study a thematic analysis is done to make sense of the data collected, highlighting important messages, factors and findings of the research study. Content analysis identifies themes that relate to the research problem and question and attempts to solve the problem by answering the question.

Validity Reliability or Trustworthiness

Joppe (2000) defines reliability as the extent to which results are consistent over time and an accurate representation of the total population under study is referred to as reliability and if the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable. Welman (2006:145) states that reliability is when an individual is able to retest your data and gets the same results. I ensured reliability through the use of inter-coder which uses different participants but the same methods and tools.

Joppe (2000) states that Validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are. In other words, does the research instrument allow you to hit "the bull's eye" of your research object? Researchers generally determine validity by asking a series of questions, and will often look for the answers in the research of others. Saunders, et al (2007:149) states that validity is concerned with whether the findings are really about what they appear to be about. I ensured validity in my study by focusing on internal validity which allowed me to answer my research questions without any errors in my research design.

The proposed study is a qualitative method therefore trustworthiness will be used to measure reliability of the data. Trustworthiness is linked to the validity of quantitative research study. (Davies & Dodd, 2002; Lincoln & Guba, 1985; Mishler, 2000; Seale, 1999; Stenbacka, 2001). Trustworthiness may be described as that which accurately characterizes the experiences of the research study participants (Jordaan, 2013). Qualitative research opts to use trustworthiness in order to measure reliability and validity within qualitative studies. In a qualitative study, trustworthiness consists of dependability, confirmability, transferability and credibility. Trustworthiness Within the tradition

of qualitative content analysis, use of concepts related to the quantitative tradition, such as validity, reliability and generalisability, is still common (for example, Downe-Wamboldt, 1992; Olson et al., 1998; Shields and King, 2001). Credibility deals with the focus of the research and refers to confidence in how well data and processes of analysis address the intended focus (Polit and Hungler, 1999). Credibility refers to the accuracy to which a researcher interprets the data that was provided by the participants ((Du Plooy-Cilliers, et al., 2014:258).

Theme	Definition
Transferability	Is 'the extent to which the findings can be transferred to other settings or groups' (Polit and Hungler, 1999, p.717). Is the ability to which the findings are able to be applied to a similar situation and to produce similar results. (Du Plooy-Cilliers, et al., 2014:258).
Confirmability	Refers to how well data that is collected supports the findings and interpretations of the researcher and how well these findings flow from the data. (Du Plooy-Cilliers, et al., 2014:259)
Dependability	According to Lincoln and Guba (1985, p.299), dependability 'seeks means for taking into account both factors of instability and factors of phenomenal or design induced changes'.

	Refers to the quality of the process of integration that takes place between data collection method, analysis and theory's that are generated from the study.
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In the proposed study trustworthiness was achieved through following the confirmability based suggestion, due to the fact that it required me to describe the full research process to assist others in scrutinizing the research I conducted .Accepting that there are limitations when it comes to a qualitative study method. There needed to be transparency in how I conducted the interpretivism paradigm and how I went about gathering data and findings.

4.2 Ethical consideration

Research Ethics is defined here to be the ethics of the planning, conduct, and reporting of research. It is clear that research ethics should include: Protections of human and animal subjects. Research ethics is specifically interested in the analysis of ethical issues that are raised when people are involved as participants in research. (N,Walton)

The reason behind using an interview process is to gain an in depth understanding of participants and being able to interact with them and answer any questions they may have.

When undergoing an interview process the following ethical issues should be considered: Getting informed consent from the participant- the participant should know that they are taking part in a research study, in this study one makes it known in the interview process that they will be taking part in a

research study by providing participants with an interview guide. Collecting data from participants- in this study one will informed the participants that the results will be confidential therefore they will be protected, the area in which the interview took place was also comfortable in order for participants to relax and get the best knowledge out of them. Confidentiality vs Anonymity- In the study one needs to guaranteed the participants confidentiality through the fact that only the interviewer will be able to match the data to the participants identity and will not be made available to anyone else, and agreement disclosure was also issued to further help keep information confidential. Before the interview got underway it was explained to participants what sensitive questions may be asked in order for them to feel more relaxed and understand the questions that may be asked

4.3 Limitations of the study

Research limitations are best described as constraints or limits in a study that is out of your control such as time, access to information and financial resources. (Du Plooy-Cilliers, et al., 2014:275). Limitations are defined by Price and Murnan 2004 as the characteristics of design or methodology that affected or influenced the interpretation of the findings from your research.

The limitations within the study were: Time was one of the biggest factors in the research study due to the fact that it had to be submitted at a certain date and the researcher couldn't conduct research all year round to gain a better understanding of the topic and landscape they researched. The access to information was limited, there is a limited amount of academic studies and journals done on the study meaning that one didn't have large amounts of data to argue the research topic for the thesis. The sample size also limited knowledge that could be gained. Financial resources were none existent meaning there was no capital to work with and incentives participants to part take in the study. There was a covid-19 pandemic limiting human contact or interviews due to social distancing (Luna and Gutierrez, 2020) and lockdown restrictions making it difficult to obtain information from participants in the study. There are limitations of online methods of interviewing

participants such as all candidates must have access to a computer or the internet. Connectivity problems make it difficult to communicate easily or to hear what the candidate is saying. Delays in transmission across the internet, causing a lag in communication causing one to "step on" the candidates' responses, or vice versa.

4.4 Anticipated contribution of the Study

Due to the fact that Direct sales and retail sales are widely researched as individual constructs and not as a comparative argument for or against one or the other this means that direct sales and retail sales influence a customer's buying behavior is a risky task to take on but the risk does come with a massive reward if done properly. There are advantages and disadvantages that come from perusing a direct sales strategy or retail sales strategy, this being said there are certain processes that need to be considered when selecting the best strategy to use within your brand in order to gain a competitive advantage and a larger percentage of the market. A retail strategy or direct strategy are generally used to promote new products or new product lines , brands use these strategies to make their consumers aware of the new products or product line as a marketing scheme. This study will provide companies with a deeper understanding of the two form of selling when considering what strategy to use to best suit their brand and company.

As spoken about previously the marketing efforts of companies is a lot greater when it comes to retail and direct selling strategies due to the fact that more money is pumped into these kinds of marketing ploys because if it's not done properly it will have a massive negative impact on the brand image and financial side of the company. The interview will add to findings and will assist in contributing knowledge to the marketer and ways in which they can best market the brands product or service based on findings and what the best strategy

might be for a company to use. The study could be conducted on a global scale with more time and financial backing. Once data is collected and analyzed one will be able to contribute to the overall finding with regards to what strategy would be best for companies to use with regards to certain products and industries and how to enter certain markets.

Findings

Based off the interviews conducted with regards to the research study, one can clearly see that the theme and what was discovered through the interviews conducted can be linked. The interview process opened a lot of doors to new avenues that can be researched and themes that can be used with regards to retail and direct selling and how they effect a consumers buying behavior. In the research study one can break down each question and connect certain links of what was said in each question by making use of coding.

With regards to the first question asked one can see that in direct selling a company makes use of leverage that enables them to put a lot of pressure on their consumers at the point of time when doing a sale through creating a need through pain and giving their customers solutions, when the companies sales agents present to their clients they present a product which “they didn’t think they were going to purchase that day” (Participant A) and then they show them value and benefits in order to influence their buying decision. In direct sales agents also make use of the leverage they have over their customers, this can be linked to Hawkins Stern’s model of impulse buying behaviour through price as a factor that triggers impulse buying behaviour.

It was said that if a customer doesn’t take the product now they won’t see the sales agent again for 18 months and then they will need to buy the product for double the price from company x unless they are willing to wait for 18 months to see the agent again who may or may not have the same product offering. In retail you have 30 to 40 seconds to convince the consumer to purchase a product were in direct sales you have more time with the consumer to explain the added benefits of the products and really show the value in purchasing the product. This can be related to time pressure in each sector, in retail time with the customer is very limited and can be seen as a in and out purchase. In direct one has more time with the customer and purchases are often made based on the information given in the presentation, by pointing out this one can clearly see time is a crucial dynamic in both retail and direct selling.

Based off findings through the interviews one can clearly see that retail sales are very price driven and price sensitive, when looking at direct selling and retail selling one can clearly see that a move from direct selling to retail will take away leverage that a company has due to the fact that consumers don’t always buy the best product

in retail, they are willing to buy the second best product if the price is right due to the fact that there is a larger range of substitute products to choose from and all the subjects which were interviewed believed that a move from direct to retail will cause a decline in sales with regards to company x. This will answer the primary research question as well as the secondary question with regards to the benefits of retail and direct selling although the research conducted didn't show a lot of evidence with regards to benefits in retail when compared to benefits in direct selling.

When one looks at the second question there are clear links between all the subject that were interviewed, they all said the same thing that physical presence with the customer will have a longer lasting effect through selling high quality products and focusing on a specific target segment. There is a touch and feel factor and an interpersonal relationship that is built between the consumer and the sales agents due to putting a face to the company, which is needed to selling higher quality products that direct selling focuses on. There is a strong belief amongst the subjects that were interviewed that a company's brand image will have a large impact on sales within a company. In company X one can see that when it comes to sales volumes if they had to compete like for like in terms of products they are far superior, it was said that a single sales agent can make in a week what some competing franchises make in a good month, this is due to the amount of leverage maintained in direct selling in company x where in retail products are readily available everywhere so there is no leverage.

With regard to the third question in the interview process one can clearly see that direct selling companies are able to sell a better quality product due to the fact that their consumers are willing to wait for quality products. More often than not one would find better quality products in direct selling environments due to the fact that agents are face to face with clients on a constant basis quality products are required in order to maintain trust and a relationship with their clients in order to assist agents in the sales process. In direct selling a bad quality products can have a much worse impact on the company then in retail due to the fact that one client who has a bad experience will tell 30 plus other potential clients and when the sales agent returns in 18 months consumers will be reluctant to purchase from them again.

Looking at the findings in the fourth question one can see that there is a clear connotation that company x believe that a change from direct to retail will add little to no benefit to their company due to the business model they make use of and the personal connection they will lose making it hard to build a relationship with their consumers.

Findings show that when looking at an online strategy approach for company x one can clearly see that sales agents and management had a difference of opinion, sales agents believed that it would be beneficial in some form, such as using it as a selling technique and to build a stronger relationship through trust with the consumer but were worried about how it would affect the company's current selling model as well

as their income, whereas management saw it as beneficial and another selling technique to add to the companies selling stream and assists sales agents in their selling techniques.

When looking at customer service one can clearly see from the findings that company x which is a direct selling company has a more personal feel and touch with their customer service process, it's not systematic like in retail and a consumer is dealing directly with a sales agent who has direct contact to the repairs Centre as well as the companies call Centre. So in short it is perceived that customer service with regards to company x is smoother, more efficient and quicker than the slow systematic customer service channels in retail.

With regards to social media and e-commerce, based on the findings one can clearly see that company x is planning on utilizing this avenue stream in the future but have been cautious due to the fact that there has been a lot of competitors trying to imitate what they are doing so they keep their cards close to their chest in a sense, but their consumers are adapting and growing and so will company x adapt and grow with their consumers. It is believed that the introduction of e-commerce and social media will be highly beneficial for company according to the findings from interviews conducted.

Conclusion

When looking at the findings from the research conducted one can make certain conclusions with regards to certain research questions, a few main points that could be highlighted is that in direct selling there is more leverage and its more personal than retail, whereas retail is mainly based on price due to the competitiveness of the environment and the ease for consumers to buy substitute products. Although there were clearly more benefits highlighted in direct selling then in retail selling, it should be noted that retail selling will still reach a greater market then direct selling. When it comes to influence with regards to consumers buying behavior there are two schools of thought here, on the one hand direct selling influences their consumers through building an interpersonal relationship with them through selling high quality products and presenting quality customer service where retail influence their consumers buying decisions based on price and attractiveness(look) of a product.

Future research

This study is limited to theoretical conclusions and the data collected can be skewed due to the fact that data collected was from a direct selling company, therefore should the study be considered to be deemed successful one will need to gather data from a retail company too in order to compare findings from both perspectives and gather as much trustworthy data as possible for the study to be reliable and true.

This study focuses on retail selling and direct selling but one should take note that there are many more avenues of selling that have not yet been looked at, therefore one will need to do research on e-commerce sales as well as social media selling methods in order to truly understand the selling environment as a whole and how each method affects consumers buying behavior.

To best understand how each method of selling affects a consumer's buying behavior one should also include consumers from each selling environment to gather and compare data and make conclusions, this will also include the consumer as a human effect in the decision making process.

By collecting further data on the above mentioned one will be able to get a clearer overall picture with regards to consumer and how they think, what they think about and how this will affect their buying behavior.

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Addendum

Appendix A

Data collection steps by Jason Liebenberg

1. Collecting the data through an in-depth interview and email questionnaire
2. Questions used in the interview processes, open ended and direct questions.
Questions in the Questionnaire were close ended and to the point.
3. The interview will be recorded and transcribed into writing to capture the data by an e recorder. The data from the questionnaire will be gathered from online answers selected.
4. Lastly ensure that finding are secure by using encryptions so that you can only make use of it and it remains internal.

Appendix B

Interview Guide

Good day my name is Jason Liebenberg and I'd kindly like to request 10 minutes of your time to answer a few questions on my research regarding the impact of direct sales vs retail sales on the buying behaviour of consumers with regards to Company X. The results will be kept confidential.

1. How do you think direct selling influences your consumers buying decision?

Probing question....how do you think retail sales would affect your consumers buying decision should your company go that route?

2. Do you believe that the use of direct selling will influences the image of the brand?

Probing question...If yes how would you say it influences your image? How do you think retail selling will influence the brand should you incorporate it into your business model?

3. Do you believe that brands are of higher quality if they use direct selling or retail selling?

Probing question... can you state why you chose one over the other?

4. Do you feel that a change in the mode of selling (retail or direct) your company uses could be beneficial and add value?

Probing question....What would you say the pros and cons are should your company change the mode of selling (retail or direct) it currently implements?

5. With regards to sales volumes, do you feel direct is superior to retail or retail is superior to direct?

Probing question... why would you say this?

6. Looking at statistics one can see that the highest earning companies worldwide are retail companies that implement some form of direct selling along with other online strategies, do you think the company you work for would consider this approach?

Probing question...If yes why? If no why?

7. Do you believe there is a gap in customer service when looking at direct and retail selling?

Probing question....If yes why would you say so for either?

8. Do you believe that your company has fully tapped into its market potential as a market leader?

Probing question....Do you believe this market will grow or shrink in future? Why?
And how will you adapt to change?

9. Unlike retail companies your company does not make use of social media and ecommerce, why would you say this is the case?

10. Do you think that by not making use of ecommerce and social media marketing will leave a large market with lots of potential untapped?

Thank you for your time and participation