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The role of Social Media on Sales strategy: A Conceptual Explication in a High-context Culture

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Abstract

People's behaviours are shaped by their cultural values as much as it also influences the definition of friendship building and sustenance. Low-context cultures as marked with independent lifestyle, loosed family units and communication patterns are often characterized by fewer words. On the other hand, high-context cultures are markedly different. These cultures are characterized with high closed family units, high level of social cohesion and social identity. To achieve effective communication, it is important to understand the differences in the two cultural contexts especially when such communication is directed at the global marketplace. Interestingly, some technological innovations usually operate according to the cultural orientation of the innovators. The use of Twitter as a social media platform for instance has generated controversies. While often criticized by most users in the high-context culture as not providing enough space for the elaboration of the communication context, most in the low-context cultures see it as one of the best social media handles because of limited provision for text space, thus leading to succinctness of communication. Using a conceptual approach, the objective of this study is to provide effective communication means through which sales personnel can achieve sales strategy using social media platforms in a high-context culture. Relying on social identity theory, the study found that sales reps can creatively use social media to drive the five sales strategies: relationship strategy, product/service strategy, customer/communications strategy and price strategy.

Keywords: social media, high-context culture, sales strategy

1. Introduction

The influence of culture on buyer-seller relationship has been studied extensively (Mintu-Wimsatt & Gassenheimer, 2000). Culture influences the choice of means of communication as sales reps' national culture influences performance when selling across cultures (Hohenberg & Homburg, 2016). Social media is an emerging and veritable tool for salesforce interface with customers. Andzulis, Panagopoulos & Rapp (2012) underscores the veritableness of social media tools across the sales process. Importantly, the popularity of social media as a communication platform traverses professions, disciplines and cultures. However, it is important for the sales function to understand that cultural differences also influence the use of social media platforms to engage with customers.

The classification of culture as high-context and low-context has generated debate in literature; however, it is being used in most studies (Hall, 1976). Besides other countries, Japan and USA are examples of a high-context (HCC) and low-context (LCC) cultures respectively (Hall, 1976). Americans see no problem with the use of Twitter which only allows about 140 words per stream; the Japanese express difficulty using the platform because the word-limit is not enough to explain both the content and context of the message (Takahashi, 2013). The above highlights the differences in communication in the two cultures. In the HCC, import of the message is located in the context; the relationships of the communicators, beliefs and norms; while in the LCC, the meaning and import of the message is located in the interpretation of the words and their arrangement (Steinfatt, 2009). Therefore, the use of short coded messages may be correctly interpreted by the recipient in the LCC, but longer, more expressive and context laden-messages are the norms in the HCC.

Various attempts have been made to explicate the importance of social media on sales strategy (Andzulis, Panagopoulos & Rapp, 2012), however, it is not clear how it can be used across these two cultural contexts. Though, no country is absolutely a high-context or low-context culture, but majority of the cultural norms and other variables have been used as criteria for classifying them (Hall, 1976). The aim of this study is therefore to elucidate different ways sales function can deploy social media for customer engagement in a high-context culture. In this paper, it is argued that it is important for sales scholars and practitioners to understand social media use in the HCC. One, it equips sales function with the requisite knowledge to engage customers especially in a multi-cultural or international selling context; two, it enhances relationships formation and sustenance between the sales and the customers; finally, it provides sales with the creative ways to enhance customer satisfaction. In the next section, we will look at the literature review and social identity theory. It will be followed by social media and sales strategy in the high-context culture before the conclusion.

2. Literature Review

2.1 High and low context cultures

Hall (1976) classified cultures into high and low contexts. Practically, it may be difficult to exclusively classify one culture as high or low context, but some cultures are characteristically on the higher end while some others are at the lower end. In the HCC, communication often takes place as a direct verbal expression and implication embedded in non-verbal communication. On the other hand, explicit information exchange obtains in the LCC (Richardson & Smith, 2007). Würtz (2005) posits that differences in the HCC and LCC can be summed up in the differences in communication, thought pattern and language. In terms of communication, those in the HCC use non-verbal strategies in face-to-face communication, while “LCC cultures tend to be less physically animated, with meaning depending on content and the spoken word.” HCC allow the context to evolve in course of the conversions, thus, avoiding direct approach to issues. However, in the LCC, communications are consistent with their feelings, thus, often direct. Wurtz (2005, p. 279) further argues that LCC emphasize rationality and logic as “truth is discovered in the linear process of discovery.” However, in the HCC, communication is often vague, involving moving forth and back, with non-linear approach to discovering truth.

Socially, as collectivists, relationship formation in the HCC takes a long time, which often involves periods of learning and observing, however, when formed, it lasts longer because the parties have developed trust. HCC’s collectivist orientation forces them to strongly maintain groups (Twu, 2009). Groups are collection of one’s peers, colleagues, mates, etc. who share

similar values and aspirations. The group has a high level of influence on the group members with a leader who has the role of leading the group. In terms of contracts and agreements, signing formal papers most times are viewed as cumbersome as trust in the partners is valued than signing papers. To this end, word-of-mouth (WOM) remains an important means of getting business partners, which also reflects on the lower number of legal actions as compared to the LCC (Money, Gilly, & Graham, 1998). The family exercises a major source of influence and control in the HCC. Strong bonding in the family often extends to extended families. As a result, both the immediate and extended family members are viewed as one cohesive unit in the social system. To this end, festivities and special events like weddings, birthdays, child-christening, graduation from university, are celebrated with pomp among both the immediate and extended family members. These family members see it as an obligation to identify with their own and often attend such events with gifts of different sorts.

2.2 Social identity theory

Individuals are shaped by the groups they belong and act in accordance with the group norms. The social identity theory was developed by Tajfel & Turner (1979); it establishes the position of an individual as belonging to a social group. It holds that an individual's self-concept includes both his personal identity (the 'I') and the social group which he belongs (the 'We') (Deephouse & Jaskiewicz, 2013). The individual's sense of self is based on social categories which defines him. An individual with high level of social identity positively distinguishes self from other groups and have the tendency to identify with the group that provides him with positive self-image (Kwon & Wen, 2010). To this end, members of a group have solidarity towards the group, hold on to in-group norms and are likely to discriminate against those from outgroups (Kwon & Wen, 2010). Social identity theory has been expanded and applied in organizational research (Ashforth & Mael, 1989), family firms (Deephouse & Jaskiewicz, 2013), social networks (Kwon & Wen, 2010), international business (Child & Rodrigues, 1996) and relationship selling (Pullins et al., 2011). The application of the social identity theory to this study holds in two folds: one, the sales reps identification with his firm as a group which he belongs and shares in its rules, policies and need to extend to HCC; two, the sales reps knowledge and understanding of the in-group dynamics in the HCC and choice of social media strategies.

3. Social media and sales strategy

Andzulis, Panagopoulos & Rapp (2012, p.308) defines social media as "the technological component of the communication, transaction and relationship building functions of a business which leverages the network of customers and prospects to promote value co-creation." Successful customer relationship depends on effective communication. According to Andzulis, Panagopoulos & Rapp (2012), sales strategic initiatives can be optimized through the use of social media. According to Andzulis, Panagopoulos & Rapp, four sales strategies can be optimized through the use of social media: relationship strategy, product/service strategy, communication/knowledge strategy and price strategy. Relationship strategy is one of the strategic levers sales uses to maintain customer loyalty (Ryals & Knox, 2001). Social media opens the 'listening ear' of the organization by creating a platform where the customer can be heard. This does not only create value for the customer but also ensures the trust formation which is the cornerstone of customer loyalty. In terms of product or service strategy, social media also enhances the opportunity for customer to provide feedback about the products or services. The aggregation of these feedbacks helps the firm to come up with products and services that satisfy customer needs. In terms of communication strategy, social media also fits the picture perfectly. Some decades ago saw sales reps undertaking the tasks of travelling long distances to educate customers about products and services that

consumed the firm's time and resources. However, the advent of social media has considerably reduced physical contacts with customers. Social media enables real time communication with the customer and also affords the customer the opportunity to glean from other customers' knowledge and experiences through reviews and comments.

3.1 Social media and sales strategy in high context culture

Opportunities to apply social media in the sales strategy abound and applying it in the HCC is likely to yield far-reaching results. Majority of available literature on social media and selling process or sales strategy have their context in the LCC (Andzulis, Panagopoulos & Rapp, 2012; Agnihotri, 2012). In line with Andzulis, Panagopoulos & Rapp's (2012) sales strategy framework, we shall explore the role of social media in each of these strategies and their practical implication in the HCC.

3.1.1 Relationship strategy

Relationship formation and sustenance is at the core of successful selling (Pullins et al., 2011). With the axiom that it is cheaper to retain existing customers than recruit new ones, sales function's ability to nurture long-time customer relationship is important for the realization of the strategic objectives of sales. Long-time buyer-seller relationship has been underpinned by the firm's ability to deliver customer value (Töytäri et al., 2011). According to Andzulis, Panagopoulos & Rapp (2012), with social media, sales relationship strategy is fostered by creating opportunity for customer to be heard, understood and appreciated. Successful relationship is built on trust and commitment through chains of successful interactions. The opportunity created by social media whereby customers have real time interactions with the firm provides answers to their questions which in turn breed trust.

Meanwhile, in the HCC, relationship formation takes a long time through period of observation. Because of strong in-group norms, a new member must ensure that he must be trusted before being formally or informally admitted as part of the group. As a matter of fact, the use of social media can be effectively employed in this context. For instance, social media can be used to creatively establish and lubricate relationship with the customer. To achieve this, the utilization of the appropriate social media platform is very important. Since discussions involve elaborate explanations and examples (Twu, 2009), initial communications aimed at generating leads using short messages on Twitter will not create the right impression. Since information is understood not merely by the content but by the context, therefore information conveyed through social media must be seen to be long enough to explain not only the content but the context and meaning. In terms of video calls utilizing Skype, Facebook etc., the sales rep must be prepared to utilize persuasive words and offer more explanations which require time and patience on a consistent basis. As a two-way communication, when the lead has questions and concerns about the product or service, effort must be made to adequately answer those concerns by providing illustrative pictures and video contents.

3.1.2 Product/Service Strategy

Product or service quality is an important element of long-time customer relationship. Social media has been found to enable product or service quality consistency. By way of customer feedbacks, reviews and comments, firms are able to provide product and service quality consistency. The speed which suggestions provided through social media is attended to was not available through the traditional platform of suggestion boxes provided in the office halls. Long discussions is the hallmark of social interactions in the HCC (Twu, 2009), therefore, sales' ability to provide for elaborate discussion of the product or service features is important. This can be accomplished by product pictures or videos accompanied with

illustrative textual content. In the HCC, high respect for others due to hierarchical authority structures are prevalent, as a result, they are not prone to initiate discussions and when they do, they are careful to choose words (Twu, 2009). Sales can capitalize on this not only to initiate discussions but ensure he arms himself with all available features of the product or service to support his point during voice or video chat with the lead on any of the social media platforms.

3.1.3 Customer (communication/knowledge) strategy

All marketing and sales activities revolve around the customer and therefore the prime target of sales programmes. Traditionally, the view of the customer as ‘king’ implies that he must be heard, appreciated and provided with quality products or services. Importantly, the advent of social media raised the bar on how the customer is treated. Social media provides opportunity for the customer to access firms’ products and services through multiple channels; provides a ‘listening ear’ to the customer and enhances speedy attention to complaints. Social media also affords the customer the opportunity to make best purchase decision by comparing reviews about the product. As a matter of fact, sales function’s implementation of customer strategy in the HCC should incorporate the traditional respect and honor with which they are treated. The power distance semblance of the HCC (Hofstede, 1997), demands dignity and honor to social hierarchies. In the context of sales adopting social media, first, communication is highly regarded when preceded with titles such as ‘Sir’, ‘Madam’, ‘Dr.’, ‘Chief’, and so on. Most often, there is a thin line that separates business from social relationships, as a result, one perceived as a friend may be invited to events such as wedding, child christening, graduation and birthday ceremonies. Honoring such invitations is considered a dignified treatment to the celebrant. Capitalizing on such events to take pictures and posting them on personal social media profiles is not only appreciated must always rewarded with friendly gestures. In terms of video content with product or service features, local background tones and scenes are perceived as ‘speaking the language’ of the locals and often rewarded with patronage. Additionally, in terms of product or service testimonials through comment threads, the in-group characterization of social life implies they will be highly valued when coming from those in the lead’s network of friends.

3.1.4 Price Strategy

Many firms use social media platforms to offer discounts to customers (Andzulis, Panagopoulos & Rapp, 2012). Social media has provided consumers with the opportunity to make best purchase decision in terms of price by reading reviews and comments. Meanwhile, in the HCC, price constitutes an element of purchase decision. Sales’ incorporating the price strategy in the social media in HCC could take the form of coupons and loyalty offers. These programmes are not just to be reflected on social media pages of the firms but must be seen to be real by providing pictures and scenes of those who have benefitted from such programmes. Since trust is the cornerstone of buyer-seller relationship in the HCC, proofs of price offers should both be shown and details of how to benefit from such reflected social media platforms and on the communication with the customers.

4. Conclusion

Social media has revolutionized sales function’s communication and relationship strategies with customers. The impact of social media and its usage differs across cultures. Thus, sales reps involved in selling across different cultures must understand cultural variations in the use of social media. Thus, understanding the characteristics of the high-context and low-context cultures will equip sales reps with the knowledge of the appropriate social media

platform and how to optimize the use of the chosen platform for the achievement of the sales strategy.

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