

The use of social media among business-to-business sales professionals in China

The use of social media

How social media helps create and solidify *guanxi* relationships between sales professionals and customers

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Abstract

Purpose – The purpose of this study is to explore the role of social media usage among business-to-business sales professionals in China. Specifically, the authors seek to define and explore the unique ways in which Chinese salespeople use social media, with a special emphasis on the role of *guanxi*. *Guanxi* is a complex cultural construct that revolves around the exchange of favors to build trust and connection for business purposes.

Design/methodology/approach – Three in-depth interviews of sales managers from two industries along with survey data from 42 pharmaceutical sales representatives were collected to gain an understanding of the general usage and attitudes toward social media in the sales process in China.

Findings – Results indicated that virtually all the salespeople in the sample were highly familiar with social media and integrated it into the sales process. Furthermore, all participants indicated that their companies were highly supportive of the use of social media with their customers. More importantly, salespeople in China view social media as a critical tool in building *guanxi* with their customers. Findings from this exploratory study are used to create a conceptual framework for understanding the important role of social media in building *guanxi* in China.

Research limitations/implications – While the sample is limited to three managerial interviews and 42 survey responses, the data indicated a near universal acceptance and use of social media among Chinese salespeople. Most importantly, social media appears to be the modern gateway to the ancient and culturally unique construct of *guanxi* that is absolutely indispensable to successful business-to-business sales performance in China.

Practical implications – The structural challenges within China make trust and emotional connection essential to any potential business relationship. Trust is at the core of *guanxi*. Any firm hoping to succeed in China must understand *guanxi* and the use of Chinese social media to help build it. This study adds to the knowledge and understanding of *guanxi* and begins to elucidate the uses of social media as a tool to build and maintain it.

Social implications – Social media appears to be the modern gateway to the ancient and culturally unique construct of *guanxi* that is absolutely indispensable to successful business-to-business sales performance in China. This study deepens our understanding of not only *guanxi* but also how the modern phenomenon of social media is affecting it.



Originality/value – This is one of very few studies to investigate the use of social media among salesforces in China. More importantly, the authors know of no other study linking social media with *guanxi*.

Keywords Social media marketing, Sales force management, International marketing, Business-to-business marketing, Intercultural marketing

Paper type Research paper

Introduction

Social media has been a hugely transformational technology in the lives of consumers worldwide. On a global scale, social media usage has incredible penetration with over 232 million users in the USA and over 410 million users in China (Statistica, 2015). As of 2015, there were 1.49 billion monthly active Facebook users and more than 302 million monthly active Twitter users around the world. Firms have been quick to adopt social media as a platform to reach consumers and connect with them (de Vries, Gensler, and Leeflang, 2012). As of 2014, 413 of the *Fortune* 500 companies (83 per cent) had active Twitter accounts and 401 companies (80 per cent) had active Facebook pages (Barnes and Lescault, 2014).

Although social media is widely used by business-to-consumer firms, Schultz and Peltier (2013) discuss the tendency for companies to use it largely as a means for communicating sales promotions instead of actually engaging customers and building a long-term relationship. They point out that business-to-consumer firms often target already loyal customers who do not require additional incentive to engage with a brand. The authors indicate that emphasizing short-term sales promotions may not build customer relationships or ultimately create long-term value for the firm.

On the business-to-business side, the use of social media has grown much more slowly. According to an *OgilvyOne Global Survey* (2010) of salespeople, only 9 per cent of salespeople in the USA reported having received specialized training from their organization on social media use for sales. While more recent inquiries have shown higher rates of usage among salespeople in the USA, the lack of training and limited application still remain (Moore *et al.*, 2015). In some industries, such as pharmaceuticals and financial services, the use of social media is highly restricted and firms have been especially slow to adopt it among the salesforce or simply do not use it at all. Recent reviews not only point out the generally slow adoption of social media among business-to-business sales professionals but also indicate a significant lack of research on the topic (Pomirleanu *et al.*, 2013; Rodriguez *et al.*, 2014).

Despite its limited utilization, social media has enormous potential to affect sales at every stage of the process (Rapp and Panagopoulos, 2012). Andzulis *et al.* (2012) proposed that there are six potential roles for social media usage to enhance the sales process: understanding the customer, approaching the customer, needs discovery, presentation, closing, and follow-up. The authors point out specific social media tactics for each of these stages of the sales process. While this categorization is quite useful, it emphasizes the use of social media as a functional communication device. For instance, the authors propose tactics such as Tweeting about conferences/results/innovations and Facebook promotions for referrals. This focus on operational aspects of the sales process and limited focus on client relationship building raises the potential for the same “slippery slope” criticism that Schultz and Peltier (2013) make about the use of social media in consumer markets.

There is even less known about the role of business-to-business social media in international markets. Of particular interest is whether cultural factors affect the use of social media and its application. Heeding calls for research to develop comprehensive frameworks for understanding how social media is affecting sales and management (Marshall *et al.*, 2012; Rodriguez *et al.*, 2014), we present findings from an exploratory study on how social media is used among salespeople in China, with particular focus on its unique role in building culturally specific *guanxi* relationships. *Guanxi* is a complex cultural construct that involves the exchange of favors to build trust and connection for business purposes.

We seek to contribute to the literature in four key ways. First, this paper represents one of the first attempts to describe usage, frequency and practice of social media by sales professionals in China. Second, we explore the specific ways in which sales professionals use social media to build and maintain *guanxi* with their customers. Third, we develop a conceptual framework for understanding the role of social media to build *guanxi* using insights from our survey and qualitative interviews. Finally, we propose a research agenda for understanding how social media helps create and solidify *guanxi* relationships between sales professionals and customers in China.

Background and literature review

Social media use among salesforces

In a study of small and medium business-to-business firms in the UK, Michaelidou *et al.* (2011) showed that only 23 per cent of surveyed firms actively used social media in the sales process. The authors identified several reasons why these firms adopt social media, including attracting customers (91 per cent) and cultivating customer relationships (86 per cent). Reasons such as communicating with suppliers and receiving feedback were cited significantly less often. Of the 77 per cent of firms that did not use social media, Michaelidou *et al.* cited key external and internal barriers that have limited its adoption. The greatest external barrier is that a majority of firms studied did not perceive social media to be relevant in their industry. Furthermore, firms in more traditional and restricted industries, such as pharmaceuticals, were less prone to adopt social media when compared to firms in more innovative industries, such as technology. Finally, internal barriers to social media adoption included salesforce unfamiliarity and lack of training for using social media to support their role.

Marshall *et al.* (2012) conducted focus groups of salespeople in broad-ranging industries and demonstrated that social media can be an effective tool for discovery. For instance, one participant noted how his or her team used social media before initiating contact with a client. They claimed that their entire selling approach was changed from the background information they found on LinkedIn for a particular client. On the other hand, some participants believed that their use of social media contributed minimal value to their sales performance. This illustrates how social media may be more effective in achieving certain selling goals over others. In a broader reaching study, Rodriguez *et al.* (2012) found that social media usage positively affected customer-oriented behaviors and ultimately sales performance.

In summary, the limited research on social media usage among salesforce suggests that adoption is slow and applications have been limited. However, there is at least some evidence that social media has the potential to be an effective tool, especially for client discovery and relationship building (Rodriguez *et al.*, 2012; Hunter and Perreault, 2006).

Social media in China

With nearly 700 million netizens, China has the most Internet users in the world (Internet Live Stats, 2015). China is also home to the largest, most-active, social media space in the world with over 500 million projected users by 2018 (Statistica, 2015). In fact, Chinese Internet users spend around 40 per cent of their online time on social media, which provides a great opportunity for businesses to access the Chinese consumer (Chiu *et al.*, 2012). The largest social media platforms in China include Weibo for micro-blogging (175.6 million monthly active users); Renren for social networking (223 million active monthly users); and WeChat (500 million active monthly users) and QQ (815 million active monthly users) for social networking and messaging (Weibo Corporation, 2015; Renren, 2015; Tencent Holdings Limited, 2015; note that these usage numbers refer to the platforms and include some users outside of China).

It is evident that social media is an explosive phenomenon in China and is growing at a rapid pace. Given the impact of social media in the consumer market, there seems to be a clear opportunity for Chinese salespeople to use WeChat, WeiBo, QQ and other social media platforms in the sales processes. Currently, there is very little literature that details the use of social media in business-to-business sales in China. However, the same OgilvyOne Global Survey (2010) referenced earlier suggests that Chinese salesforces are much quicker to adopt social media technologies than their US counterparts. For instance, 38 per cent of respondents in China used personal blogs to support their sales role as compared to only 3 per cent in the USA at the time. Moreover, social media integration may work especially well in China, which ranks high on Hofstede's collectivism index (Blomme and van Hoof, 2014). In a study of the relationship between collectivist societies and marketing preference, Fam and Merrilees (1998) found that the more collectivist a society was rated, the more it preferred relationship marketing and personal selling. Given the ubiquitous presence of social media, the preference for relationship marketing and the potential of social media to affect customer relationships in general, China appears to be especially suitable for social media adoption among sales professionals.

Business relationships in China: Guanxi

The concept of *guanxi* is at the center of relationship building in China and is an important social and business construct. *Guanxi* is a complex cultural construct deeply rooted in China that revolves around the exchange of favors to build trust and deep connections. The Chinese Characters that make up the word *guanxi* are translated as "gate" and "to connect" (Lu, 2007; Luo, 1997, 2000), meaning that mutually beneficial relationships are built by passing through a barrier of reciprocity to build obligation and trust. The ties built through *guanxi* create important strategic advantages for businesses and salespeople within China and often compensate for competitive and structural disadvantages.

Guanxi by itself refers to a special relationship between individuals (Guo and Miller, 2010). This relationship can be described as a connection, exchange, resource or process between family members, friends or business partners (Fan, 2002). Individuals can build mutually beneficial relationships (*guanxi*) based on obligation and trust by exchanging favors to obtain resources (Luo *et al.*, 2012; Lu, 2007). Fan lists the type of favors exchanged, which can include information, advice, gifts, jobs or services. These favors are often called upon to "get something done". Fan further points out that creating

guanxi requires time, energy and/or money. Thus, individuals will find it impossible to have active *guanxi* with everyone, and it is considered a limited resource.

Guanxi dates back to the Confucian era and has been reinforced over 2000 years of Chinese feudal society (Fei, 1992/1947). The modern understanding of *guanxi* has since evolved from representing the relationships between family and non-family to the reciprocity and obligation leveraged in business relationships (Fan, 2002). When China transitioned to an open economy in the 1980s, *guanxi* was leveraged to overcome the structural weaknesses that organizations began to face. After that point, the importance of *guanxi* became more embedded in Chinese culture than ever. Today, *guanxi* still plays a prominent role in facilitating business and organizational success in China, especially in the mainland (Luo *et al.*, 2012). Because Mainland China faces more institutional hurdles than its less-constrained counterparts, such as Hong Kong and Taiwan, mainland organizations rely more heavily on business *guanxi* to achieve their goals (Gu *et al.*, 2008; Krug and Hendrischke, 2008). Furthermore, these ties are emphasized in Chinese society, and individuals utilize the transparent, reciprocal and voluntary personal relationships built upon *guanxi* (Guo and Miller, 2010).

Several studies have indicated that *guanxi* comprises three key elements: *ganqing* (affection), *renqing* (favor) and *xinren* (trust) (Hwang, 1987; Wang, 2007; Yen *et al.*, 2011). *Ganqing* means affection, feelings, emotion or warmth. Chen and Chen (2004) explain that *ganqing* refers to the sense of loyalty that results from the sharing of feelings and emotional attachment. *Renqing* refers to the exchange of favors and reciprocity. The obligation to return favors is extremely important among the Chinese, and favors can be banked for the long term (Hwang, 1987; Wong, 2007). Finally, *Xinren* means trust and refers to a person's reliability and sincerity (Chen and Chen, 2004). Given the historic lack of legal structure in Chinese business dealings, trust is at the heart of *guanxi* and is often identified as the most critical element (Chen and Chen, 2004). Yen *et al.* (2011) suggest that all three dimensions are necessary to have *guanxi* and to understand it.

While definitions vary and the concept is difficult to explicate, it is clear that *guanxi* transcends what westerners would consider a normal, close business relationship. *Guanxi* is much more encompassing than simple network building, which is a separate concept in China called *guanxiwang*. *Guanxi* is also much deeper than mere reciprocity and much more profound than gathering and using idiosyncratic credit. It is also something distinct from merely creating a warm friendship with a customer.

Scholars cite *guanxi* as an enabler that helps to increase the efficiency and effectiveness of daily business operations (Luo *et al.*, 2012). For instance, *guanxi* can give someone priority to key resources or reduce transaction costs when embarking on a new venture (Park and Luo, 2001). In fact, Guo and Miller (2010) consider *guanxi* to be essential to business success in China. Using the definition of organizational performance as structured by Dess and Robinson (1984) and Venkatraman and Ramanujam (1986), Luo *et al.*'s (2012) meta-analysis revealed that the use of *guanxi* in business relationships improved organization growth, as measured by economic performance (e.g. ROI, market share, sales growth) and operational performance (e.g. customer satisfaction and loyalty, productivity, innovation). See Table I for a comprehensive summary of the definitions, elements, outcomes, measurements and applications of *guanxi*.

Given the clear importance of *guanxi* in Chinese business relationships, social media has the potential to be an effective tool for building and maintaining these relationships.

Table I.
Summary of *guanxi*

Description/examples	Key studies
<p><i>Guanxi</i> definition</p> <p><i>Guanxi</i> is a special relationship between individuals built upon reciprocal obligations. Conceptually, <i>guanxi</i> is a deeply rooted cultural construct that helps increase the efficiency and effectiveness of daily business operations</p> <p>Purpose: Individuals leverage their <i>guanxi</i> with others to achieve personal and business objectives beyond their capabilities. The individual leverages their <i>guanxi</i> with a "gatekeeper" who can help them achieve a desired objective. Because <i>guanxi</i> categorizes the individual as a "trusted party", they may pass the "gate" and gain access to resources or advantageous treatment</p> <p>Creation: To build a <i>guanxi</i> tie, individuals exchange favors to build trust, which is essential to do business in Mainland China. Favors may be in the form of information, gifts, advice, jobs or services. A favor from one side creates an obligation to return the favor from the other side. Failure to return the favor may result in "losing face" or social reputation</p>	<p>Guo and Miller (2010), Luo <i>et al.</i> (2012)</p> <p>Park and Luo (2001), Lu (2007), Luo (1997, 2000), Fan (2002)</p>
<p>Elements of <i>Guanxi</i></p> <p>Three main elements influence <i>guanxi</i> quality and strength, which affects the likelihood of an individual granting another's request</p> <p><i>Ganqing</i> (affection): Sense of loyalty that results from sharing feelings and emotional attachment</p> <p><i>Renqing</i> (favors): Reciprocity and the exchange of favors</p> <p><i>Xinren</i> (trust): A person's reliability and sincerity, and the most important element of <i>guanxi</i>, due to historic lack of legal structure in Chinese business dealings</p>	<p>Park and Luo (2001), Hwang (1987), Wang (2007)</p> <p>Hwang (1987), Wang (2007), Yen <i>et al.</i> (2011), Chen and Chen (2004)</p>
<p>Outcomes of <i>guanxi</i></p> <p>Economic outcomes:</p> <ul style="list-style-type: none"> Improves ROI, market share and sales growth Operational outcomes: Increases customer satisfaction and loyalty, productivity and innovation Smooths transactions, provides information and resources and overcomes bureaucracy 	<p>Luo <i>et al.</i> (2012), Venkatraman and Ramanujam (1986), Dess and Robinson (1984), Davies <i>et al.</i> (1995)</p>

(continued)



Description/examples	Key studies
<p>Measurement methods of <i>guanxi</i></p> <p>GRX Scale (<i>Ganqing, Renqing and Xinren</i>) Measuring the strength of <i>guanxi</i> by the strength of its elements</p> <p>Direct measures: Strength, number and effectiveness of managerial ties and social connections held with managers of other firms, government officials and regulatory bodies</p> <p>Indirect measures: Aggregate resources that are given to and gained from a <i>guanxi</i> tie, such as the investment of time and money to generate social capital</p> <p><i>Guanxi</i> as relationship marketing in China: Papers that discuss <i>guanxi</i>'s similarities and dissimilarities to relationship marketing and how <i>guanxi</i> is used to build relationships in China</p>	<p>Yen <i>et al.</i> (2011)</p> <p>Luo <i>et al.</i> (2012), Peng and Luo (2000)</p> <p>Zhang and Fung (2006), Li <i>et al.</i> (2009)</p> <p>Wong and Chan (1999), Leung <i>et al.</i> (1995), Yau <i>et al.</i> (2000), Simmons and Munch (1996), Fock and Woo (1998)</p>
<p>Applications</p> <p>Organizational behavior: Papers that discuss the role of <i>guanxi</i>, describe its applications and evaluate its effectiveness within the organization</p> <p>Joint ventures: Papers that discuss lessons learned by foreign firms about the importance of <i>guanxi</i> for business in China</p> <p>Trust management, relationship dynamics Papers that discuss how <i>guanxi</i> can be used to affect the relationship dynamics of trust between employees and their managers or between executives and their contacts</p> <p>Inter-organizational <i>guanxi</i> Papers that describe the implications that <i>guanxi</i> holds for interactions between organizations, such as manufacturers, buyers, retailers and suppliers</p>	<p>Park and Luo, 2001, Xin and Pearce (1996), Yeung and Tung, 1996; Luo, 1997</p> <p>Davidson, 1987; Machmis, 1993</p> <p>Law <i>et al.</i> (2000), Chen <i>et al.</i> (2004), Chen and Tjosvold (2006), Farh <i>et al.</i> (1998)</p> <p>Chen <i>et al.</i> (2011), Chen <i>et al.</i> (2011)</p>

Table I.



The current study explores the role of social media usage among salespeople in China and describes the unique ways in which Chinese salespeople use social media, with a special emphasis on the impact of social media on *guanxi*.

Methods

In-depth interviews were conducted with three sales managers at two international pharmaceutical companies and a media technology firm doing business in China. All respondents were Mainland Chinese and oversee large salesforces. Insights from these interviews were gathered to explore the use of social media among salesforces in China and enhance our understanding of *guanxi*. We used these insights to create a survey that was administered to 42 pharmaceutical sales representatives in Mainland China. The survey was translated into Mandarin and sent to sales staff via email. The survey was meant to provide a wider sample to confirm the insights derived from the interviews. Survey respondents averaged 5.43 years in sales and represented four different international pharmaceutical companies. All respondents were native Mainland Chinese.

Results and discussion

Manager interviews

We first inquired about the use of social media and there was clear agreement among all three managers that the use of social media among their salesforces was widespread and beneficial. They all indicated that their firms supported its use. They also all identified WeChat as the most popular and useful platforms.

When asked if salespeople use social media, one manager replied:

Yes, of course [...] WeChat is more powerful than traditional telephone and email channels. I add all my business contacts to WeChat. We often chat on it. When I meet a new person, the first thing they will ask is whether he or she can add me to Wechat.

Another manager stated, "All our sales people use social media. WeChat is definitely the most popular". Yet a third manager agreed that her sales staff used social media saying, "Generally, yes. Our salespeople use it. WeChat is the most popular one".

We next asked about the role of *guanxi* in the sales process. We simply asked the managers to explain *guanxi* and how it is used in business and sales in China. The responses were quite in line with our conceptual definition and understanding of *guanxi*. One manager defined *guanxi* this way:

I think Guanxi is favors that connect people to people. People exchange the resources and get what they need. They can be family, friends, business partners, or customers. As I give you a favor, you get it, and you give me something I need. It connects us.

This manager emphasized the *renqing* (favors) dimension of *guanxi*. A second manager emphasized the *ganqing* (affection) aspect of *guanxi*, stating:

In China, the "business is business" rule doesn't work – it is too cold. You have to be professional and build up a "warm" relationship with others at the same time.

The third manager was quite detailed in his explanation of *guanxi*. He stated:

To do business in China, everything is based on special leverage/interest/relationship that gives you an edge over other competitors to gain access to the party you want to get close to. If you have *guanxi*, you pass the gate. All other people who don't have *guanxi*, face the gate.

Whoever has guanxi has the edge to pass the gate. You try to find the edge over others to win business. Guanxi is the path that helps you land an opportunity. However you may need to invest in it. It is not free. In return, you could get what you want.

This manager went on to emphasize the long-term nature of *guanxi* and the importance of the *xinren* (trust) dimension:

If you ruin guanxi, you ruin your reputation, and no one wants to do business with you. So people try to make guanxi long term, because if it is short term they get a bad reputation in business. Trust is big part of it because people don't trust each other. If there is no trust, then there is no business. Trust is essential to do business. Good guanxi equals good trust. Guanxi gets you access to something/somebody, and helps you gain trust.

Finally, we inquired about the role of social media in building and maintaining *guanxi* with customers. One manager focused on the benefit of WeChat to help create deeper relationships with customers, stating:

Salespeople are definitely using WeChat to help build guanxi with customers or other contacts. Social media apps, like WeChat, are tools that change the cold business to something warmer and closer. WeChat is warmer and mixes business with personal relationships. It is like a lubricant in the business process.

Another manager underscored the use of social media in the building of long-term *guanxi*. She stated, "It creates great communication with customers. If you already have the basic relationship with customers, it can help to keep it in the long-term". A third manager was emphatic that "WeChat and social media certainly helps you to build guanxi".

Sales representative survey

The pattern of results in the salesforce survey was very consistent with the picture painted by the managers. Results indicated that the salespeople in the sample were highly familiar with social media and integrated it into the sales process. Furthermore, participants indicated that their companies were supportive of the use of social media with their customers. More importantly, salespeople in the sample viewed social media as a critical tool in building *guanxi* with their customers. Summary results are presented in Table II.

Familiarity and usage of social media

Salespeople were asked, "Do you use social media in the sales process?" on a dichotomous (yes or no) scale. In all, 100 per cent of survey respondents reported using social media in the sales process. We also asked, "Does your company support and encourage the use of social media to communicate with customers/clients?" on a seven-point scale from 1 (not at all) to 7 (very much). Salespeople indicated strong support and encouragement from their companies ($M = 6.39$, $SD = 1.17$).

Respondents were asked to rate their familiarity with several different social media platforms. They were asked to "indicate how familiar are you with each of these social media tools" on a seven-point scale from 1 (not at all familiar) to 7 (Very familiar). WeChat ($M = 6.6$, $SD = 0.94$), QQ ($M = 6.29$, $SD = 1.07$) and Weibo ($M = 5.62$, $SD = 1.99$) were the platforms that were most familiar to respondents. For comparison, LinkedIn was rated lowest ($M = 1.52$, $SD = 1.58$).

Question	Yes	No	N
Do you or your employees use social media in the sales process? (1 = Yes, 2 = No)	100%	0%	42
Does your company support and encourage the use of social media to communicate with customers/clients? (1 = Not at all, 7 = Very much)	Mean 6.39	SD 1.17	N 42
Indicate how familiar are you with each of these social media tools: (1 = Not at all familiar, 7 = Very familiar)			
WeChat	6.60	0.94	42
Weibo	5.62	1.99	42
QQ	6.29	1.07	42
LinkedIn	1.52	1.58	42
Youku	5.21	2.44	42
Blogs/Blogging	4.21	2.54	42
With regard to the personal selling function, how often do you use these social media tools to communicate with your current customers? (1 = Never, 7 = Very Often)			
WeChat	6.48	2.54	42
Weibo	1.48	1.27	42
QQ	4.21	2.33	42
LinkedIn	1.02	0.15	42
Youku	1.12	0.33	42
Blogs/Blogging	1.19	0.55	42
With regard to the personal selling function, how often do you use these social media tools to communicate with your prospective customers? (1 = Never, 7 = Very Often)			
WeChat	5.69	1.93	42
Weibo	1.79	1.60	42
QQ	2.74	2.20	42
LinkedIn	1.05	0.22	42
Youku	1.02	0.15	42
Blogs/Blogging	1.10	0.48	42
Rate the overall value of social media for building guanxi with current customers: (1 = No value, 7 = Very valuable)			
	6.05	1.26	40
Rate the overall value of social media for building guanxi with prospects: (1 = No value, 7 = Very valuable)			
	5.75	2.03	40

Table II.

Summary results of sales person survey

Next, we investigated how often respondents used the various social media platforms for sales. We asked respondent, "With regard to the personal selling function, how often do you use these social media tools to communicate with your customers?" on a seven-point scale from 1 (never) to 7 (very often). We asked this question about *current customers* and *prospects*. Consistent with the managers statements, WeChat was clearly used the most by salespeople (current customers: $M = 6.48$, $SD = 1.15$; prospects: $M = 5.69$, $SD = 1.93$). The only other platform with a mean over 2.0 on the scale was QQ

(current customers: $M = 4.21$, $SD = 2.33$; prospects: $M = 2.74$, $SD = 2.20$). A paired sample t -test revealed that salespeople used WeChat significantly more for current customers than for prospects, $t(41) = 3.21$, $p < 0.01$. Likewise, QQ was used more with current customers than prospects, $t(41) = 4.75$, $p < 0.001$. This finding suggests that salespeople are using the platform to build relationships with current customers more than for discovery and acquisition of prospects.

Social media and guanxi

We asked salespeople to rate the value of social media for building *guanxi* with customers on a seven-point scale from 1 (no value) to 7 (very valuable). Respondents indicated that social media was very valuable for building *guanxi* with both current customer ($M = 6.05$; $SD = 1.26$) and prospects ($M = 5.75$; $SD = 2.03$).

Finally, we asked salespeople for an example of how they use social media in the sales process. In all, 31 of the 42 respondents answered this open-ended question. The free response answers were categorized as relationship-oriented or operational-oriented. In all, 23 answers were clearly in line with building *guanxi*, making reference especially to the deeper personal understanding of their customers and affection (*ganqing*) and favors (*renqing*). A typical response was, "I can know what kind of things my customers love and can give them as gifts. I can use it to build up a nice relationship". Another telling response was:

I find out about my customers and what they like so I can send them something relevant. I can send something good to my customers and discuss it later with them.

Yet another salesperson responded, "I often share feelings about common topics to make deeper connections with my customers". A few responses emphasized the long-term nature of *guanxi*, such as "If I already have a relationship with customers, social media can help me develop it for the long-term". The other eight responses referred to operational-based, functional communication or platform features like "I can post information about products, and we often discuss the product and the disease" and "It's easy to contact the customers when they are not in the same city with me". In general, the responses were qualitatively very consistent with our conception of *guanxi* and supported the notion that social media is seen by Chinese salespeople as an important tool for building and maintaining long-term *guanxi* with customers.

Implications

Overall, the results indicated that Chinese salespeople and managers see social media as extremely relevant to the sales process and are committed to its use. Furthermore, they see it as an important tool for building *guanxi*, which is a critical element for doing business in China. While the current study is largely descriptive in nature, the qualitative and quantitative data paint a clear picture of how important social media is to the sales process in China. Virtually our entire sample was familiar with social media, believed that their company encourages its use, and that it is important in building *guanxi*.

There are, however, limitations to be considered. First, the samples are small with only three managers interviewed and 42 salespeople surveyed. Thus, we want to be careful not to over generalize the findings. Second, two of the three managers interviewed represented the pharmaceutical industry, as did the entire survey sample. Looking forward, larger samples from a bigger cross-section of industries would be

desirable. However, this sample does provide an interesting contrast to the US pharmaceutical industry in which social media is scarcely used because of strict regulation. In the future, it would be useful to compare salesforces in the US to China within the same industry to detect fundamental differences in social media use and relationship building.

We previously outlined [Schultz and Peltier's \(2013\)](#) "slippery slope" hypothesis about the tendency for companies to use social media as a means for communicating sales promotions instead of actually engaging customers and building a lasting relationships. We further suggested that the current focus of social media in business-to-business sales seems to be on the operational aspects of the sales process, like communication and discovery ([Andzulis et al., 2012](#)). The current study indicates that this "slippery slope" concern is not an issue in China. Additionally, Chinese salespeople have moved well beyond the operational aspects of social media and are leveraging these tools for relationship building. While the functional aspects of social media are certainly being exploited by Chinese sales professional, the more important function is to build deeper long-term relationships with customers and enhance *guanxi*. Thus, we must expand our view of business-to-business social media to include long-term relationship building functions when evaluating its use in China and perhaps elsewhere.

The current study also has important managerial implications. While US companies have been slow to embrace social media as a business-to-business sales tool, the Chinese have been quick to adopt it. US companies doing business in China must utilize social media within their salesforce to be effective and gain the necessary edge to build successful customer relationships. WeChat, along with QQ and other emerging platforms, is a critical tool for communication and relationship building. More importantly, *guanxi* is an essential part of doing business in China. The structural challenges within China make trust and emotional connection essential to any potential business relationship. As one of the managers emphasized, trust is at the core of *guanxi*. Any firm hoping to succeed in China must understand *guanxi* and the use of Chinese social media to help build it. This study adds to the knowledge and understanding of *guanxi* and begins to elucidate the uses of social media as a tool to build and maintain it.

This study hopefully marks the first step of a deeper and more rigorous investigation into the use of social media to build and maintain *guanxi*. Future research should develop better measures and models to understand the mechanisms through which social media affects *guanxi*. While the current study is largely descriptive, future research should seek to measure performance of salespeople as a function of social media use and identify the causative structures.

Using the insights from this inquiry, we offer a conceptual framework, presented in [Figure 1](#), to help guide future research and applications. Using insights from our interviews and survey free responses, we listed specific social media activities that are aligned with the three key elements (*ganqing, renqing and xinren*) of *guanxi*. We further hypothesize that all three elements are necessary and directly affect overall *guanxi* relationship quality with the customer. In turn, enhanced *guanxi* quality will lead to positive operational and economic outcomes, such as increased customer satisfaction, loyalty and market share. Building upon this study, future research should utilize more specific measures on each of the three *guanxi* elements, measures of overall *guanxi* quality and specific business outcomes. These measures, along with larger sample sizes,

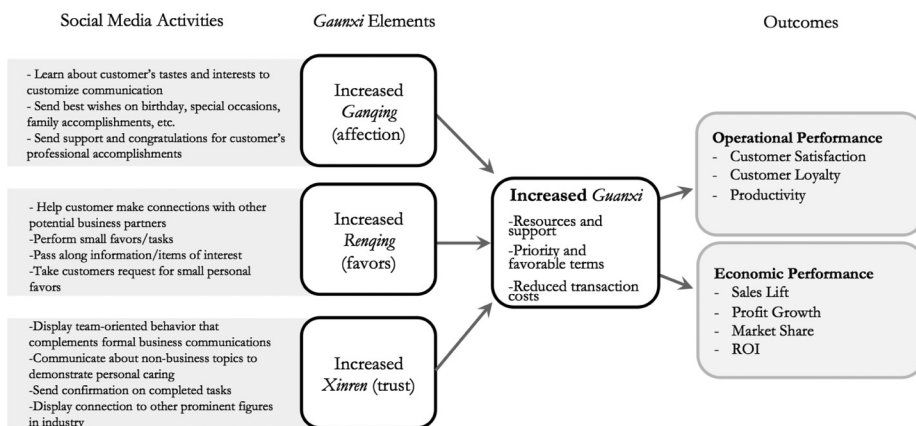


Figure 1. Social media Guanxi model

will allow for the structural modeling of this framework and create further insights into the role of social media and *guanxi* among salesforces in China.

While we have only scratched the surface of social media use among sales professionals in China, it is clearly a very important tool for salesforces. Our interviews and survey data indicated a near universal acceptance and use of social media among Chinese salespeople. Most importantly, social media appears to be the modern gateway to the ancient and culturally unique construct of *guanxi* that is absolutely indispensable to successful business-to-business sales performance in China.

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