

FACE-TO-FACE SELLING INCREASES SALES PERFORMANCE OF REAL ESTATE AGENTS IN THE PHILIPPINES

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Abstract: Multifaceted selling of Philippines real estate condominiums, using direct marketing particularly face-to-face selling and internet marketing is progressively important to have a productive sales performance. This research was conducted for the purpose of identifying the real estate agents' sales performance in high-end developer. Descriptive-correlation design was utilized to test the relationship between demographic variables and direct marketing. Structured survey questionnaire and one-on-one interview were used for data collection. The respondents were 27 real estate agents who are all using direct marketing mainly face-to-face selling and internet marketing in selling high-end condominiums in Metro Manila. From the findings, face-to-face selling has the greatest impact on the number of units sold than internet marketing. Through this result, the most effective direct marketing to attain the sales quota is through face-to-face selling. The researcher proposed a sales approach based on the findings of the study.

Keywords: Face-to-Face Selling, Internet Marketing, Real Estate

Introduction

Real estate business is booming because the government has been financing large parts of the national budget in improving the infrastructure of the country (CitiGlobal Realty & Development. Inc., 2013). In addition, Asia News Network (2011; as cited in Ho, 2011) cited that Filipinos are increasingly adapting to condominium living, prompting developers to undertake more vertical developments. Likewise, increase in OFW inflows is a reason, about 30% of the income of Filipinos abroad is going into residential real estate purchases. Some agents reported that about 60% to 90% of the properties are sold to Filipino immigrants abroad and their families (Dizon, 2008). Most sales associates feel that their ability to interact with people, or their selling skills, improve during their real estate career (Frohriep, 2009). With the continuous increase and growing of the Philippine real estate business, it is very evident that real estate properties are going to be very valued as time passes by. All it takes is a knowledgeable real estate broker and a reliable real estate developer (CitiGlobal Realty & Development. Inc., 2013).

The researcher aimed to know the use of direct marketing towards productive sales performance in real estate business. This research identified the most effective direct marketing mainly face-to-face selling and internet marketing in selling high-end condominiums in Metro Manila. These 2 direct marketing techniques are already proven to increase the sales production of the real estate agents. And through the result, face-to-face selling is the most effective way in selling high-end condominiums. The study also illustrated the probability of producing a sale in each type of direct marketing and proposed sales approach based on the findings of the study.

Literature Review

In face-to-face selling, the inspirational appeal (IA) is an extensively stimulated method that purposes at encouraging customers' values and ideals to arousing feelings and affecting their eagerness for the item (Alavi, Habel, Schmitz, Richter & Wieseke, 2018). Also, it is an imperative marketing communication action by which sellers promote their products to potential buyers directly (Kurata, 2019). In other research, face-to-face selling decreased its effectiveness because of the lack of enough responsiveness and research for the customer (William & Plouffe, 2007; as cited in Paesbruggha, Sharmab, Rangarajanc & Syamd, 2018). The technological improvement and struggle drives internet marketing, while face-to-face selling is all about relationship-building (Wait, 2019).

Internet marketing is reflected in the abrupt message, receiving the correct information, formulating and planning of the item based on consumer's needs and wants, aggregating straight transaction, boosting instantaneous acquisition, as well as emerging and upholding the brand (Obednikovska, Sotiroski, & Gjorgjioska, 2019). It also denotes promotion, formation of marketing movements through Internet (Aleksoska, 2010; as cited in Josimovski, Jovevski, & Kiselicki, 2019).

Research Design

Descriptive Correlational Design was used in the research. The descriptive is fundamentally to describe the characteristics of the real estate agents wherein it was used to gain understanding of direct marketing mainly face-to-face selling and internet marketing. In addition, correlational design was applied in the research to identify the relationship among the variables.

Respondents of the Study

The respondents were 27 real estate agents who are all using direct marketing particularly face-to-face selling and internet marketing in selling high-end condominiums in Metro Manila.

Respondents were purposively selected upon meeting the two criteria in selecting respondents as: (1) Respondents must be affiliated with high-end developer as real estate agents who are selling condominiums in Metro Manila. (2) Respondents should have produced a sale. If either criterion 1 and 2 or both answered "no", therefore the respondent is not qualified answering the survey questionnaire. On the other hand, if both criteria answered with a "yes", then the respondent would be asked to complete the survey.

Research Instruments

The study was empirically tested using the survey questionnaire that was used in the study to help the researcher investigate the research questions. The survey questionnaire was formed in two parts. The first part was employed to gather the demographic profile of a real estate agent such as name, age, sex, civil status, length of service in the company (months) and educational attainment.

The second part covered the 10 activity statements, stating the use of direct marketing particularly face-to-face selling and internet marketing towards productive sales performance in real estate business that would answer the total number of units sold.

Data Gathering Procedure

The survey questionnaires were personally administered by the researcher. The 27 respondents filled out and returned the questionnaires to the researcher at the same period and venue. Gathering the data to the purposively selected real estate agents was conducted for a month. In addition, the researcher directed and voice-recorded the one-on-one interview to 5 respondents.

Statistical Treatment of Data

The data collected through returned survey questionnaires were entered and presented using SPSS software. The frequency and percentage were used to identify the demographic profile of the real estate agents. Likewise, Pearson r was employed to determine the relationship between demographic variables (age, sex and length of service in the company) and direct marketing particularly face-to-face selling and internet marketing. Furthermore, eta coefficient was used to identify the relationship between demographic variables (civil status and educational attainment) and direct marketing mainly face-to-face selling and internet marketing.

Results and Discussion

1. What is the demographic profile of the real estate agents based on the following:
 - 1.1 Age;
 - 1.2 Sex;
 - 1.3 Civil Status;
 - 1.4 Length of Service in the Company (months);
 - 1.5 Educational Attainment?

Table 1 presents the demographic distribution of the real estate agents using frequency and percentage.

The data show that 12 of the real estate agents or 44% are 26 – 30 years old, 9 of them or 33% are 31 – 35 years old, 2 of them or 7% are 20 – 25 years old, 2 of them or 7% are 36 – 40 years old and 2 of them or 7% are 41 – 45 years old.

Moreover, 15 of the respondents or 56% are female and 12 of them or 44% are male. Other research gave evidence that most of the US real estate agents are females. However, males are more productive in selling properties for the reason that females entered real estate sales with less experience than their counterparts (Seagraves & Gallimore, 2013).

In addition, 15 of the respondents or 56% are single, 10 of them or 37% are married and 2 of them or 7% are divorced/separated. Based on interview, most of the single agents worked more than 6 hours a day, other single sellers even work late at night to make sales with clients abroad resulting to increased productivity.

Also, 10 of the real estate agents or 37% worked for 1 – 2 years in the company, 8 of them or 30% worked for 3 – 4 years, 5 of them or 19% worked for more than 6 years, 4 of them or 15% worked for less than a year. Waller and Jubran (2012) concluded that hiring a “veteran” agent will have a positive effect on selling properties.

Furthermore, 21 of the real estate agents or 78% are college graduates, 4 of them or 15% are in the college level, and 2 of them or 7% are with post graduate studies. Educated salespeople are more skilled at understanding with the response of their clients leading to a positive relationship between education and sales performance.

Table 1: Demographic Profile of the Real Estate Agents

Variables	Category	Frequency	Percentage
Age	20 - 25	2	7
	26 - 30	12	44
	31 - 35	9	33
	36 - 40	2	7
	41 - 45	2	7
Sex	Male	12	44
	Female	15	56
Civil Status	Single	15	56
	Married	10	37
	Divorced/Separated	2	7
Length of Service in the Company (months)	< 1 year	4	15
	1 - 2 years	10	37
	3 - 4 years	8	30
	5 - 6 years	0	0
	> 6 years	5	19
Educational Attainment	College Level	4	15
	College Graduate	21	78
	Post Graduate Studies	2	7

2. What is the sales performance of the real estate agents through direct marketing in terms of:
 - 2.1 Face-to-Face Selling;
 - 2.2 Internet Marketing?

Table 2: Sales Performance of the Real Estate Agents through Direct Marketing (Face-to-Face Selling and Internet Marketing)

Direct Marketing	Total Units Sold	Percentage
Face-to-Face Selling	132	95
Internet Marketing	7	5

Table 2 displays the sales performance of the real estate agents through direct marketing particularly face-to-face selling and internet marketing.

The data show that 95% or 132 units sold through face-to-face selling. Effective use of influence skills of the salespersons can result into more productive personal and professional relationships with the customers (Malik & Naeem, 2010). Other research showed that how salespeople structure declarative knowledge in their memory was an important factor of selling success

(Symanski, 1988; as cited in Cicala, Smith, & Bush, 2012). Based on interview, face-to-face selling is the most effective direct marketing to attain sales quota for the reason that through it, the sellers can ask the client's needs and preferences and sellers can discuss more clearly the project details because they have the face-to-face approach with clients.

Furthermore, internet marketing has 5% or 7 units sold. It encourages buyers to search more intensively and discover new properties (Yuan, Lee, Kim & Kim, 2013).

3. What is the significant relationship between the demographic profile of the real estate agents and their sales performance in terms of face-to-face selling and internet marketing?

Table 3: Correlation Matrix between Demographic Profile and Direct Marketing

Direct Marketing	Variables	Coefficient	p-value	Interpretation
Face-to-face Selling	Age	0.25	0.202	Not Significant
	Sex	-0.35	0.077	Not Significant
	Civil Status	0.56	0.012	Significant
	Length of Service in the Company (months)	0.47	0.013	Significant
	Educational Attainment	0.51	0.029	Significant
Internet Marketing	Age	0.14	0.482	Not Significant
	Sex	-0.26	0.198	Not Significant
	Civil Status	0.31	0.296	Not Significant
	Length of Service in the Company (months)	-0.16	0.416	Not Significant
	Educational Attainment	0.27	0.409	Not Significant

Note. Statistical significance: * $p < .05$

Table 3 exhibits the correlation matrix between demographic variables and direct marketing mainly face-to-face selling and internet marketing.

P-value less than 0.05 showed significant relationship. The data present the demographic profiles of the real estate agents such as civil status with 0.012; length of service in the company (months) with 0.013; and, educational attainment with 0.029 that showed significant relationship in face-to-face selling.

Conclusions

Real estate agents have realized the booming real estate industry in their late 20's, it is expected that they have worked with other real estate companies before they got connected with selling high-end condominiums in Metro Manila. In addition, most of the salespersons are females that indicated that the company hired more women in offering residential condominiums to the clients. Although these two demographic variables obtained large portion, they do not have any significant relationship with face-to-face selling and internet marketing.

The researcher also found that among 2 direct marketing, face-to-face selling is the most effective way to attain the sales quota of the real estate agents. Face-to-face selling as the one commonly used to sell high-end condominiums was found to be the most lucrative marketing strategy for the reason that it can help identify the clients' preferences and other concerns that will create a quick response from sellers. Therefore, it is the leading instrument; however, internet marketing must also be maintained to help increase the sales performance of the real estate agents.

Other demographic profiles of the real estate agents particularly civil status, length of service in the company and educational attainment have significant relationship in face-to-face selling. Hence, single agents have more time to look for prospective clients resulting to increase sales performance. Also, rookie real estate agents get to work for long years for the reason that they can sell high-end condominiums. Furthermore, well-educated sellers have self-esteem and ability to speak with intelligence to clients.

Recommendations

Recommendations for real estate agents

1. Maximize the scheduled manning provided by the company.
2. Establish rapport and build client-agent relationship to gain trust.
3. Post online advertisements in clear and precise manner.

Recommendations for real estate firms

1. Produce more booth manning schedules.
2. Create effective advertisements so that more clients will have the interest to inquire.

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