



2nd Australia and New Zealand Conference on Advanced Research (ANZCAR- 2018),  
Melbourne, Australia

ISBN :978-0-6481172-2-3

Asia Pacific Institute of Advanced Research (APIAR)

[www.apiar.org.au](http://www.apiar.org.au)

## **EXPLORING TRUST IN DIRECT SELLING AND INTERNET MARKETING: A STUDY OF CHINESE CONSUMERS**

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### **Abstract**

The purpose of this research is to examine the role of trust in direct selling and Internet marketing. There are two major studies in this research. Specifically, the first study is to explore interpersonal trust in buyer-salesperson relationships in direct selling while the second study is to examine consumer trust in both direct selling and Internet marketing. Study 1 examines the dimensions of interpersonal trust which would affect the buyer-salesperson relationship in a direct selling situation. It also investigates consumers' perceived risk and advantages of direct selling. Questionnaire survey of consumers and non-consumers of direct selling companies was conducted in Hong Kong, China. The results show that there are six dimensions of interpersonal trust in the buyer-seller relationship in direct selling. Unsolicited telephone call (such as telemarketing) is found to have the highest perceived risk and the ability to shop at home is found to have the highest advantage rating of direct selling. Study 2 is designed as an exploratory study using a personal interview approach in which two sample groups were surveyed in China. Two different measures of trust are used (i.e., cognitive and organization trusts). For one measure of trust, cognitive trust, there is a significant difference between the two marketing methods with the value of trust generally being greater for direct selling. In contrast, for organization trust, the second measure of trust, the value is greatest for Internet marketing. This is the first study to examine trust in both Internet marketing and direct selling in the same study. The findings of this research can provide insights for marketing practitioners and future research directions.

**Keywords:** Consumer Trust, Dimensions of Trust, Direct Selling, Internet Marketing, China.

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