

LIVE SELLING AS A MARKETING STRATEGY: IMPACT TOWARDS ONLINE CLOTHING BUSINESSES IN CAVITE

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ABSTRACT

The study was conducted to determine how selling, as a marketing strategy live, contributes to online clothing businesses. Specifically, it aimed to: (1) determine the business profile of the participants in terms of the business ownership, years in ownership, and monthly income; (2) determine the reasons for using live selling as a marketing strategy; (3) determine the impact of live selling to the online clothing business in terms of sales, inventory, and customer retention.

The study utilized a descriptive research approach to achieve the objectives of the study. Fifty (50) Cavite-based online clothing shop owners who use live selling as a marketing strategy provided the data through Google Forms.

As a result, 68% of the participants are sole proprietors, 46% have owned their company for less than three years, and 26% make less than P20,000 a month. Furthermore, the study revealed that online clothing business owners used live selling because it contributes to its business success and had favorable impact towards their online clothing businesses.

The researchers recommended live selling be used by other clothing businesses to attract potential customers and increase sales as well as the company's growth. They additionally recommended that businesses that currently use live selling should keep investing in it to keep up their present level of success. Furthermore, they suggested that other businesses that aren't involved in perishable goods should employ and allocate more resources in order to reach a wider audience and experience substantial growth.

Keywords: live selling, marketing strategy, online clothing

1.0 INTRODUCTION

In the constantly evolving world of online shopping, businesses continually search for innovative strategies to interact with their customers and make their purchases unique. Among these strategies, live selling has become well-known for being a dynamic and engaging strategy that is changing the way products are presented online. In a live selling session, the live seller

presents the products, explains how they function, and takes questions from the audience in real time. Following that, customers can make purchases straight from the live stream, frequently with a unique discount, and the purchase will arrive door to door. Live selling offers a more immersive and interactive shopping experience, frequently minimizing the need for customers to read or browse feature lists, product descriptions, etc., as the live seller can do all these (Pinaroc, 2022). With that, live selling is considered as one of the most popular marketing strategies in today's Philippine market. In fact, 47 percent of the Filipino entrepreneurs revealed on the article paper of NinjaVan Philippines that they sell their products via live social media feed on a daily basis and that they spend 14 hours of live selling sessions weekly. Furthermore, 89 percent of Filipinos are aware of live commerce (Statista Research Department, 2023).

Among all the popular marketing strategies existing in the Philippines today such as influencer marketing, content marketing, email marketing, affiliate marketing, advertising, and etc, Live selling gained more the attention of the business owners wherein Nine in 10 entrepreneurs prefer doing live selling by themselves rather than hire an influencer (Piad, 2023). Thus, the number of online sellers in the Philippines continues to increase as according to DTI Philippines, from 1,700 in March 2020 to 93,318 in January 2021 (as cited by Global Data, 2021) which is possible to conduct live selling as well. Live selling is becoming more and more popular among online businesses these days. Rather than abandoning this marketing strategy in favor of another, more Filipino businesses continue to believe that live selling generates new business, with 74 percent of them citing this as their primary motivation (NinjaVan Philippines, 2023).

Therefore, the researchers aim to determine the intricate impacts of live selling on online businesses, with a focus on sales performance, inventory control, and customer retention, as well as to determine their reasons for using live selling as their marketing strategy.

In the view of preceding statements, this study was conducted to:

1. Determine the business profile of the participants in terms of:
 - a. business ownership;
 - b. years in ownership; and
 - c. monthly income;
2. Determine their reasons for using live selling as a marketing strategy.
3. Determine the impact of live selling to their businesses in terms of:
 - a. sales;
 - b. inventory; and
 - c. customer retention:

2.0 METHODOLOGY

The study used descriptive research to determine the participants' business profile, their reasons for using live selling as a marketing strategy, and the impact of live selling to their

business. The study utilized purposive sampling technique, data were gathered from fifty (50) online clothing business owners in Cavite, who are using live selling as their marketing strategy. A self-administered survey questionnaire was developed for data gathering. It is a structured questionnaire comprising several statements determining the reasons for using live selling as a marketing strategy and its impact to the online clothing businesses.

Frequency counts, percentages, and means were used to analyze the gathered data. Frequency distribution and percentage were used to determine the participants' business profiles. The following descriptive interpretation tables using the Likert scale were used to identify the reasons for using live selling as a marketing strategy, and the impact of live selling towards online clothing businesses.

Table 1. Descriptive interpretation for the reasons for using live selling as a marketing strategy

WEIGHTED MEAN	VERBAL INTERPRETATION
4.21 - 5.00	Strongly Agree
3.41 - 4.20	Agree
2.61 - 3.40	Slightly Agree
1.81 - 2.60	Disagree
1.00 - 1.80	Strongly Disagree

Table 2. Descriptive interpretation for the impact of live selling to the online clothing businesses.

WEIGHTED MEAN	VERBAL INTERPRETATION
4.21 - 5.00	Strongly Agree
3.41 - 4.20	Agree
2.61 - 3.40	Slightly Agree
1.81 - 2.60	Disagree
1.00 - 1.80	Strongly Disagree

3.0 RESULT AND DISCUSSION

3.1 Business Profiles

Table 3 illustrates that the majority of participants—68 percent—are sole proprietors, whereas 92 percent of them have owned their businesses for three years or less. Moreover, 20,000 below is the monthly income of the majority of them, which represents 52% of all participants.

Table 3. Distribution of participants according to their business profiles

BUSINESS PROFILE	FREQUENCY (n=50)	PERCENTAGE
Business Ownership		

Sole Proprietorship	34	68
Partnership	16	32
Corporation	0	0
Years in Ownership		
3 years below	46	92
4 - 6 years	4	8
7 - 9 years	0	0
10 and up years	0	0
Monthly Income		
20,000 below	26	52
20,001 - 50,000	15	30
50,001 - 100,000	6	12
100,001 - 150,000	0	0
150,001 - 200,000	1	2
200,001 and up	2	4

3.2 Reasons for using Live Selling as a Marketing Strategy

Table 4 presents the result for the reasons for using live selling as a marketing strategy. As shown below, statement 6 has the highest weighted mean of 4.26 which was interpreted as strongly agree. Online clothing business owners strongly agree that live selling has a wide range of audience which can be an opportunity to increase their online engagement. Whereas, statement 2 has the lowest weighted mean of 3.86, which was interpreted as agree. Participants agree that live selling lessened the cost for promoting their business. The table below illustrates that the result for the reasons for using live selling as a marketing strategy of the online clothing business owners has an overall weighted mean of 4.1. This means that online clothing business owners used live selling because it contributes to its business success.

This finding was supported by NinjaVan Philippines, 2023, who cited that 47 percent of the Filipino entrepreneurs were selling their products through live selling because of its convenience and effectiveness that would contribute to the business success. Live selling only requires minimal gadgets, lessening the cost for promoting the business, can operate without hiring more employees, attracts potential customers because of its real time interaction and it able to showcase products in a dynamic and authentic way, customers can rewatch whenever they missed the session, it is one of the most popular marketing strategies nowadays, and most

importantly, live selling has a wide range of audience. Participants agree to all of these which therefore live selling contributes to the business success.

Table 4. Reasons of the Participants for Using Live Selling as a Marketing Strategy.

STATEMENT	WEIGHTED MEAN	VERBAL INTERPRETATION
1. I used live selling because it only requires minimal gadgets which are relatively low cost.	3.88	Agree
2. It lessened the cost for promoting my business.	3.86	Agree
3. It can operate without hiring more employees.	3.96	Agree
4. It attracts potential customers.	4.30	Agree
5. Customers can rewatch so they can still buy the product they wanted even if they missed the live selling session.	4.08	Agree
6. It has a wide range of audience which is an opportunity to increase our online engagement.	4.26	Strongly Agree
7. It creates real time interactions with the customers which is an opportunity to build strong connections with them.	4.16	Agree
8. It is able to showcase products in a dynamic and authentic way which encourages customers to buy.	4.20	Agree
9. It establishes customer trust which is an opportunity to sell the products easily.	4.12	Agree
10. Everyone is using it and we want to keep up with what is trend in the market.	4.18	Agree
OVERALL	4.1	AGREE

3.3 Overall Impact of Live Selling to the Online Clothing Business

Table 8 presents the overall results for the impact of live selling towards online clothing business in terms of sales, inventory, and customer retention. With an overall weighted mean of 3.95, customer retention has the highest agreement among the two variables regarding the impact of live selling towards online clothing businesses, followed by sales with an overall weighted mean of 3.85, and lastly inventory has the lowest weighted mean of 3.80. The table below illustrates that the result for the impact of live selling towards online clothing businesses in Cavite has an overall weighted mean of 3.86 although the results are not very strong. This means that live selling had a favorable impact towards online clothing businesses.

The findings were strengthened by Ray and Zou, 2022, who cited that live e-commerce has specific social characteristics that help it stand out from the competitors and attract customers. With these, businesses who use live selling could have a favorable impact with a) sales, Pinaroc, 2022, cited that live selling can raise sale conversion rates by as much as 30 percent as sense of urgency and scarcity can motivate customers to purchase, b) inventory, Imran, 2024, cited that live shoppers are 40 percent less likely to return an item than other online shoppers as the live seller can assist the customer right the way through the transaction and answer any detailed questions and with having a low rate of return items, businesses could have a proper product flow and can reduce expenses as the inventory is being monitored, and customer retention, Chen, et al., 2022, cited that live streamers develop strong attachment bonds with viewers in order to encourage strong purchase intentions and repeat purchases .

Table 5. Overall Impact of Live Selling to the Online Clothing Business

VARIABLE	OVERALL WEIGHTED MEAN	VERBAL INTERPRETATION
Sales	3.85	Agree
Inventory	3.80	Agree
Customer Retention	3.95	Agree
OVERALL	3.86	AGREE

4.0 CONCLUSIONS AND RECOMMENDATIONS

This study was conducted to determine the reasons of online clothing business owners in Cavite for using live selling as a marketing strategy and its impact to their business. The study's specific objectives were to determine the participant's business profile in terms of business ownership, years in ownership, and monthly income; determine the participants' reasons for using live selling as a marketing strategy; and determine the impact of live selling to their business in terms of sales, inventory, and customer retention.

Based on the findings, the following conclusions were drawn:

1. The findings revealed that the majority of the participants are sole proprietors owning their business for three years or less and are earning P20,000 below monthly.

2. Online clothing business owners used live selling as a marketing strategy because it contributes to its business success.
3. Online clothing business owners observed that live selling had a favorable impact to their business in terms of their sales, inventory, and customer retention, therefore;
4. Live selling had a favorable impact towards online clothing businesses in Cavite.

Based on the above conclusions, the following recommendations are made:

1. The other clothing businesses might also use live selling as their way of attracting their potential customers and amplify not just the sales but as well as the growth of the business since it has been proven that live selling expands the success and had a favorable impact on online clothing businesses
2. Businesses who use live selling should continue investing in it to maintain their level of success as the study revealed that live selling had a favorable impact towards online clothing businesses
3. Live selling is a strategy that other non-perishable goods businesses should employ and allocate more resources to in order to reach a wider audience and experience substantial growth since the study revealed that online clothing business owners used live selling because it contributes to their business success.
4. For future researchers, they may use this study as a future reference and expand the study when conducting research that may be related to the impact of live selling towards online clothing businesses.

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