

ABSTRACT

Abilities to codify and transfer knowledge make human beings far advanced than all known creatures on the earth. However, knowledge needs individuals to transfer to improve the performance of individuals, organizations, and countries. For decades, studies regarding knowledge diffusion have found that knowledge per se creates an important impact on the knowledge diffusion and most studies use the knowledge as a determinant. In the mean time, all knowledge has its immeasurable tacit portion that makes the knowledge an immeasurable determinant and creates a major problem of study. Thus, this study argues that, knowledge needs to be constrained to reduce its dominant influence to reveal a proper phenomenon of person to person knowledge diffusion.

Social science studies recommend the importance of context factors in knowledge diffusion. Thus this study includes the determinants such as participant capabilities, knowledge gap, tie strength, path length, socialization mechanisms, and language as suggested in the actor network theory that all factors are equally important.

The study uses the active agent of multiple level marketing (MLM) businesses in Thailand as the target population as they use person to person knowledge diffusion to market their products. From seven major MLMs 480 active agents were surveyed and structural equation modeling and Fisher's z-test were used as the statistical tools to do the hypothesis tests.

The findings reveal that, recipient capability, knowledge gap, and lateral socialization mechanism have exhibited significant influences on the level of knowledge diffusion and the significant relationships between determinants are also found. The demographic differences are also found on education, significance of MLM income, and the corporation. The findings are applicable for practitioners who focus on the standardized operation process and emphasize on knowledge replication.

This study, as expected, provides some inconsistent findings with previous studies which might be due to the constraining of knowledge and the synchronized effects of determinants. Thus, numerous future studies can be derived from this study by constraining another knowledge scope, testing in other context or country, using the objective measures, or studying the organizational differences.

