

# **PREDICTING SMES USE OF BUSINESS RELATED SOCIAL MEDIA**

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## **Abstract**

**Background:** There has been dramatic growth in the use of social media over the past number of years. This has influenced not just individuals, but importantly the way in which business now carry out their daily day-to-day business activities. Marketing and advertising strategies are now using social media to promote products, services and brand awareness. However, Small-Medium-Enterprises may not be adopting social media fully and thus missing out of gaining new customers, market share, sales and competitive advantage.

**Aim:** The overall aim of this research is to understand the impact of each key attitudes, perceptions and abilities of SME owner/mangers around using and adopting social media within their business activities, through an application of the Theory of Planned Behaviour model. An expanded model measuring the role of online trust, security and privacy drivers was conceptualised.

**Methodology:** A mix-methodology employing cross-sectional qualitative (in-depth interview) and quantitative (online survey) approaches was formulated based on the Theory of Planned Behaviour model. In total six professionals took part in the interviews while 89 SMEs completed the survey.

**Findings & Conclusion:** Analysis identified specific advantages and disadvantages in regards to using business related social media. Additionally, social pressures, barriers and facilitators experienced by owner/mangers were also identified. Statistically, the TPB had a significant impact on owner/mangers decision making processes around using social media; however trust, security and privacy had no significant impact. Importantly, owner/mangers social media usage was influence by their own decisions solely and not their personal abilities. . Overall, most SMEs used social media, however few were able to measure its return-on-investment for the business. The study identified a need for further research within this area and specific training around measuring return-on-investment. All findings were discussed in light of current research and literature.

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*Στη μνήμη της μητέρας μου*

## Table of Contents

Chapter 1. Introduction .....	5
1.1 Background to the research .....	5
1.2 Research problem .....	6
1.3 Overall research aim .....	6
Chapter 2. Literature Review .....	7
2.1 Introduction .....	7
2.2 Defining SM and its function .....	7
2.3 Advantages of SM within business.....	8
2.4 Business engagement with SM.....	8
2.5 Irish business and SM engagement.....	9
2.6 Drivers of SM adoption with business.....	10
2.7 TPB and previous applications .....	11
2.8 Conceptual outline of the TPB .....	12
2.9 Rationale of current study.....	13
Chapter 3. Methodology .....	14
3.1 Introduction .....	14
3.2 Research objectives .....	14
3.3 Research philosophy.....	15
3.4 Research design and strategy.....	15
3.5 Data collection methods .....	16
3.5.1 Phase 1: In-depth semi structured interviews.....	16
3.5.2 Phase 2: Survey design.....	16
3.5.2.1 TPB questionnaire.....	17
3.5.2.1.1 Attitude towards the behaviour.....	17
3.5.2.1.2 Subjective-norm (SN).....	17
3.5.2.1.3 Perceived behavioural control (PBC) .....	17
3.5.2.1.4 Intention.....	17
3.5.2.1.5 Behaviour .....	18
3.5.2.2 Return on Investment (ROI) .....	18
3.5.2.3 Security, trust and privacy .....	18
3.5.2.4 Demographic information.....	18
3.5.3 Sample and procedure .....	19
3.5.4 Proposed analysis .....	20
Chapter 4. Research Findings .....	21
4.1 Introduction .....	21
4.2 Phase 1: Qualitative findings of interviews with professionals.....	21
4.2.1 Attitudinal beliefs surrounding SMEs usage of SM.....	21

4.2.1.1 Advantages of SMEs using SM .....	21
4.2.1.2 Disadvantages of SMEs using SM.....	22
4.2.2 Normative influences around SMEs usage of SM .....	23
4.2.2.1 Positive salient individuals or groups .....	23
4.2.2.2 Negative salient individuals or groups.....	23
4.2.3 Control beliefs surrounding SMEs usage of SM.....	24
4.2.3.1 Facilitating factors for SM business activities .....	24
4.2.3.2 Barriers around SM business activities .....	25
4.2.4 ROI and SM within business activities .....	26
4.3 Phase 2: Quantitative findings of SMEs and SM survey.....	28
4.3.1 Demographic information surround SMEs and SME owner/managers .....	28
4.3.1.1 Use of SM within business activities .....	28
4.3.1.2 Frequency of SM use within SMEs for business activities.....	29
4.3.1.3 Average number of posts/updates per single business day .....	30
4.3.1.4 Duration of SM Use within SMEs .....	30
4.3.1.5 Breakdown of SMEs by sector.....	31
4.3.2 ROI of SM on SMEs business activities .....	32
4.3.3 Descriptive and correlational analysis of extended TPB and behaviour variables.....	34
4.3.3.1 Descriptive statistical analysis among extended TPB and behaviour variables.....	34
4.3.3.2 Correlates of SM behaviours and intentions .....	35
4.3.4 Predicting SM intentions and behaviours.....	38
4.3.4.1 Predicting SM intentions.....	38
4.3.4.2 Predicting weekly business related SM activity.....	39
4.3.4.3 Predicting frequency of business related SM activity.....	40
4.3.5 Overview of regression analysis.....	40
Chapter 5. Conclusion & Recommendations .....	41
5.1 Introduction .....	41
5.2 Perceptions of professionals towards SMEs using SM .....	41
5.2.1 Advantages of using SM for business activities.....	41
5.2.2 Disadvantages of using SM for business activities .....	42
5.2.3 Social pressures from ‘significant others’ to use SM.....	42
5.2.4 Facilitators impacting on SM engagement within the business .....	42
5.2.5 Barriers to employing SM within the business .....	43
5.3 Return-on-Investment (ROI) of SM business activities .....	43
5.4 Predicting owner/managers intentions to use SM.....	44
5.5 Role of security, trust and privacy on SM use intentions .....	45
5.6 Predicting owner/manager SM business activities .....	45
5.7 Limitations.....	46
5.8 Recommendations .....	46



5.9 Final thoughts .....	48
References.....	49
APPENDIX 1.....	55
APPENDIX 2.....	56
APPENDIX 3.....	58
APPENDIX 4.....	61

## **Lists of Graphs and Tables**

### **Graphs**

Graph 1. Do you currently use SM in your day-to-day business activities?.....	28
Graph 2. In an average working day how may updates and/or posts would you create on SM?.....	30
Graph 3. How many years have you been using SM within your business. ....	31
Graph 4. Frequency Breakdown of SMEs by Sector Type.....	31
Graph 5. Ability of participants to measure ROI of SM on business. ....	32

### **Tables**

Table 1. How often do you use SM as part of your business activities? .....	29
Table 2. Participants Percentage Rating of SMs Impact on Business Activities.....	33
Table 3. Descriptive Statistics and Pearson Correlations between selected TPB, Security, Trust, Privacy and Behaviour Variables .....	37
Table 4. Predicting Owner/Managers SM decisions.....	39
Table 5. Predicting Owner/Mangers Weekly SM Usage.....	39
Table 6. Predicting Owner/Managers Frequency of SM Usage .....	40

# Chapter 1. Introduction

## 1.1 Background to the research

In recent years social media and technology has impacted and changed how individuals communicate, shop and conduct their day-to-day business (Solis 2010). Thus, this has had an impact on online marketing and advertising which have started to embrace social media marketing which has opened up enormous possibilities for companies and individuals to promote and build their companies, brands, their online presence (Reed 2011; Sheehan 2010). Social media (SM) allows consumers to engage with brands or companies, provide feedback about products and services; and it allows companies to reach wider range of audience by targeting a specific gender or an age segment (Solis 2010). The development of SM through social networking sites, video and photo sharing sites, and blogs make it possible for users themselves to generate information and not only consume it (Weber 2009).

The popularity of such websites is growing at an ever increasing rate. Facebook has over 500 million users, Twitter has grown to 75 million users and on YouTube a new video is uploaded almost every minute (Reed 2011). The growing medium has great potential for businesses as a tool for promotion and for building consumer loyalty (Sheehan 2010). Furthermore, SM can provide an increased advantage for word-of-mouth marketing especially that it has been indicated that individuals are more likely to trust the feedback for an anonymous individual rather than an advertisement (Weber 2009). Online presence in at least one of social-networking-sites (SNS) is nearly essential for any company. However many enterprises are still either falling behind in adopting or fully engaging with the social media trend (Solis 2010), especially small to medium enterprises, and in Ireland is no different to anywhere else.

Importantly, the use of social media as a tool for promotion and engagement with the consumer can add on a competitive advantage to any SME's, especially within the business-to-customer (B2C) business model. This is particularly important in times of current recession (Weber 2009) as;

- a. Social networking sites are easy platforms for online presence and not only they are easy to set up, maintain and update comparing to a website or an app but also they are free for use for both parties, consumers and businesses.
- b. SM should be not overlooked as tool for only reaching Ireland based customers.

## **1.2 Research problem**

Small-to-Medium Enterprises (SMEs) have an important role within the economic structure of Ireland. However, recent findings indicated their non-engagement with SM as a business activity (Durkin *et al* 2013); suggesting that non-adopting SM could impact on their competitive advantage (Stockdale *et al* 2012) and customer experience (Sashi 2012). Little research has examined the role of SM adoption or usage drivers within Irish SMEs (Durkin *et al* 2013).

## **1.3 Overall research aim**

The current research aims to further understand the attitudes, perceptions and barriers of SME managers and owners and this engagement with SM marketing. Recent literature (which will be examined more fully in Chapter 2) has shown the need for SME's and especially within Ireland, to engage with this process and practice. The benefits of SM marketing as an important tool have been previously identified. Also, recent research indicated the role of online trust, security and privacy as significant antecedent of decisions on online SM marketing and planning. However, little research has been conducted in regards to SME's. Thus, this research aims to develop a predictive model to explore the impact of antecedents (attitudes, perceptions and barriers) on SME's intentions and behaviours around the utilisation of SM.

## Chapter 2. Literature Review

### 2.1 Introduction

The importance of Social Media (SM) has been growing steadily for the past number of years (Durkin *et al* 2013). Especially with increased technological advances in regards mobile devices such as phones and tablets, there is much greater ease of access to SM for individuals which previously been bound to both time and location constraints (Bernhardt *et al* 2012; Okazaki and Taylor 2013). Importantly, the increasing utilisation of SM as a beneficial marketing tool within companies have been document in the literature (Sexsmith and Angel 2012). However, it has also been reported that small-medium sized enterprises (SMEs) may not be fully utilising SM and its benefits (Durkin *et al* 2013). The focus of this literature review is to examine relevant and current research theory and evidence to understand the motivations, barriers and perceptions around SME adoption of SM; in turn, developing the rationale and model generation for the current research.

### 2.2 Defining SM and its function

Durkin *et al* (2013) argue that similar the internet revolution in the 1990's, when there was major technological developments; the present effect of SM on individual's lives has been truly remarkable. Kaplan and Haenlein (2010, p. 61) define SM as "*a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content*". Reed (2011) highlights that SM is generally a free online tool and platform that individuals can use to publish information, communicate and share information. Types of SM include blogs, podcasts, online video and photo-sharing and social networking sites (SNS). Recent figures have reported that there are over 1.73 billion users worldwide of SM in 2013, which is an 18 percent increase from the previous year. This figure is set to increase to 2.55 billion individuals by the year 2017 (eMarketer 2013). The impact of SM has changed how individuals not only communicate; but also how they shop and conduct their day-to-day business (Solis 2010). However, it is not only individuals who have experienced the impact of SM, businesses and companies have also gain many advantages from using SM as a marketing tool (O'Brien 2011; Sashi 2012).

### **2.3 Advantages of SM within business**

Past literature has identified several advantages of using SM as a marketing and advertising tool (Sexsmith and Angel 2012). More specifically, the advantages of employing SM allows the company to connect more personally with their customers (Bernhardt *et al* 2012; Sexsmith and Angel 2012; Hansson *et al* 2013) by understanding their needs and wants around products and services (Sexsmith and Angel 2012; Hansson *et al* 2013; Okazaki and Taylor 2013). Communication about products and services has become a personalised two-way dialogue between the company and the customer (Blakeman and Brown 2010; Bernhardt *et al* 2012). Businesses and companies through SM can understand their customer's experiences around both their products and services (Sexsmith and Angel 2012). However SM communication is not only with the company and the customer, rather it can also be between customer to customer (Dooley *et al* 2012) or word of mouth (WOM) when discussing and reviewing brands (Park and Cho 2012); this can influence higher levels of brand awareness (Blakeman and Brown 2010; Swani *et al* 2013).

Sexsmith and Angel (2012) recommend using SM within the marketing mix or strategies, rather than just keeping count of the number of 'likes' the company accumulates; thus developing new and innovative ways of communicating with their customers. Fostering communication is highly important, not only does it further develop commercial relationships with existing users by keeping them loyal, but also reaches out to new users or purchasers (Blakeman and Brown 2010; Hoffman and Novak 2012; Hansson *et al* 2013). This process has been identified by recent research which indicated that purchasing and repurchasing decisions are becoming more influenced by the role of SM (Bernhardt *et al* 2012; Hansson *et al* 2013). Furthermore, with increased engagement with existing and potential customers the outcome of this is not only increasing in their brands; but also on their sales and return of investment (ROI) (Swani *et al* 2013). It is no surprise why SM tools are becoming an integral part of a company's marketing and planning strategies (Bernhardt *et al* 2012).

### **2.4 Business engagement with SM**

Clearly, many companies and businesses understand the value that SM can provide. Adoption of SM provides the opportunity not only to connect and communicate with other businesses and customers similar to individuals who use SM for recreational purposes

(Hopkins 2012). Part of the attraction of SM as a marketing tool is clearly centres around its usability and ease of use (Boyd and Ellison 2008). Interestingly, Boyd and Ellison (2008) argued that similar to recreational use; companies and business can connect either business-to-business (B2B) or business-to-customer (B2C) without any need of a formal introduction. An important role of SM is how it aids in overcoming commercial barriers and allowing contact without any necessary formal introduction. Another central motivation to adopting SM as a marketing tool is quite simply most SM sites are either free or have little costs associated with joining them; while advertising with SM sites is also generally cost effective (Hansson *et al* 2013). Okazaki and Taylor (2013) reported that the majority of large firms in North America are actively using either Twitter or Facebook accounts or blogs; though they also quite explicit in the need for further research on SM adoption. Primarily, there is a need for research in this area since SM adoption by companies or business is only a recent trend. They also identified that little cross-national research has been conducted due to the complexity of the data collection techniques, especially with such large scale data collection. Lastly, the nature of SM is personalised to the target customer and not global in nature (Okazaki and Taylor 2013). Thus, it can be concluded that further research in this area would provide valuable insight not only to SM use by companies but also their motivations for adoption or non-adoption.

## **2.5 Irish business and SM engagement**

Previously, research has suggested that SM has clearly many benefits not only for the company's (Swani *et al* 2013) but also for its customers (Bernhardt *et al* 2012; Sexsmith and Angel 2012; Hansson *et al* 2013). However, recent evidence has implied that Irish Small Medium Enterprises (SMEs) are not engaging SM as much as they should (Digital Marketing Institute 2013) and not gaining nor understanding its true value on their ROI. SMEs are defined as "*enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro, and/or an annual balance sheet total not exceeding 43 million euro*" (European Commission 2003; p. 5). According to the Irish Department of Finance (2013) SMEs account for nearly 99 percent of all Irish businesses and employ around 70 percent of the Irish workforce, suggesting their importance to the economy is quite substantial. Thus, the impact of non-adoption of SM not only would impact directly on the growth of the SME but also indirectly on the Irish Economy. What evidence does exist around SM adoption and usage within an Irish context is often

contradictory (The Marketing Institute Ireland 2012; Digital Times 2012); with more focus on descriptive trends of usage rather than exploring the role of key drivers of business usage or adoption. Though some initiatives have been put in place for SM companies to support Irish SMEs it is only on a small scale (Independent.ie 2013). It is becoming clearer that there is a significant gap in the literature around Irish SMEs adopting or engaging with SM (Durkin *et al* 2013). Durkin *et al* (2013) suggest that this gap in the knowledge impacts on how best to support SMEs engaging with SM. Limitations within research literature are partially due to the fact that SM and technology in general, are advancing at a rate which academic research cannot keep up. In turn, this impacts on the understanding of the role of attitudes and underlying motivations of managers and owners SM implementation intentions (Durkin *et al* 2013).

## **2.6 Drivers of SM adoption with business**

Similar research in regards to mobile customer-relationship- marketing (CRM) reported that key drivers such as; organisational culture, company size and managerial staff had a significant role in adoption (Zhang 2011). Also, Khalifa and Shen (2008) reported that in regard to B2C mobile ecommerce adoption, both the managers abilities and their perceptions of its usefulness significantly influenced its adoption or non-adoption within the company. Within SMEs, managers and owners level of technology orientation has a crucial role because it is their implementation intentions that will eventually predict its use within the company (Fillis *et al* 2004; Santos 2011). Additional drivers such as perceived level of efficacy, attitudes towards the technology and operational issues are also highly important (Fillis *et al* 2004). Similarly, Curras-Perez *et al* (2012) reported that attitude towards SM had a significant role predicting adoption behaviours amongst users. The more favourable the attitudes towards SM the more likely individuals would adopt SM. Importantly, the literature has indicated some key drivers of SM adoption, mostly centred on the owners and managers perceptions around SM knowledge, abilities and time demands. More specifically, Holmes *et al* (2012) identified that unfamiliarity with SM, feeling of not having the appropriate skills or knowledge were all reported by small craft industry owners motivations for not employing SM. However, external factors (such as the SM service itself) have also had been reported to have important role within e-business adoption (Shin 2010) within businesses.



Trust in online services has been shown to have an important role within e-commerce transactions (Pavlou and Gefen 2005; Zhou *et al* 2007; Shareef *et al* 2013) and SM business activities (Kim 2012), where there is more trust then there is lower levels of perceived risk (Huo *et al* 2011). Notwithstanding most research has focused on the B2C relationship from the customer point of view using an online service, and not from the business viewpoint using the online SM service. At present, little research has been conducted exploring the role of trust impacting on SM adoption within SMEs. Similarly, both security and privacy could also have potential implications for SM adoption. Unsurprisingly, security factors surrounding the storage of personal information of users has previously been reported to have a significant role in the adoption or non-adoption of e-commerce (Abedelghaffer and Moustafa 2012) and SNS (Shin 2010). While, privacy is often perceived to be synonymous with security; however evidence suggests contrary (Shin 2010) implying that perceptions of privacy around SM would have implications for its users (Shin 2010). The role of trust, privacy and security within business e-commerce transactions are related (Shareef *et al* 2013) not only to each other, but also with the attitudes of users towards the online service (George, 2002).

When exploring technology adoption within companies or businesses it is important to understand the specific motivations of adoption; but it is equally important to understand the role of social and psychological antecedents of adoption intentions (Scialdone and Zhang 2010). Fillis *et al* (2004) further advocate the utilisation of a conceptual framework model to aid in the understanding of SME manager and owner technology adoption behaviours. One such conceptual framework model that has been applied previously to explore the drivers of various online behaviour and technology adoption has been Ajzen's (1991) Theory of Planned Behaviour (TPB).

## **2.7 TPB and previous applications**

Ajzen's (1991) Theory of Planned Behaviour (TPB) approach suggests that attitudes, abilities, and norms have a role in predicting human behaviour via the mediating role of behavioural intentions. Ajzen (2011 p.1122) defines behavioural intention as "*a person's readiness to perform a behaviour.*" Thus, applying a theoretical approach such as the TPB (Ajzen 1991) model would provide an integrated understanding of managers and owners decisions or behavioural intentions to adopt or engage with SM within their SME.

Previous research has successfully demonstrated the utility of the TPB model in explaining various online and technology adoption intentions and behaviours such as; e-transaction adoption (Putit 2008), banking adoption (Lee 2009; Sanayei and Bahmani 2012), self-protection intentions around online privacy (Yao and Linz 2008), online shopping behaviours (Hsu *et al* 2006; Hansen 2008) and online gaming (Lee 2009). Similarly, alternative has employed comparable theoretical frameworks examining social pressures to adopted social media by leaders was also report; along with their levels of perceived use and ease of use of social media (Milewicz and Saxby 2013). However, applying the TPB to understand SME managers and owners intention to adopt SM has been very limited.

## **2.8 Conceptual outline of the TPB**

As mentioned, behavioural intentions is clearly important to predicting behaviour and are identified to be the motivations required to engage with behaviour. Simply, the stronger the behavioural intention toward the behaviour, the increased likelihood there is of carrying out that behaviour (Ajzen 1991). Ajzen's (1991) theoretical model outlines that intentions are indicated by three salient of attitudes towards the behaviour, subjective norms (SN) and perceived behavioural control (PBC). In regards to this research, an application of the TPB (Ajzen 1991) would examine the attitudes of managers and owners towards adopting SM within their SME. Likewise, the social factor of SN would examine social pressures in discouraging or encouraging adoption with SM within their SME. Lastly, the determinant of PBC would examine the perceived personal difficulties, obstacles or facilitators in adopting SM within their SME. It should be noted that PBC has a dual predictive influence, not only as a determinant of intentions but equally important as a direct determinant of behaviour (Ajzen 1991).

Additionally, the theory also posits that the determinants of intention are attitude, SN, and PBC, however just as intention has determinants so do attitudes, SN, and PBC. These are referred to as the indirect determinants of behavioural intention (Ajzen and Fishbein 1980). The expectancy-value model is employed so to examine the cognitive-information within attitudes, SN and PBC (Ajzen and Fishbein 1980; Ajzen 1991). These underlying indirect drivers are attitudinal beliefs, normative beliefs, and control beliefs; each respectively indicates the corresponding direct drivers of attitude, SN, and PBC (Ajzen 1991; Hankins *et*

al 2000). The belief based drivers are important when wanting to examine the specific beliefs of individuals in relation to a given behaviour. They provide the important information about the relevance of each specific belief but also their relevant importance to the intended behaviour (Armitage and Conner 2001). It should be noted that the underlying beliefs within the theory provides important information about the specific reasons on whether why individuals intend to carry out behaviour or not. Also, little research has been carried out within technology adoption applying this process

## **2.9 Rationale of current study**

Overall, the literature has identified the need for further understanding SMEs intentions to adopt and engage with SM within their businesses (Durkin et al 2013). The advantages (Sexsmith and Angel 2012) and salient drivers (Fillis *et al* 2004; Santos 2011) of SM within businesses have also been identified. More specifically, it has been demonstrated that SM adoption by an SME is based on the decisions of the manager or owner. Salient drivers such as their attitudes (Curras-Perez et al 2012), abilities (Fillis *et al* 2004), social pressures and perceptions (Scialdone and Zhang 2010; Milewicz and Saxby 2013) around ease of use and usability (Boyd and Ellison 2008) were identified as underlying antecedent of their decisions (*see Appendix 1*). Also, other factors such as security, privacy (Shin 2010) and trust (Kim 2012) had significant role with engaging with similar online commercial activities. Though the TPB (Ajzen 1991) research in this area of owners and managers intentions to adopt or engage with SM within their SME is limited. Previous applications of the TPB (Ajzen 1991) around similar online behaviours provided strong support for its utility and application with the current study. In conclusion, current study will employ and extended TPB (Ajzen 1991) model to further understanding how the fore mentioned social and psychological factors influence SME managers and owners intentions to adopt and engage with SM.

## Chapter 3. Methodology

### 3.1 Introduction

The current research aims to investigate the role of attitudinal, normative and control antecedents and their possible impact on SME owners/managers decisions and behaviours around using SM for business activities. However, firstly it is important to understand the nature and definition of business research methods. Business research methods are the “*application of the scientific method in searching for the truth about business phenomena*” (Zikmund *et al* 2010 p. 5); and in this instance they provide the systematic and rigorous (Saunders *et al* 2011) parameters for increasing our knowledge around Irish SMEs usage of SM and its ROI. Thus, the outline of this chapter provides a description of the various approaches, designs and methods that to be employed to test the main research objectives of this study.

### 3.2 Research objectives

The overall aim of this research is to apply Ajzen’s (1991) TPB theoretical framework model in order to understand more fully SME owner/managers decision making process around engaging with SM within their business activities. More specifically the major objectives of this study are:

1. To understand how SME owner/managers attitudinal beliefs and the social expectations of others impact on their using SM within business actives as perceived from professionals,
2. To identify the benefits and barriers of utilising SM for business activities,
3. To examine if SMEs measure the ROI of SM and its possible impact on their businesses,
4. To explore SMEs intentions to engage with SM for business activities,
5. To investigate the predictive role of security, privacy and trust on SM business decisions,
6. To test the overall utility of an extended TPB model in predicting SM use for business activities.

### **3.3 Research philosophy**

The current research adopted a mixed methodology that employed both *interpretivist* and *positivistic* philosophies. More specifically, interpretivism was employed to explore SME agency stakeholders and academic subjective insights into (Creswell 2003; Howitt and Cramer 2010) SMEs engagement with SM as a marketing tool. In contrast, the positivistic approach applied an objective or generalizable analysis (Creswell 2003; Howitt and Cramer 2010; Saunders *et al* 2011) of SM engagement within a sample taken from the SME population. Thus, the mixed approach of qualitative (inductive) and quantitative (deductive) strategies (Saunders *et al* 2012) and within an exploratory sequential approach (Creswell 2003) over two phases. These approaches were deemed appropriate due to the objectives to be examined by the research and the associated framework formulae of the TPB (Ajzen 1991). Ajzen (1991) suggested that when formulating the TPB questionnaire a qualitative approach may be of benefit to understand the attitudinal, normative (social expectations) and control (personal abilities) beliefs that can impact on behavioural decisions. The TPB allows a structured or guided approach in understanding how each of these three factors account for decisions around using SM for business activities.

### **3.4 Research design and strategy**

In relation to the first phase of the study, in-depth semi structured qualitative interviews were used to explore the subjective perceptions and experiences of various professionals (academics, SME advisors and researchers) toward SMEs use of SM within their business activities. As this phase of the research was *interpretivist* (Gummesson 2003) individuals did not separate themselves from their own environment rather they were able to draw from their own socially constructed reality. The qualitative statements posed to the individuals were based on Ajzen's (1991) framework applied to SMEs and SM. Employing such a design will allow individuals to express how they feel about key factors of interest which can inform and guide the construct of the survey. Additionally, a cross-sectional, descriptive, prospective research design was employed for the quantitative components of the study; as it employed a survey design. However, even though this phase used a survey design rather than an experiment causal effects were still able to be examined. Meaning, the criterion variables (intention and behaviour) were regressed on their respective predictor's variables; for intention it was attitudes, SN and PBC, security, trust and privacy; and for

behaviour (engaging with SM) it was intentions and PBC. Thus, the multivariate model testing approach was still able to be used to infer causal relationships (Hoyle, 1995).

### **3.5 Data collection methods**

As previously mentioned due to the current aims of the research an exploratory sequential approach (Creswell 2003) was applied. The first phase of the research consisted of a qualitative in-depth interview followed by the second phase of a short self-report survey. Both these methods will be addressed in the following sections.

#### **3.5.1 Phase 1: In-depth semi structured interviews**

The semi structure interview followed the recommendations by Ajzen (1991) and utilised each of the main underlying beliefs of attitudes, SN and PBC (*see Appendix 2 for interview questions*). In regards to attitudinal beliefs, participants were asked separately what they felt were the advantages and disadvantages of owner/managers using SM as a marketing tool in their business. A further question was used to explore if they had any other feelings or thoughts on the issue. The next set of questions focused on the normative or social influences that owner/managers might feel around using SM as a marketing tool within their businesses. Several questions were posed to participants in order to identify possible individuals or groups would either encourage or discourage using SM as a marketing tool. Additionally, control beliefs exploring participant's perceptions of factors which could be facilitating or barriers to SMEs engaging with SM as a marketing tool. Lastly, there were several questions exploring the ROI of SM for SMEs; mostly if they thought it was successful and beneficial for SMEs. A final question focused on what could be done for Irish SMEs to understand its benefits for their businesses.

#### **3.5.2 Phase 2: Survey design**

The survey contained four sections: (1) Ajzen's (1991) TPB variables and behaviour/usage; (2) items measuring ROI; (3) security, trust and privacy; and (4) additional background information in regards the owner/manager and SME.

### 3.5.2.1 TPB questionnaire

The questionnaire was designed to enable the researcher to measure the direct constructs of The TPB (Ajzen 1991). All items were consistent with previous applications and employed a semantic differential format (Osgood *et al* 1957); using a seven-point scale. As identified by Ajzen (1991, 2000) the main TPB variables employed in this survey were attitudes (or attitudes toward the behaviour), SN, PBC, intention and SM usage behaviours. Details of each of these direct constructs within the model are as follows:

**3.5.2.1.1 Attitude towards the behaviour** required participants to rate how they would feel using SM as a marketing tool for their business on four items. Responses were measured on four sets of seven-point semantic differential scales; for example '*Extremely Effective (1) – Extremely Ineffective (7)*' and '*Extremely Complex (1) – Extremely Uncomplex (7)*'. Low scores indicated negative attitudes and high scores indicated positive attitudes; thus two items were reversed to control for transfer effects.

**3.5.2.1.2 Subjective-norm (SN)** was measured by one item. This required participants to rate their general level of how important 'significant others' would expect them to act with regards to using SM as a marketing tool within their business. This statement '*It is expected of me by others (e.g. business colleagues, customers competition) that I should use Social Media as a marketing tool within my business on a regular basis*' was rated on a seven-point '*Definitely True (1) – Definitely False (7)*' semantic differential.

**3.5.2.1.3 Perceived behavioural control (PBC)** consisted of four items such as 'Whether or not I use Social Media as a marketing tool within my business on a regular basis is entirely up to me (rated on a 'Strongly Agree (1) – Strongly Disagree (7) response set)' and 'I feel I have the ability to use Social Media as a marketing tool in my business (rated on a 'Definitely True (1) – Definitely False (7) response set)'. All four items were reversed so that low scores would indicate less ability or more barriers; while higher scores indicated more ability and less barriers of SME owner/managers use or engagement around SM.

**3.5.2.1.4 Intention** was assessed by means of two items posed at separate points within the survey which asked participants about the likelihood if the 'plan to use Social Media as a marketing tool within my business on a regular basis' and their 'intention to use Social Media as a marketing tool within my business.' Both items were rated by participants on an

‘Extremely Likely (1) – Extremely Unlikely (7)’ response setting, however they were reversed thus with higher scores indicating stronger intention to engage with SM than lower scores.

**3.5.2.1.5 Behaviour** of owner/managers around SM as a marketing tool within their businesses was assessed through four main areas which reflected (1) how often they used SM per day in minutes and how many postings/updates; (2) how often they use SM for business activities over a year; (3) how often they use SM during the course of an average week; and finally (4) how many years have they been engaged with SM for business activities.

### **3.5.2.2 Return on Investment (ROI)**

This construct was measured firstly by asking participants if they measured the ROI of SM on their respective business (*I am able to measure the Return on Investment (ROI) Social Media has on my business*). Participants were able to rate this on a ‘*Strongly Agree (1) – Uncertain (5)*’ response set. However, there were three other items which asked participants to rate in terms of percentage of SM return in regards to contributing to their businesses overall sales, leads/enquiries and market share.

### **3.5.2.3 Security, trust and privacy**

Security, trust and privacy around using SM within the business was measured by single items. In relation to security, it asked if ‘*Using Social Media as a marketing tool could pose a serious security threat*’; while trust was measured by ‘*Overall, I feel that Social Media sites can be trusted with the information you provide them*’. Each item was rated on a ‘*Strongly Agree (1) – Strongly Disagree (7)*’ response set and recode so higher scores reflected more positive responses. Lastly, privacy around personal information was measured by ‘*I’m concerned that my personal information I submit to online Social Media sites could be misused*’ and it was rated on a ‘*Very Likely (1) – Very Unlikely (7)*’ with higher scores demonstrating more favourable responses to privacy issues around SM.

### **3.5.2.4 Demographic information**

Demographic details were also asked of all participants in regards to their gender, age category, SME business category’s and job title.



### 3.5.3 Sample and procedure

An opportunistic sampling approach was employed for both the interviews and surveys phases of the research. The benefits of using an opportunistic sampling frame allows a cost-effective and time effective approach to gaining generalizable insights from a readily available target population (Saunders *et al* 2011).

Once ethical approval had been received recruitment for the interviews started. In relation to the in-depth semi-structured interview recruitment procedure participants were selected based on an; in-depth knowledge and experience either in researching around SMEs and SM, providing professional consulting services to SMEs in relation to online services, representing SMEs at governmental or policy level. Once identified, in total eight participants (N = 8) were invited to take part in the qualitative interviews by phone call and supporting email with information sheet. The information sheet with consent form was issues to all participants (*see Appendix 3*). Once participants agreed to take part the consent form was signed and returned and interview times and dates agreed. All interviews were recorded and the data securely password protected on the researchers computer. In total six (n = 6) agreed to take part in the interviews. There were four females and two males; two of which were academic research, two were professional consultants to SMEs and two worked in policy and advisory roles supporting SMEs. An opportunistic sampling approach was used. The benefits of using an opportunistic sampling frame allows a cost-effective and time effective approach to gaining generalizable insights from a readily available target population (Saunders *et al* 2011).

In relation to the quantitative phase of the study, Innovation Centres attached to each of the third level Institutes of Technology (ITs) within the Irish Republic were contacted and agreed to act as gatekeepers to distribute the online survey to their current users via email. Of the fourteen IT's within the Irish Republic, thirteen agreed to send out the online survey to their current users, which was two-hundred and thirty-five SMEs (N = 235). Each online survey contained an introduction to the study with details on its completion. Google Drive was used to create the survey and associated 'share link', and it also store completed survey data. Eighty-nine (N = 89) SMEs completed the online survey which indicated a response rate of 37.87%.

It is interesting to note that the sole IT Innovation Centre which opted not to take part in the study done so due to concerns over some of the survey items. The manager felt that some of the items within the survey were quite synonymous. The researcher replied the manager firstly by thanking the manager for taking the time first of all to review the survey and identifying a potential area of concern. However, the researcher stated the items of concern were not synonymous but rather psychological in nature looking a subtle variations in both the phrasing of questions. The questions of concerned were in regards to the TPB items, which may appear to be quite similar, however they followed closely the outline provided by Ajzen (1991) thus using varied response items and phrasing variation. After the explanation was provided there was no further reply to the researcher.

#### **3.5.4 Proposed analysis**

In regards to the qualitative phase, emergent themes will be identified during the analysis stages and relevant quotations will be used to support and illuminate these themes. Secondly, the quantitative phase will employ descriptive and correlational statistical analysis, and regression analysis. These statistical procedures will be conducted not only to describe the statistical trends in the data but also examine the significant predictors of intentions and SM behaviour/usage (Miles & Shevlin 2001).

## Chapter 4. Research Findings

### 4.1 Introduction

This chapter focuses on the findings of both phases of the study; the in-depth semi-structured interview and the online survey. The findings of each of the phases are dealt with separately under each of the respective aims of the research.

### 4.2 Phase 1: Qualitative findings of interviews with professionals

In relation to the first objective of the aimed to gain insights from SME consultants, researchers and academics about how they feel that SME owner/managers attitudinal beliefs, the expectations of others and personal abilities (control) can impact on how SM is used for business activities. Additionally, participants were asked about their feelings towards SM and its ROI for the business. Each area the main question areas are dealt with separately with its corresponding thematic analysis and direct quotation (*see Appendix 4 for qualitative analyses*).

#### 4.2.1 Attitudinal beliefs surrounding SMEs usage of SM

Thematic analysis identified several key themes surrounding the advantages and disadvantages of SME owners/managers using SM within their businesses.

##### 4.2.1.1 Advantages of SMEs using SM

In regards, to the advantages of using SM one major theme that emerged among participants was in regards to **Promotion**. One participant felt that it created “*Brand awareness*” [P4 Female] and she stated that “*if they are trying to get to foreign markets or even their own domestic market, how does a small company with a novel offering get its head above all that noise...social media is one of the way to do that...to punch above their weight*” [P4 Female]. Another participant stated that SM for a “*business is available twenty-four-seven, open around the clock, even if they are closed they are engaging with customers*” [P1 Female]. However, one other participant identified that it “*Depends on the business and the adoption of it, if B2B or B2C*” and she further stated to for “*B2C it’s very important for*

*promoting your business, keeping your customers informed of what's going on*" [P2 Female]. The role of SM as a promotional tool for their businesses was clearly shown, however one participant mentioned the issue of **Cost**, or more specifically he stated that it is *"really around cost effectiveness, we consistently get that they are able to research.....this word engage....or research a wide variety of customer, very cheaply which they can do at the moment that is always number one motivation"* [P5 Male]. Thus, in regards to the advantages of using SM within a SMEs marketing strategy really reflects its utility as a promotional tool firstly and secondly because it is a cost effective tool to use.

#### **4.2.1.2 Disadvantages of SMEs using SM**

In contrast to the some of the advantages that were identified, disadvantages were also identified through the thematic analysis. Importantly for participants (n = 3) they felt that one major disadvantage around using SM was in regards to the amount of **Time and Resources** need by the SME in order to fully utilise SM. One participants mentioned that *"I always say to them it is not always free as you are spending your time monitoring and managing it.....peoples [SME owner/managers] perspective is strange; they don't see their own time as no value"* [P5 Male]. Similarly another participant stated that *"people get involved for the wrong reasons does not create promotion as it is time consuming..... putting the investment in from a recourses point of view, staff, getting distracted from their main duties....it's a balance as it depends on the SMEs size...having the resources and the time is important"* [P2 Female]. Likewise another important theme to emerge as a disadvantage was surrounding SME owners/managers understanding of SM's **Function**. One participant clearly saw that SMEs *"need to understand what they are doing...a lack of understand of the permanency of what is out there and a lack of understanding of search engine optimisation"* [P4 Female]; while another supported this by stating that being *"not fully aware [SMEs] of what they have to do.....they think it's just about setting up a webpage.....whole strategy is wrong"* [P1 Female]. Furthermore two other themes also emerged; **Negative Feedback** (*"Bad news goes viral.....negative comments, experiences that a customer can get out and go viral"* [P1 Female].) and **Limitedness of SM** (*"It depends on the sector, the transport and logistics don't use it as its more B2B sector, tends not to be used.....maybe they Facebook just to get their brand out there"* [P4 Female]). In conclusion, the disadvantages of using SM within a business have identified the users own

knowledge around its function, aware that negative feedback can be seen by others and that it may only be beneficial for some sectors and not others.

#### **4.2.2 Normative influences around SMEs usage of SM**

In relation to the possible normative or social expectations of salient others; the findings for the study identified several key groups that could influence SME owner/managers decisions to use SM within their business strategy.

##### **4.2.2.1 Positive salient individuals or groups**

Participants felt that in regards to positive influencers to using SM it was mostly their own **Business Networks or Peers** had the potential of influencing decisions; as one participant stated *its peers or people within the same area you're in....networks, people in your own groups or networks you're in.....fellow companies or people you have met during the process [of starting up] would be interested in what you're doing* [P2 Female]. This was further elaborated by another who felt that it *"would be peer pressure....in the context of small firms in the North West, you can ask them why you done it [engage or adopt with social media].....cause everyone else has done it but they don't know why they are doing it"* [P4 Female]; suggesting the presence of strong social pressures around SM adoption and usage. Interestingly, **Family** also emerged as a salient theme within the analysis or more specifically; *"Younger family members"* where *"family learning can shed some light on the use of social media"* [P1 Female]. More specifically, if the younger family member *"comes in they bring in new resource and knowledge [social media] into the business"* [P4 Female] which suggests that it may well be within the family-home that some of the best support and inclusion of SM for the business could be found.

##### **4.2.2.2 Negative salient individuals or groups**

However, participants did identify some possible negative influences or those who would not be as open to using SM as a marketing strategy; these two themes centred on the **Financial** side of things and the **Owner** themselves. In regards to the financial pressures or cost surrounding employing SM within the business, one participant identified that *"the*

*only people that might would be are the accountant's side of the business*" [P3 Male] but only in regards to paying for online SM advertising. With respect to the owners, this theme quite simply identified that the main individual who would not want to use SM is the owner themselves; *"I think there is a lot of dinosaurs around [owners]....stuck in their ways"* [P4 Female]. In conclusion, most of the participants felt that they could identify more the positive normative influences rather than the negative, this may be due to the relative newness of the SM being adopted within the SME world.

#### **4.2.3 Control beliefs surrounding SMEs usage of SM**

Beliefs surrounding SMEs engagement and adoption of SM within their business identified several key themes that reflected both facilitating factors and barriers as outlined in the second aim of the research.

##### **4.2.3.1 Facilitating factors for SM business activities**

In respect to the facilitating factors which would encourage an owner/manager to engage with SM for their business were *Competency* and the *Need for Promotion*. Both themes were expressed by participants as having important roles to play in adopting SM a marketing tool within the business. More specifically, participants identified the role of competency and how it impacts on owners/managers ability to employ SM within their business. One participant noted that *"things like vision could add value to the company and technical competency had emerged"* [P5 Male] to make the company more successful. This was further supported by another participant who felt *"technical ability.....having technical expertise and know how"* [P2 Female], which further demonstrated that competency or know-how are highly important motivating factors when business use the medium of SM. Similarly, participants felt that SME owners/managers had important needs which could be met by using SM within their business, as one participant stated *"Accessing new customers and turning this into a profit.....just at your fingertips"* [P1 Female]. While another felt *"social media is great....put out a message out quickly, promotion is a big thing, that is why you get involved, getting something back, being a known provider"* [P2 Female]; suggesting the need to promote their business for new customers are important drivers of ability. Likewise, can play an important part in motivating individuals to engage with SM as participants stated.

#### 4.2.3.2 Barriers around SM business activities

In contrast to the enable factors or drivers, barriers were more widely talked about by all participants in general. There was more discussion around the main barriers that owners/managers encounter which prevent them or inhibit their use of SM business related activities; and more specifically around owner/managers **Knowledge** of SM. The findings identified that as competency previously had been reported to be an enablers of SM, in contrast a lack of knowledge based competency was also a barrier. Most participants felt that this barrier was very important, as one participant highlighted that *“it comes down to a lack of education, they [SME owners] thought there were costs associated with stating up social media”* [P3 Male] and another reported that some SMEs felt that SM was simply *“setting up their own [web] pages.....thinking that they have just to set up a page, its more than that”* [P1 Female]. Overall, each of the statements provided by the participants highlighted in varied ways the way in which there is still a lack of knowledge around SM and its direct impact on implementing it efficiently and effectively within business activities. Furthermore, another theme that was drawn out from the interview data was in relation to **Time and Resources**. Participants perceived this to be another salient barrier, as one simply stated *“another barrier would be resources or time”* [P2 Female] while another participant was slightly more explicit and stated it *“time resources, and man power, but mostly time, they [SME owners] have a perception that...they didn’t have the time”* [P3 Male]. In sum, participants felt that it was really the owner/managers own level of commitment and dedication that could be a significant barrier to including SM as tool within their business activities.

The last two themes though not as widely talked about as the previous were identified as important barriers to SM engagement. In particular, two participants mentioned that they still found that **Fear of Technology** was still salient in not using SM. One participant relied from her own encounter with some SME *“they are afraid of the internet, computers....can put them off maybe due to negative past experiences”* [P1 Female]. Also, the last theme to emerge from the data was in regards to their own level of **Confidence** to actually go out and use and engage with SM. Though only one of the participants identified this as a barrier; that *“some [owner/managers] are not confident, they feel that they will do something wrong and they shy away from using social media”* [P1 Female]. This further highlights that control beliefs or abilities are important within the engagement process with SM; supporting

the important role of managers themselves in making the appropriate decisions to making SM work within their business.

#### 4.2.4 ROI and SM within business activities

As outlined within the third aim of the research, this section of the interview explored areas around ROI and SMEs; firstly participants were posed with how SM could increase ROI. In this instance the majority of participants who answered felt that SM served as an important **Tool**; as one participant suggested by providing a “*way of knowing how people [customers] go through your pages online, tracking their movements, how they make a sale*” [P1 Female]. Another participant suggested that SM was an important development tool as it allowed owners to “*find out customer attitudes and behaviours, and bring in money.....new business.....new partnerships and customers*” [P4 Female]. However, one of the participant did support its use as a business tool but cautioned; “*yes if done correctly...correct platform, correct investment, and correct focus to achieve that goal*” [P6 Female]. Overall, the SM as a business tool is not disputed by those participants but rather how it is used and used properly. Furthermore, one additional theme emerged in regards to a lack of **Clarity** of its use for the business. More specifically though only one participant identified that even though SM does provided ROI from his point of view, there are clarity issues around how to actually measure this; he stated that “*Definitely....though there wasn't anyone [SMEs] that didn't say they didn't make money using social media, however the investment is slow.....but they found it hard to know what exactly it was [ROI]*” [P3 Male].

In contrast the second question posed to participants explored SM and its role for increasing successes for the business, interestingly few responded to this. However, what did emerge from these responses were two separate themes. Firstly with respect to increasing success one participant view it as a **Validation** (“*Has proven to work from speaking with clients.....they have seen increases in enquires, sales and more positive outcomes with customers.*” [P1 Female]), while the other identified that SM was a success for some business sectors and not all or rather **Sector Specific** (“*[Success] absolutely but once again it might be sector specific, of course it is.....it is a very good brand tool....marketing tool....reputational tool.*” [P4 Female]). The third question directed towards participants was in relation to their feelings about the possible benefits of using SM for the business; and



overwhelmingly for participants who responded to this all of them thought that SM was an important **Strategy** for the business. As one participant highlighted, SM can be used to “*target different industries, sectors and customers.....its remote so social media can be done anywhere*” [P1 Female]. Overall, it is clear from both questions that participants do feel there is successes for SMEs using SM and certainly if it is integrated into the business strategy of the SME.

Lastly, when asked about what can be done to support SMEs using and engaging with SM w within their business activities, the majority of participants indicated that there should be more **Awareness and Support**. As one participants indicated “*there is plenty of help there if they want it...keep increasing awareness*” [P1 Female]; while another thought that “*more local groups....more research needs to be done, results need to be available for SMEs to see what happening*” [P3 Male]. Another mentioned that “*a lot of people don’t have the marketing expertise, depends on you back ground, more mentoring needs to be provide, more classes.....there is no harm on that*” [P2 Female]. It is interesting to note that the strong emphasis of existing SME support around SM but also the need for evidence based research to support its utility or ROI as a business activity. It is interesting to note that one participant identified one key sector which can play an important role, and that is the Third Level Institutions. In particular she felt that “*as a business school we need to come out of our ivory tower....to show that Social Media is not just nice to have, not an add-on but an important tool*” [P4 Female]. This is important to note that there is an important role to play not only with the SME agencies and bodies but as equally important the academic institutions.

Overall, the themes that emerged from the qualitative data provided a rich and in-depth exploration of professionals experiences of SM within SMEs. It is clear that there are many favourable beliefs, perceptions and experiences surrounding SM use as a business activity but there are unfavourable as well. Likewise feeling surround ROI were also mixed and interesting participants to some of the questions did not provide a response. This in turn will be further investigated through the explanatory approach of the quantitative survey findings.

### **4.3 Phase 2: Quantitative findings of SMEs and SM survey**

The structure of this section of the chapter will firstly examine the descriptive trends within key demographic items of the survey. After which correlational and regression analyses will be conducted to test key aims of the research.

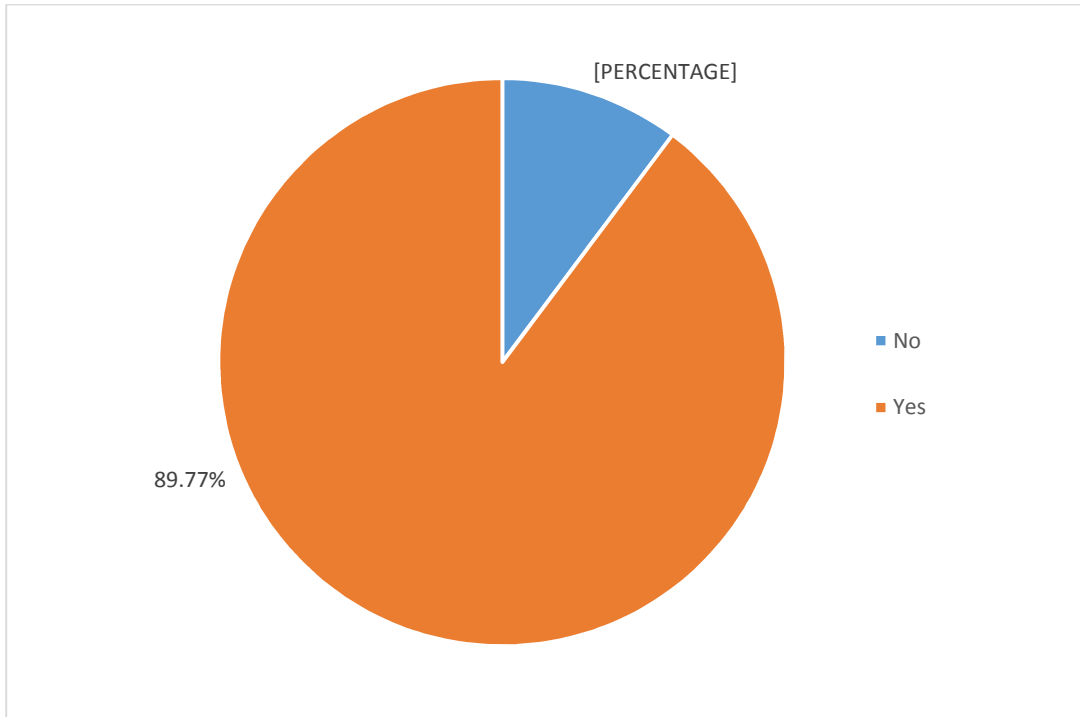
#### **4.3.1 Demographic information surround SMEs and SME owner/managers**

Though not a formal aim of the present research, descriptive statistical analysis was conducted in order to provide demographic information regarding both the owner/managers and the SMEs. This was done in order to provide a detailed understanding of the SMEs and the participants themselves.

##### **4.3.1.1 Use of SM within business activities**

The findings incited that most participants stated that their SME used some form of SM (n = 79; 89.77%) within their day-to-day business activities (see Graph 1); with only a minority stating that they didn't (n = 9; 10.23%).

**Graph 1. Do you currently use SM in your day-to-day business activities?**



#### 4.3.1.2 Frequency of SM use within SMEs for business activities

Further exploration of the SME users of SM (see Table 1) indicated that most SMEs were daily (n = 48), every other day (n = 20) or weekly users (n = 12). Overall, though this indicates that most of the SMEs within this sample were active users of SM, only slightly over half were using it on a daily basis as part of their business strategy or activities.

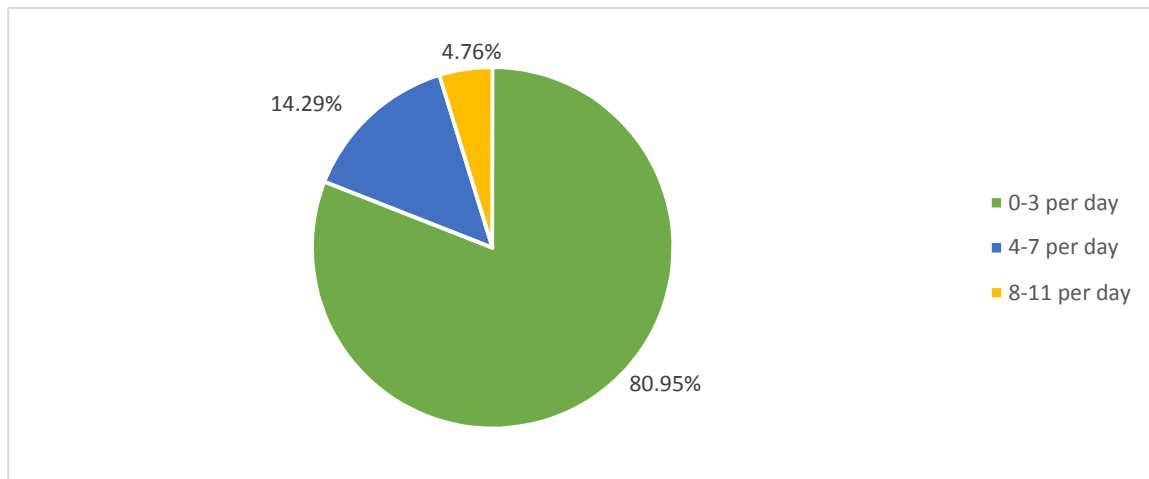
**Table 1. How often do you use SM as part of your business activities?**

<b>Frequency</b>	<b>Count</b>
Never	2
Once every few months	1
Once a month	2
Once every couple of weeks	3
Once a week	12
Every other day	20
Every day	48
<b>Total</b>	<b>88</b>

#### 4.3.1.3 Average number of posts/updates per single business day

Overall, most users when engaged with SM for business would do “0-3” posts or updates per day (n = 68; 80.95%); suggesting that they are only light users of SM. Fewer still would be more moderate users (n = 12; 14.29%) actively carrying out “4-7” posts or updates and only a minority of the participants (n = 4; 4.76%) would be quite heavy users carrying out “8-11” posts or updates. It is quite clear that on average most of SMEs in this sample though engaged with at some level with SM, most are only light users for business purposes (see Graph 2).

**Graph 2. In an average working day how many updates and/or posts would you create on SM?**

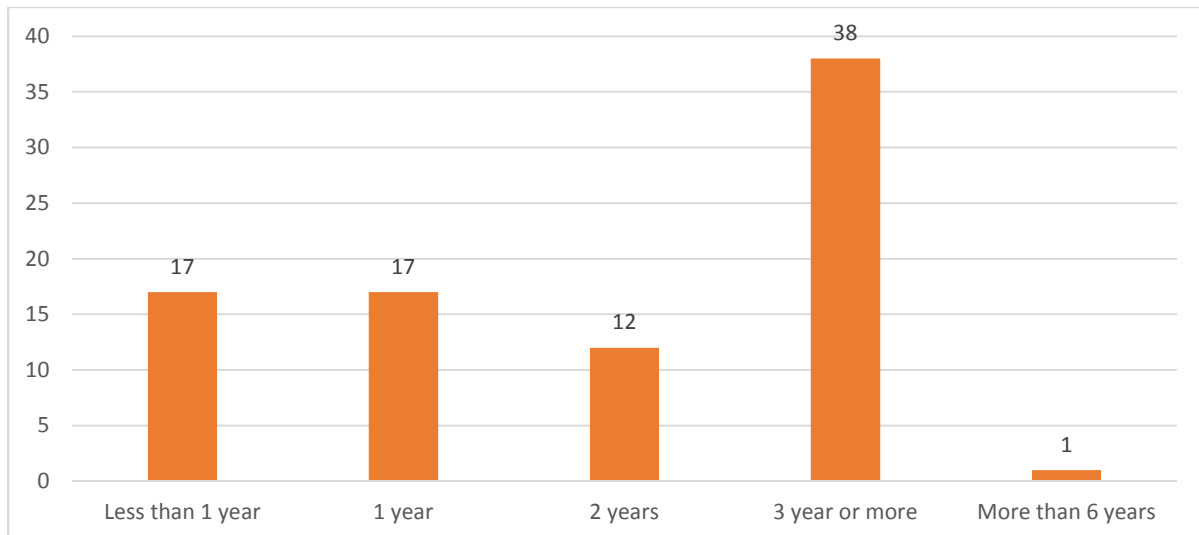


#### 4.3.1.4 Duration of SM Use within SMEs

In relation to how long SMEs within this sample were using SM (see Graph 3), the majority stated that they had been using SM for three years or more (n = 38); however there were quite sizable numbers which had been only using SM for a year (n = 17) or less than a year

(n = 17). Surprisingly, only one SME (n = 1) reported that they had been using SM for over six years or more. Interestingly, combined the figures suggest that thirty-four SMEs had only been using SM within their business for a year or less indicating that it is still be possibly still a new or novice tool being used within their business activities.

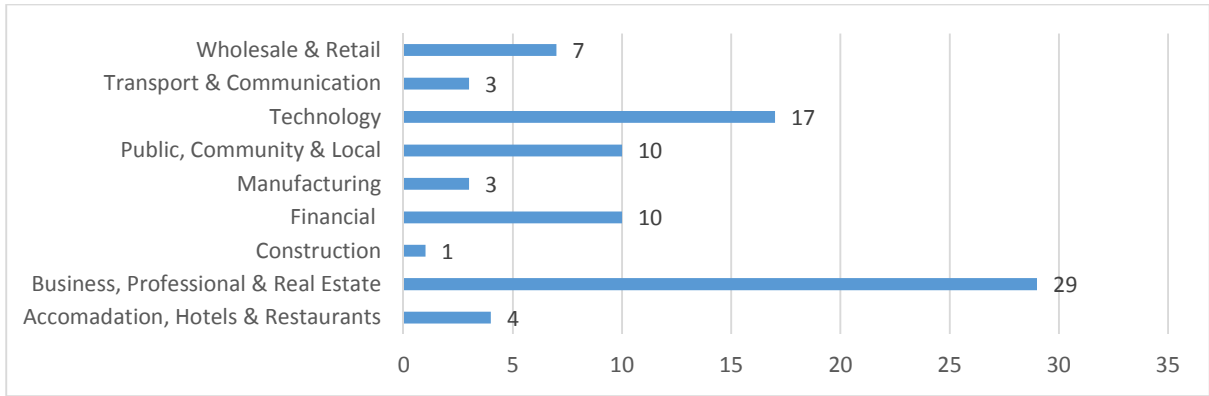
**Graph 3. How many years have you been using SM within your business.**



#### **4.3.1.5 Breakdown of SMEs by sector**

The findings indicated that the majority of SMEs within the current research were from ‘*Business, Professional & Real Estate*’ (n = 29); ‘*Technology*’ (n = 17); ‘*Financial*’ (n = 10) and ‘*Public, Community & Local*’ (n = 10) sectors. Lesser amounts came from ‘*Wholesale & Retail*’ (n = 7) ‘*Accommodation, Hotels & Restaurant*’ (n = 4); ‘*Transport & Communication*’ (n = 3); ‘*Manufacturing*’ (n = 3) and ‘*Construction*’ (n = 1). Lastly, due to the unequal numbers within each of the groups further analysis examining differences between groups on each of the TPB variable could not be explored within the current study.

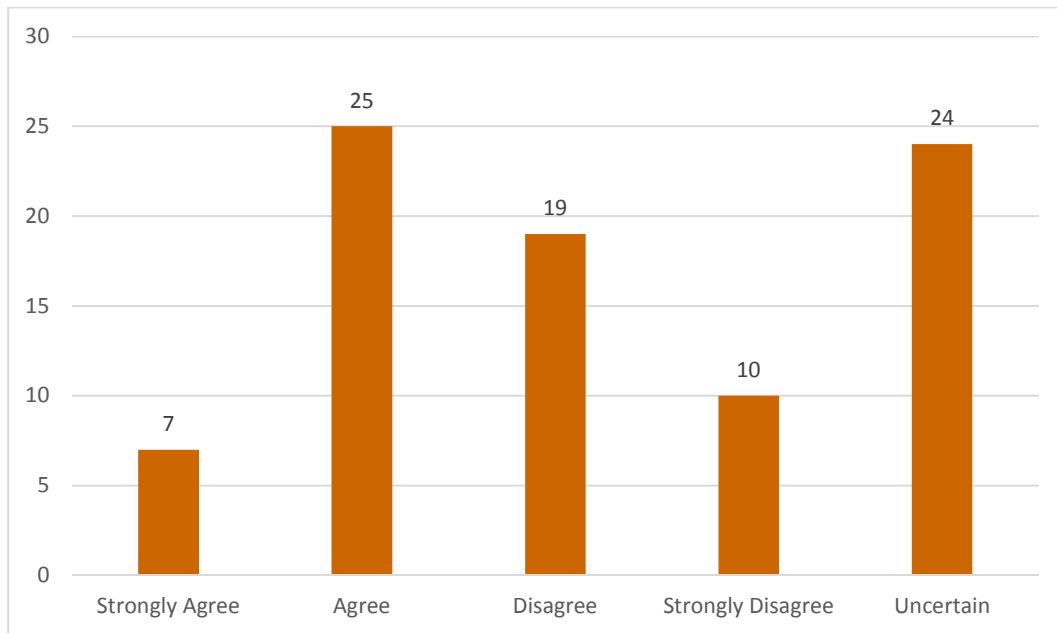
**Graph 4. Frequency Breakdown of SMEs by Sector Type.**



#### 4.3.2 ROI of SM on SMEs business activities

In relation to the fourth aim of this research, understanding the ROI of SM for SMEs in relation to sales, new leads/enquires and market share; another question was posed to participants. However, firstly they had been asked if they actually measured the ROI of SM (see Graph 5); the majority agreed that they could measure it (n = 25). Surprisingly nearly the same amount indicated that they were “*uncertain*” of how to go about this (n = 24) or “*disagree*” that they are able to actually measure it. Overall, the findings of this one item signifies that most SMEs may not be able or correctly able to measure the impact of SM on their day-to-day business activities.

**Graph 5. Ability of participants to measure ROI of SM on business.**



ROI and SMEs was also investigated under three statements (see Table 2) were participants rated each in terms of a percentage. Also, the valid response rate decreased from the overall sample size suggesting that not all participants were able to provide this information as suggested previously. For those that did it was reported that the sales attributed to SM was on average 20.03% (SD = 23.30) and contributed to 25.21% (SD = 24.96) of new leads or enquires. Though the proportion of sales and enquires/leads attributed to SM are quite low, it was really in regards to the perceived market share that indicated that SM contributed only 14.71% (SD = 19.95) for SMEs. Overall, may be adopted but may not be fully utilised to its fully capacity or function.

**Table 2. Participants Percentage Rating of SMs Impact on Business Activities**

ROI Statements	N	M	SD
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How much do you think your Social Media engagement contributes to your overall sales?	65	20.03	23.30
How much do you think your Social Media engagement contributes to the number of leads/inquires your business receives?	68	25.21	24.96
How much do you think your Social Media engagement contributed to your market share over the past year?	58	14.71	19.95

### 4.3.3 Descriptive and correlational analysis of extended TPB and behaviour variables

In order to examine the remaining aims of the research both descriptive statistics and Pearson Correlation Coefficient were conducted prior to the regression analysis. Using both a descriptive and correlational statistical approach provides insight into trends within each of the variables and also how each of the underlying variables (attitudes, SN, PBC, trust, security and privacy) are associated with SM usage intentions. Additionally, both Intentions and PBC are were also correlated with both behaviour around frequency of SM use and how much time (in minutes) participants engaged with SM.

#### 4.3.3.1 Descriptive statistical analysis among extended TPB and behaviour variables

Over all it was reported that (see Table 3) that each of multiple-item variables of intention ( $\alpha = .76$ ) and attitude ( $\alpha = .77$ ) reported favourable internal consistency. However, PBC reported slightly less than favourable levels ( $\alpha = .50$ ) of internal consistency (Miles & Shevlin 2001).

In relation to the main TPB variables, overall participants ratings towards intending to use SM ( $M = 10.97$ ,  $SD = 3.10$ ) and their attitudes towards SM ( $M = 25.22$ ,  $SD = 5.80$ ) were mostly quite favourable. Likewise, both participants were quite favourable in their perceptions towards both the social influences (SN) of others ( $M = 5.17$ ,  $SD = 1.72$ ) and their own level of ability (PBC) to use SM ( $M = 20.98$ ,  $SD = 4.46$ ) within business activities. Interestingly, participants perceptions of security ( $M = 3.69$ ,  $SD = 1.69$ ), trust ( $M = 3.64$ ,  $SD = 1.68$ ) and privacy ( $M = 3.22$ ,  $SD = 1.76$ ) around using SM, suggesting that in general they were neither too trusting of distrusting of it as a business actives too. Finally, the findings reported that on average participants or their SME spent 204.94 minutes a week ( $M = 204.94$ ,  $SD = 326.39$ ) using business related SM; within most indicating that they were using it “*every other day*” ( $M = 5.11$ ,  $SD = 1.33$ ). Overall, average scores in relation to the



main TPB variable and SM usage behaviour were mostly quite favourable and it was only in regards to issues around security, trust and privacy that feelings were more neutral.

#### **4.3.3.2 Correlates of SM behaviours and intentions**

The findings from the correlational analysis (see Table 3) indicated that strongest relationships with participants intentions to use SM as a business activity were their attitudes towards SM and their own attitudes towards SM as a business tool ( $r = .79, p < .01$ ) and also their own level of perceived ability as measure by PBC ( $r = .61, p < .01$ ). Both were reported to be positively and strongly associated with intentions suggesting that more favourable managers/owners attitudes toward SM and also the more confident they felt using SM within their business; the more likely their decisions to use it. Similarly, social pressures (SN) was also found to be significantly related to intentions surround SM use ( $r = .55, p < .01$ ); though not as strongly related as intentions and PBC it does indicate that the more favourable the managers/owners perceive other individuals perceptions of SM the more likely they will hold more favourable intentions to use it. In regards to the three other extended TPB factors of trust and security; each were found to be only weakly related with intentions to use SM. This suggests that even if the manager/owner had more favourable feelings towards issues surrounding security ( $r = .23, p < .05$ ) and trust ( $r = .22, p < .05$ ) of SM as a business activity; it is only slightly related to their decision making process to use it. Lastly, privacy was reported not to have a significant relationship with SM intention use, thus feelings of privacy around personal information does not have any association with decisions to use SM.

Following the outline of the TPB model Ajzen (1991) suggested that behaviour has only two antecedents; namely intentions and PBC. Thus, the findings from this study indicated that it was the manager/owners intention to use SM that was more moderately related to actual time spent using it in business per week ( $r = .32, p < .01$ ) and how often they used it for business activities ( $r = .40, p < .01$ ). Perceived ability (PBC) in using SM was also significantly though weakly related to both behaviours of time using SM for business activities ( $r = .24, p < .05$ ) and frequency of use ( $r = .22, p < .05$ ) during the course of a week. Overall, behaviours of owner/managers in using SM as a business activity is more likely to be related more to their intentions or decisions to use SM rather than their abilities using SM. It would suggest that once an owner/manager makes a decisions to use SM they

seem to be moderately likely to carry it through business activity. With most of the variables significantly correlated with intention and behaviours this supports further exploration by both Hierarchal and Multiple Regression (Miles & Shevlin 2001).

**Table 3. Descriptive Statistics and Pearson Correlations between selected TPB, Security, Trust, Privacy and Behaviour Variables**

Variables	$\alpha$	M	SD	Range	1	2	3	4	5	6	7	8	9
1 <i>Intention</i>	.76	10.97	3.10	2-14	----	.79**	.55**	.61**	.03	.22*	.23*	.32**	.40**
2 <i>Attitude</i>	.77	25.22	5.80	5-35		----	.55**	.60**	.03	.15	.13	.42**	.47**
3 <i>SN</i>	†	5.17	1.72	1-7			----	.22*	.03	.19	.21*	.32**	.44**
4 <i>PBC</i>	.50	20.98	4.46	2-28				----	.09	.09	.27*	.24*	.22*
5 <i>Privacy</i>	†	3.22	1.76	1-7					----	.31**	.33**	-.05	-.07
6 <i>Trust</i>	†	3.64	1.68	1-7						----	.36**	.03	.26*
7 <i>Security</i>	†	3.69	1.69	1-7							----	.04	.15
8 <i>Time spent of SM per week</i>	†	204.94	326.39	‡								----	.23**
9 <i>Frequency of SM use</i>	†	5.11	1.33	1-7									----

Note: † = only one item, ‡ = not applicable as count score, \* = Correlation is significant at the 0.05 level (2-tailed), \*\* = Correlation is significant at the 0.01 level (2-tailed).

#### **4.3.4 Predicting SM intentions and behaviours**

Hierarchical Multiple Regression (HMR) was carried out in order to examine how both owner/managers intentions were both explained and predicted by the antecedents of attitudes, SN, PBC (Block 1) and trust, privacy and security (Block 2) as outlined by the TPB model (Ajzen 1991). Two further multiple regression analysis will be carried out investigating the criterion variable behaviours of time spent using SM per week and frequency of use; both of which were regressed on intentions and PBC. The following section deal with each of these analyses in turn.

##### **4.3.4.1 Predicting SM intentions**

The first block of the HMR entered the three main variable of the TPB (Ajzen 1991): attitudes, SN and PBC. The model was reported to be statistically significant ( $F(3, 81) = 61.55; p < .001$ ) and explained 69 percent of variance in intention to use SM within business activities (see Table 4). At the Block 2 stage of the analysis three other variables were introduced: trust, security and privacy. However, the introduction of these three variables only increased the level of variance in intentions by 1 percent ( $R^2$  Change = .01;  $F(6, 78) = 30.83; p < .001$ ), thus the total variance explained in intention to use SM as a business activity was 70%. Additionally, overall percentage change was reported non-significant. At the final stage of the model only three variables were found to have a predictive influence on intentions; namely attitudes ( $\beta = .52, p < .001$ ), SN ( $\beta = .20, p < .05$ ) and PBC ( $\beta = .25, p < .01$ ).

**Table 4. Predicting Owner/Managers SM decisions**

	<i>R</i>	<i>R</i> <sup>2</sup>	<i>R</i> <sup>2</sup>	<i>B</i>	<i>SE</i>	<i>β</i>	<i>t</i>
<i>Change</i>							
<b>Block 1 TPB Model</b>	.83	.69					
<i>Attitude</i>				.28	.05	.52	5.66 ***
<i>SN</i>				.40	.14	.22	2.95 **
<i>PBC</i>				.18	.06	.26	3.29 **
<b>Block 2 Extended TPB Model</b>	.84	.70	.01				
<i>Attitude</i>				.28	.05	.52	5.59 ***
<i>SN</i>				.36	.14	.20	2.56 *
<i>PBC</i>				.17	.06	.25	2.99 **
<i>Privacy</i>				-.09	.12	-.05	-.77
<i>Trust</i>				.15	.13	.08	1.21
<i>Security</i>				.06	.13	.03	.46

Note: Statistical significance: \**p* < .05; \*\**p* < .01; \*\*\**p* < .001.

#### 4.3.4.2 Predicting weekly business related SM activity

A Multiple Regression was carried out to investigate if the amount of time spent using SM within business activities was influenced by either PBC or attitudes. The analysis reported that (see Table 5) 11 percent of variance was explained in intentions ( $F(2, 85) = 5.09; p < .05$ ). Importantly, only the owner/managers intentions to use SM was the only significant predictor of the amount of time they spent using SM as a business activity ( $\beta = .28, p < .05$ ). Perceived levels of ability failed to have any significant impact on weekly time spent of SM.

**Table 5. Predicting Owner/Managers Weekly SM Usage**

	<i>R</i>	<i>R</i> <sup>2</sup>	<i>B</i>	<i>SE</i>	<i>β</i>	<i>t</i>
<b>Variables</b>	.33	.11				
Intention			29.16	13.69	.28	2.13 *
PBC			5.45	9.51	.07	.57

Note: Statistical significant: \**p* < .05.

#### 4.3.4.3 Predicting frequency of business related SM activity

In order to investigate which of the predictors of frequency use of SM business activity by the SME, a further Multiple Regression was conducted. The findings indicated that 16 percent of variation was explained by the model ( $F(2, 85) = 8.22; p < .01$ ) and that intentions around using SM was the only significant predictor ( $\beta = .43, p < .01$ ).

**Table 6. Predicting Owner/Managers Frequency of SM Usage**

	<i>R</i>	<i>R</i> <sup>2</sup>	<i>B</i>	<i>SE</i>	<i>β</i>	<i>t</i>	
<i>Variables</i>	.40	.16					
Intention			.18	.54	.43	3.42	**
PBC			-.02	.04	-.05	-.37	

*Note:* Statistical significant: \*\* $p < .01$ .

#### 4.3.5 Overview of regression analysis

Overall, each of the three regression analysis presented important findings; however importantly that the TPB model provided a good explanation of SME owner/managers intentions to use SM as a business related activity and their own behaviours using SM. In relation to the first model the findings highlighted the important role of each of the main antecedent of intentions; attitudes, SN and PBC and the significant role they play in SM decision formation. Similarly when predicating SM use either through measuring owner/managers time on SM or their frequency of use it was their own decisions to use SM which was the key driver. Security, trust and privacy failed to make a significant impact on owner/managers decisions around SM; thus any decisions around using SM within an SME will be best explained by the owner/managers own perceptions, feelings, abilities or salient others of SM as a business tool for them.

## **Chapter 5. Conclusion & Recommendations**

### **5.1 Introduction**

The overall purpose of this research was to further understand which drivers (Fillis *et al* 2004; Santos 2011) were important in predicting SME owner/managers intentions to engage with SM as part of their business activities. However, this research applied an expanded TPB (Ajzen 1991) model not only from the SME owner/managers perspective but also from key professionals who work closely with SMEs. Thus, using such an application had previously advocated (Fillis *et al* 2004) however to date it had not been fully applied. In the course of this section of the research each of the main aims of the study will be addressed in light of the current findings and previous research.

### **5.2 Perceptions of professionals towards SMEs using SM**

In the first several aims of the study professionals were asked to express their experiences and perceptions in regards to SME owner/managers using SM. More specifically, in the following sections there will be discussion on the advantages/disadvantages (attitudinal), role of '*significant others*' (social pressures) and barriers/facilitators (abilities) toward SM and business activities based on the current findings.

#### **5.2.1 Advantages of using SM for business activities**

In relation to the advantages of using SM, two main themes emerged identifying it as a promotional and cost effective tool. Consistent with previous one important advantage of SM is that it's a promotional tool (Sexsmith and Angel 2012) as it allows the business to generate increased brand awareness and communication. Increasing awareness and communication of products or services between the business and the customer allows a more personalised two-way exchange (Blakeman and Brown 2010; Bernhardt *et al* 2012) which supports customer satisfaction and retention. Likewise the cost effectiveness (Hansson *et al* 2013) of SM has also been identified previously as an important reason for its adoption. Primarily there is little issue around adoption SM within the business strategy as many SM websites are free to join with little-to-no costs on the business. Thus, just like large businesses (Okazaki and Taylor 2013) SMEs should be encouraged to actively engage with SM due its numerous benefits (Swani *et al* 2013) and especially since it can be a free promotional tool.

### **5.2.2 Disadvantages of using SM for business activities**

In contrast to the advantages reported, disadvantages were also identified in regards to time and resources using SM within business activities. Previous research also identified the impact of time and abilities (Holmes *et al* 2012) spent on using SM can also be a factor to why individuals stop using it over time. Furthermore SMEs may not always know the actual function of SM, supporting Boyd and Ellison (2008) who suggest that there may be a lack of knowledge over the true function or usability of SM within businesses. Lastly, the findings suggested sector specific adoption trends of SM (Zhang 2011) and the fear of receiving negative feedback from customers were also barriers to its use.

### **5.2.3 Social pressures from ‘significant others’ to use SM**

According to the next aim, salient individuals or groups can influence SME owners/managers to use SM as a business tool. Importantly, family members were identified as supporters of owner/managers using SM within their business. Also, two further salient groups were also identified as possible inhibitors of using SM; namely those from the financial side of the business and actually the owners themselves. Accountants were named as possible individuals who could prevent the adoption or use of SM, but this may be only in relation to when paid marketing strategies are being used. Likewise, it is the owners themselves could actually be an important barrier to using SM. Similar to previous research the impact of the owner/manager on their SME is important (Fillis *et al* 2004) and really it is their perceptions or experience that can influence use or adoption of SM. As Durkin *et al* (2013) had already identified there is more need to understand the drivers of new technology implementation within business. Thus, understanding the role of salient others or social influences in encouraging or discouraging SM within business activities may be slightly better understood by these finding but certainly there is a need for further research in this area.

### **5.2.4 Facilitators impacting on SM engagement within the business**

In regards to facilitating factors, the professionals felt that this could be down to the owner/managers own level of competency around SM and a need for better promotion of the benefits of SM for an SME. It is interesting to note that the level of competency of owner/managers can impact on SM usage; previous findings (Fillis *et al* 2004; Santos 2011; Zhang 2011) reported knowledge, experience and competency levels all



significantly impact adoption of new e-business activities. Understanding how SMEs adopt or use SM shouldn't negate the opinions, attitudes and perceptions of the owner/manager; as they are themselves key drivers of online business activities (Khalifa and Shen 2008). Another main key driver was in regards to the need for more promotion of SM within SME in relation to its possible benefits. The findings suggested that promotion of SM for SMEs should be inclusive of 'evidence' so to encourages its usage within business strategies. Once again, this not only highlights the need for more research (Durkin *et al* 2013) but more specifically, research that can be used to encourage SMEs to adopt by showing them evidence (Digital Marketing Institute 2013; Swani *et al* 2013).

### **5.2.5 Barriers to employing SM within the business**

In addition, there were also clearly identified barriers around engaging with SM within the SME. Basically, a lack of confidence based on the owner/managers; knowledge (Holmes *et al* 2012), time/resources (Curras-Perez *et al* 2012), fear of technology (Fillis *et al* 2004; Khalifa and Shen 2008; Santos 2011) which supports the role of internal factors on decision making. Shin (2010) for example, had identified external drivers in up taking SM business related activities; however this influence may only be indirect actual behaviours. Rather as outlined by the TPB (Ajzen 1991) external factors do not influence behaviour directly, only through the underlying drivers of behaviour. So understanding fully the external factors of adopting SM or any other e-commerce behaviour can only be done in light of understanding internal or human motivational drivers.

### **5.3 Return-on-Investment (ROI) of SM business activities**

Previous aims adopted a pure qualitative approach had been employed; however this aims was examined using a mixed-methodology in order to investigate ROI surround SM business usage. Professionals validated that SM was a useful and beneficial tool for ROI; however its purpose may need to be clarified more as well as it being only sector specific. This is not surprising as recent literature had identified that there can be a lack of understanding amongst SMEs about not understanding the true value or measurement of SM (Digital Marketing Institute 2013). Overall, the quantitative findings fully supported this as a sizable portion of the SME surveyed were either uncertain or disagreed at some level about knowing how to measure ROI. Furthermore, the percentage of ROI reported was quite low overall in terms of it providing sales, new customers or market share was

generally quite low. Importantly, since customer purchasing, repurchasing, brand awareness and loyalty are influenced by the use of SM (Swani *et al* 2013; Hansson *et al* 2013) it is important to accurately measure its effect or ROI for the business. As Bernhardt *et al* (2012) suggested; measuring ROI is highly important and should be integral within the company's business strategy and failing to could hinder its potential benefit for the company. Though Kelly (2014) reported more firms now are using ROI metrics, the current findings indicated that SMEs may not be fully integrating SM the same way into their planning and marketing strategies.

#### **5.4 Predicting owner/managers intentions to use SM**

The TPB (Ajzen 1991) antecedents of attitudes, SN and PBC each successfully predicted owner/managers SM intentions. Consistent with previous research (Fillis *et al* 2004; Curras-Perez *et al* 2012; Durkin *et al* 2013) it was the owner/manager own attitudes towards SM which best explained their decisions to use it within business activities. This suggests that like other online and technology adoption decisions (George 2002; Lee 2009; Sanayei and Bahmani 2012); attitudes towards the service play a major role in its adoptions. In sum, depending on how favourable or unfavourable the owner/manager feels about SM this is likely to have the greatest impact on its use within business, marketing and planning activities.

Furthermore, owner/managers perceptions of social influence from salient other and their own level of ability and ease using SM; though were also significant drivers. Clearly, like similar studies (Scialdone and Zhang 2010; Milewicz and Saxby 2013) have identified the role of social pressures within other online technology usage discussion and SM seem to be consistent with that. It suggest that SMEs can learn, adopt and engage with SM based on what their business and social networks are using. This significantly highlights the role '*significant others*' within the SME community and how new or effective innovations can be shared. Similarly, this could be coupled with the owner/managers level of SM ability or how efficacious they are with technology. Thus, for Irish SME owners/managers the more perceived level of confidence they have with SM the more likely they are to use it. Confidence of owner/managers of online mediums such as SM is important (Boyd and Ellison 2008) as it predicts their use of such tool within their business strategies.

### **5.5 Role of security, trust and privacy on SM use intentions**

In contrast to the main TPB antecedents have a significant role in understanding how owner/managers decide to use SM, the drivers of security, trust and privacy did not have a significant impact. Surprisingly the findings did not support previous research (Pavlou and Gefen 2005; Zhou *et al* 2007; Shin 2010; Abedelghaffer and Moustafa 2012; Shareef *et al* 2013) which had demonstrated the important role played by these drivers. Thus, even if there is perceived level of risk by SME owner/managers this does not impact on their decisions to use it. However, it should be noted that most of the previous research that has been conducted has centred more on the transactional e-commerce technology commerce (Abedelghaffer and Moustafa 2012) with less emphasis on SM usage (Scialdone and Zhang 2010). This could simply mean that most owners/managers believe that the SM sites are fully protected and since they do not have to provide sensitive or confidential information such as bank details upon registration as they are generally free; they may just not be too concerned. However, future research will have to examine this further by comparing perceptions of trust, security and privacy between transactions and SM sites.

### **5.6 Predicting owner/manager SM business activities**

As previously outlined the last aim of the study proposed to examine the key drivers of SM business activity use. Intentions or decisions to use SM by owner/managers was reported to be the only significant driver; suggesting that for SMEs using SM within their day-to-day business activities really depends on the decision of the owner/manager. Decisions of the owner/manager to use SM is more important than their actual ability or confidence using SM. It could suggest that SMEs are employing SM without maybe having much knowledge around its proper usability or their own ability to fully comprehend its full potential. Overall, it would seem that using SM is based on making one's own mind up to use it within the business rather than being dependent upon being competent or confident using it.

It can be clearly seen that the findings of this study support the utility of the TPB (Ajzen 1991) like previous applications of the model in regards to transaction adoption (Putit 2008), banking adoption (Lee 2009; Sanayei and Bahmani 2012), self-protection intentions around online privacy (Yao and Linz 2008), online shopping behaviours (Hsu *et al* 2006; Hansen 2008) and online gaming (Lee 2009) to name a few. Evidence from this study

supports the application of the Azjen's (1991) TPB to provide an integrated and parsimonious approach to understanding SM usage within SMEs. Even with an expanded application of the model measuring security, trust and privacy; still the traditional TPB (Ajzen 1991) approached represented the data more significantly.

## **5.7 Limitations**

Some limitations have been identified with this study. Firstly, the current study sampled SMEs that were currently registered with Innovation or Incubation Centres which were connected to Institutes of Technology. In the future SME training events could be utilised to increase the sample size and also gain an increased variation of SMEs sector types. A second possible limitation is that the survey did not include statements in regards to the owner/managers own level of qualification; and whether if they had formal business or information technology (IT) qualifications which could give them a competitive advantage around using SM within their business activities. Understanding the SM business activity behaviours of those from non-business or IT background could show that they feel quite differently to its use. Lastly, though used descriptively within the study, drivers such as gender and age could have been used within the predictive TPB (Ajzen 1991) model. In the future demographic drivers should be included within the analysis. However, despite there being some limitations, it has to be acknowledge the value of the current research for existing academic understanding, SME practitioners and policymakers at local and nations levels.

## **5.8 Recommendations**

It is imperative for SMEs to understand SM more fully and its possible potential for their business; especially with ROI in relation to sales, attracting new customers and increasing their share of the market. Generally, SM is free to use for business activities this should be an encouraging factor. However, as the current findings indicated the importance of the owner/managers decision making process; it is hoped that the recommendations could have some impact on them. More specifically the main recommendations indicated that:

1. More evidence based literature should be produced to show SMEs the change that SM adoption of sustained use has on business successes. Transmitting information to owner/managers will support

2. Social networking or media sites should design special guides and online tutorials for SME clients.
3. Encouraging owner/manager family, friends and social networks to support new users of SM. Thus, supporting them in their use of business related SM activities.
4. Implications for both commercial, policy and academic research would suggest that more emphasis could be placed on applying conceptual framework models like the TPB (Ajzen 1991) but also extending it with the inclusion of other antecedents such as future SM behaviour's, education and SM training levels of owner/mangers. Also, introducing a more longitudinal design to examine trends over months rather than just cross-sectional.
5. Future research could also extend the sampling frame to include other SMEs not attached to third level institutions but include those registered or attending government support and training agencies.
6. Training and learning courses provided by both government and support agencies may need to be revised and become more specialised to the needs of SMEs around SM, more specifically in relation to:
  - i. Providing training for SMEs in respect to metrics and measurement of SM on ROI,
  - ii. Developing training courses for all SME age groups along with social network building and support sessions,
  - iii. Courses and training should also include confidence and usability exercises for owner/managers engagement so to improve decisions around engaging with SM,
  - iv. Third level institutions should maintain and develop their courses within business by supporting modules on SM and business planning,
  - v. Sector specific courses as some sectors could use or need SM more than others.
7. Though trust, security and privacy factors should always be promoted by SM sites by always reassuring users in regards to their best practice policies around user information and certificates.

## **5.9 Final thoughts**

Overall, the findings of the research supported the application of a conceptual model such as the TPB (Ajzen 1991) to better understanding how managers/owners of SMEs make decisions around using SM within their business strategies. What the findings do suggest is that Irish SMEs may be using SM within their business but what further research will have to investigate, is how integrated it is within the marketing mix. More so, how much knowledge do they have around its true impact on their businesses and how they can use this cost effective marketing tool more productively. In conclusion, the current findings have not only informed the academic marketing literature but also the potential to inform policy and practice. Even though little research has in this area, the findings are tentative in its assertions. The evidence this research provides can be used to develop and support Irish SMEs to attract new customers, keep existing ones loyal, increase their sales and in turn contribute to the building of the Irish Economy. Lastly, in a theoretical sense the evidence here provides a good foundation to build on by future marketing and entrepreneurial research as it supports the application of conceptual framework models which are more advanced than the simple attitude-behaviour relationship (Ajzen 1991).

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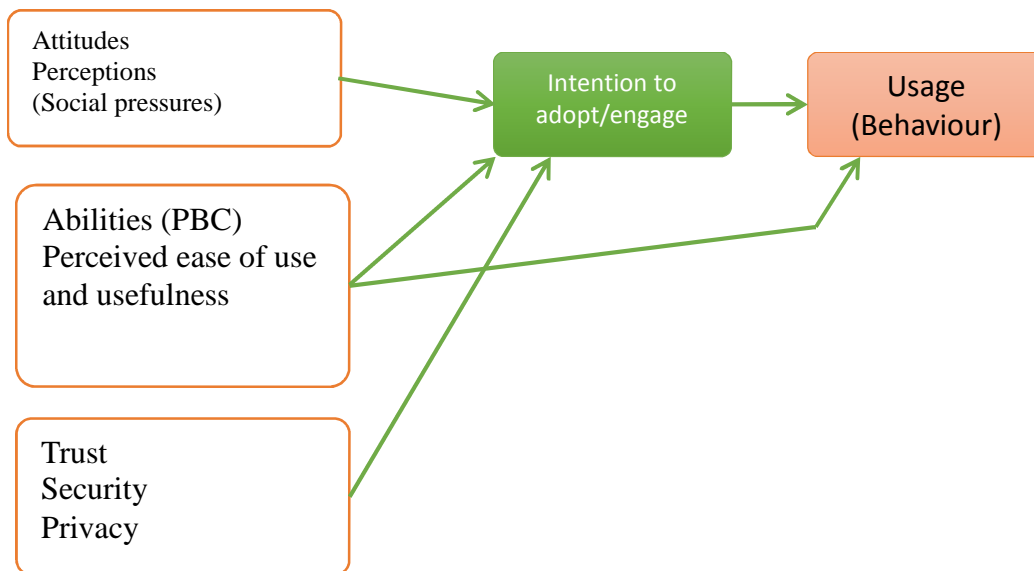
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## APPENDIX 1.

### Proposed model to be tested



## **APPENDIX 2.**

### **Interview Protocol – Social Media (SM)**

#### **Lead-in Questions**

1. Brief introduction and recap of ethical nature and confidentiality of study:
2. General introduction (recap) to the study:
3. Ask about their role at present:
4. Ask about their present/past experience with Irish SMEs (are they or have they worked with SMEs – in what capacity):

#### **Main Questions**

##### **Behavioral outcomes – attitudinal beliefs about adoption SM within an SME**

*When it comes to SMEs adopting SM (in particular owners/managers) adopting SM in the near future (say 3 months), there might be advantages and disadvantages associated with this as a marketing strategy.*

- (1) What do you see as the advantages to SMEs (in particular owners/managers) adopting SM in the near future (say 3 months)?
- (2) What do you see as the disadvantages of SMEs (in particular owners/managers) adopting SM in the near future (say 3 months)?
- (3) What else comes to mind when you think about SMEs (in particular owners/managers) adopting SM in the near future (say 3 months)?

##### **Normative referents – social pressures in regards adoption of SM within an SME**

*When it comes to SMEs (in particular owners/managers) adopting SM in the near future (say 3 months), there might be individuals or groups who would or would not want them to engage with SM as a marketing tool.*

- (1) Please state possible individuals or groups who would approve or think they should engage with or adopt SM.
- (2) Please state possible individuals or groups who would disapprove or think you should not engage with or adopt SM.
- (3) Sometimes, when we are not sure what to do, we look to see what others are doing. Please state possible individuals or groups who would want them to engage with or adopt SM.
- (4) Please state possible individuals or groups who are least likely/would not want them to engage with or adopt SM.

##### **Control factors – abilities, barriers and facilitating/encouraging factors**

*When it comes to SMEs (in particular owners/managers) adopting SM in the near future (say 3 months), there may be both encouraging or facilitating factors as well as perceived barriers in using SM within a marketing strategy.*

- (1) Please list any factors or circumstances that would make it easy or enable SMEs (in particular owners/managers) adopting SM in the near future (say 3 months)?
- (2) Please list any factors or circumstances that would make it difficult or prevent SMEs (in particular owners/managers) adopting SM in the near future (say 3 months)?

**Thank you so far for your responses to my questions, I would just like to ask you at this point is there any other factors you would like to mention about SMEs adoption SM within their marketing strategy?**

**My final questions are in regards to SM and ROI. Do you feel.....**

1. In general do you feel that SM has a significant role in increasing a SMEs:
  - a. ROI
  - b. Success (what would these measures be?)
2. Generally do you feel that Irish SMEs are benefiting from SM as a tool to increase their ROI?
3. What can be done for Irish SMEs to understand the possible benefits of SM to increase ROI?

## APPENDIX 3.

Title of Research Study:

**Predicting SMEs adoption of Social Media Marketing**

INFORMATION SHEET FOR PARTICIPANTS (INTERVIEW)

Dear Participant,

**You are invited to take part in a research study to examine SME managers and owners experiences with adopting and engaging with social media; and your perceptions around why some SMEs adopt social media as a marketing tool while others do not. I would like to invite you to take part in an in-depth interview. This research is part of my dissertation within the MSc Marketing Practice at Letterkenny Institute of Technology.**

Before you decide whether to take part in the study it is important that you understand what the research is for and what you will be asked to do. Please take time to read the following information and discuss it with others if you wish. It is up to you to decide whether or not to take part. If you decide to take part you will be given this information sheet to keep. You will also be asked to sign a consent form. You can change your mind at any time and withdraw from the study without giving a reason. You are welcome to phone me if you would like any further information.

The purpose of the research study is to explore your perceptions, knowledge and experiences in relation to understanding why SMEs adopt or not social media. If you choose to take part the interview will take place at a time and location convenient to you. In all, eight professionals within this area will be interviewed from different locations within Ireland.

The information gained from this research will be used to inform recommendations for adoption of social media within SMEs. The results of the study may also lead onto further studies into the social media and SMEs. However, even if you do decide to take part in the interview you are free to stop at any time if you do not wish it to continue.

The interview will be recorded on audio tape and then transcribed onto a computer. The audio tapes will be stored in a locked secure place at all times and the computer data will be protected from intrusion also. The audio tapes will be destroyed at the end of the study. Your responses will be treated with full confidentiality and anyone who takes part in the research will be identified only by code numbers or an ID number. You can request a copy of your interview transcript if you wish. The interview will be analysed by using a computer package by me. At the end of the research I will write a report and the results may be published in peer reviewed journals and conferences.

No research participant will be identifiable from any publications. This study has been reviewed and approved by the Research Ethics Committee in Letterkenny Institute of Technology.

Please do not hesitate to contact me if you need further information

Thanking you in anticipation,



[Letter Headed Paper]

**Predicting SMEs adoption of Social Media Marketing**

**Title of Research Study: Predicting SMEs adoption of Social Media Marketing**

**Principle Investigator: Chris McLaughlin**

**(Information Sheet Surveys)**

**YOU HAVE TO BE AT LEAST 18 YEARS OF AGE IN ORDER TO TAKE PART IN THIS RESEARCH.**

**Introduction & Purpose:** My name is Chris McLaughlin and I am a student in the MSc Marketing Practice course at Letterkenny Institute of Technology. At present I am conducting research on SMEs adoption, engagement and usage of social media as a marketing tool. We are inviting you to take part in this research. You have been chosen because you are a registered SME within Ireland. Your response will be treated with full confidentiality and all information is completely anonymous. This study has been reviewed and approved by the Research Ethics Committee at Letterkenny Institute of Technology. The information gained from this survey will be used to understand the experiences of SME managers or owners and make recommendations for best practice. Additionally, the findings of this study and may be published in peer reviewed journals and conference presentations. No research participant will be identifiable from any publications.

**Nature of participation:** The policy of Letterkenny Institute of Technology is that all research participation is voluntary, and you have the right to withdraw at any time, without any repercussions, should you object to the nature of the research. All responses will be treated with the strictest sensitivity and are kept confidential. You **will not** be required to provide your name, address or contact details. We have gone through all the normal steps to gain ethical approval for our research study within the research committee structure within Letterkenny Institute of Technology. All results obtained will be strictly anonymised. Importantly, if there is anything during the course of taking part in this research that you do not understand. Please feel free to ask us, and we can go through any aspects with you. Finally, to ensure confidentiality all surveys are returned within a sealed envelope.

**Duration:** The survey is self-report and takes about 15 minutes to complete.

**Costs and Compensation:** You will not receive money or any other form of compensation for participating in this study.

**Possible Risks:** We do not perceive any unanticipated risks associated with completing this survey.

**Possible Benefits:** There are two possible benefits in taking part in this research; firstly when you have participated in this research you may find that you have learned about this research, may inform your perceptions of social media within SMEs; and secondly you will be assisting in furthering knowledge in this area at a theory and practice level.

**If you do participate, completion and return of the survey indicates your consent to the above conditions.**

**Opportunities to Question:** Any technical queries or questions in relation to this research can be directed to:

## APPENDIX 4.

### Attitudes

	Theme	Direct quotation
Advantage	Promotion	<i>“Its free promotion....[the] business is available twenty-four-seven, open around the clock, even if they are closed they are engaging with customers.” [P1 Female]</i>
	Promotion	<i>“Depends on the business and the adoption of it – if B2B or B2C.....I think for B2C it’s very important for promoting your business, keeping your customers informed of what’s going on.” [P2 Female]</i>
	Promotion	<i>“Reaching a wider audience.....some have the misled notions...just to sell products rather than engage with their customers.....more awareness for their product, for their brand, to their business. So they were using it to sell more....get their name out there and what they do.” [P3 Male]</i>
	Promotion	<i>“Brand awareness.....if they are trying to get to foreign markets or even their own domestic market, how does a small company with a novel offering get its head above all that noise...social media is one of the way to do that...to punch above their weight”. [P4 Female]</i>
	Promotion Cost	<i>“I think some are (benefiting) particularly with this area of social media.....for brand awareness” [P6 Female] “really around cost effectiveness, we consistently get that they are able to research.....this word engage....or research a wide variety of customer, very cheaply which they can do at the moment that is always number one motivation”. [P5 Male]</i>
Disadvantage	Negative feedback	<i>“Bad news goes viral.....negative comments, experiences that a customer can get out and go viral”. [P1 Female]</i>
	Time/Resources	<i>“[The] SME perspective is time, people get involved for the wrong reasons [this] does not create promotion as it is time consuming..... putting the investment in from a recourses point of view, staff, getting distracted from their main duties....it’s a balance as it depends on the SMEs size...having the resources and the time is important”. [P2 Female]</i>
	Time/Resources	<i>“Even if there is a training event....it is the opportunity of the cost of time to go, there is a resource constraint, and down to a cost of time for the business.” [P4 Female]</i>
	Time/Resources	<i>“The chief motivation goes with the one that it’s free, and I always say to them it is not always free as you are spending your time monitoring and managing it.....peoples [SME owner/managers] perspective is strange; they don’t see their own time as no value”. [P5 Male]</i>
	Function	<i>“Getting involved for the wrong reasons and no return....as it distracts from their main activities...need to put out the right message, they talk for the reason of talking and don’t have something to say.” [P1 Female]</i>
	Function	<i>“Not fully aware of what they have to do.....they think it’s just about setting up a webpage.....whole strategy is wrong.” [P1 Female]</i>
	Function	<i>“Need to understand what they are doing.....a lack of understand of the permanency of what is out there and a lack of understanding of search engine optimisation.” [P4 Female]</i>

Function	<i>"It is the hip and trendy thing to be in.....the reality is quite different, its stop start for many, some start and don't continue, some don't understand it...should be using another form of platform which is more better for them." [P6 Female]</i>
Function	<i>"The only negative aspect [I found] not doing it properly, so a lot of their fears that they were going to make mistakes, not doing it [social media] properly and not engage with their audience [properly]....a fear of just failing." [P3 Male]</i>
Limited	<i>"It depends on the sector, the transport and logistics don't use it as its more B2B sector, tends not to be used.....maybe they Facebook just to get their brand out there." [P4 Female]</i>

### Normative/Social Pressures

Positive	Family	<i>"Younger family member..... Peer and family learning can shed some light on the use of social media." [P1 Female]</i>
	Family	<i>"When a younger member of the family comes in.....they bring in new resource and knowledge [social media] into the business." [P4 Female]</i>
	Networks/Peers	<i>"Gurus, trainers and media marketing services or companies." [P1 Female]</i>
	Networks/Peers	<i>"It's a good question...its peers or people within the same area you're in....networks, people in your own groups or networks you're in.....fellow companies or people you have met during the process [of starting up] would be interested in what you're doing." [P2 Female]</i>
	Networks/Peers	<i>Again there would be peer pressure.....in the context of small firms in the North West, you can ask them why you done it [engage or adopt with social media].....cause everyone else has done it but they don't know why they are doing it. [P4 Female]</i>
	Networks/Peers	<i>"Sort of motivated to doing it? To be seen as a progressive company [by competitors], down to peer pressure, everyone else is doing it." [P3 Male]</i>
Negative	Networks/Peers	<i>"There is all that peer pressure at play around social media, it is not so much that it gives them a competitive advantage.....but rather they fear not using it would give them a competitive disadvantage." [P5 Male]</i>
	Financial Owner	<i>"The only people that might would be are the accountant's side of the business." [P3 Male]</i> <i>"I think there is a lot of dinosaurs around [owners]....stuck in their ways." [P4 Female]</i>

## Abilities, Barriers and Facilitators

Facilitators	Competent	<i>“Technical ability.....having technical expertise and know how.” [P2 Female]</i>
	Competent	<i>“The issue is really is one of making that work for you in some sort of way...we have couple of abilities that enable that to happen, one is an issue of competency.....SME owner/manager adopting website for their businesses, we found that things like vision could add value to the company and technical competency had emerged.” [P5 Male]</i>
	Need for Promotion	<i>“Accessing new customers and turning this into a profit.....just at your fingertips.” [P1 Female]</i>
	Need for Promotion	<i>“Social media is great put out to put a message out quickly, promotion is a big thing, that is why you get involved, getting something back, being a known provider in a certain area.....become an expert in certain skills.” [P2 Female]</i>
Barriers	Knowledge	<i>“If someone in their network use it badly, can view it about negatively.....but it’s more than that [social media] sales and marketing competency is quite poor, so there is a whole gap there.” [P4 Female]</i>
	Tech Fear	<i>“Having to use computers to communicate with customers.” [P1 Female]</i>
	Tech Fear	<i>“They are afraid of the internet, computers....can put them off maybe due to negative past experiences.” [P1 Female]</i>
	Confident	<i>“Some are not confident, they feel that they will do something wrong and they shy away from using social media.” [P1 Female]</i>
	Knowledge	<i>“Setting up their own [web] pages.....thinking that they have just to set up a page, its more than that.” [P1 Female]</i>
	Time/Resources	<i>“Another barrier would be resources or time.” [P2 Female]</i>
	Time/Resources	<i>“Time resources, and man power, but mostly time, they [SME owners] have a perception that...they didn’t have the time.” [P3 Male]</i>
	Time/Resources	<i>“It is really it is time and interest.....sounds really simple.....time and interest” [P6 Female]</i>
	Time/Resources	<i>“Issue would see happening is that they know they should be involve but put on the long finger, they know that they should and know how is important it is [of social media] for them”. [P6 Female]</i>
	Knowledge	<i>“Again it comes down to a lack of education, they [SME owners] thought there were costs associated with stating up social media.” [P3 Male]</i>
Knowledge	<i>“If someone in their network use it badly, can view it about negatively.....but it’s more than that [social media] sales and marketing competency is quite poor, so there is a whole gap there.” [P4 Female]</i>	
Knowledge	<i>“I suppose not to be too obviously, the converse not having enough time, not being competent, and not have vision about your company.” [P5 Male]</i>	

## Return on Investment

Increasing ROI	Tool	<i>“Yes...means a way of knowing how people [customers] go through your pages online, tracking their movements, how they make a sale.” [P1 Female]</i>
	Tool	<i>“It depends on the method your trying to get across, if you are selling something.....It depends on your sector and what you’re doing, who your target market is, if its B2B you mightn’t get something out of it, if it is customer [B2C] then you might through give-aways [prizes], competitions, thought for the day....depends on how you use it.” [P2 Female]</i>
	Tool	<i>“You can find out customer attitudes and behaviours, and bring in money.....new business.....new partnerships and customers.” [P4 Female]</i>
	Tool Clarity	<i>“Yes if done correctly.....correct platform, correct investment, and correct focus to achieve that gaol” [P6 Female] “Definitely....though there wasn’t anyone [SMEs] that didn’t say they didn’t make money using social media, however the investment is slow.....but they found it hard to know what exactly it was [ROI].” [P3 Male]</i>
Increasing Success	Validation	<i>“Has proven to work from speaking with clients.....they have seen increases in enquires, sales and more positive outcomes with customers.” [P1 Female]</i>
	Sector Specific	<i>“[Success] absolutely but once again it might be sector specific, of course it is.....it is a very good brand tool....marketing tool....reputational tool.” [P4 Female]</i>
Benefits of Social Media and ROI	Strategy	<i>“Target different industries, sectors and customers.....its remote so social media can be done anywhere.” [P1 Female]</i>
	Strategy	<i>“I don’t know, I’m sure they are, some use it as a personal page, talk about personal things, how you use it, if you use it as a business tool, it can be very beneficial, I don’t know, I’m sure it has benefits, depends in what are your in and what target market, if you are a hotel you might get something out of it, depends in the area.” [P2 Female]</i>
	Strategy	<i>“I think they are, they know perfectly they have to be engaged, they were aware of the benefits of engaging with their audiences. [P3 Male]”</i>
What can be done	Awareness and support	<i>“There is plenty of help there if they want it...keep increasing awareness.” [P1 Female]</i>
	Awareness and support	<i>“People are looking for information [start-ups].....there is a large need for it, [however] there should be training done on it – which are the better forms of social media that suite your business, you might be better having a LinkedIn profile than a face book page.” [P2 Female]</i>
	Awareness and support	<i>“A lot of people don’t have the marketing expertise, depends on you back ground, more mentoring needs to be provide, more classes.....there is no harm on that.” [P2 Female]</i>
	Awareness and support	<i>“More local groups....more research needs to be done, results need to be available for SMEs to see what happening, and more literature made available from governmental agencies...more [training] programmes at a local and national level.” [P3 Male]</i>
	Awareness and support	<i>“As a business school we need to come out of our ivory tower.....to show that Social Media is not just nice to have, not an add-on but an important tool....however Small businesses need to seize the opportunity.....use their networks.” [P4 Female]</i>