Exploring Social Media Adoption Processes and Factors:
Small and Medium Enterprises in the Kingdom of Saudi Arabia

This Thesis is submitted in accordance with the requirements for the degree of
Doctor of Philosophy

By

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Abstract

Over recent years, Social Media (SM) has begun to revolutionize the business world. As SM platforms and functions have developed, the prospects for SM adoption have become increasingly evident to businesses. Thus, it is highly recommended that contemporary businesses improve their knowledge of SM adoption and gain experience. It is also important for businesses to consider how to improve their SM performance to attain maximum advantage from SM use. At the present time, SM is increasingly being adopted as a tool by a variety of organizations, including small and medium enterprises (SMEs). Moreover, for SMEs with limited resources and capabilities, SM represents a unique opportunity for enhancement and expansion, also facilitating several business activities. However, although SMEs are considered the backbone of the economies of most countries worldwide, and are of a high value socially, there has been little research into SM adoption by SMEs. Additionally, SM is becoming ever more diffused among customers in diverse sectors, as a variety of internet based mobile-devices are facilitating the search for products and services online, and via SM platforms, such as Facebook, Twitter and Instagram. Specifically, in the context of the Kingdom of Saudi Arabia (K.S.A), SM use is becoming more widespread and SMEs are receiving greater attention from the government, the public, the private sector, and consumers.

To investigate SM adoption by SMEs in the K.S.A, the current research explores important factors including enablers and barriers, as well as potential practices that might promote effective adoption or inhibit it. A conceptual framework was developed integrating current models of technology adoption (including the Technology-Organization-Environment (TOE) and Innovation-Decision-Processes from Diffusion of Innovation (DOI) frameworks). Utilizing this framework, thirteen cases of Saudi SMEs, in both the retail and service sectors, were investigated. The cases combining 39 interviews with individuals involved in SM adoption.
The main outcome of this research is a SM based business framework that identifies the main factors that influence SM adoption, including environmental factors, technological SM related, and organizational SMEs related factors. The proposed framework also presents the modified SM adoption process stages, including knowledge, decision, implementation, assessment and monitoring, and improvement and development. The expected outcomes from effective SM adoption in SMEs were categorized into marketing improvement, transformation of business functions, research and development enhancements and business development and expansion.

Furthermore, the findings based on the interview results indicate that SMEs in both studied sectors retail and service are adopting SM similarly with no core differences were found as important insights to the study. SMEs mainly adopted SM as a marketing tool, to advertise and improve brand image. Additionally, to attract and reach more potential customers, improving sales, accessing new markets and to use SM as a customer service communication channel. However, with moderate SM use for market research which found to be (if applied) positively informing decision making by the business along with facilitating and enabling of important business improvement strategy such as mass customization and crowdsourcing. Little attention was given to SM functions that might improve human resources and supplier related activities. The findings suggest government support for SMEs and ICT infrastructure readiness in the K.S.A, internet affordability and availability, the advantages of SM platforms and the functional variety and ease of use comprise some of the key enablers to adopt SM. In addition, the results showed that SM cost effectiveness, low entry cost, and SM popularity among customers represent main motivations for SM adoption in SMEs. Besides, SMEs top management support and internal SM and business management knowledge were important influencing factors motivating SMEs and enabling them for better performance in the adoption of SM.

However, SMEs need to overcome several obstacles if they are to achieve effective SM adoption. The main obstacles or barriers that shown adverse
influence were cultural issues, lack of SM regulations and laws in K.S.A and SM security issues such as hacking or replications. Besides, top management unwillingness to incur SM costs, if any, and attitudes has a particular effect to limit improvements to SM adoption. In addition, inadequate SM adoption planning, reliance on personal effort, and limited awareness of SM broader function in SMEs had a highly undesirable influence on the effectiveness of SM adoption in SMEs.

Moreover, several recommendations for Saudi SMEs have been proposed as best-practices to follow and mal-practices to avoid. In order to achieve effective SM adoption and experience more operational improvement outcomes which is positively associated with the effective adoption best practices.

The contributions to academic knowledge made by this research are several. First, the research discusses the applicability of the Innovation-Decision-Processes and TOE models to investigate SM adoption by SMEs. Second, it contextualizes and adapts both models to meet the specific prevailing conditions in SMEs in the K.S.A. Hence, the result would be a more generalizable one applicable to both retail and services sectors and applicable in some developing countries and gulf countries with similar economic conditions.
DECLARATION

I hereby certify that this thesis constitutes my own work, that where the language of others is set forth, quotation marks so indicate, and that appropriate credit is given where I have used the language, ideas, expressions or writings of another.

I declare that the thesis describes original work that has not previously been presented for the award of any other degree at any institution.

Hanaa Namankani

2019
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Definitions andAbbreviations

Adoption: As defined by Rogers “the full use of an innovation as the best course of action available” (Rogers, 2003, p.177). Used interchangeably with diffusion in some research, despite differences in meaning.

DOI: Diffusion of Innovation theory (Rogers, 2003).

E-Business: Electronic Business

ICT: Information Communication Technology

Implementation: Putting an innovation into practice

IS: Information Systems

IT: Information Technology

K.S.A: Kingdom of Saudi Arabia

Social Media adoption: SM adoption is the process and stages of SM use by a company

SM: Social media (covers social networks, virtual communities and social media). Social Media is an internet-based platform to build a virtual community to perform user-generated content of personal, biographical and everyday interest that develops interactive communication to share information, ideas, personal messages and other contents in the market environment, professional dynamics, innovation process, and social practices. Examples are Facebook, Twitter, Instagram, Snapchat, WhatsApp and LinkedIn. Many research studies perceive SM as an innovation in ICT and as an example of technology.

SMEs: Small-Medium-Sized Enterprises

Innovation: “An innovation is an idea, practice, or project that is perceived as new by an individual or other unit of adoption” (Rogers, 2003, p. 12). This is the case for SM in the business sector, mainly for Saudi SMEs.

Technology: “A design for instrumental action that reduces the uncertainty in the cause-effect relationships involved in achieving a desired outcome” (Rogers, 2003, p. 13).

Diffusion: Is “the process in which an innovation is communicated thorough certain channels over time among the members of a social system” (Rogers, 2003, p. 5).
CHAPTER ONE

Introduction

1.1 Introduction

The nature of the businesses and economic environment have changed over time. Over the past decade in particular, change has been continuous and rapid, which has increased the need for new studies and research to help organizations understand and effectively react to changes and challenges (Poorangi et al., 2013). One of the most significant changes globally has been the use of Information Communication Technology (ICT) and social media (SM) to achieve business goals and meet the objectives of maintaining sustainable productivity and competitive advantage (Jagongo & Kinyua, 2013; Indrupati & Henari, 2012; Barnes & Jacobsen, 2013). According to Nasco et al. (2008), the adoption of IT is very important in any economic system. Also, the study of SM applications and their effect on business has attracted the attention and interest of researchers in this field (Meske & Stieglitz, 2013).

Technology, which is the design and application of science and knowledge to achieve desired outcomes, serves as a transformational tool at both the individual and organizational levels (Rogers, 2003, p. 13). The use of SM represents a recent example of the vital role played by technology in supporting and changing the business environment (Jagongo & Kinyua, 2013; Tapscott & Williams, 2008). SM provides an effective way to reach target audiences, not only in business organizations, but also in governments, communities, and among all forms of political and social groups (Terblanche, 2011). Studies examining the SM phenomenon in a business context are becoming extremely important, due to the rapid diffusion of SM globally (Indrupati & Henari, 2012; Kietzmann et al., 2011). Consequently, there is growing demand for more in-depth understanding and analysis of SM, in order to develop more effective frameworks and models to assist organizations in different sectors to adopt and use SM more effectively, gain SM advantages and benefits, and avoid and overcome SM disadvantages and barriers (Godes et al., 2005; Godes et al., 2009). This research focuses on SM adoption, viewing it as a significant factor involved in improving the performance and productivity of small to medium sized enterprises (SMEs) (Brown et
al., 2002; Tickle et al., 2007; Koch et al., 2013; Jagongo & Kinyua, 2013; Indrupati & Henari, 2012; Barnes & Jacobsen, 2013). The contextual focus of the present study is situated in SMEs in the K.S.A (a detailed discussion about the context of the K.S.A including the Saudi economy, ICT, SM and SMEs in the K.S.A is presented in the first section of Chapter Three).

This introductory chapter firstly discusses the significance of the study. Then, it explains the background to the study and the knowledge gap before introducing the research questions and objectives, followed by the contextual motivations. Finally, the thesis structure is outlined, summarizing the content of each chapter.

1.2 Significance of the study and research contribution

This case study research is specifically important in the Saudi Arabian context; however, the study’s results may be applicable to other contexts that share similarities with it. Indeed, case studies findings can assist in understanding a similar research focus, cases or phenomena (Cohen et al., 2011). Thus, the findings may be relevant to other developing countries and neighbouring countries in the Gulf region and the Middle East in general. In the wider context, the findings from this research will contribute to knowledge of ICT and SM adoption from an organizational perspective, in this case SMEs. From a theoretical perspective, this study investigates how the potential benefits of SM adoption can be effectively realized by SMEs. The study considers two practical dimensions, known as the Technology-Organization-Environment (TOE) and the Innovation Decision Process, derived from Diffusion of Innovation (DOI) theories, with the aim of exploring the role each theory plays in developing and supporting an environment in which SMEs can create sustainable businesses. A framework for achieving SM adoption is presented, which highlights interactive processes, as well as detailing the various stages of adopting and utilizing SM in business contexts. Important criteria, models, and factors were considered when evaluating the extant literature pertaining to how SMEs might practically progress from one level to the next to grow their businesses using SM. The main objective of this study was to reveal the extent of SM adoption in practice, and how it is implemented by SMEs, as well as how it can contribute to improvements and
expansion in SMEs. The proposed framework explores which components of the two models are appropriate and applicable to SMEs in the context of the K.S.A. In addition, the proposed framework is an extension and modification of the developed conceptual framework based on the two models. It is envisaged that any successful implementation of the SM adoption framework will allow SMEs in the K.S.A to better understand the SM adoption process, and to increase both their internal readiness and their capabilities, and to improve SM performance to obtain the positive outcomes of SM. The findings also propose factors that will offer critical support to enable effective SM adoption by SMEs; consequently, SMEs in other locations may benefit from and gain a better understanding of this phenomenon, resulting in clearer adoption decisions and more informed choices. In relation to the Saudi Arabian context, this research study will add value to the existing literature concerning the Saudi economy and SMEs’ SM adoption. Furthermore, from a practical perspective, the proposed framework for effective SM adoption could be used by SMEs in the K.S.A. In addition, a summary of best practices can be used and applied by SMEs to guide effective SM adoption from the initial decision stages to the final confirmation and development stages. In addition, the current study presents some key factors that influence the adoption process, serving as enablers, benefits, or barriers.

Based on the findings of this research, multiple studies investigating technology adoption and/or factors influencing SMEs’ adoption of ICT will be conducted. Several studies can be initiated based on this study as it provides adequate background for SMEs studying SM adoption in a focused context, and innovation adoption in the broader context.

1.3 Background to the study

One reason for choosing K.S.A as the context for this study is that it was a requirement of the researcher’s sponsor. More details regarding the context are presented in Chapter two. Chapter Three serves as a literature review, covering the main areas related to the focus of this research, including SMEs, SM, theoretical models of technology adoption and additional related topics. A brief background to the context and the literature is provided below.
1.3.1 SMEs in the Kingdom of Saudi Arabia (K.S.A)

The Communications and Information Technology Commission (CICT) 2010 stated that the K.S.A is a fast-growing country economically, specifically in the realm of Information and Communication Technology (ICT), which guarantees readily available internet access, and an environment and infrastructure conducive to ICT use. These rapid developments have influenced the performance and growth of SMEs activities to some extent, playing a major role in the K.S.A economy as a whole (Almahdi, 2009; Bundagi, 2005; Bahaddad et al., 2012; Fathian et al., 2008). This was summarized by Ibrahim Al Hunaisheh (KACST, 2014) who observed: “With lower oil prices, the importance of growing the private sector’s contribution to GDP has become clear. The best way to do this is by boosting the SME segment”. Hence, SMEs have inevitably occupied a central position in the K.S.A engaging in development strategies, especially when the main national income source from oil was affected by global economic and political changes. Furthermore, Bundagji (2005) and Al-Mahdi (2009) agreed that SMEs represent 95% of the K.S.A’s enterprises providing 60% of available jobs. Realizing the significance of SMEs, the K.S.A’s government has provided essential support and resources (KACST, 2014) to contribute to the improvement and advancement of SMEs. Therefore, this research focuses on providing insights and guidance for SMEs in the K.S.A by highlighting how to adopt the technological tools present in the marketplace, in this case SM.

Recent studies (McAuley, 2001; Bahaddad, 2012; Meske and Stieglitz, 2013; Docherty, 2004; Vasquez and Escamilla, 2014; Ainin et al., 2015) have suggested that SMEs have enriched the global economy with their highly skilled resources, by being focused, small, innovative and adopting flexible principles, particularly in the domain of IT implementation. In addition, Fathian et al. (2008) agreed that SMEs made a significant contribution to the national economy, as stated by Storey (1994); 85% to 99% of enterprises in Europe were considered SMEs based on number of employees and market share. Ozmen et al. (2013) and Al-Mahdi (2009) also agreed that the development of SMEs had gained significant attention, in addition to providing employment opportunities.
In the K.S.A, the government has recently offered incentives and support to encourage SME growth, resulting in a large number of job opportunities emerging from the private sector (Bundagji, 2005). However, there is still a lack of evidence (Durkin & McGowan 2013) regarding whether SMEs are using rapidly growing technology effectively, often because of inadequate knowledge and resources (Drury, 2013). However, Durkin and McGowan (2013) have argued that it is worth exploring how SMEs can effectively adopt new technology, assessing the possible positive impact of it on their businesses. Drury (2013) added that most SMEs have identified opportunities associated with SM technology.

As SMEs are now playing a major role in the Saudi economy, influencing the business sector, there is a greater understanding of the significance of conducting research concerning SMEs in the K.S.A. It is also acknowledged that it is vital to support the progress and growth of this group of fundamental players in the economy.

1.3.2 Social Media (SM) and its usage in SMEs

By definition (Kaplan and Haenlein, 2010), SM can be categorized as including collaborative projects, blogs, content communities, social networking sites, virtual game worlds, and virtual social worlds. Although there is no consensus yet affording an exact definition of SM, it is widely accepted that SM brings SMEs a range of opportunities and advantages (Bunker et al. 2013; Meske & Stieglitz 2013; Wamba & Carter 2013; Derham et al. 2011; Stockdale et al. 2012; Abed et al. 2015). By using SM, SMEs can be permanently connected to anyone with whom they wish to share their business offerings (Kim et al., 2013). Therefore, it is increasingly viewed as important for SMEs to fully utilize and adopt SM platforms, such as Wikipedia, YouTube, Facebook, Instagram, Twitter, and SnapChat, to maximize their business opportunities (Wamba & Carter, 2014). Lin (2008) added that members of online communities can build relationships, create fantasies (for example, virtual lives) and conduct transactions. Crucially, researchers have described SM as a social network platform that allows members to interact using internet-based technologies for business communication (Lin, 2008; Spaulding, 2010). Gemunden et al. (1997) emphasize the significance of SM as channels for sharing resources while also
promoting business activities. Simply put, SM offers an opportunity for SMEs to enhance their business performance without the need to travel physically.

Not all SMEs are ready or fully equipped with the knowledge and resources to adopt innovative technological offerings, particularly SM (Abed, 2015). Therefore, it is anticipated that SMEs need strategies in place to prepare for successful SM adoption. This may include extensively planning their operations and resource requirements, including finance, marketing, human resource management and production (Demirbas et al., 2011). Furthermore, research suggests it is important to explore how SMEs adopt new technology effectively to prevent problematic implementation and results (Durkin et al., 2013; Wamba & Carter, 2014). Ineffective use of SM can create problems for SMEs, but effective SM adoption is believed to result in advantages and better business performance, as agreed by Derham et al. (2011) and Constantinides et al. (2010), who suggest that SM will benefit SMEs because it requires minimal cost outlay, low technological skill and is easy to participate in. The consensus is that SM adoption is essential for SMEs, and functions effectively in parallel with other modern ICT developments.

1.3.3 Current theoretical models

The literature reveals several models for technology adoption by businesses. However, each model has strengths and weaknesses, meaning that not all were deemed suitable for application to this study. Based on a critical review of the Diffusion of Innovation (DOI) model by Rogers (2003), and the Technology–Organization–Environment (TOE) model by Tornatzky and Fleischer (1990), it became evident that integrating the two models (DOI and TOE) would provide the most appropriate framework for this study.

The DOI (Rogers, 2003) was expected to be the most suitable theory on which to base this study because it sets out adoption process stages, using different perspectives and innovation attributes (relative advantage, compatibility, complexity, trialability, and observability), and flexible choices, allowing the most relevant part of the theory to be used to achieve the research objectives of exploring Saudi SMEs’ SM adoption process.
The DOI (Rogers, 2003) is also applied empirically in cross-disciplinary fields, including history, economics, technology and education. By definition, technology is “a design for instrumental action that reduces the uncertainty in the cause-effect relationships involved in achieving a desired outcome” (Rogers, 2003, p.13). Adoption is defined in this context as “the full use of an innovation as the best course of action available”, and rejection means “not to adopt an innovation” (Rogers, 2003, p.177); whereas, diffusion is “the process in which an innovation is communicated thorough certain channels over time among the members of a social system” (Rogers, 2003, p.5). Conceptually, DOI is identified as an Innovation-Decision Process, which involves five stages: knowledge, persuasion, decision, implementation and confirmation.

Knowledge describes “what the innovation is and how and why it works” (Rogers, 2003, p.21). Knowledge is crucial to ensuring the continuity of the adoption process cycle. Rogers also notes that “the formation of a favourable or unfavourable attitude toward an innovation does not always lead directly or indirectly to an adoption or rejection” (Rogers, 2003, p.176). Therefore the influencing factors that determine whether a company adopts or rejects an innovation are critical to this process. A decision is defined as “[the] full use of an innovation as the best course of action available or not to adopt an innovation” (Rogers, 2003, p.177). Thus, it represents the action of either implementing an adoption process, or choosing not to implement it. Implementation is in question when “some degree of uncertainty is involved” (Rogers, 2003, p.6). Confirmation is defined as support needed to continue or terminate the adoption process because of the expectation of its contribution to enhanced performance, or its negative impact, respectively. These five stages were used to explore the influences on SM adoption processes in the K.S.A’s SMEs.

The TOE theory (Tornatzky and Fleischer, 1990) was chosen for its technological, organizational and environmental contexts, which are considered vital for investigating technology adoption processes in organizations (Damanpour & Gopalakrishnan, 1998). Firstly, the technological context encompasses all technologies related to and applied by an organization. This includes current technologies that are already used by the organization, and those technologies
available in the market that are yet to be used by the organization, and which are probably still in the planning phase. Secondly, the organizational context denotes the structure and resources of the organization itself, including hierarchical employee structures, intra-organization communication, and messaging processes, the organization’s scope and size, and its level of unused resources. Finally, the environmental context explains the factors surrounding the organization, including its structure, the existence of technology service providers and the regulatory atmosphere.

Context is critical as the impact of environmental factors can spread, as supported by Mansfield (1968) and Mansfield et al. (1977) who claimed that intense competition motivates the adoption of innovations. Kamath and Liker (1994) also asserted that the leading organization within a value chain often inspires other organizations within the chain to innovate. Baker (2011) suggested that TOE represents a future direction of empirical research, as this model has proven valuable for the investigation of a wide range of innovations in various contexts. Hence, it was decided that these contexts were appropriate criteria to investigate during the SM adoption process in SMEs in the K.S.A.

Integrating the two theories (DOI and TOE) appeared to be the best way to gain the broadest possible understanding of the phenomenon under investigation in this study. It was expected that the two models, when integrated in the research-specific context of SM adoption by SMEs, would result in the creation of a new framework. A conceptual framework for achieving an effective SM adoption process was developed to conduct this study. The next section briefly describes the knowledge gap in this field of research, which this study aims to address.

1.4 Knowledge gap

In contemporary society, SM is developing very rapidly (Terblanche, 2011; Bateman et al., 2010), as are adoption practices (Kietzmann et al., 2012). Therefore, there is an ongoing necessity to update research studies and investigate deficiencies in understanding the significant influences of SM on organizations (Kaplan and Haenlein, 2010), specifically in the context of SMEs (Kietzmann et al., 2012; Meadows-Klue, 2009; Durkin & McGowan 2013).
Arguably, this field of research in SM adoption will continue to expand as long as the penetration rate for SM increases. Therefore, the demand for research investigating SM and its influence in the business arena will continue to grow (Godes et al., 2005; Godes et al., 2009). Although SM is widespread, the adoption of SM for business purposes remains slow (Abed et al., 2015), and some SMEs have chosen to adopt new technology in response to perceived opportunities to imitate market trends, without adequate knowledge of how to do so (Drury, 2013). Therefore, it is important to explore the impact of new technology on SMEs to understand how to adopt it effectively (Durkin & McGowan 2013) and to determine the factors affecting SM adoption.

According to Drury (2008, 2013) SMEs “must” engage in SM or they risk losing the novel opportunities it SM can bring. Organizations need to blend new technology with their existing business models to improve performance and compete in the market (Gnyawali et al., 2010). One way to do so is by developing frameworks for models that successfully integrate technology adoption practices.

Several research studies have examined SM in the business context, but these have principally focused on the effect of SM on organizations (Jagongo & Kinya, 2013) and on the user side, with little investigation into the companies’ perspectives (Kawaljeet et al., 2014). Also, many studies have looked at SM from a purely marketing perspective (Kotler & Armstrong, 2011). Some researchers, such as Riston (2010), have argued that SM has an uncertain value to marketers, upholding Michaelidou et al.’s (2011) view that businesses face a level of uncertainty when striving to understand how social networks can support their brands. Research in this area remains limited (Michaelidou et al., 2011). Additionally, the focus of many studies is primarily on developed countries, where there are strong academic research centres and institutions (Poorangi et al., 2013). There are only a limited number of studies considering the SME perspective (Lee, 2002; Simpson & Docherty, 2004) and the factors affecting the stages of the decision to adopt, with little or no focus on the implementation and confirmation of post-adoption stages (Kawaljeet et al., 2014).
Many of the factors affecting SM adoption by SMEs are currently unknown and require exploration, especially in the context of fast-growing developing countries (Poorangi et al., 2013). The majority of the studies in this field have utilized quantitative data, derived from surveys and questionnaires (Kawaljeet et al., 2014), highlighting a need for qualitative research affording a deeper analysis and understanding. The literature review clarifies that very few research studies have been carried out on SM adoption from the perspective of Saudi Arabian SMEs in the context of developing countries. Accordingly, the focus of this study was on exploring and investigating SM adoption and the factors influencing that adoption in the K.S.A; and the extent to which these factors are critical to this adoption and why. In order to fill this gap, the current study offers an analysis of SM adoption in SMEs in the K.S.A and a framework that includes the principal critical factors surrounding this adoption, how these factors influence the adoption process, and the adoption stages that are applicable in the Saudi context, as well as the most significant outcomes and improvements resulting from SM adoption by SMEs. In addition, the findings include recommended best practices, which might lead to effective SM adoption among Saudi SMEs. The research objectives and questions developed based on the literature review and the current gap are set out below, outlining the steps taken to address this knowledge gap.

1.5 Objectives and research questions

Based on the gap in the literature, the main objectives of the study were articulated; firstly to determine why SMEs are moving towards adopting SM, and to explain how they are actioning the adoption process, and why the marketing scope of SM utilization has thus far been limited for SMEs. To determine the nature and character of the enablers, benefits and barriers encountered by SMEs owners/managers when adopting and using SM for business development and competitive advantage. Secondly, the objective was to develop an SM adoption framework for SMEs in the K.S.A based on DOI and TOE models, drawing on case studies conducted as part of this research. The third objective was to produce practical ‘best practice’ guidelines for effective SM adoption in SMEs, as the need for such guidance has been established (Jagongo & Kinyua, 2013). The thesis aims to develop a comprehensive SM adoption framework,
highlighting essential factors that influence this adoption, the stages through which SMEs proceed during the adoption process, and the potential positive results of adoption.

Accordingly, the research questions were as follows:

1. How is SM currently being adopted by SMEs in the Saudi Arabian context?
2. What are the factors that might influence SM adoption in Saudi Arabian SMEs?
3. How is the adoption of SM improving the way in which Saudi Arabian SMEs conduct business?
4. What are the most evident practices for the effective adoption and utilization of SM by Saudi Arabian SMEs?

1.6 Structure of the thesis

This thesis has eight chapters, and the structure is illustrated below and summarized in Figure 1.
Figure 1: Thesis structure
Chapter 1 Introduction: This chapter introduces the background to the research, the significance of the study and the knowledge gap, as well as the main research questions and objectives.

Chapter 2 Literature Review: This chapter is divided into two parts: The first concerns ICT, SM and SMEs, while the second introduces Rogers’ DOI theory and the TOE framework applied to study ICT adoption by businesses.

Chapter 3 Study Context: This chapter is presenting the study context, which gives a brief description of the K.S.A’s economic and business environment. In addition, it includes contextual details concerning SMEs and SM in the K.S.A, which have the potential to affect the outcomes of this research.

Chapter 4 Methodology: The second section is the literature regarding the philosophical and theoretical framework for the research, the research approach and design, research method and data analyses. Additionally, it includes a discussion of what comprises ethical approval and the reliability of the data analysis.

Chapter 5 Case Studies: This chapter reports on the interview findings regarding SM adoption by Saudi retail and service SMEs. Each company profile is described. The findings are presented as individual case studies, using a thematic analysis technique to identify themes relating to SM adoption stages and existing practices within each of the companies.

Chapter 6 Discussion: This chapter discusses the research findings form chapter 5 in light of the existing literature reviewed in Chapter 2, the aim being to extend knowledge in the studied area.

Chapter 7 Conclusion: This chapter provides the conclusions and recommendations for future research. It also notes the limitations and the contributions of the research.
1.7 Chapter summary

This chapter presented the background to this study and explained its significance. In addition, it clarified the gap in the literature that this study aims to fill, and stated the research questions and objectives. Finally, the structure of the thesis was outlined, summarizing the content of each chapter.

The next chapter presents the literature review, which is divided into two parts; the first outlining additional details about related SM topics, SMEs, and the adoption of technology in the business sector. Whereas, the second part includes details and justifications based on reviewing and analysing the literature concerning the two theories employed in this study (i.e. DOI and the TOE).
CHAPTER TWO

Literature Review

2.1 Introduction

Using SM as a business platform is now almost essential (Ainin et al., 2015). As its popularity increases, the use of SM is becoming an increasingly popular choice for business improvement and expansion, allowing direct, open communication with target audiences and customers (Terblanche, 2011; Kietzmann et al 2011; Indrupati & Henari, 2012). In order for SMEs to benefit from the advantages of SM in business, they need to understand how to adopt and utilize SM effectively. Therefore, it is important to conduct research studies that investigate SM adoption and develop specific SM platforms for businesses that can mediate the use of SM by SMEs in the best way possible (Godes et al., 2005; Godes et al., 2009). Several research studies have viewed SM as a powerful platform and a significant tool for improving SMEs’ performance and productivity (Brown et al., 2002; Tickle et al., 2007; Koch et al., 2013; Jagongo & Kinyua, 2013; Indrupati & Henari, 2012; Barnes & Jacobsen, 2013).

It is anticipated that research into SM adoption will continue to expand as long as the SM penetration rate continues to rise. Therefore, the demand for research investigating SM and its influence on businesses will continue to grow (Godes et al., 2005; Godes et al., 2009). Although SM use is widespread among the general population, the adoption of SM in the K.S.A for business purposes remains slow (Abed et al., 2015). Therefore, researchers need to investigate the factors affecting SM adoption, to clarify why SM is only being slowly adopted by businesses.

Many research studies have been conducted regarding SM adoption by businesses, but the majority have focused on the user side, with little attention being directed towards the companies’ perspectives (Lee et al., 2003; Simpson & Docherty, 2004; Kawaljeet et al., 2014). There is a lack of research on SM implementation and confirmation, and on the post-adoption stages in SMEs (Kawaljeet et al., 2014). Additionally, studies have largely concentrated on developed countries where there are a high number of good academic research centres and institutions, with little research being conducted.
in developing countries such as the K.S.A (Poorangi et al., 2013). Few research studies have been carried out studying SM adoption from the perspective of Saudi SMEs in the context of a developing country. This led to the development of research objectives and questions. The main objectives of the current study were as follows: first, to determine why SMEs are moving towards adopting SM, how they are doing so and why SM utilization is limited in SMEs; second, to develop an SM adoption framework for SMEs in the K.S.A based on the DOI and TOE models, from the case studies conducted in this research; and third, to produce ‘best practice’ guidelines for effective SM adoption in SMEs, as there is an established need for such guidance (Jagongo & Kinyua, 2013).

This research is important in the broader context in general, and specifically in the Saudi Arabian context. In the wider context, the research findings will add to the subject area of ICT and SM adoption by businesses, specifically SMEs, and the findings might prove relevant to other developing countries in the region. In the Saudi Arabian context, this research study will add value to the existing literature concerning the Saudi economy, and SM adoption and SMEs in the K.S.A. Furthermore, the influencing factors proposed to ensure effective SM adoption can be used by SMEs in the K.S.A. Additionally, based on the research findings, many other studies of technology adoption and/or factors influencing SMEs’ adoption of ICT can be performed.

In order to fulfill the research aims, and to be able to answer the research questions, the processes described below were followed to facilitate decisions about what literature is related to and essential to the research, and should be included in the literature review, and what literature might be relevant but not related to the research focus. The process that the researcher followed when writing the literature review is as follows. First, the researcher went to the library to search for related books and journal articles in the library’s data base using certain keywords related to the field, such as “SM in Business, SME’s and communication technology, theories of technology adoption, SM in SMEs, SM adoption in developing countries, etc. The results generated by the search were then scanned to gain an overview of which are relevant to the research topic, and which are not, in order to include the relevant
information for the literature review and critical analysis. Figure 2 below shows the topics identified for inclusion and exclusion.

![Figure 2: Literature review breakdown](image)

This literature review chapter clarifies the areas of significance to SM adoption in the business domain (SMEs), and highlights related topics informing the conceptual framework to accurately answer the research questions. First, there is an introduction to SM, including its definitions and functionalities, technologies, and benefits to the business domain. Then, SMEs are introduced, including the definitions, advantages and challenges they face, followed by a discussion of the SM adoption process and its impact on SMEs. Following this, the two theoretical models, DOI and TOE, are presented in detail, demonstrating their suitability for this research, and associated advantages and limitations. Then the conceptual framework developed to facilitate the exploration of SM adoption in Saudi SMEs is discussed, alongside the supporting factors required for successful SM adoption.
2.2 Social Media (SM)

2.2.1 SM Definitions

Technology is readily accessible and at present two critical factors maximize its utility: the low cost of communications and the deregulated internet (Plant, 2004). These two factors have facilitated enormous growth in online communities, as they are technology-enabled networks. Business organizations benefit from the opportunity to operate and exist in a virtual space peopled with active individuals able to access real-time information (Stolterman, 1999). Online communities are creating virtual spaces, allowing organizations to connect with other businesses, professionals and customers through cost-effective communication (Dholakia & Kshetri, 2004; Kaplan & Haenlein 2010; Hawn 2009).

To understand the significance of the SM phenomenon, it is important to define what SM platforms are (Fuchs, 2017). According to Lee, Vogel and Limayem (2003), there are several different yet popular definitions of SM, or what they refer to as virtual communities (VCs). Several different terminologies are being used to label these types of online communities; these depend on consumer generated content, which is enabled by Web 2.0, as discussed previously in section 2.3.1, and include SM (Xiang & Gretzel, 2010); virtual communities (Komninos, 2002); online communities and forums; communities of practice (Vician & Buche (2007); Michaelides, Tickle and Morton, 2010). Furthermore, Xiang & Gretzel (2010) stated that SM can be defined as internet based applications comprising consumer generated content. Moreover, SM represents various forms of online collaborative websites, including virtual communities and other forms of websites, such as blogs, wikis and social networks (Xiang & Gretzel, 2010; Fuchs, 2017). Accordingly, SM supports virtual communities and can be used interchangeably with them.

Thus, many scholars and authors in the fields of communication and technology define SM utilities in a similar way to virtual communities. Virtual communities are business models that rely on the World Wide Web to support social interaction among members who share common interests, which are not necessarily common to geographic locations (Tickle, Michaelides & Kehoe, 2007). Members also construct relationships,
create fantasies (for example, virtual lives) and conduct transactions (Lin, 2008). In other words, Web 2.0 functionality allows members to interact using Internet-based technologies, such as discussion boards and forums, real time chat, blogs and transactional areas (Tickle, Michaelides & Kehoe, 2007; Lin, 2008; Spaulding, 2010).

When defining SM it is crucial to understand what factors lead to a media being considered to be social. Fuches (2015) defined social as “engaging with thoughts of others, communicating, engaging in communities, co-operative work, etc.”. Other scholars have defined SM as, “any activities where humans share stories and influence others can be considered social networking” (Nicholson, 2011 cited in Yeboah & Emur, 2014). Accordingly, Facebook, Twitter, YouTube, Instagram, Snapchat, or WhatsApp are examples of popular SM affordances. From a business perspective SM evolves when any type of exchange happens between two or more business stakeholders (Pitt et al., 2006); this may involve an information exchange or the exchange of products and money. Moreover, one inclusive definition of SM is that SM is “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” (Kaplan and Haenlein, 2010, p.61). Following is table 1 of the main definitions of SM that offer a clear understanding of this technology from different perspectives.
<table>
<thead>
<tr>
<th>Author</th>
<th>Social Media Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chan, (2009)</td>
<td>Social Media bring a paradigm shift by the transition from individual users to social practices, from editor-provided content to user-generated content, from general news of public interest to news of personal, biographical and everyday interest.</td>
</tr>
<tr>
<td>Cohen, (2011)</td>
<td>It’s a media for social interaction, using highly accessible and scalable communication techniques, is the used of web-based and mobile technologies to turn communication into interactive dialogue.</td>
</tr>
<tr>
<td>Kaplan and Haenlein, (2010)</td>
<td>Social Media is a group of Internet-based applications that build on ideological and technological foundations on Web 2.0, and that allow creation and exchange of user generated content.</td>
</tr>
<tr>
<td>Larisyc et. al. (2009)</td>
<td>The term commonly referring to blog and social sites online.</td>
</tr>
<tr>
<td>Mitchelstein and Boczkowski, (2009)</td>
<td>Historical context, and market environment, the proses of innovations, alterations in journalistic practices, challenges to established professional dynamics and the role of user-generated content.</td>
</tr>
</tbody>
</table>

Table 1: SM definitions

As the definition of SM continually evolves and develops in academic research, therefore, there is no accurate definition at all time. However, for the purpose of this study, the collective definitions can be progressed as social Media is an in internet-based platform to build a virtual community to perform user-generated content of personal, biographical and everyday interest that develops interactive communication to share information, ideas, personal messages and other contents in the market environment, professional dynamics, innovation process, and social practices. This definition combines the main features of SM, and offers a clear understanding of this technology. Additionally, as Web 2.0 is one of the main feature of SM, it is important to present it in more details. Next is SM technologies including Web 2.0.

2.3 Introduction to SM technologies

Online SM platforms are cyberspaces that can be used for communication purposes, involving the transfer and transmission of messages using Internet networks. The main technological components of SM are:
• The internet or the world wide web (WWW);

• Telecommunication technologies, information communication technology; and

• Personal computing hardware and software. (Vician & Buche, 2007)

The technology most used in SM is Web 2.0; and the majority of highly ranked SM services are Web 2.0 enabled (Adebanjo & Michaelides, 2010). When reviewing the literature, it emerged that the term SM could be used interchangeably with the term Web 2.0. In fact, Web 2.0 represents a shift from “traditional” World Wide Web usage to a more user-centered modality. Additional details explaining this technology are presented below.

2.3.1 Web 2.0

As first identified by O’Reilly (2009) in an article entitled “What is Web 2.0”: “Web 2.0 is a platform that delivers software as a service that is continually updated through new user content, where information is delivered by searching and collating data from a multitude of sources delivering rich user content whilst facilitating an architecture of participation” (Adebanjo & Michaelides, 2010, p.239). Sauers (2009) in “Searching 2.0”, later referred to Web 2.0 as a second generation of services available on the World Wide Web to support collaboration and information sharing. He clarifies that, “in contrast to the first generation, Web 2.0 gives users an experience closer to desktop applications than the traditional static web pages” (Sauers, 2009). A more general definition also offered by O’Reilly (2009), is that Web 2.0 comprises a set of economic, social, and technological trends that collectively form the basis for the next generation of Internet affordances. It is a more mature and distinctive medium characterized by user participation, openness, and network effects.

SM serves as a source of social community, with the difference between this type of community and a regular one being that it cannot exist without the presence of a technological artifact that makes it possible for the community to evolve and develop (Stolterman, 1999). Although many companies acknowledge Web 2.0 and its potential, its possible impact is only now beginning to be understood. As many describe it, it is a transformative force that is driving companies across all industries
towards a new way of doing business. Undoubtedly, Web 2.0 enabled organizations gained an early-mover advantage in their markets (O’Reilly, 2009).

Another critical concept related to Web 2.0 that can benefit organizations is Folksonomy. Users apply public tags to online items, helping search engines to categorize content effectively using familiar, accessible and shared vocabularies. Via such tagging, searching and finding has become much easier and more flexible than ever before (Sauers, 2009).

For organizations to more fully understand and benefit from Web 2.0, and to ascertain whether they are Web 2.0 enabled or not, O’Reilly (2009) identified key core patterns associated with Web 2.0. First, for a company to access users across the entire web, it needs to leverage customer-self-service and algorithmic data management. Second, “for competitive advantage; companies have to seek to own a unique, hard-to-recreate source of data that gets richer when people use it” (O’Reilly, 2009). Third, companies should trust in and involve users as co-developers when adding value to application, and “set inclusive defaults for aggregating user data as a side-effect of their use of the application and harness collective intelligence” (O’Reilly, 2009).

In general, Web 2.0 delivers faster and closer access to customers and real-time data, delivering quantifiable decisions that result in increased responsiveness and reduced risk (O’Reilly, 2009). Web 2.0 can be used to deliver software as a service in enterprise-scale applications, such as Coordinated Resource Management (CRM) (O’Reilly 2009). CRM is “a process by which natural resource owners, managers, users and related interests work together as a team to formulate and implement plans for the management of all major resources and ownerships within a specific area and/or resolve specific conflicts”. The purpose of CRM is “to resolve conflicts or challenges that may hinder or preclude sound resource management decisions” (Frost & Ruyle, 1994).

2.3.1.1 Benefits of Web 2.0

According to Petrassi (2008), some of the main benefits organizations can accrue by adopting Web 2.0, and of course online SM serve as a major example of this technology. Web 2.0 enables access to new kinds of data and delivers massively
scalable applications. If a company can amass a comprehensive and flexible database of information, the value of its services will greatly increase (Alexander, 2006; Ebner, 2007; O’Reilly, 2009). Furthermore, Web 2.0 allows providers to offer a wide array of enterprise capabilities, which allows organizations to collect valuable information about their users, providing suitable advertising tools. Additionally, Web 2.0 enables companies to effectively partner with employees, customers and suppliers, providing more IT service offerings, higher capabilities and enhanced performance for IT suppliers, employees and customers seeking to resolve business problems. Harris and Rea (2009) suggest that by using Web 2.0, users and suppliers will be able to team up with each other to create valuable, fine-tuned services, and dramatically change the marketplace. In addition, Web 2.0 allows users to integrate components from different service providers rapidly without prior coordination. It produces notably more dynamic and user-friendly user interfaces than would be possible offline; for example, a company can quickly create a new web-based application using Web 2.0 applications such as Google maps, Google earth services and Gmail.

Since its introduction, Web 2.0 has also dramatically changed the economics of the software business environment, including how businesses reach out to their customers (Harris & Rea, 2009). It does not emphasize automating back office operations; rather, it focuses on highlighting applications that support more complex and dynamic processes, including social networking, idea sharing and knowledge and expert locators. Web 2.0 improves software by increasing access to data and information, and speeds up and enhances communication, supporting decisions, and cross-functional teamwork and collaboration. Companies like P&G, Microsoft and IBM leverage these collaborative applications to develop and introduce new ideas, products, services and practices (Petrassi, 2008).

Using Web 2.0, people are now building systems to encourage more people to use them (Alexander, 2006). Databases become richer the more people interact with them; applications become smarter as more people use them; marketing is increasingly driven by users’ stories and reported experiences; and applications can interact with each other to form broader computing platforms (O’Reilly, 2009). The companies succeeding in the Web 2.0 era are those that understand the rules of the Web 2.0 game,
rather than resting on the rules of the PC software era (O’Reilly, 2009). On this basis, any organization wishing to endure and excel in today’s world needs to be sure it is Web 2.0 enabled. An effective way of achieving this is by adopting and using online SM. Web 2.0 features are illustrated in Figure 3.

![Figure 3: Web 2.0 Features (Source: Author, 2016)](image)

Figure 3 depicts the Web 2.0 platform as a set of principles and practices that connect those aspects of SM that demonstrate chief principles and functionalities from the viewpoint of various practices and purposes within communities.

For organizations to better understand and benefit from Web 2.0, and to be sure if Web 2.0 is enabled or not, O’Reilly (2009) identified eight core patterns of Web 2.0:

- **The Long Tail**: for a company to reach the entire web there is a need for a long tail not just a head. It has to leverage customer-self-service and algorithmic data management.

- **Data is the Next Intel Inside**: companies have to ensure the data they have is rich and enriched by people using it in a way that is more competitive.

- **Users Add Value**: companies should trust and involve users as co-
developers when adding value to applications.

- **Network Effects by Default**: Set general defaults for collecting data from users, while also applying for improvements to collective intelligence.

- **Some Rights Reserved**: Benefits from collective adoption, not private restriction, and fewer barriers to design "hackability" and "remixability."

- **The Perpetual Beta**, meaning services, rather than packaged software, with cost-effective scalability engaging users in real-time as new features testers.

- **Cooperate, Don’t Control**: Offer web services interfaces and content syndication to Support lightweight programming models.

- **Software above the Level of a Single Device**: companies need to ensure the developed applications are compatible with handheld devices.

In general, Web 2.0 development facilitates faster and closer reach and a better relationship with customers, as well as real-time data for quantifiable decisions that lead to increased responsiveness and reduced risk (O’Reilly, 2009). Web 2.0 can be used to deliver software as a service, in enterprise scale applications, such as CRM (O’Reilly 2009). Below is figure 4, which presents the main characteristics and advantages of Web 2.0. as mentioned earlier.

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**Figure 4: Web 2.0 Map (Source: O’Reilly, 2009)**
2.3.1.2 Web 2.0 drawbacks and challenges

There are some drawbacks and challenges concerning the use of Web 2.0 (Harris & Rea, 2009; Andersen, 2007; Ajjan & Hartshorne, 2008; Ebner, 2007) that need to be considered. These are discussed below.

*Computing resources must be available*

SM is principally mediated through Web 2.0-based technologies, which would not run without the availability of appropriate physical computing and internet equipment (Harris & Rea, 2009). Therefore, for SM to be taken advantage of computing resources must be available and the internet must be accessible to SMEs. However, there are nevertheless SMEs that run their businesses traditionally without recourse to SM technologies or the internet, yet they still succeed. For this category of SMEs, issues remain regarding whether they are considered “left behind” or not up-to-date with the current technology movement. The challenges that arise for those SMEs that have no computer and internet access might put any attempts at SM technologies adoption at risk of failure.

*Security issues*

Security issues are of major importance for internet-enabled businesses (Harris & Rea, 2009; Ebner, 2007). Since the internet is accessible anywhere, anyone can track any activity. In addition, because many web services are offered free of charge, it is reasonable that they are deemed less secure, meaning they can be readily targeted by hackers. Therefore, SMEs need to take precautions and engage in robust action to implement effective security measures.

*Web Resources Can Be Vandalized or Sabotaged*

Online access is admirable, as it allows easy completion of multiple tasks, and people can be readily connected to anyone, without physical boundaries. The question that remains here is whether web resources are safe enough in terms of privacy, or whether they expose users to valuable and confidential information. Because information is readily accessible, users’ businesses may be disrupted by vandalism and sabotage. Ebner (2007) and Harris and Rea (2009) agree that it is easy for malicious users to
vandalize and sabotage information, violating one another’s privacy. As a result, valuable activity and information could be threatened, thereby damaging SMEs.

**Backup and recovery plans**

One of the major issues with Web 2.0 is relying on it without seeing the need for recovery and backup plans (Ajjan & Hartshorne, 2008; Ebner, 2007). These issues arise when SMEs become heavily dependent on the internet, but fail to ensure their data is properly stored by their Internet Services Provider (ISP). While Web 2.0 can facilitate the transfer of information, it can also be risky, particularly when communicating sensitive information. If something goes wrong, the information or work stored in SM technologies can disappear without trace. SMEs could lose months or even years of work in a second. Many people ignore backup procedures and recovery plans because they are heavily dependent on SM technology adoption. No matter how advanced technologies are, it is crucial to always have a backup routine and a recovery plan.

**Controversial copyright issues**

The benefits of sharing on Web 2.0 can also cause problems (Harris & Rea, 2009). This happens especially when users freely share information components that are copyright protected, such as videos, music, movies, or other information components that should normally be regarded as profit-generating. SM can no longer be seen as a quiet means of transferring information; rather it relies on fast-moving mechanisms that send material around the internet virally. SM content can easily be generated by using a copy and paste feature. Anyone can perform this function with no restrictions, within a second. Resource content may also be available from multiple sources. Smith (1997) asserts that there are potential copyright issues as sites contain external links that can easily be copied, many already with unclear attribution. Questions remain over how people should be paid for what they do, and who is the rightful owner of any copyrighted components. These can prove controversial challenges in the use of Web 2.0.
Difficulty of use and lack of measures of performance

The common challenge facing SMEs is that while Web 2.0 appears simple it can be difficult to use, especially for someone lacking IT literacy. Even though SMEs acknowledge the need to get involved in Web 2.0, the courage to do so is sometimes absent. They do not readily understand how to use the technology, or how to do so effectively. The crucial aspect here is that there is no accurate measure of performance indicators (Ajjan & Hartshorne, 2008; Harris & Rea, 2009). Different types of SM technologies, such as Facebook, Twitter and YouTube, exhibit different features. Therefore, it can be challenging to apply a single measure of effectiveness, as these technologies are not integrated into a single system.

Levels of Openness

Some information held by SMEs is very private and confidential, and needs to be restricted to the company itself. However, with SM technologies, sensitive information may easily leak out, which could create issues later (Harris & Rea, 2009). Therefore, the level of openness of Web 2.0 in terms of SMEs’ exposing sensitive information is increasingly a concern. In addition, there are potential consequences of openness to consider that in the offline environment. Even though SM communities are virtual, users might choose to meet face to face to access certain services in the context of SMEs (Porter, 2004).

The functions of SM technology such as Facebook allow members to create and share personal information and profiles; including pictures and detailed information and personal statuses. Other functions include posting new updates for public or private audiences, searching for friends or others with similar interests for interaction and support, and publishing audio or video recordings for a variety of purposes. Members typically have control over who can view their profiles, contact them, and add them as friends. Examples of this can be seen in the efforts Facebook makes to protect users and ensure their privacy (www.facebook.com).

SM communities are thus connected within a network, which enables the organization to create a competitive edge. For instance the connected network in Facebook helps organizations update news or information virally. As everyone is connected within the
same community, updates can be reached instantly by everyone, increasing the competitiveness of organizations’ (www.facebook.com). Online SM or VCs focus on forging connections, allowing people to easily meet online in the virtual world, regardless of the type of connection; whether business, friendship or romantic (Baker, 2004). The chief criteria of online SM or VCs, according to Vician and Buche (2007) and Lee, Vogel and Limayem (2003), are that they are created in cyberspace without time or geographic boundaries. They focus principally on communication and interaction through computer-mediated or computer-based IT. The content and processes of the interaction are controlled and driven by the community participants.

From a business perspective, there are two types of social networks: one that is a customer-focused community, which is a form of SM mainly used by businesses to reach more customers, interact with them directly, hear their feedback or comments and complaints, understand their needs and requirements, release announcements on new products and services, or new offers on existing products and services, such as Facebook and Dell social networks. The second type is Business to Business (B2B) communities and knowledge networks. B2B describes the exchange of products, services, or information between businesses, rather than between businesses and consumers (Kaplan and Sawhney, 2000). This category of community includes SMs, such as LinkedIn, whereby the main objective is to create new and useful connections between professionals. These people share the same interests, in order to find the best employer or employee, or to share and exchange experiences and tacit knowledge to resolve problems; this can result in the production of new techniques or innovative projects (Tickle et al., 2007). As companies understand the functionalities of each type they can begin to use them more effectively.

2.4 SM Benefits for businesses

SM is essential to businesses as it facilitates network creation, and social networks are valuable for organizations, as they serve as a channel to promote business activities, share resources (Gemunden et al., 1997), and enhance economic value (Stephen & Toubia, 2010). Stephen and Toubia (2010) examined the implications of the economic value of a social network between sellers in a large online social commerce
marketplace. In the marketplace, each seller creates his or her own shop, and networked ties between sellers serve as directed hyperlinks between shops with the result that SM enhances the economic value in companies.

Additionally, SM provides fast and inexpensive knowledge transfer and exchange for businesses, through cost-effective access to larger amounts of information than ever before (Tickle et al., 2007; Koch et al., 2013). On an individual level, it allows virtual exchange of knowledge between experienced and inexperienced members reviewing different topics and fields of interest, such as forums on IT solutions, or real-time questions, and answers on specific automobile manufacturing processes. As a result, users can contribute to, and share their opinions and experiences much more easily and flexibly than would be possible via traditional channels, such as face-to-face meetings.

On an organizational level, SM allows organizations to create personal interactions with customers through discussion forums, fan pages, company e-mails and online events and competitions. This personal interaction creates positive relationships with customers, increasing the company’s business opportunities, because happy customers post positive comments on the company’s pages or on fan pages on SM. Moreover, customer feedback is very easy and cost-effective to obtain utilizing SM (Tickle, Michaelides & Kehoe, 2007). These networks can accommodate business activities, such as product support, as in the case of Dell, Inc., which successfully moved part of its product support to online communities. As a result, better customer service was achieved (Dell Inc., 2016).

Moreover, it is widely accepted that SM is an internet services function used to interact with internet communities, either to share or create content through online activities. Thus, the activities or updated content can be instantly shared in a real time by all viewers in any part of the world. Importantly, within a double or single click, viewers can respond to content spread by the SM. Therefore, SM offers a great opportunity to boost business opportunities. This was suggested by Kaplan and Haenlein (2010), who examined whether businesses can make profitable use of applications such as Wikipedia, YouTube, Facebook, Second Life, and Twitter.
In the case of SMEs, online networks and communities connect new businesses with potential customers, because when a company advertises online on social networks, it is in fact advertising to an international market. This global presence, attained by using SM, “gives the company an innovation edge: [it] brings together a widely diverse range of ideas and employee skills, offers a broad understanding of global customer needs. Additionally, [it] allows for the creation of global development teams, which brings affordable technology to new and emerging markets, offering tremendous potential social and economic benefits” (Dell Inc., 2016).

Another important aspect of SM is that most SMs are free to use, opening up opportunities to businesses. Of course the competitive advantage generated from SM is free or low cost, which opens up opportunities for businesses (Kaplan & Haenlein, 2010). In certain cases, paid options are usually still low cost. Hence, this advantage allows businesses to grow, particularly benefitting new business starters. Thus, applying SM in business has limitless advantages. Crucially, as a broad reach platform, SM is open to accessing millions of people around the globe. It makes it possible to target particular groups with different forms of SM (Kaplan & Haenlein, 2010). For instance, Facebook, Twitter, and Instagram can be used to target different audiences, often in particular locations for specific products at minimal cost.

Therefore, from a managerial perspective, online SM can be a very cost-effective way for SMEs to access customers (Brown et al., 2002), allowing more effective market segmentation and better product support (Armstrong and Hagel, 1995). By using SM, organizations can communicate, collaborate, educate and entertain any customers or potential customers and other stakeholders with less input in terms of effort, cost and time ((Safko & Brake, 2009).

Brown, Tilton and Woodside (2002) assert that the correct adoption of SM potentially reduces operational costs and increases revenues and sales. When all business connections, such as customers, suppliers, and vendors are integrated into one community network within SM, this creates cost savings in terms of travelling costs, communication, and facility costs. For instance, immediate attention can be achieved with a click, without the need to attend any official or physical meetings, if an issue arises. Simultaneously, as costs are reduced, an increase in revenue occurs. In addition,
new products or services can be announced at once within the community, without the need for a traditional marketing strategy. Again, the SM community will generate increased sales via the influence of friends and peers who are encouraging the purchase of products or services. The larger the community, the higher the likely revenue in sales. Most of the above benefits describe ways to change the company’s existing adopted business model.

2.4.1 Changes to business models

Technology is defined by Rogers (2005) as the design and application of science and knowledge to achieve desired outcomes. It has a large impact on business sector performance, specifically in terms of business models (Tuten and Solomen, 2014). In reality, technology produced a transformation in business models from traditional approaches towards more electronic knowledge-based models (Bitner et al., 2000; Kietzmann et al., 2012). Moreover, the number of SM users is rapidly increasing; thus, the demand for emergent business models outlining how to adopt SM effectively is also continually growing (Godes et al., 2005; Godes et al., 2009), as will be discussed next in section. Saudi SMEs would benefit from embracing new SM technology as a way to compete in the marketplace (Gnyawali et al., 2010). To facilitate the SM adoption process, a framework can be applied establish the requirements of SM effective adoption and integration within SMEs more clearly.

Businesses typically apply decision making frameworks to identify activities that will support value creation, and support the formulation of ways to attain a competitive edge (Lee, 2014). When applied to a business model, these frameworks can help businesses to increase their value to its stakeholders (Tuten and Solomen, 2014). Such a framework involves can be applied to alter the company’s approach to encourage customers to purchase its offerings (Teece, 2009). One example of a technology-enabled channel that demonstrates change is SM (Durkin et al., 2013). When companies adopt SM, they anticipate that a level of change will occur in their business model, because their marketing, customer services, or sales channels will change in some way; either explicitly or implicitly. Tuten and Solomen (2014) discussed the changes that SM influenced in business models in their book SM marketing, and concluded that using SM changed some aspects of organizations’ business models.
Companies formerly thought of SM as pages and accounts when presenting offerings and when advertising to large audiences. However, over time SM adoption and implementation processes were developed. Companies are increasingly adapting and amending their business models to adopt SM in a more strategic and organized way to enhance profits. Chesbrough (2009) agreed that any economic influence from technology adoption in organizations remain unclear, unless the company makes changes to its business model to gain value from that adoption. Therefore, companies can measure their performance and evaluate the direct and indirect financial value of adoption. Some businesses have started to rely exclusively on SM for marketing activities to reduce the costs of internal and external communications. They include SM marketing strategies as an essential component of the marketing strategy, and consider how to implement and use SM, as well as how to measure their performance to accrue revenue from SM marketing. The more suitable the business model to the technology adopted, the greater the value gained through adoption will be (Chesbrough, 2010).

Consequently, SM adoption should be commercialized by modifying the business model to include how the company can generate revenue from SM adoption (Chesbrough, 2010; Teece, 2010) and how the resultant revenues can be turned into profits (Teece, 2010). One approach is the monetization strategy, which encompasses how the business generates revenue. In order to consider the revenue that might be generated by adopting SM from different SM functions, platforms and applications, businesses need to consider how they measure sales driven from SM, and improve business model suitability (Tuten and Solomen, 2014). For example, some new terminologies, such as SM figures for number of followers and fans, SM community engagement, and SM branding are essential components of both marketing and financial strategies. Some companies are including SM marketing strategies as fundamental to consider how they will implement and use SM in marketing, and how they will measure their performance to gain revenues and improve performance in SM, as mentioned by Tuten and Solomen (2014). However, changing or developing a business model is not straightforward for companies, and may be subject to multiple barriers as companies strive to improve their business models to suit the technology they are adopting, while also thinking about the possibilities of failing at one stage or
more of the process (Chesbrough, 2010) and the possibilities of imitation by market competitors and new entrants (Teece, 2010). For that reason, companies need to consider whether the changes they enact in their business models are differentiated and effective (Teece, 2010). These can be achieved without proper intensive strategic planning, as such changes demand that the company make major choices. As business model modifications require changes to the company environment or culture, as a means to embrace the change, as well as changes in resources allocation, the company needs to expend time and effort to enact effective business model change (Chesbrough, 2010).

2.4.2 Using SM platforms as marketing tools

Besides its role as an online social community platform, SM is undeniably functioning as significant marketing tools (Bruhn et al. 2012, Marwick, A. E. 2013, Teece, 2010). Although it was originally developed to allow the community to interact to each other virtually (Kaplan & Haenlein, 2010), as it grew, however, businesses started to gain interest in using SM to advertise their products and services. With variety of SM platforms used, SM media functions as visual, engaging content to promote products and services, conduct future events, exhibitions and shows (Fuchs, 2017, Marwick, 2013, Kietzmann et al., 2011, Teece, 2010). For instance, in Facebook, company can schedule the future events whilst inviting customers, public or specific group to attend that event at once. Hence, not only the company saves costs, low risk, in fact reduces time consumed.

Most companies own their SM accounts. Nonetheless, when other’s business is featured in other’s account, it is anticipated as a great opportunity to widen the audience (Fuchs, 2017, Kietzmann et al., 2011) as their business is published in others’ publication, which in turn, reaching new potential customers. For instance, followers from other companies may come across with other’s products of other’s company, that end up in engaging that products if the products happened to be their matching product. Clearly, the connection allows community on virtual SM marketing to find their searched products at ease. Thus, inevitably increases sales in the company which indirectly is a free marketing strategy from others’ SM accounts. Simply put,
SM marketing is viewed as a powerful marketing tool (Fuchs, 2017). Besides, the good view about SM marketing, is that it can be considered as a catalyst to future sales. By viewing the previous history of customers’ purchase, it is easy to rectify what customers want.

Unlike physical traditional store, where customers visit the store, buy products and leave the store after they satisfied with what they want, on SM, it works otherwise. SM marketing offers business a personal touch to their customers significantly. In fact, SM marketing develops long term relationships (Fuchs, 2017, Kietzmann et al., 2011, Teece, 2010) with customers by communicating personally via personal messages, comments, publication, etc. This provides opportunity to engage directly to customers or potential customers. Likewise, customers may also have an opportunity to communicate directly to their idol celebrities in crowdsourcing which indirectly, strengthens relationships between companies and customers.

Another crucial point is that, SM marketing increases customers, publics or new audience exponentially (Fuchs, 2017, Kietzmann et al., (2011). How it works, is seen as, SM refers to a mechanism of gaining inbound traffic or attention via their SM accounts’. With different functions and activities offered on SM, it creates different audience which simultaneously increases that audience to the companies when they are sharing updates, updating news, uploading photos, joining groups or other various activities in SM accounts. Not only, these activities allow audience to share each other, instantaneously inviting others to the same preferences or something in common.

The facts that SM marketing provides positive sharing platform to all (Kietzmann et al., 2011), however, Assaad et. al., (2011) and Evans & McKee (2004) argued that it puts certain risks to business which they need to be aware of. For instance, the business is exposed to competitors. With open platforms which can be viewed by anyone, competitors can easily study the company’s business model, strategy, or products. Consequently, risking the company to be outdone by rivalry. Other drawback is viewed as slow return on investment (Assaad et. al., 2011, Evans & McKee 2004, Sterne, 2010). As accepted generally, SM marketing is a long-term investment which company should not expect overnight returns. Similarly, if companies looking for
immediate results, thus SM marketing is not appropriate for them.

Undeniably, SM marketing increases brand and image awareness to business (Marwick, 2013, Kietzmann et al., 2011, Teece, 2010). Nonetheless, if negative comments were posted, or negative information was shared to all, it opens opportunity to the public audience to express their dissatisfaction. Even worse, if the negative situation is unrestrained, this will tarnish the product’s brand. In fact, it deters existing or potential customers from establishing relationships and undertaking business with the brand.

Out of all, SM marketing is a good way of promoting business online. By advertising business on SM account, it can help boost the business. Similarly, while spreading products information, it also increases customers over a boundaryless world. However, if negative impact of SM platforms is not restricted, the company should be prepared for the consequences.

SM can be used to inform customers instantly about goods and services that deliver updated content, details and specifications. This helps customers understand what types of products and services they can access. Furthermore, this content might also attract new customers who had no interest initially. In contrast, when viewing matters from the customers’ perspective, SM is seen as a good platform upon which to build a stronger relationship with existing customers to enable them to manage their product preferences online. According to Muniz and O’Guinn (2001), SM creates relationships that are developed to influence loyalty. Furthermore, updates about new products and services are expected to reach customers directly. Inevitably customers are informed immediately about new product updates.

Moreover, SM works most effectively for product and services marketing campaigns, because it facilitates interactions between members of different communities. In addition, members of online SM communities that discuss topics of interest regarding consumables are more willing to give feedback to marketers than others (Mathwick, 2002), which can be a very valuable and efficient source of research data (Kozinets, 2002). Additionally, online SM communities have been used as channels to support
new product development efforts (Moon & Sproull, 2001) and product innovations (Dodgson et al., 2006).

Briefly, using SM in business serves as a relatively easy method to grow a customer base. For example, Facebook provides opportunities to build relationships by engaging families and friends exponentially (Howe, 2008 and Kaplan & Haenlein, 2010). The unique features of Facebook, or other SM functions are that they make it possible to share information, pictures and video to attract each other, which in return provides access to more customers. Potentially this increases customer numbers, regardless of their backgrounds or locations. As demonstrated by Facebook in January 2018 (Facebook, 2018), 2.01 billion people used the site every month worldwide. Regardless of whether individuals were only using Facebook or took advantage of several SMs, the potential to boost their business was huge. The massive growth in advantages experiences arises from information sharing between SM communities.

When adopting SM effectively, businesses can benefit from: positive word of mouth; increased website traffic; stronger brand image; higher advertising and transaction fee revenue; and better product support and service delivery (Porter, 2004). From an employee perspective, online SM and communities can support work processes if they are used as a business communication medium. These can accelerate information sharing and accessibility, customer contact, communication within departments, within the organization itself, and with organizational partners and the supply chain (Tickle et al., 2007).

SM as a means of e-commerce is also beneficial to business customers (Ghobakhloo et al., 2011). It increases the customer’s opportunity to find the best matching products or services; saves time and effort by making products and services available online and reduces the need for physical shopping. Such an approach provides easier communication channels for businesses; and allows new customers to access comments and complaints from previous customers, thereby enabling better purchase decision making (Tickle et al., 2007).

Additionally, the literature explored recommendations to apply crowdsourcing and mass customization concepts, while uses of SM have been noted. Below are details of
how such concepts could provide several important advantages for businesses in general, and specifically, through the use of SM.

2.4.3 The role of SM in crowdsourcing

In the current literature, the definition of crowdsourcing is still lacking, as it is a relatively new concept. Howe (2008) defined crowdsourcing as the “act of taking a job traditionally performed by a designated agent (usually an employee) and outsourcing it to an undefined, generally large group of people in the form of an open call”. He initiated four types of crowdsourcing; crowd wisdom, crowd creation, crowd voting and crowd funding.

This definition, however, does not encapsulate understanding of how crowdsourcing might be used in SM. Nonetheless, another definition, by Estellés-Arolas and González (2012), describes crowdsourcing thus: “Crowdsourcing is a type of participative online activity in which an individual, an institution, a non-profit organization, or company proposes to a group of individuals of varying knowledge, heterogeneity, and number, via a flexible open call, the voluntary undertaking of a task.” Crowdsourcing is viewed as a strategic platform to enhance businesses, as it supports ideas sharing and allows individuals to participate actively in a centered community (Howe, 2008; Gao et al., 2011; and Estellés-Arolas & González, 2012). Responses from individuals or groups can be updated instantly, which then benefits everyone.

In addition to attracting customers, crowdsourcing is a means to elicit responses to ideas, as well as the views, and interests of a target group. Even though different individuals think differently, which can be a challenge, building relationship with the assistance of those invested in products and services results in good returns.

2.4.3.1 Identifying new innovation

In SM communities, people like to follow what is trending. In addition, SM plays a crucial role as a platform for users wishing to contribute knowledge and ideas to product development (Silveira et al., 2001, Muniz & O’Guinn, 2001 and Cesaroni & Consoli, 2015). For businesses, creative discussions engaged in by followers help
identify gaps in the market and forecast future market demand. For instance, product designs can be developed in response to the consensus of the crowd. As such, this form of crowdsourcing can direct new innovation of products and services, as ideas and input from users contribute to decisions about products and services.

2.4.3.2 Disadvantages of crowdsourcing

Despite all positive aspects of the crowdsourcing, using SM in this way can sometimes produce some drawbacks. For example, when customers hold differing expectations these can be challenging to manage. Undeniably, it is not always easy to reach consensus within a crowd (Aula, 2010 & Alexander, 2013). The knowledge and ideas contributed by a crowd can be rather challenging to review, as they may be costly and time consuming. Furthermore, a very high volume of reviewers making comments can sometimes create more work for a company. Besides, the appearance of negative reviews may result in a negative image for businesses, particularly where they arise from irresponsible individuals.

2.4.4 Mass customization strategies

According to the definition offered by Silveira et al. (2001), mass customization refers to a company’s ability to efficiently mass produce products that meet with customers’ satisfaction. In this case, business owners strive to win customers in multiple ways by producing unique products. Subsequently, a commonly used strategy to carry out mass customization is to offer a desirable package or product to customers that includes customization options to meet customers’ unique preferences without additional costs to the company.

Above all, applying SM for mass customization is viewed as a wise strategy by businesses. Strategically, it provides tools to a company to produce customized, affordable, amendable, and high quality products and services. It also offers shorter cycle times with lower costs associated with mass production (Silveira et al., 2001 and Gao et al., 2011). The key dimensions for this strategy reside in customers’ sensitivity, process amenability, competitive environment, and company readiness. For example, in fashion styles, such as suits, shoes, bags, etc., products result from mass production in the first place. However, using SM, customers might choose products based on their
preferences for particular colours, sizes, or accessories. In certain cases, customers might wish to have their names printed on products to make them stand out from the crowd. This strategy can deliver the high product sales, associated with mass production, particularly using SM as a marketing tool. Ultimately, customer satisfaction improves the company’s reputation and sales. Aula (2010) posits that engagement in SM activities enhances a company’s reputation.

2.4.4.1 The impact of mass customization strategy in SM

The potential influence of SM on mass customization is limitless. Inevitably, SM is empowered customers via the personalization process (Silveira et al. (2001). Individuals using SM have opportunities to express their preferences about products and services, emphasizing personalization. The methods of sharing in SM enable companies to engage in greater interaction with customers, thereby providing tools to companies to track their products simply.

While new products and services are actively broadcast and discussed on SM, customers increasingly rely on peer opinions available online. This is true particularly in cases involving product design, where customers might choose to promote businesses across SM (Kaplan & Haenlein, 2010). Furthermore, the flexibility for customers to personalize products that meet their own specification helps companies to grow their businesses, as demands are increasing. Customers felt ownership of the products, as they were given an opportunity to personalize them to accord with their desires. In SM communities, any new product updates are disseminated instantly. Thus directly empowered SM influences mass customization strategies.

2.4.5 SM enabled branding

SM can play a critical role in promoting the name and brand of a product (Muniz & O’Guinn, 2001). Supported by Laroche et al. (2013), SM is an ideal environment for building branding communities. The shared concept of SM enables individuals to express what they have felt, tasted and admire about a product and service, perpetuating the track record of the brand, and providing assistance to customers. Since SM has become widely used by businesses, customer expectations are high. Unlike traditional business methods, Berthon et al. (2012) and Pitt (2012) suggest SM
customers are increasingly consuming and buying products and services on SM. This means online brand communities have become more significant to SMEs, as they are able to increase their future sales through customers’ loyalty via SM.

Undeniably, competitors and sellers are competing each other on SM in promoting their brand. Of course, it is not only about existence on SM, brand must be comprehensively invested in their SM marketing strategies (Marwick, A. E. 2013, Teece, 2010) in order to win public engagement. Otherwise, customers or public users divert to another competitive brand in which case company loses customers.

It is perceived that creating marketing strategy (Marwick, A. E. 2013, Teece, 2010) is crucial in maintaining brand image on SM. Without strategy, planning is realistically difficult to be put in place. Therefore, setting an attainable strategy, SMEs are more likely to stick to their original plan in achieving their marketing’s goal such as reaching sales target, customers, etc. Even so, brand should be placed in appropriate SM platform in accordance to company’s marketing strategy, particularly to prioritise the brand’s goals such as unifying their brand across all company identifiers and SM accounts, increase SM fans to increase brand exposure. In addition, Bruhn et al. (2012) posit SM entrusts great market ing power in improving and exposing brand image to customers which offers valuable benefits to the company.

Put differently, (Kietzmann et. al, 2011) argued that SM increases reputation of the company in a matter of trustworthiness. SM is anticipated as an automatic tool in developing reputation which can be seen from numbers of followers or likes in Facebook. The volume of the number denotes that the person or brand is trusted by customers or public. Another example is LinkedIn, which builds reputation of professionals based on endorsements from other individuals. Thus, the reputation which SM conveys in the content facilitates brand image to the company, too.

Therefore, companies ought to pay attention to SM users’ communications, as brand image is now critical in SM, because customers are talking and discussing business brands “with or without permission of the firms” (Kietzmann, 2011). Therefore, companies can choose to take advantage of customers communications with their SM accounts to develop branding (Hanna et al., 2011). The content generated by
customers engaging with SM platforms about a brand formulate a new source of information about brand image and position in the marketplace that can influence their awareness, acceptance and loyalty to the brand (Blackshaw & Nazzaro, 2006). Customers’ engagement in brand discussions on SM platforms, raises the need for businesses to develop specific metrics to measure brand status on SM, increase brand mentions, and evaluate the level of customers’ engagement with SM accounts (Hanna et al., 2011). Considering SM consumers generated content can improve business branding strategies and results (Xiang & Gretzel, 2010).

Accordingly, it is inevitable that SM has many vital benefits for organizations, and several business opportunities can be reached through the adoption of SM. Thus, SMEs are advised to expand their awareness knowledge of the advantages SM can provide a for them, in order to become more eager to utilize and using this technology in their business for facilitate improvements and developments. Following figure 5 is an illustration diagram based on the literature review, that summarizes how social media can be used by businesses. It has been found that the main four categories of SM benefits for business can be identified as benefits for marketing improvements, research and development facilitation, business developments and other business functions enhancements and enabling.

![Figure 5: Summary of SM Benefits to SMEs.](image)
2.5 Small and Medium Enterprises (SMEs)

Although large firms lead the market in every industry and dominate some industries’ market share, many studies have concluded that the global economy is developed and enhanced by SMEs that are focused and small, and able to be innovative and flexible, offering highly skilled resources, particularly in the area of IT (McAuley, 2001; Bahaddad et al., 2012). Additionally, SMEs provide great opportunity for employment, a wide production base and significant support for large organizations (Al-Mahdi, 2009). SMEs are independent business organizations run by their owners or part owners, and have a small market share (McAuley, 2001). The number of employees is usually no larger than 50 to 500 for medium enterprises, and 10 to 50 for small enterprises (Bahaddad et al., 2012).

The European Commission (EC) Recommendation 96/280/EC (European Commission, 2003) provided a different categorization of SMEs as micro, small, and medium-sized enterprises: to encompass enterprises that employ fewer than 250 employees and have an annual turnover below 50 million Euro, and/or an annual balance sheet total not exceeding 43 million Euro, and not more than 25%, and are owned by a non-SME. In addition, the European Commission (2003) categorized SMEs in terms of number of employees: 0-9 employees is a micro enterprise; 10-99 employees constitutes a small enterprise; and 100-250 employees is a medium enterprise. However, there is no clear evidence or consensus regarding the definition of SME itself, as variations effect countries, industries and even agencies within one country.

Even though the size and market share of SMEs is relatively small, many researchers have noted they make an important contribution to nations’ economies (Fathian et al., 2008). For instance, in most developed countries in Europe, 85% to 99% of enterprises are considered SMEs when relying on the number of employees and market share as descriptors (Storey, 1994). As a result, SME development and sustainability attracts considerable attention (Ozmen et al., 2013).
2.5.1 Challenges in SMEs

The main common characteristics of SMEs are that they have a specific regional focus, with limited market share, limited use of public and private support agencies, and limited managerial abilities and workforce (McAuley, 2001). SMEs are thus limited in terms of money, resources and time (Hill & Stewart, 2000 and Laforet, 2011). These areas represent the principal barriers to expansion and development, even with the availability of affordable tools and technologies. Other internal constraints SMEs face include human resources issues (Lindman, 2004), finance (Piercy, 2010), knowledge management (Piercy, 2010), poor management and inefficient information systems management (Ramdani, 2009). Other external challenges include globalization and economic changes (Blackburn, 2016, Singh, et.al, 2010), that result in rapid technological development, rapid changes to customers’ needs, decreasing product life cycles, and increased competition (Demirbas, 2011). Such limitations make it harder and more challenging to adopt new innovation in the world of business, especially technical innovations, which can be perceived by SMEs as a socio-technical phenomenon (McMaster & Kautz, 2002; Rogers, 1995). Accordingly, SMEs’ adoption of technological advancement needs more investigation and this research focuses on online SM. SMEs are opting to build a stronger internal structure with staff being personally involved, able to use outside experts when needed. Having a strong internal structure indicates good, solid planning and being equipped with knowledge before taking a new step, while acknowledging that external expert resources, are sometimes important and highly recommended over ‘drifting’ without guidance (Simpson & Docherty, 2004).

Parker et al. (2009) note that SMEs often have limited resources and cashflow concerns, while Hudson et al. (2001) comment that SMEs tend to concentrate on current performance, rather than on a strategic long-term focus. With these constraints, it is perceived that SMEs might generate only limited customers, have high staff turnover and a flat managerial structure. It is assumed that staff mobility arises from workplace insecurity in the long term. Company planning often does not address long-term forecasting, which affects staff loyalty.
Another critical issue for SMEs is their severe resource limitations in terms of strategic management, manpower and technical expertise (O’Regan et al., 2005; Sharma et al., 2005; Sharma & Bhagwat, 2006). However, Dibia et al (2011) note that optimization and waste elimination can be achieved within SMEs’ operational processes from a human perspective by fully using, motivating and adequately managing human resources. Dibia et al. (2014) added that the “people process” in SMEs is equally as important for achieving continuous improvement, as operational process excellence.

From the management perspective, barriers include strategic management with limited power (Ciliberti et al., (2008) over resource allocation when running business operations. This is a particularly relevant when business operations are not well-managed and not fully organized, and generate an ineffective cost-benefit analysis, which can reduce efficiency or revenues in the long term. Issues that affect SMEs may be rooted in insufficient management-level support. Lack of support from strategic management can cause delays in decision-making, particularly related to the success of SM adoption (Simpson & Docherty, 2004).

SM implementation issues can also be rooted in the failure to bring in external expertise in SM technological knowledge and guidance. Lack of training in new technologies, combined with insufficient knowledge of current updates, will create barriers to SMEs effective adoption of SM developments. External expertise is clearly important to provide training on how to use SM technologies and to ensure SM implementation success and avoid lack of knowledge which is a barrier for effective adoption (Darch & Lucas, 2002).

The SM adoption process requires effort. The issue remains whether SMEs are ready to embrace that change and willing to address the challenge without fear. Learning is not as simple as might be imagined (Simpson & Docherty, 2004). Companies need a thorough understanding before they can use SM effectively, and practice is required. Some new technologies come with features that can frighten users. Resistance to change is a common barrier to SM adoption by SMEs.

As discussed, SMEs are faced with many challenges. It is essential that SMEs are able to reach their full potential by looking clearly at the challenges surrounding them. In
this study, the focus is concentrated on the SM adoption-related challenges facing SMEs, and ways to assist SMEs in this process. Levy et al. (2003) note that SM adoption is promoted as a means to improve competitiveness. It is believed that with the right SM adoption process in place, SMEs will perform better in extending their capabilities to the next level.

2.5.2 SM and SMEs

Although many research studies have investigated SM and their significance to businesses, there is little clear knowledge regarding how SMEs can use SM successfully (Durkin et al., 2013). SMEs may not have the budget or the experience to imitate international or large business approaches and strategies (Abed, 2015). Additionally, SMEs play a major role in the national and global economy and they represent the highest percentage of organizations in almost all developed countries (Al-Mahdi, 2009). Recently in the K.S.A, SMEs have begun receiving substantial support from the government. Consequently, Saudi SMEs are providing large numbers of jobs in the private sector (Bundagji, 2005).

Some SMEs choose to adopt new technology for its perceived opportunities and to copy the market trend, without having proper how-to knowledge (Drury, 2013). Therefore, it is important to explore the impact of new technology on SMEs and how to effectively adopt it (Durkin et al 2013). SMEs need to prepare for SM adoption and have stable plans and operations including finance, marketing, human resource management and production processes (Demirbas, 2011).

According to Derham et al. (2011) and Constantinides et al. (2010), SMEs can gain significant benefits and advantages from using SM, because of their minimal cost and ease of use, and low requirement for IT skills, in addition to their ability to improve customer relationships and business networks (Constantinides et al., 2010). SMEs believe it is “a must” to adopt SM (Durkin, 2013), and according to Drew (2003), the “wait attitude” toward IT adoption decisions is no longer valid.

SM, as an example of internet technology, can increase SMEs’ competitive advantage locally and internationally, facilitating and reducing the cost of business transactions.
and operations without time boundaries (Bochenek & Blili, 2013), as well as providing inexpensive means of communication (Dholakia & Kshetri, 2004).

Tables 2 and 3 summarize the most relevant studies associated with this research and the themes that emerged from the literature review.

<table>
<thead>
<tr>
<th>Author/ Date</th>
<th>Focus</th>
<th>Study context</th>
<th>Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dahnil et al. (2014)</td>
<td>Factors influencing SM use by SMEs</td>
<td>N/A</td>
<td>Literature Review</td>
</tr>
<tr>
<td>Rugova &amp; Pernaj (2016)</td>
<td>SM for marketing in SMEs</td>
<td>N/A</td>
<td>Literature Review</td>
</tr>
<tr>
<td>Durkin et al (2013)</td>
<td>Factors influencing SM use by SMEs</td>
<td>Ireland</td>
<td>Qualitative action research with 8 SMEs</td>
</tr>
<tr>
<td>Ainin et al. (2015)</td>
<td>Factors influencing SM use by SMEs</td>
<td>Malaysia</td>
<td>Quantitative Survey questionnaire</td>
</tr>
<tr>
<td>Meske &amp; Stieglitz (2013)</td>
<td>SM adoption in SMEs</td>
<td>Germany</td>
<td>Quantitative Survey questionnaire</td>
</tr>
<tr>
<td>Constantinides (2014)</td>
<td>SM as part of marketing strategy</td>
<td>N/A</td>
<td>Literature Review</td>
</tr>
<tr>
<td>Abed et al. (2015)</td>
<td>SM as a bridge to E-Commerce adoption in SMEs</td>
<td>N/A</td>
<td>Literature Review</td>
</tr>
<tr>
<td>Oztamur &amp; Karakadilar (2014)</td>
<td>SM as part of marketing strategy</td>
<td>USA/Turkey</td>
<td>4 qualitative case-studies</td>
</tr>
</tbody>
</table>

Table 2: Most relevant studies for the current research
<table>
<thead>
<tr>
<th>Author</th>
<th>Research Themes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Harris et al. (2012); Michaelidou et al. (2011); Nakara et al. (2012); Pentina et al. (2012); Rugova &amp; Pernaj (2016)</td>
<td>SM for marketing in SMEs</td>
</tr>
<tr>
<td>Cappuccio et al. (2012); Kim et al. (2013); Meske &amp; Stieglitz (2013); Wamba &amp; Carter (2013);</td>
<td>SM as a medium to connect with consumers</td>
</tr>
<tr>
<td>Derham et al. (2011); Stockdale et al. (2012)</td>
<td>SM to gain business value for SMEs</td>
</tr>
<tr>
<td>Barnes et al. (2012); Zeiller &amp; Schauer (2011); Meske &amp; Stieglitz (2013)</td>
<td>SM for team members’ collaboration in SMEs</td>
</tr>
<tr>
<td>Hassouneh &amp; Brengman (2008); Kuitunen (2012)</td>
<td>SM and internationalization for SMEs</td>
</tr>
<tr>
<td>Schaffer (2013)</td>
<td>Reduce SM usage barriers for SMEs</td>
</tr>
<tr>
<td>Razmerita &amp; Kirchner (2011)</td>
<td>The impact of SM on the knowledge of work in SMEs</td>
</tr>
<tr>
<td>Meske &amp; Stieglitz (2013)</td>
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<tr>
<td>Abed et al. (2015)</td>
<td>SM as a bridge to E-Commerce adoption in SMEs</td>
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<tr>
<td>Constantinides (2014); Constantinides et al (2008), Oztamur &amp; Karakadilar (2014)</td>
<td>SM as part of marketing strategies</td>
</tr>
<tr>
<td>Ainin et al. (2015); Dahnil et al. (2014); Sarosa (2012); Durkin et al (2013)</td>
<td>Factors influencing SM use by SMEs</td>
</tr>
</tbody>
</table>

Table 3: Research themes that emerged from the literature reviewed
2.5.3 The impact of SM on SMEs

SM technologies are a crucial source of information and data, particularly in terms of relevance, timeliness, accuracy and retrievability (Tan et al., 2009). Ultimately, instant information and rich data sources enable SMEs to hasten their decision-making processes. This is what SMEs are looking for in their businesses.

Lunati (2000) suggests SM technologies will enable SMEs to expand their markets geographically. Even though the benefits of SM adoption by SMEs are still unclear in the extant literature, SM’s effectiveness in the business world in general means it has been adopted by many businesses. SM’s effectiveness can been seen particularly among large organizations processing business transactions electronically. For instance, the interface technology within SM can enable virtually any selling and purchasing transaction. SM also facilitate customers’ made-to-order requests for specialized requirements. Hence, not only does SM develop business growth strategically, it leverages business as a whole.

Worldwide, SM technologies have contributed to instant, effective communication. The power of SM becomes clearer when customers or new market niches are connected via SM technologies within a virtual integrated chain. As a result, SM empowers society by providing effective communications. Clearly, SM allows the creation of a mobile business without the need for physical mobility to execute the business process or transaction.

Bauer et al. (2002) viewed this change as a paradigmatic move towards building a long-term customer relationship. Because of the rapid globalization created by SM technologies, business customers are connected worldwide based on their interests, specializations and even customizations. Thus, the advance information that SM makes available to SMEs affords valuable information about what is going on in society that will allow businesses to cater for customers’ needs and behaviour. The emergence of SM technology has influenced how businesses are run (Mergel & Bretschneider, 2013). Due to these changes, SMEs need to follow the trend if they want to remain sustainable and competitive. The new paradigm shift in SM technology
transformed traditional methods of doing business into customer-centric bases and networking.

The traditional decision-making process has been reduced by the emergence of SM technology. SMEs cannot deny the force of change, and have to embrace and use it. Customers now prefer online shopping to real world shopping. Younger people are more familiar with new technologies, such as smartphones, than traditional computers. Professionals are increasingly connected via SM technologies such as LinkedIn. Younger customers are more likely to conduct research about a company or its products via SM technology than older demographic methods. It is easier and quicker to read a company blog, or access others’ reviews and comments online than it is to locate the information geographically. The key reason why SMEs need to embrace SM adoption is that there is a recognized need for new input for decision making purposes. SM technology has become a critical tool in modern business.

SM information can travel quickly in a business environment in a way that never occurred with traditional business methods. To illustrate further, McLoughlin and Lee (2007) noted that the virtual community has the capacity to virally create communities within communities, which are beyond SMEs’ ability to control. Unlike traditional methods, where the decision making process is carried out in a physical workplace environment, online decisions can be taken from anywhere.

Levy and Powell (2003) suggested that SM adoption can improve competitiveness. SM provides a new and quicker way to deal with customers aiming to process business transactions. Using SM technologies potentially increases the value of businesses once they are made accessible online. However, this can only be achieved by SMEs who adopt SM and use it to improve their business operations.

2.5.4 Challenges to SM adoption by SMEs

Despite all the benefits that SM offers, there are negative impacts risking businesses, which companies need to be aware of. The rapid spread of information is a problem when it is inaccurate or posted in error (Aula, 2010). Matters become worse when reviewers respond with negative reviews, which result in a negative influence on others. Instantly, product image will be tarnished unnecessarily, incurring costs and
effort to resolve. Thus, if a company decides not to continuously supervise its SM channels and enact a well-planned strategy, it might be risking its reputation and brand image.

Another potential danger is that legal issues can arise from violation of privacy (Alexander, 2013), spam, copyright or other are breached, therefore, it can create problems for businesses that might cost the business much higher than the advantages to be gained are worth. As a result, if a company is unable to direct attention to these issues it may be better to stop using SM in the business. Key issues for companies to consider when evaluating the benefits of using social media are detailed below.

**Failure to keep up to date**

While SM technologies are growing rapidly in popularity (Dijck, 2013), the drawbacks that come with them are sometimes neglected. For instance, one of the main challenges with SM is failure to complete regular updates. Some businesses only update their SM content occasionally, meaning that the information held on their SM may become obsolete. The recommendation is to continually stay up to date with technology, customers, and SM. Thus, customers can regularly engage with an SME’s current updates about the business. Additionally, in line with the growth in online communities, customers have higher expectations of immediacy and prompt responses in their online interactions. To address these transactional needs, SMEs must maintain updated content and ensure comments from customers are quickly replied to.

**It is not as simple as it looks**

To use SM effectively requires technical competency. Martin (2010, p.92) develops the idea of “Literacies for the digital age”, which suggests the benefits of digital literacies for learning. A business SM should not only be digitally literate, but also needs technological awareness, attitude and ability to appropriately use digital SM. Digital competence is the ability to perform necessary functions in SM. Literally, prior to using SM, technological knowledge needs to be acquired by a business. It is important to understand each feature, icon and function in SM. Therefore, a lot of hard work, practice and training is needed to develop familiarity; this represents a new challenge that SMEs need to embrace before they can excel in SM adoption. Once
users become familiar with SM features, icons and functions, it can be fully used to best advantage.

**It requires investment**

Sterne (2010) suggests SM adoption inevitably requires investment and spending. This is true, even if it is as small as an internet contract requiring SMEs to pay monthly internet fees to an ISP. Not every SME is willing to make or increase their investment in technology, particularly SM, even though in the long run the investment offers a return; such as getting more customers, which subsequently increases revenue. The unwillingness to invest most likely arises from a failure to fully understand the benefits of SM investment (Sterne, 2010). SMEs have to consider what they hope to achieve by using SM, how much time they can devote to SM, and what they are trying to achieve for their business by using SM. Lack of clarity on these points discourages SMEs from investing in SM.

**Requires special training and cost**

Since SM adoption is linked to the emergence of new technology, technically it requires an expert to provide training in how to use the systems. In addition, once training is completed, users needed to practice, in order to be familiar with and to understand how to use the system correctly. Avlonitis and Korayanni (2000) argue that this needs to be in line with rapid SM technological progress, and challenges, such as costings and the time involved in providing special training and/or hiring specialized SM personnel must be considered.

**Misuse and abuse**

The considerable level of misuse and abuse of SM technology is perceived as a drawback, leading to negative outcomes and impact (Baruch, 2005). If SM technology is misused, it can spread rapidly and tarnish business’ reputations. For instance, malicious acts from anonymous users providing negative criticism could result in significant damage to SMEs. Such unethical acts could mean SMEs lose customers’ loyalty and trust, and potential customers might turn to other competitors. This
situation creates new challenges to SMEs that will detract from their focus and attention to business.

**Legal implications**

Although the emerging SM web culture provides a quicker way to reach customers, it also raises challenges regarding how SMEs use and manage these technologies. If not properly managed, SM can engage companies in catastrophic legal issues. Burgess et. al. (2011) suggest that online content provides a number of legal and social challenges to users, especially in areas such as defamation, misrepresentation and social embarrassment, which can tarnish business reputations. The debate remains open regarding who is qualified to determine whether the contents of SM sites are trustworthy and reliable. There is no firm confirmation or verification of whether the comments and sources of SM are trustworthy, and the origin of content is not necessarily verifiable. Therefore, it is essential to consider the legal implications and best practices to apply before implementing SM in a business environment.

**2.6 Theoretical framework**

The review of the extant literature identified that an empirical study of SM adoption in SMEs in the K.S.A is lacking. No study has yet been conducted to investigate the influencing factors, either internally or externally, which has affected the SM adoption process in SMEs in the K.S.A. It appeared that integrating existing models of Diffusion of Innovation (DOI), and Technology-Organization-Environment (TOE) would allow a robust investigation to fill this knowledge gap. The DOI allows investigation of SMEs’ decision making processes and innovation attributes. TOE examines the wider context of factors that affect the SM adoption process. The result was therefore expected to offer motivational factors to benefit SMEs in their businesses. The combination of these frameworks facilitated the development of the research methodology and interviews questions. This delivered the required data to explain and elucidate the research topics in depth. Which then answered the research questions and fulfilled its aims. The study also aimed to determine the influencing factors of by whom, why, and how effective SM adoption occurs in Saudi SMEs. This aim was achieved by collecting data from SMEs in the K.S.A regarding the adoption
of SM by a business, including details of how data was collected and analysed to generate results that answered the research questions and achieve its aims.

2.6.1 Roger’s Diffusion of Innovation (DOI) theory

The majority of researchers in the technology adoption field regard Rogers’ (2003, 2005) Diffusion of Innovation (DOI) model as one of the most dominant and inclusive. Empirically, the model is also used and applied in inter-disciplinary fields that include history, economics, technology and education. It defines technology as “a design for instrumental action that reduces the uncertainty in the cause-effect relationships involved in achieving a desired outcome” (Rogers, 2003, p13). Hardware is then “the tool that embodies technology in the form of a material or physical object” and software as “the information base for the tool” (Rogers, 2003, p.259). Roger’s also states that the lower the observability of an innovation, such as software the lower the adoption rate.

By definition, adoption means “the full use of an innovation as the best course of action available” and rejection means “not to adopt an innovation” (Rogers, 2003, p177). Diffusion is “the process in which an innovation is communicated thorough certain channels over time among the members of a social system” (Rogers, 2003, p.5).

Five main attributes of an innovation affect the rate of innovation adoption and are identified as: (1) relative advantage, (2) compatibility, (3) complexity, (4) trialability, and (5) observability (Rogers, 2003, p.208). These attributes are anticipated to be the strongest predictors of the rate of adoption of an innovation, as explained in detail below.

Relative Advantage

Rogers (1995) defined relative advantage as “the degree to which an innovation is perceived as being better than the idea it supersedes” (Rogers, 1995, p.212). The economic profitability and social prestige aspects of innovations describe what relative advantage refers to. Additionally, Rogers classified innovations into two types: preventive innovation, which is a new idea that an individual adopts now but reaps the reward for or gains advantage from later, so its adoption rate is slow (Rogers,
and incremental innovations, which provide beneficial outcomes in the near future (Rogers, 1995, p.17).

**Compatibility**

Compatibility is defined as “the degree to which an innovation is perceived as consistent with the existing values, past experiences, and needs of potential adopters” (Rogers, 1995, p.224). A lack of compatibility between IT and individual needs is a probable negative effect that might be expected to disturb the use of this technology (McKenzie, 2001).

**Complexity**

Complexity can be defined as “the degree to which an innovation is perceived as relatively difficult to understand and use” (Rogers, 1995, p.242). The difference between this attribute and the rest is that complexity is negatively correlated with rate of adoption. Consequently, the more complex an innovation is, the more barriers and obstacles to its adoption will exist.

**Trialability**

Similar to relative advantage and compatibility, trialability is positively correlated with rate of adoption: “It is the degree to which an innovation may be experimented on a limited basis” (Rogers, 1995, p.243). The more an innovation is tried, the more likely it is to be modified and reinvented, and thus the faster it will be adopted.

**Observability**

In this model observability is defined as “the degree to which the results of an innovation are visible to others”, which is positively correlated with the rate of adoption of an innovation (Rogers, 2003, p.244).

Another critical concept of DOI is identified as The Innovation-Decision Process. This concept is described as “an information-seeking and information-processing activity, where an individual is motivated to reduce uncertainty about the advantages and disadvantages of an innovation” (Rogers, 2003, p.172). The innovation-decision process involves five continuous stages: (1) knowledge, (2) persuasion, (3) decision, (4) implementation, and (5) confirmation, which are explained below.
Knowledge
This stage expresses “what the innovation is and how and why it works” (Rogers, 2003, p.21). Knowledge consists of three types: (1) awareness knowledge (2) how-to knowledge, and (3) principles knowledge.

Awareness knowledge represents knowledge of an innovation’s existence, which can motivate individuals to learn more about the innovation. How-to knowledge contains information about the correct and effective ways of using the innovation. The third knowledge type is principles knowledge, which describes how and why an innovation works and how it can be utilized. Knowledge is crucial to avoid discontinuance later in the process cycle.

Persuasion
This stage deals with the fact that “the formation of a favorable or unfavorable attitude toward an innovation does not always lead directly or indirectly to an adoption or rejection” (Rogers, 2003, p.176).

Decision
At this stage the critical function is to either adopt the innovation, which reflects the “full use of an innovation as the best course of action available” or to reject it (Rogers, 2003, p.177).

Implementation Stage
During this stage “some degree of uncertainty is involved” (Rogers, 1995, p.6). Being uncertain regarding the result of implementing a new innovation might prove problematic at this stage. Challenges can be handled by out-sourced technical experts or specialized change experts. This is one gap this study aimed to address, by producing a best practice framework or model of how to adopt a technical innovation (enhance knowledge at all of its levels); in this case, social networks.

Confirmation
At this stage it is assumed that the adopter will need support for his/her decision, in order to continue the adoption process, or to discontinue, either to adopt another and better similar innovation, or because the innovation is no longer appealing and convincing because of its performance during the implementation stage.
A diagrammatic version of the DOI theory is presented in Figure 6.

![Diagram of DOI Theory](image)

**Figure 6: A Model of Five Stages in the Innovation-Decision Process (DOI Theory) (Rogers, 1995)**

### 2.6.2 Technology-Organization-Environment Framework (TOE) Theory

After examining Rogers’ process model and attributes, it was apparent that there were multidimensional factors missing, which are critical to the study of the adoption of innovation in SMEs, as such adoption is affected by multiple factors (Abdullah et al., 2013). Such factors include internal organizational and external environmental factors. These are essential for organizations investigating technology adoption (Damanpour & Gopalakrishnan, 1998; Damanpour & Schneider, 2006; Oliveira and Martins, 2011). DOI has the limitation that it focuses only on the technological aspects of the innovation when looking into adoption; and does not examine the internal and external factors that are important to the adoption of technology by organizations (Tehrani & Shirazi, 2014). Thus, it was urgent to include another theory through which to view these aspects of technology adoption. The TOE framework was judged most
appropriate, as it includes the applicability and broader exploratory angles that are needed to study ICT adoption in SMEs (Baker, 2011; Abeysinghe & Alsobhi, 2013). According to Dwivedi et al (2012), “as long as new technologies are developed, and as long as novel contexts for adoption can be identified, the need to understand the adoption of innovation in organizations indicates that the TOE framework is capable of providing insights for researchers and practitioners” (p. 241). Besides, TOE is considered to have more analytical and explanatory power when studying factors influencing adoption at organizational level (Oliveira & Martins, 2008). Therefore, it has been used to study factors influence SM adoption in organizations, such as by Parveen (2012), TOE was also employed to look into Malaysian organizations’ adoption of SM.

The Technology–Organization–Environment (TOE) framework is described as the entire process of innovation (Tornatzky & Fleischer, 1990). Furthermore, it expands the development of innovations by engineers and entrepreneurs to support the adoption and implementation of innovations by users within the business context. Baker (2011) suggests the TOE framework represents one segment of the process by which a firm’s context influences the adoption and implementation of innovations. In this case this framework represents an organization-level theory to explain the three different elements influencing technology adoption decisions, which are: the technological context, the organizational context, and the environmental context as shown in figure 7. Then, all three influence technology adoption, as explained below.
The Technological Context

The technological context includes all the technologies that are relevant to the firm; both technologies that are already in use, and those that are available in the marketplace but not currently in use.

The Organizational Context

The organizational context refers to the characteristics and resources of the firm, linking structures between employees, intra-firm communication processes, firm size, and available spare resources. There are several ways in which this context affects adoption and implementation decisions. First, mechanisms that link internal sub-units of the organization, or span internal boundaries, promote innovation (Galbraith, 1973; Tushman & Nadler, 1986). The presence of informal linking agents, such as product champions, boundary spanners, and gate-keepers, is associated with adoption. Cross-
functional teams and employees that have formal or informal links to other departments, or to other value chain partners provide additional examples of such mechanisms.

*The Environmental Context*

The environmental context includes the structure of the industry, the presence or absence of technology service providers, and the regulatory environment. The industry structure has been investigated in several ways (Baker, 2011). For instance, intense competition stimulates the adoption of innovation (Mansfield 1968; Mansfield et al. 1977). Also, dominant firms within the value chain can influence other value chain partners wishing to innovate (Kamath & Liker 1994).

*The Technology–Organization–Environment (TOE) Framework*

Future research with a TOE (Baker, 2011) framework might take a number of directions. Perhaps the most obvious is that the TOE framework could continue to be used for empirical research. As long as new technologies are developed, and as long as novel contexts for adoption can be recognized, the need to understand the adoption of innovation in organizations suggests the TOE framework is capable of providing insights for researchers and practitioners. Thus, continued empirical work is one future direction for TOE research (Baker, 2011). The TOE model has been shown to be useful in the investigation of a wide range of innovations and contexts. Furthermore, it has been broadly supported in empirical work. It remains among the most prominent and widely used theories for organizational adoption.

**2.7 Research gap**

SM adoption is continuing to expand as the accessing rate of SM continues to rise rapidly (Godes et al., 2005; Godes et al., 2009; Terblanche, 2011) and increases its diffusion among the business sector (Meske & Stieglitz, 2013). This offers a positive indication to SMEs that they need to keep pace with SM technological movements and practical applications (Kietzmann et al., 2012). As such, the demand for research investigating SM and their influence in business will continue to grow. Although SM
are now in widespread use, in certain cases the adoption of SM in SMEs is slow (Abed et al., 2015).

Therefore, there is a continuous need for updated research studies to fill the gaps to better understand the significant influence of SM’s effective adoption on organizations (Kaplan and Haenlein, 2010), specifically within the context of SMEs (Kietzmann et al., 2012; Meadows-Klue, 2009; Durkin et al., 2013). According to Drury (2008, 2013), SMEs “must” engage in SM or they risk losing the new opportunities that SM can bring to them. Many SMEs are witnessing the advantages afforded by ICT (Fathian et al., 2008) and are rapidly adopting SM to mediate engagement in larger markets (Drew, 2003).

It has been found that several research studies have examined SM in the business context, but have primarily focused on the effect of SM on large organizations (Jagongo & Kinya, 2013); and user issues, with little known from the perspective of companies or SMEs (Kawaljeet et al., 2014). The focus of SM studies has primarily concentrated on developed countries (Poorangi et al., 2013). There is a lack of studies focusing on practical application of SM in SMEs.

Lee et al. (2003) and Simpson and Docherty (2004) agreed that very limited studies have examined the organizational side, particularly from SMEs’ perspectives. There is also a lack of studies examining those factors affecting adoption decision stages, with no focus on the implementation and confirmation or post-adoption stages (Kawaljeet et al., 2014). It is believed that there are many as yet unrevealed factors affecting SM adoption by SMEs that need to be explored, especially in fast-growing developing countries (Poorangi et al., 2013) such as the K.S.A. The majority of the studies in this field used quantitative data from surveys and questionnaires (Kawaljeet et al., 2014). Hence, there is a need for qualitative research to explore and investigate the research gap in this field in greater depth.

Above all, existing business models give no clear indication of the supporting and surrounding factors that SMEs need to be aware of to apply SM adoption successfully. The impact of successful SM application after adoption has also not been identified. The likelihood of SMEs succeeding in applying SM has not been clearly presented.
At this point there are no studies identifying clear influencing factors for successful SM adoption. Particularly, the impact after the implementation of the SM adoption process in SMEs is still unknown. In the extant literature, no studies were conducted using both the TOE and DOI models in investigating SM adoption, particularly in the context of the K.S.A. Based on this gap the idea in this study was developed to use both models and integrate them into a single framework for identifying the factors influencing the SM adoption and exploring the adoption process in order to investigate this area in depth.

Accordingly, the research questions had been formulated to fulfill this existing gap in the field in the context of Saudi Arabia which are:

1. How is SM currently being adopted by SMEs in the Saudi Arabian context?
2. What are the factors that might influence SM adoption in Saudi Arabian SMEs?
3. How is the adoption of SM improving the way in which Saudi Arabian SMEs conduct business?
4. What are the most evident practices for the effective adoption and utilization of SM by Saudi Arabian SMEs?

### 2.8 The proposed conceptual framework

Examining the current models for studying innovation and technology adoption for business, such as DOI (Rogers, 1995, 2003), TOE (Tornatzky & Fleischer, 1990) and others, the DOI theory seemed the most suitable. It provides researchers with the ability to look at the adoption process from different perspectives. In addition, the DOI encompasses several models and theories that provide multiple options, enabling researchers to use the most relevant part of the theory to serve their research objectives and aims. As the notion of SM is an innovation in itself, and this research examines the SM adoption process by SMEs, DOI was considered the most appropriate theory to serve as a theoretical lens for the current study. An initial conceptual framework was developed based on Rogers’ five stages of innovation-decision process model (knowledge, persuasion, decision, implementation, and confirmation), and Rogers’
perceived attributes of innovations theory (relative advantage, compatibility, complexity, trialability, and observability). To address the gaps in the DOI the TOE model was integrated into this research to explore innovation attributes not covered by Rogers’ model. Thus, both models were essential for better understanding of the studied phenomenon.

Additionally, when looking into the literature covering other technology adoption theories, it emerged that the technology acceptance model (TAM) and the unified theory of acceptance and use of technology model (UTAUT) have been employed (Khan et al., 2015). However, these are less well-suited to the organizational level thank the TOE and DOI, and so were not used herein. A combination of the TOE framework and the DOI theory were chosen to advance understanding of the current research phenomenon in the context of this study. Figure 8 illustrates the proposed conceptual framework,
The conceptual framework was developed by integrating the conceptual theories of DOI (Rogers, 1995, 2003) and TOE (Tornatzky & Fleischer, 1990) to investigate the gap and obtain new findings relevant to SM adoption by SMEs in the K.S.A. The DOI model focuses on the “five stages model” of innovation adoption decision process, consisting of knowledge, persuasion, decision, implementation and confirmation, which were used to examine the SM adoption process stages in SMEs, and to address how SM is adopted by SMEs. On the other hand, the TOE examines the surrounding factors of technology, organization and environment, thus addressing the internal and external influencing factors that affect the SM adoption process. Besides, addressing the SM benefits and outcomes scopes from the reviewed literature (as detailed in figure 5 Summary of SM Benefits to SMEs) that SMEs may experience and achieve as a result of effective SM adoption.

2.9 Summary

This chapter has investigated the chief concepts defining SM, SMEs, related challenges and influencing factors that affect the adoption process of SM technology. The literature reviewed dealt with current SM adoption and how it functions in SMEs in general and in the K.S.A context particularly, to fulfil the research objectives. Clearly, a holistic mixture of successful SM adoption techniques is essential to achieve optimum business operation in SMEs. The chapter highlighted the need to develop a framework to describe how adoption processes influence effective SM use in SMEs for better business performance. Hence, the factors influencing the SM adoption process by SMEs in the context of the K.S.A need to be explored in depth to help provide an incentive to SMEs wishing to begin using SM. The next chapter explains the context of the study, which is K.S.A.
CHAPTER THREE

Context of the study: Kingdom of Saudi Arabia (K.S.A)

3.1 Introduction

This chapter provides background regarding the research context, the K.S.A. Successful SM adoption requires an understanding of internal issues that are relevant to the adoption process, which might themselves promote effective adoption and use of SM. Additionally, it affords an understanding of external factors that might influence technology adoption, supporting better adoption and use of technology (Pituch, 2006). Accordingly, in the case of this research, the main external factor associated with SMEs’ adoption of SM is the Saudi economy, which formerly relied heavily on the country’s oil assets, as elaborated upon below. The K.S.A’s status as an Islamic State and its geographical location, as well as the current economic circumstances were also discussed, alongside future predictions of an increase in credit extension that relates to significant components of the economy. Information and communication technology (ICT) regulations and institutions are covered in the second part of this chapter, and are followed by a discussion of ICT developments.

This chapter will also discuss the current status of the internet, telecommunications and SM in the K.S.A, relative those in other countries. The K.S.A’s 2030 vision for national transformation will also be presented. Finally, the current position of SMEs will be discussed in relation to the K.S.A.

3.2 K.S.A contextual background

The K.S.A covers three-quarters of the Arabian Peninsula. It has considerable economic power, as is strategically located between three continents: Europe, Asia, and Africa. Riyadh is the capital and the largest city, the second largest city is Jeddah, which is a Red Sea port, and the eastern province of the Kingdom is the main industrial province (Al-Farsi, 1998). These three cities are considered the main trading regions, and the current research’s case studies have been selected from these to ensure the relevance of the study.
It is essential to also know that K.S.A is the official spiritual centre of the Muslim world. In addition, Islamic regulations and principles play a fundamental and significant role in shaping the regulations that govern the country (Vassiliev, 1998). Therefore, it is important to consider the religious and cultural role as an important angle to include in this study. The country’s total population was 31,742,308 million in 2015 (General Authority for Statistics, Kingdom of Saudi Arabia, 2016), of which 19.32 million were using the internet in 2015, giving the K.S.A a ranking of 35 in terms of world internet users (CIA, 2017). Nearly all internet users (95%) are active on SM (Mideastmedia, 2015). In addition, K.S.A has achieved the highest mobile use rate (179.28%) in the Gulf region. Indeed, it is not abnormal for adults to own two or three mobiles per person. These numbers have encouraged the public and private sectors to invest more in adopting internet based technologies, mainly ICT to guarantee better economic growth and development. Thus, the government has dedicated significant effort to developing, diversifying, improving the quality, and reducing the cost of ICT, to establish a productive effective ICT base for the public and private sectors (KACST, 2014).

The economy in the K.S.A exclusively depended on the oil industry at one time, but due to times of struggle when striving to manage oil price drops and changes, the government chose to address this dependency and diversify the country’s sources of income. The government is currently focusing on improving the performance of SMEs to ensure they are more developed and sustainable. According to the King Abdul Aziz City for Science and Technology (KACST) (2014), K.S.A’s oil assets approximately comprise 20% of the world’s known recoverable oil assets. Oil has been the backbone of the country’s budget for decades, and still accounts for 87% of budget revenues, 90% of export earnings, and produces over 10% of the world’s oil (CIA, 2017). However, the country has been determined to expand its profits away from the use of natural capital, due to the continuing decline in oil prices. Ibrahim Al Hunaishel, the director-general of the Saudi Credit and Savings Bank stated, “With lower oil prices, the importance of increasing the private sector’s input to GDP has become clear. The greatest way to do this is by increasing the SME sector” (Oxford Business Group, 2015). Recently, the K.S.A government has taken steps to make major improvements in its business environment, as a means to encourage both foreign and national
investments, resulting in substantial gains in the country’s ranking in the World Bank’s Doing Business 2014 report (KACST, 2014). It is ranked 26th of 189 economies (and second in the Arab world) for having an attractive business environment (KACST, 2014). The government aims to drive business activities in the country to ensure more powerful and stable economic conditions (KACST, 2014). Accordingly, a substantial portion of government efforts have been directed towards supporting the SMEs sector.

3.3 Information and Communication Technology (ICT)

The Government of the K.S.A very quickly became aware of the importance of this vital aspect of the ICT sector, and consequently worked to support it and encourage its activities. Furthermore, it developed and introduced appropriate plans and strategies to remain up-to-date with new developments, so as to be able to use modern technology to accomplishing anticipated development objectives (KACST, 2014). The government has shown great confidence in ICT’s potential, and its role in the development of the economy (KACST, 2014). In order to achieve the government’s aim to improve the business sector and the ICT infrastructure, it was essential to define the roles of institutions in the country that relate to conducting business and use of ICT. The Ministry of Information acts as the directorial body for all intellectual property rights in the K.S.A (CITC, 2010). The King Abdul Aziz City for Science and Technology (KACST) is the directorial body that is accountable for the implementation of the country’s patent laws, while the Ministry of Commerce acts as the governing body for trademarks in the K.S.A (KACST, 2014). There is also the Communications and Information Technology Commission, which operates under the Ministry of Information, which has played a key role in recent years by creating a progressive environment that is attractive and advantageous to supporting investment in the Kingdom. The commission, along with the Ministry of Information have successfully opened up the ICT sector, introducing modern technology services and infrastructure successfully throughout the country, also financing ICT projects that ensure broadband Internet services are accessible even in remote areas (KACST, 2014).
ICT adoption continues to be following an upward trend, thanks to a higher than average per capita income, and competitive pricing, along with a variety of promotions and unprecedented commitment on the part of the public sector, directed towards becoming a global leader in connectivity and IT (KACST, 2014). As a result of the huge dedication to the ICT sector by the government, the K.S.A currently has a solid infrastructure of communication and IT networks, capable of providing all modern services, with the aim of building an Information Society and fulfilling the K.S.A government’s objective of building a Knowledge Society (KACST, 2014). Furthermore, The ICT sector in the K.S.A is now the largest in the Middle East, accounting for more than 70% of the Gulf Countries Council ICT market (KACST, 2014). All of the above provides strong motivation for those SMEs wishing to adopt ICT as a tool within the business arena.

3.3.1 Social Media (SM) in the K.S.A

According to a survey by Mideastmedia (2015), SM has become almost equal to other internet use in the Middle East. Nearly all internet users (95%) are active on SM, and these figures are relatively unaffected by nationality, sex, or age. The habit of continuously “checking in” permeates Arab culture, as demonstrated by the 79% of the population who use SM at least once a day. Nearly 69% use the internet daily to keep up to date with the latest activities and event information from friends and family, often checking in multiple times a day. Use of SM has exceeded other actions on the internet. Notably, people use SM far more frequently than they look for news (55% daily) or download and stream videos (40% daily). Direct messaging is the method most commonly used to link with others, comparing with email and other online actions (Mideastmedia, 2015). This indicates that the active use of SM by different groups in society increases the potential value to the business sector in taking advantage of the population’s availability on SM platforms.

In modern day K.S.A, SM has become a major force for accessing and using the media. Today, the country has the highest level of Twitter users worldwide, and their per-capita consumption of YouTube is the highest in the world with Instagram users increasing daily (Saudi Arabia Social Media Statistics, 2016). Therefore, it is essential for SMEs to understand the functionality of popular SM platforms in the K.S.A, so
that they can efficiently use and employ them to garner business support and generate improvements.

Of the SM networks, Instagram has gained top position, both in terms of numbers and the percentage of users. Twitter has also undergone some growth, and now commands 20% of the market share. Google+ has held its ground at 15%, but has declined in rankings, mainly due to the rise of Instagram and Snapchat, which have grown the most rapidly, becoming the most popular platforms in the country (Saudi Arabia Social Media Statistics, 2016).

Messaging platforms have also exhibited a series of high-impact growths in the past year. WhatsApp successfully preserved its lead as the number one player among messenger and chat apps, and increased its market presence to about 27%, with a user base of 8.59 million. The main social climber in the Saudi Arabian SM messenger prospect is Snapchat. Almost non-existent in the statistics last year, it now represents 13% percent of the user base, as illustrated in Figure 3.

Smartphones and progress in mobile internet technology are the major forces behind the upsurge of SM in the K.S.A. Of the 11 million active SM accounts in the K.S.A, 10 million are accessed via mobile phones (Saudi Arabia Social Media Statistics, 2016) as in figure 9 and 10.
Twitter users worldwide now total 555 million. In the 18 Arabic countries, Twitter users now equate to nearly 3.75 million, and in excess of 65% live in the K.S.A and Egypt (KACST, 2014). Snapchat has become one of the more popular SM platforms in the K.S.A (Taylor, 2015). This makes it essential for businesses to pay attention to highly consumed SM, as a medium to reach customers.
3.3.2 Internet and small business establishments in the K.S.A

According to CITC (2009), businesses in the K.S.A are increasingly supporting training to highlight how to use computers and the Internet. Business use of computers in the K.S.A has grown, revealing developments within the Saudi marketplace. Laptop possession by business institutions rose from 37% in 2007 to 55% by 2009. IT training is presently carried out by 62% of the K.S.A business institutions. There has been distinct improvement in the affordability of the internet, such that 55% of institutions in 2007, and 75% of businesses in 2009 reported reasonable linking costs (CITC, 2009). Small establishments are driving growth, while developments in medium and large establishments remain stationary; meanwhile, internet infiltration by small companies rose from 66% (2007) to 81% (2009) (CITC, 2009). These numbers describe IT advancement in the country, and the higher quantity of technology mainly involves ICT users nationality, which justifies the increase in SM users in the K.S.A over recent years.

Online business actions in the K.S.A are typically dedicated to obtaining and displaying information, internal and external communications, and to a lesser extent, carrying out financial business transactions (online buying and internet banking). Most enterprises with websites, primarily use English, although some are bilingual. There was a significant upsurge in the number of small enterprises with their own websites from 2007 to 2009. Website services have been chiefly used to display merchandise and services presented by businesses, and by people who practice e-commerce. Almost a quarter offer online sales. In the K.S.A, ‘Cash on delivery’ is still the desired method of payment in many cases (CITC, 2009). This reflects the poor knowledge among Saudi small business owners concerning how technology can be utilized in different departments and activities in the business, and the wide ranging ICT advantages that can improve and expand the business. As a result, carrying such a study that looks into SMEs and SM as an example of ICT to deeply understand the situation and propose improved conclusions is critical to the body of knowledge in this field, and the context of the current research, and to the enhancement of practicalities adopting ICT in the business arena, specifically SMEs in the K.S.A
3.4 SMEs in the K.S.A

There are a number of definitions of the term SME. However, the United Nations Industrial Development Organization defines them as “enterprises managed by one owner who is responsible for the strategic and tactic dimensions thereof and in which the staff thereof ranges between 10-50” (Al-Hussain, 2016).

According to Ashoor (2013), three main criteria are used to define if a company should be considered a small or medium enterprise:

1. The number of employees
2. The annual turnover
3. The assets of the company

In this research number of employees was the criteria used to classify the SMEs that participated in the study.

In the K.S.A, several institutions use different definitions. The Council of Saudi Chambers defines it SMEs as “enterprises in which the number of staff is no more than 20 and the capital thereof is less than one million Riyals, without the land and the buildings and which annual sales thereof are no more than five million Riyals” (Al-Hussain, 2016). The Saudi Industrial Development Fund defines them as “any for-profit business in which the number of staff is less than twenty five and the annual sales thereof are no more than fifteen million Riyals or which the total budget thereof is no more than ten million Riyals” (AL-Hussain, 2016). The Saudi Arabian General Investment Authority has defined SMEs as “Small enterprises that have less than 60 employees, with less than 5 million Saudi Riyals (1.3 million $) of capital, while medium-size companies as having less than 100, and with capital of between 5 and 20 million SR (5.3 million $) (Ashoor, 2013). Herein, the definition used is that SMEs are for-profit business with fewer than 100 staff, and with capital not more than 20 million SR. Using this definition, the SMEs included in the study were approved for the data collection process.
SMEs provide significant job creation and international competitiveness. They are thus chief drivers for development and economic diversity. SMEs are the backbone of any effective and sustainable economy, and support expanded economies and large companies. It is generally acknowledged that economic diversity and job creation among the Gulf nations will not succeed if SMEs are not encouraged to play a considerable role (Ashoor, 2013). Accordingly, it is crucial to conduct studies that investigate and explore this area of the economy, to produce practical and updated results to inform the policy and decision making process.

3.4.1 The role of government and the chambers of commerce and industry support SMEs

The Saudi Chamber of Commerce and Industry plays an important role in supporting SMEs by increasing awareness within society of their value, cooperating with relevant government authorities for the integration of effort, and contributing to the activation of international role for the development of SME, preparing and providing updated studies, information and data, facilitating the financing of SMEs and promoting competitiveness and the export capacity for enterprises (Al-Hussain, 2016).

To achieve these objectives, some commerce and industry chambers in the K.S.A took action, including the limitation of obstacles and problems facing SMEs of whatever type (production/marketing/legal/organizational); the preparation of studies contributing to the elimination of these obstacles; the presentation and organization of training and rehabilitation for the owners of enterprises to increase administrative, organizational and legal capacities, and the introduction of modern management techniques and the use of CIT in the management of businesses, the provision of regulations and by-laws including accounting, control and cost laws, inventory management, procurement management, and sales management; the organization of seminars, meetings and lectures dealing with issues that are important to SMEs; using the experiences of other countries to support SMEs; and issuing appropriate publications, releases and operation manuals (AL-Hussain, 2016). Thus, it is apparent that Saudi government agencies are providing substantive support to SMEs: managerial, financial and technological, to improve their performance and input in the economy and to sustain their existence and development in the country and regionally.
Accordingly, those national institutions relevant to SMEs have realized the importance of supporting SMEs, including the development of modern management and the administrative skills for enterprises. They have provided materials and information to support SMEs and for those wishing to invest in this area. Among these institutions is a centre established for the development of SMEs. The centre focuses on: training entrepreneurs, managing SMEs, providing technical consultation to establish and maintain enterprises, providing workshops, increasing awareness of entrepreneurship among the younger generation, supporting entrepreneurs through the development of management techniques for SMEs, and analysis to find the best solutions, as well as reviewing with officials how to apply management techniques, helping new investors via economic feasibility studies of emerging enterprises, coordinating with competent authorities, accessing information about available investment opportunities, providing an integrated database of SMEs, and preparing manuals to establish new enterprises in all fields and activities (www.smes.tvtc.gov.sa).

In addition to the above, a number of national banks have contributed to supporting SMEs by providing concessional loans and entering into real partnerships with investors, to create an integrated industry alongside major enterprises serving the finance and business sector in the K.S.A, supporting the financial needs of SMEs and overcoming the difficulties encountered by these enterprises (Al-Hussain, 2016).

Setting up a small business involves more than access to suitable finance; there are many issues that ensure a project’s success. First is the administrative capacity of the project manager. Following SMEs in different countries worldwide has shown that the commonest causes of failure are a lack of administrative capacity, and lack of awareness of the foundations of proper management (AL-Hussain, 2016). According to AL-Hussain (2016), various administrative and organizational problems may affect SMEs’ survival and growth. These include, lack of abilities and administrative skills in managers. A non-professional owner manager who has done no training becomes a manager just because he is the owner. He may have a low level of education and training resulting in poor administrative practices.

A further issues can be the lack of a clear system to define responsibilities and authorities; such as no written work procedures, and rare application of specialization
and work division. Supervision might also cover a wide range of issues, as a manager may have a considerable number of employees. In some cases problems arise from a lack of marketing competency or a sales force, or result from employing unsuitable and/or unqualified staff. In addition, wages, bonuses, and other work provisions might prove unsuitable, and thus fail to attract and motivate competent staff. In some cases there can be a lack of desire and/or interest in following established policies for workers in SMEs; this can include employment, wages, salaries, and the development of administrative competencies. There might also be unplanned expansion, involving investment in property, furnishings, and stock, without interest in anticipating future economic conditions. There is also likely to be a lack of internal organization in an enterprise, resulting in failure to define specializations and responsibilities leading to overload.

External factors can also cause problems for SMEs; these may involve, social, political and economic conditions, the effects of decisions and the actions of government agencies among other reasons. However, many important problems can arise due to the actions and directions of SME’s management. Therefore, the most important steps in resolving those problems are effectively addressing management competency in SMEs (AL-Hussain, 2016). For this purpose, one of the main objectives of this study is to look into the factors that influence SM adoption in Saudi SMEs, to deeply understand how they impact adoption decisions and performance.

3.5 National transformational plan (2030 Vision)

The Saudi government announced its national 2030 vision in April 2016 (Vision2030, 2016). A principal declaration made was that K.S.A would list shares of its state-owned oil company, ARAMCO, to elevate income and outside assets to address deficiencies in the economy. In 2015, the Kingdom developed a budget deficiency estimated at 13% of GDP, and was facing a shortage of $87 billion in 2016. This was subsidized by bond sales and drawing down reserves (www.cia.gov).

The government also wanted denationalization and extension of the economy in the debilitated petrol marketplace. Traditionally, K.S.A focused its attention on power generation, telecommunications, natural gas exploration, and petrochemical
subdivisions (www.cia.gov). Currently, the regime has progressive stakeholders keen to raise the profile of the private sector in healthcare, education and tourism activities. While K.S.A has emphasized the importance of divergence for some time, the low petroleum prices assist in empowering the government to make more extreme changes ahead of their long-run timeline (Vision2030, 2016). K.S.A is thus enhancing the development of the private sector to diversify its economy, employ more Saudi natives and avoid the country’s ongoing dependency on oil. One strategy to achieve this transformation is to support and enable SMEs, which will then contribute to employment growth and represent the part of the private sector that the 2030 vision depends so highly upon. It is therefore clear that research to improve SMEs in the K.S.A context, mainly through technology and ICT, is necessary to support the required transformation.

3.6 Summary

This chapter presented the context of the current research, focusing on SM adoption in the K.S.A. It addressed aspects of the Saudi culture and environment that contributed to the selection and identification of the research objectives. Advances in the Saudi ICT industry, the popularity of SM among citizens, and the support provided to SMEs by the Saudi public and private sectors, all motivated investigations into SM adoption among those SMEs in the K.S.A. Next, the methodology chapter which presents the research technique and approach and a discussion of philosophical justifications pertaining to the chosen methodology.
CHAPTER FOUR

Methodology

4.1 introduction

In order to achieve the research objective and answer the research questions, it is essential to decide on the methodological approach and research design that is required to collect data. Also, it is important to present analysis technique to be employed in the research. This chapter outlines the methodological approach used to design and carry out this research. It presents a discussion of philosophical justifications, the research methodology, followed by the research design and data collection methods. Data analysis and framework development processes are presented in detail. Some research issues such as validity, reliability and ethical consideration are also included.

4.2 Research questions

As discussed in chapter 1, the introduction (see section 1.5), this research aimed details clear motivations and barriers facing those SMEs attempting to adopt SM, by classifying crucial influential factors as enablers, motivators and barriers. Based on this, the objective of the current study is to produce and develop a best practices framework. SMEs can use the developed framework to clarify the critical actions needed to apply SM adoption effectively and successfully. To achieve this objective, the research questions for this study were developed based on the literature review and the existing gap (as discussed earlier in the previous chapter of the literature review) as follows:

1. How is SM currently being adopted by SMEs in the Saudi Arabian context?
2. What are the factors that might influence SM adoption in Saudi Arabian SMEs?
3. How is the adoption of SM improving the way in which Saudi Arabian SMEs conduct business?
4. What are the most evident practices for the effective adoption and utilization of SM by Saudi Arabian SMEs?
4.3 Research philosophy

In conducting this study, the research philosophy in relation to the methodology was considered. The view adopted was that empirical research studies need to be framed within appropriate theoretical concepts. Thus, it was important to understand the philosophical background to the research, to be able to choose and use the most suitable methods relating to key ontological and epistemological perspectives. When research methodology is explained, it is essential to discuss and simultaneously understand the research philosophy, in order to identify the most suitable philosophical stand and methods used (Newby, 2014). Once the research philosophy is identified, the appropriate research methods can be selected to conduct a thorough investigation. Choosing the correct method is necessary to collect the required data and obtain accurate findings.

Further to the above, Saunders et al. (2009, p.107) suggest research philosophy is mainly about the nature and the development of knowledge in a particular field, whether this is innovative new knowledge or basic new knowledge intended to answer a specific research question in a unique context. In fact, the research philosophy reflects much about how a researcher views the world, and how his/her research will be conducted. Therefore, it influences the research strategy and methods, and what the researcher views as important or most useful (Saunders et al., 2009, p. 108).

4.3.1 Ontology and Epistemology

Saunders et al. (2009, p. 119) and Burrell and Morgan (1982) assert that ontology seeks to discover the nature of reality or being. Thus, conceptually it refers to “the knowledge of being” or a “theory of existence”, as well as basic categories of being and their relationships. It can be viewed as an explication of theory that predominantly describes a body of knowledge in a certain field, in what is a common-sense knowledge domain. A different philosophical view, epistemology, is defined as the exploration of the basic nature of knowledge itself (Saunders et al., 2009; Burrell & Morgan, 1982). Conceptually, it focuses on the means for acquiring knowledge and why it is important, and can be depicted in the way people think.
A question remains regarding why these two terms were important in this research and their relationships. It is assumed that the research uses epistemology as a philosophical assumption to “acquire the body of knowledge” that exists on the ontological philosophical “theory of existence”. Therefore, ontology is used to determine the influential factors that exist, whereas epistemology explores the way people think. In this research, the aim was to determine the factors that influence the decisions made by SMEs operating in the K.S.A and adopting SM, and their actions during the adoption process.

To provide a clearer picture, Table 4 outlines the four principal philosophies in management field research, as presented by Saunders et al. (2009, p.119) and Burrell and Morgan (1982).

<table>
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<th>Positivism</th>
<th>Realism</th>
<th>Interpretivism</th>
<th>Pragmatism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ontology</strong>: the researcher’s view of the nature of reality or being</td>
<td>External, objective and independent of social actors</td>
<td>Is objective. Exists independently of human thoughts and beliefs or knowledge of their existence (realist), but is interpreted through social conditioning (critical realist)</td>
<td>Socially constructed, subjective, may change</td>
<td>External, multiple, view chosen to best enable answering of research question</td>
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<tr>
<td><strong>Epistemology</strong>: the researcher’s view regarding what</td>
<td>Only observable phenomena can provide credible data, facts. Insufficient data means inaccuracies</td>
<td>Observable phenomena provide credible data, facts.</td>
<td>Subjective meanings and social phenomena. Focus upon the</td>
<td>Either or both of observable phenomena and subjective meanings can</td>
</tr>
<tr>
<td>Axiology: the researcher’s view of the role of values in research</td>
<td>Data collection techniques most often used</td>
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<td>constitutes acceptable knowledge facts. Focus on causality and law-like generalizations, reducing phenomena to simplest elements</td>
<td>Research is taken in a value-free way, the researcher is independent of the data and maintains an objective stance</td>
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<td>in sensations (direct realism). Alternatively, phenomena create sensations, which are open to misinterpretation (critical realism). Focus on explaining within a context or contexts</td>
<td>Research is value laden; the researcher is biased by their world views, cultural experiences and upbringing. These will impact on the research.</td>
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<tr>
<td>details of situation, a reality behind these details, subjective meanings motivating actions</td>
<td>Research is value bound, the researcher is part of what is being researched, cannot be separated and so will be subjective</td>
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<td>provide acceptable knowledge dependent upon the research question. Focus on practical applied research, integrating different perspectives to help interpret the data</td>
<td>Values play a large roles in interpreting results, the researcher adopting both objective and subjective points of view</td>
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<table>
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<tr>
<th>Axiology: the researcher’s view of the role of values in research</th>
<th>Data collection techniques most often used</th>
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<tbody>
<tr>
<td>Axiology: the researcher’s view of the role of values in research</td>
<td>Data collection techniques most often used</td>
</tr>
<tr>
<td>constitutes acceptable knowledge facts. Focus on causality and law-like generalizations, reducing phenomena to simplest elements</td>
<td>Research is taken in a value-free way, the researcher is independent of the data and maintains an objective stance</td>
</tr>
<tr>
<td>in sensations (direct realism). Alternatively, phenomena create sensations, which are open to misinterpretation (critical realism). Focus on explaining within a context or contexts</td>
<td>Research is value laden; the researcher is biased by their world views, cultural experiences and upbringing. These will impact on the research.</td>
</tr>
<tr>
<td>details of situation, a reality behind these details, subjective meanings motivating actions</td>
<td>Research is value bound, the researcher is part of what is being researched, cannot be separated and so will be subjective</td>
</tr>
<tr>
<td>provide acceptable knowledge dependent upon the research question. Focus on practical applied research, integrating different perspectives to help interpret the data</td>
<td>Values play a large roles in interpreting results, the researcher adopting both objective and subjective points of view</td>
</tr>
</tbody>
</table>

### Table 4: Comparison of four research philosophies in management research
(Saunders et al., 2009, p.119; Burrell & Morgan 1982)
Saunders et al. (2009) explain that ontology is concerned with the nature of reality. This raises questions about the assumptions researchers hold about the way the world operates, and their commitment to particular viewpoints. The first aspect of ontology is objectivism. This takes the position that social entities exist in a reality external to the social actors concerned with their existence. The second aspect, subjectivism, holds that social phenomena are created from the perceptions and consequent actions of social actors, and are concerned with their existence.

In contrast, epistemology addresses what constitutes acceptable knowledge in a field of study, and can be subdivided into positivism, realism, interpretivism and pragmatism (Saunders et al., 2009, p.112). Interpretivism advocates that it is necessary for a researcher to understand the differences between human beings in our role as social actors. This emphasizes the differences between conducting research among people, as opposed to objects such as trucks and computers.

Remenyi et al. (1998, p.35) stress the necessity to study “the details of the situation to understand the reality or perhaps a reality working behind them”. This is often associated with the term constructionism, or social constructionism. This follows from the interpretivist philosophy that it is necessary to explore the subjective meanings motivating the actions of social actors, in order for the researcher to be able to understand those actions. Social constructionism views reality as something that is socially constructed (Saunders et al., 2009, p. 111).

The current study adopted interpretivism as the research paradigm. As SMEs and SM were the focus of the study, it was very important to seek to understand the subjective reality of these SMEs, in order to be able to make sense of and understand their motives, actions and intentions to adopt SM in a way that is meaningful. The subjectivist view is that the SM adoption process in SMEs is a result of social interaction between SME employees and managers, and SM and is continually being revised due to this interaction.

Therefore, the nature of the area of this research’s aims and objectives lend themselves to an interpretive epistemology. In addition, the research did not intend to evaluate the phenomena; rather it was about exploring meanings and interpretations to reach a
clearer understanding of the factors that influence SMEs when adopting SM for business development. This study can therefore be considered exploratory research, using the “why”, “how” and “what” questions applicable to the topic (Creswell & Clark, 2007; Yin, 2014). The questions explored included why SMEs were not fully using SM, the influencing factors involved in the SM adoption process, how these factors affected the adoption process, and how the SM adoption process as it is used by SMEs can be improved.

4.3.2 Deductive and inductive reasoning

There are two main research approaches: deduction and induction (Reichertz, 2007). In a deductive approach, a theory and hypotheses are developed, and a research strategy is designed to test the hypothesis. An inductive approach involves data being collected and is a theory developed based on a data analysis.

Saunders et al. (2009, p. 111) suggest the emergence of social science has led research away from the deductive approach, in which the focus is on a critical approach enabling a cause-effect link to be built between variables by disregarding the way in which humans interpret their social world. Therefore, the inductive approach is perceived as a strength when developing a human understanding. According to Saunders et al. (2009, p. 157):

Followers of induction would also criticize deduction because of its tendency to construct a rigid methodology that does not permit alternative explanations of what is going on. In that sense, there is an air of finality about the choice of theory and definition of the hypothesis. Alternative theories may be suggested by deduction. However, these would be within the limits set by the highly structured research design.

Research that employs an inductive approach, such as this study, is likely to be particularly concerned with the context (in this case SMEs in the K.S.A) in which an event (SM adoption process) is taking place. Therefore, the study of a small sample of subjects might be more appropriate than a large number, as would be required in the deductive approach (Saunders et al., 2009, p.126). This justifies the selection of the thirteen case studies, which were used in this research for data collection.
4.4 Research design

When designing a piece of research, it is important to decide on strategy, choice and time horizon (Bryman, 2006). Several research strategies should be considered before selecting one. Often, the choice of the most appropriate strategy depends heavily on research purposes and objectives. As discussed earlier, this study adopted the paradigm of interpretivism, using an exploratory, qualitative, semi-structured interview approach. As supported by Thomas (2011) and Yin (2014), this approach helps to investigate a certain phenomenon by employing different methods of data collection and data sources. Baxter and Jack (2008) agree that this approach assists researchers wishing to examine a researched topic from a number of perspectives rather than based on one aspect only. It is worth noting that the findings of the pilot study (discussed later in section 7) informed the choice of the research design in this study.

4.5 Research approach

The distinction between qualitative and quantitative approaches is clearly made by various methodologists (e.g. Creswell & Clark, 2011; Bryman, 2012; Creswell, 2013; Hair et al., 2015). The qualitative approach is concerned with exploring and understanding individuals’ behaviours or experiences (Ghauri, et al., 1995) and provides descriptive and rich data (Boeije, 2010). The quantitative approach, on the other hand, focuses on quantifying the data collected (Bryman, 2012) and testing theories by identifying links between variables (Creswell, 2003) to develop generalizations about the research findings (Creswell & Clark, 2011). Although both qualitative and quantitative approaches could be used to investigate a particular phenomenon, different perspectives are provided by each approach.

The qualitative approach was selected in this research for several reasons. First, the perception of a qualitative nature justified seeing the study as an exploration of the effect of the embedded new knowledge of the adopted SM in SMEs. Crucially, it attempted to identify qualitative factors to contribute to the extant literature. As such, it was anticipated that this study would generate a detailed description with an inclusive explanation.
As an exploratory qualitative study, the exploration revolved around the “why”, “what” and “how” of the phenomenon occurs in SME studies, so the outcome was expected to be flexible. In some cases, research findings are more meaningful if the outcome is unexpected. In this particular case no firm prediction of the outcome could be assumed. Therefore, it was determined that the integration of two theories of DOI (Rogers, 1995, 2003) and TOE (Tornatzky et al. 1990) would provide the best outcome. Voss et al. (2002) suggest that in most research cases, hypothesis-building is needed to propose an explanation of the phenomenon derived from the real event. Often, a hypothesis is required as a prediction of the outcome of a study (Eisenhardt, 1989; Voss et al., 2002), in which case it is formulated from theories or research questions. However, in this study it was assumed that no hypothesis was required as there was no predicted outcome.

Critically, qualitative research is thought to be the most appropriate for providing a rich data context for investigation of real events (Glesne & Peshkin, 1992; Strauss & Corbin, 1998). With strategic planning conducted, a study can be flexible and contextual. One advantage of qualitative research is that it provides variable data that allows multiple explanations and interpretations (Gray, 2014). This is because the methods used in qualitative research assist researchers wishing to explore and focus on the complexities of particular situations, enabling the acquisition of in-depth understanding of the researched topic (Gillham, 2000).

In addition, Greening et al. (1996) assert that qualitative research can be classified as systematic and rigorously conducted. This emphasizes the rigorous data collection and analysis techniques applied, which are flexible and contextual when strategically managed. Qualitative research allows a collective explanation of intellectual questions, which result in extensive causal judgements (cause and effect). This research intended to explore the causes of limited SM adoption by SMEs and the effect of SM tools on SMEs’ performance. It was thus not only a critical self-reflection on the given answers; but rather an ethical practice demonstrating an understanding of the business knowledge context.
Quantitative research was not used in this study, as it serves a different purpose. Cronbach (1975) suggests that a quantitative approach designed as an experimental or correlational study hinders clear perceptions of social facts. Not only does the method focus on the numbers and statistics, it is in fact designed to test theories by validating the relationships between variables. Quantitative analysis is conducted to measure variable parameters and to produce statistical and numerical outcomes. Consequently, this approach was perceived as inappropriate for the objective of this study, which sought to explore qualitative findings concerning real events.

4.5.1 Case study

This qualitative study adopted a case study as a research approach. Robson (2002, p. 178) defines a case study as “a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence”. The case study is of great value for gaining a rich understanding of the context of the research, and the processes being enacted (Morris & Wood, 1991).

In this research, multiple case studies were employed. Yin (2014) stated that a single case is often used to represent a critical case, or, alternatively, an extreme or unique case, which was not the situation in this study. A case study strategy can also incorporate multiple cases; i.e. more than one case. The rationale for using multiple cases focuses on the need to establish whether the findings from the first case occur in other cases, and if similar findings are predicted (Yin, 2014). Again, Yin (2014) argues that multiple case studies might be preferable to a single case study, especially when discussing more general findings from the field. Accordingly, multiple case studies were included in this research.

A critical view by Saunders et al. (2009) affirms that case studies can be used to explore an existing theory. In addition, a well-constructed case study strategy might challenge an existing theory and also provide a source of new research questions. Moreover, within a particular context, case studies provide rich data, which affords in-depth understanding of participants’ lived experiences (Yin, 2014).
There is no accurate measure determining the ideal number of cases to explore to enable an effective analysis (Cooper and Schindler, 2003). Yin (2014) suggests that case studies can encompass either single or multiple cases, involving various levels of analysis. However, overall, the opinion is that a satisfactory level of analysis for significant findings is always fundamentally based on the representativeness of the in-depth case(s) studied, and the level of rigorous data analysis performed on these cases, rather than the number of cases investigated.

In contrast, Flyvberg (2006) asserts, remarkably, that the goal of the case study is to be unique. The ground rule is that the interpretation of the study is to present different ideas to different people. Therefore, readers with different backgrounds might reach different conclusions from the same case. Overall, the main interest of this approach is to generate thoughtful knowledge based on the case study evidence, which can be used as a guideline for obtaining new findings.

Considering all of the above arguments, for this particular study thirteen cases were selected, as this number was believed to be sufficient for the investigation (detailed descriptions of the sample and the criteria used for selecting the cases are provided in the next section). In this study, attempts were made to explore the specific quality value within the body of knowledge about SM. Therefore, it was anticipated that the investigation would involve examining the actual meaning of the subject area, via in-depth questioning. Hence, as an exploratory study, it would produce a detailed comprehensive explanation and description. Simultaneously, the study also emphasized rigorous data collection techniques, with data analysis applied throughout the investigation.

4.5.2 The sampling procedure

Good qualitative research requires a limited participant sample to reach a deeper understanding of each case, to explore and analyse the studied subject by focusing on identifying different meanings about the studied issues and to obtain evidence of unidentified areas (Hesse-Biber, 2010) rather than generalizing to a larger population (Oxford, 2011). To generalize a study finding that requires a large representative sample seeking generalizability as in quantitative studies (Johnson & Onwuegbuzie,
2004) involves descriptive and inferential statistics (Oxford, 2011). Hence this current research is qualitative one, the sample size chosen is small and not representative, or suited to the objective of the research. The sample includes 14 SMEs in the K.S.A in both the retail and service industry.

Additionally, the current research data collection process continued until saturation of the data had been achieved. As stated by Cypress (2017), data saturation can be achieved when data from participants is completed and replicated, and the collected data can to a large extent give a full description and understanding of the studied phenomenon. Moreover, counting responses to decide how many participants mentioned the same point somewhat “misses the point of qualitative analysis” (p.1174), as the quality of participants’ responses, and the results based on them is what essentially matters in qualitative research, rather than the number of participants (Pyett, 2003).

Based on the literature the number of cases and participants chosen for this research equated to 13 cases (39 interviews). The researcher kept interviewing participants until same answers and results were repeated. Accordingly, in the retail sector after five cases (15 interviews) saturation was reached, and in order to guarantee sufficient data had been collected, two additional cases were conducted. In the service sector, after four cases (12 interviews) saturation had been reached, as repetition occurred, so six cases had been conducted. The approach to sampling the participants is presented below.

Two types of samples were used in this study: purposive and convenience samples. A purposive sample comprises participants ‘whose views are relevant to an issue because you make a judgment, and/or your collaborators persuade you that their views are particularly worth obtaining and typify important varieties of viewpoint” (Jankowicz, 1991: 143). In addition, this sampling type does not allow generalization to a population (Bryman, 2012), which matches the purpose of this research, which aimed to investigate a small number of participants to gain richer data for more focused rather than generalizable findings. Whereas, convenience sampling involves selecting participants according to their availability and accessibility at the time the data was
collected (Cohen et al., 2011). As both convenience and purposive samples were used in this research, two steps were followed, as illustrated below in more detail.

Eriksson and Kovalainen (2008) suggested that the sources of information in qualitative business research are organizations and people. In the context of the present study, companies (the organization) and the interviewees (people) represented the sample in this study. A description of the research sample pertaining to the cases and interview participants is illustrated below in (see Tables 5 and 6)
<table>
<thead>
<tr>
<th>No</th>
<th>Company</th>
<th>Size</th>
<th>Sub-Sector</th>
<th>Number of interviews</th>
<th>Type</th>
<th>Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>A</td>
<td>Small</td>
<td>Entertainment video games products retailer</td>
<td>3 in each business: Manager Department manager SM Manager</td>
<td>Private Regional</td>
<td>Partnership</td>
</tr>
<tr>
<td>2</td>
<td>B</td>
<td>Medium</td>
<td>Garden green supplies retailer</td>
<td></td>
<td>Private Local</td>
<td>Limited partnership</td>
</tr>
<tr>
<td>3</td>
<td>C</td>
<td>Small</td>
<td>Personal Medical supplies retailer</td>
<td></td>
<td>Private Regional</td>
<td>Partnership</td>
</tr>
<tr>
<td>4</td>
<td>D</td>
<td>Medium</td>
<td>Baked food retailer</td>
<td></td>
<td>Private Regional</td>
<td>Partnership</td>
</tr>
<tr>
<td>5</td>
<td>E</td>
<td>Small</td>
<td>Fashion retailer</td>
<td></td>
<td>Private Regional</td>
<td>Partnership</td>
</tr>
<tr>
<td>6</td>
<td>F</td>
<td>Medium</td>
<td>Gifts &amp; gadgets retailer</td>
<td></td>
<td>Private Local</td>
<td>Limited partnership</td>
</tr>
<tr>
<td>7</td>
<td>G</td>
<td>Small</td>
<td>Female accessories retailer</td>
<td></td>
<td>Private Local</td>
<td>Partnership</td>
</tr>
</tbody>
</table>

Table 5: Characteristics of the research sample of retail sector
<table>
<thead>
<tr>
<th>No</th>
<th>Company</th>
<th>Size</th>
<th>Sub-Sector</th>
<th>Number of interviews</th>
<th>Type</th>
<th>Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>H</td>
<td>Medium</td>
<td>Fashion designing and tailoring</td>
<td>3 in each business: Manager</td>
<td>Private Regional</td>
<td>Partnership</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Department manager</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>SM Manager</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>J</td>
<td>Small</td>
<td>Entertainment sector: Media content production, distribution and consultation</td>
<td>Private Regional Partnership</td>
<td>Private Regional Partnership</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>K</td>
<td>Small</td>
<td>Entertainment sector: Event and trip organizing and management</td>
<td>Private local Partnership</td>
<td>Limitied Partnership</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>L</td>
<td>Medium</td>
<td>Entertainment sector: Sport</td>
<td>Private local</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>M</td>
<td>Medium</td>
<td>Entertainment sector: Media content production, distribution and consultation</td>
<td>Private Regional Partnership</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>N</td>
<td>Medium</td>
<td>Restaurant</td>
<td>Private Regional Partnership</td>
<td></td>
<td></td>
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</table>

Table 6: Characteristics of the research sample from the service sector
Data required for the research was collected by conducting thirteen case studies, using qualitative semi-structured interviews, in order to explore SM adoption in the K.S.A from the internal perspective of SME management and employees (discussed below). In each case three employees were interviewed to provide a fuller description of the subject, so in total 39 interviews were conducted.

Regarding the choice of companies, purposive sampling was used. To answer the research questions, the following criteria were set:

1. The business should be an SME
2. The business should be operating in the K.S.A in the retail or service sector
3. The business should have already started to use SM.

With regard to selection of interviewees, convenience sampling was used. The case studies included visits and interviews, and were conducted with three people from each company (top management, department manager (IT, marketing), and an employee in charge of SM management, striving to get a broad understanding of the phenomenon. Data collection continued until saturation was achieved and at this point, the total number of interviewees was 39.

The main objective was to get a feel for what was going on, so as to understand the nature of the problem and the factors surrounding the adoption process. After which collected data was subjected to thematic analysis to provide a valuable source of information, from which to formulate a new framework for effective SM adoption by SMEs. Thus, this research used an inductive approach, in which theory was developed based on the data collected from the field studies.

4.6 Data collection method

4.6.1 Semi-structured interview

This study used qualitative semi-structured interviews. This method was selected for its value when exploring the qualitative issues associated with SM adoption in SMEs. In addition, it also provided a deeper and wider investigative approach, as the
interview process gathered rigorous and rich data concerning the phenomenon being studied.

As a semi-structured interview is open in nature (Schmidt, 2004), this enables new ideas to be brought up during the interview, arising from what the interviewee discussed. Face-to-face interviewing (Gillham 2000, p. 11; Ritchie & Lewis 2003, p. 138) is viewed as more appropriate, during which a deeper context, including insight and understanding of the topic can be obtained. In addition, the effectiveness of the interviewer’s communication skills (Clough & Nutbrown, 2007) can elicit rich data from the interviewee by affording greater verbal freedom to answer the questions asked.

As the study centred on assessing the complexity of the SM adoption process undertaken by SMEs, a semi-structured interview method was judged to be the most suitable approach. This decision was supported by Robson (2002, p. 178), who defines the semi-structured interview as “a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence”. The semi-structured interview strategy is of great value for gaining a rich understanding of the context of the research, and the processes being enacted (Morris & Wood, 1991).

Above all, the primary aim of this approach is to generate thoughtful knowledge from the participants, which can be used as a guideline to develop new findings. Considering all of the arguments for this particular study, different categories of participants in each SME were selected, as they believed this to be sufficient for the investigation. The participants were selected based on the matched criteria set of SMEs in the retail sector which had applied or had begun to apply SM adoption in their business operations. For interview purposes, the participants were identified at three managerial levels: owner, manager, and the person who had experience using SM adoption in the company (SM Manager). Additionally, the SMEs were chosen based on the accessibility of the company’s information for data collection purposes, although some of this was confidential, and thus unavailable.
The participants were principally selected to enable a research focus on the understanding of the dynamics of the SM adoption event (Eisenhardt, 1989; Flyvberg, 2006; Yin, 2014), and to provide detailed descriptions to enable the exploration of various sources of evidence when building theories (Kidder, 1982). The selection of participants in this way allowed the empirical work to take place within the specific context of the study.

In this study, attempts were made to explore the specific quality values within the body of SM knowledge. Hence, as an exploratory study, it produced detailed comprehensive explanations and descriptions. The entire research design process is depicted in Figure 11.
Figure 3.1: Research Design Process

Figure 11: Research Design Process
The semi-structured interview was used for data collection, as it is a very flexible technique (Drever, 1995). A general structure for the interviews was established by determining in advance the basis of the investigation, and the main questions to be asked. The detailed structure of the investigation was left open and altered during the interview. Saunders et al. (2012) suggests that giving the participants a fair degree of freedom regarding what to talk about, how much to say, and how to express it, can lead to explorations of new areas not previously anticipated.

The purpose of this research was to explore the SM adoption process among SMEs in the K.S.A, and thus answer the research questions relating to those factors affecting SM adoption by SMEs. The main questions related to the journey involved in the adoption of SM in Saudi SMEs, and were followed by several sub-questions that included factors influencing the adoption process, the chief tangible and intangible benefits SMEs could gain by using SM, and the best practices, to employ as a roadmap for SMEs to efficiently implement SM to facilitate and enhance business activities and expansion.

The interview experience afforded an interpretivist orientation (Saunders et al., 2009, p.111), exploring participants’ recollections of past events involved in the SM adoption process in SMEs. The aim was to assess the subjective value of social actions, and to acquire data or evidence to help to answer the research questions. The expectation was that interviews would provide a deeper context and a greater understanding of a wider range of matters of interest, such as more SM application, different usage, and the nature and role of enablers or barriers, from different perspectives concerning SMEs in the K.S.A.

A challenge remained regarding why qualitative interviews were chosen as the data collection method in the Saudi study context. To address this, key strengths and limitations are outlined to ascertain the balance between them. One of the main strengths is the rich source of data collection involving real situations as the participants had experienced them. Some definitions of qualitative research describe it as “a conscious search for meaning and understanding” (Gummesson, 2005), and a quest for in-depth comprehension and awareness of particular problems and
phenomena (DeRuyter & Scholl, 1998) from the perspective of people in the setting in which problems and phenomena occur, or in the social group of interest to the researcher (Bailey, 2006).

Interviews also allow researchers to obtain in-depth field data and knowledge, enabling a fuller understanding, analysis and interpretation of the studied topic (Drever, 1995; Longhurst, 2003). Significantly, interviews support a better presentation of the research case and a better determination of the validity of the information given when observing the behaviour of the interviewee(s), which helps when obtaining reliable research data (Scheuren, 2004).

However, some limitations must be considered. The main constraint is typically accessing participants (Lester, 1999; Hart et al., 2004). In this study it proved difficult to access the target participants. This required rigorous networking inside the commerce and business sector in the K.S.A, involving continuous effort and a significant time investment. Fortunately, the author had connections in the Saudi Chamber of Commerce, which had been formed while volunteering there on several occasions. As some of the participants had only limited time due to their work priorities, scheduling interview dates and then rescheduling for other interviews was very difficult.

A typical aspect of Saudi culture is the inability to keep to the assigned times for appointments, which caused delays and postponements. For instance, the participants might simply extend the scheduled initial interview time from 45 minutes to 1 hour and 30 minutes in reality. Therefore, when arranging the interviews it was very important to request precise timing, as the time was very limited. It was also difficult to conduct more than one interview on the same day as the delays were frequent. It was expected that the timing plan would not work as planned; therefore, each interview was assigned a specific date.
4.6.2 Interview procedure

The interview questions were constructed according to the conceptual framework of the research, which was based on Rogers’ adoption decision process model (knowledge, persuasion, decision, implementation, and confirmation) and innovation attributes (relative advantage, compatibility, complexity, trialability, and observability), combined with environmental factors (industry, market, regulation, competitors and ICT infrastructure) and organizational factors (size, type, age, culture, top management support, internal communication, and ICT expertise) from the TOE framework. The same questions were asked across all 7 case studies. The questions were modified according to the interviewees’ level of English and the topic background. Table 7 explains the links between the theoretical concepts, which related to the interview questions.

<table>
<thead>
<tr>
<th>“Theoretical concepts”</th>
<th>Interview Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. TOE: organizational factors</td>
<td></td>
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</table>
| Top management support | • Do top management actively support the use of SM for business activities? How?  
• What were the main managerial issues that affected your implementation of SMs? |
| Business culture | • To what extent is your business culture adaptable to environment changes, especially in ICT? |
| Accessing large potential customer base | • To what extent are SM improving customer reach in your company? Number of participants (SM-derived-clients)? and what are their main characteristics? |
| 2. Rogers’ Technology innovation attributes | |
| (Relative advantages) | • What advantages of SM motivated your decision to adopt SM? |
| (SM business benefits) | • How SM has affected your business performance?  
• Can you classify the business benefits of SMs in relation to the different departments and activities of your company? |
| (compatibility) | • To what extent is adopting and using SM compatible with your existing systems, values and goals, and work practices? |
| (complexity) | • What do you think of using SM and its integration to your business system from the perspective of easiness and difficulty? |
| (trialability) | • Have you gone through a trial phase of SM? If so, how was it?  
• Is it easy to correct actions when using SM? |
| (observability) | • Have you observed SM business benefits and competitors’ SM usage and if so, how? |

3. TOE: technology factors

| (ICT and SM experience and usage) | • Do you have any SM Managers who are experts in using SM for business?  
• Did you already have the required ICT infrastructure and IT resources for using SM? (computers, internet….)  
• Have you faced any technical issues while adopting SM in your business? |
| (SM and their functions) | • What existing SM platforms and functions is the company using for business purposes?  
• How do you perceive SM as an emerging business tool? |

4. TOE: environmental factors

| | • What are the main issues of concern (legal, economic) you think are important to consider when using SM for business?  
• What do you think of government laws and regulation and/or incentives in relation to adopting SM in the business sector for SMEs?  
• Is there any influence from your business sector and market to the SM adoption in your company? How? |
Table 7: Theoretical concepts related to the interview questions

<table>
<thead>
<tr>
<th>5. Technology adoption process by Rogers</th>
</tr>
</thead>
</table>
| Knowledge/persuasion (before implementation) | • How long you have been using other ICT in your business and in which departments or activities?
• Can you give some details regarding the setting up process, and whether you used any outside help and support to start using SMs or provide training for employees?
| Decision/Implementation | • What were the main stages you had to go through in order to adopt SM for the first time?
| Confirmation (after implementation and adoption) | • What are the main advantages and disadvantages of using SM in your business?
• How do you evaluate your success in using SM?
• What are your plans for maintaining and sustaining the use of SM in your business?

When conducting the interviews, the aim was to understand the different stages of the pre-, during and post-adoption of SM experiences, and so the inclusion of all three stages was crucial to the success of the study. As such, the data collection method needed to be robust, to ensure all the important aspects were covered. The interview questions were designed to be easily understandable by the target population, so that what was being asked was clear. The interviews were conducted face to face and audio recorded after permission was gained from the participants.

4.6.3 Limitations of Semi-Structured Interviews

King (2004) assumes that semi-structured interviews can be disadvantageous, as the process of conducting the interviews, and transcribing and analysing the collected data is extremely time-consuming, due to the richness of the data gathered in this way. To overcome this limitation, the researcher had a timeline that include weekly plans
regarding what to achieve (i.e. transcribing, coding… etc.) which helped to manage the researcher’s time and make the research process smoother and easier to proceed.

Another challenge that a researcher might encounter when carrying out such interviews is that respondents might be reluctant to answer and express their opinions freely, or may be negative about the research topic (Remenyi, 2013). In this case, researchers need skills to convince the participants to be more engaged, by building a rapport with them. In the context of the recent study, the researcher was well aware of this need to build rapport with the participants prior to starting the interviews. In addition, to prepare the participants to speak and engage more during the interviews, the researcher initiated an informal chat concerning how their day was going.

4.7 Pilot studies

The data collection process started with a pilot questionnaire on 01/03/2014. This was arranged with the Saudi Arabian Chamber of Commerce in the city of Jeddah to distribute them to entrepreneurs and SMEs at one of their events (global entrepreneurs’ week). Soon after amending the questionnaire according to the pilot feedback, the main survey was conducted, by 25/10/2014. Table 8 shows the questionnaire disseminated for the study.

<table>
<thead>
<tr>
<th>Dissemination</th>
<th>Questionnaire (end 2014)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distributed</td>
<td>400</td>
</tr>
<tr>
<td>Returned</td>
<td>94</td>
</tr>
<tr>
<td>Completed</td>
<td>40</td>
</tr>
<tr>
<td>Usable</td>
<td>28</td>
</tr>
<tr>
<td>Suitable and Accepted to be interviewed</td>
<td>10</td>
</tr>
</tbody>
</table>

(end 2014, beginning 2015)

Table 8: Questionnaire dissemination (Source: Author, 2014)

The pilot study was conducted to ensure the accessibility and availability of the research participants, so a selective questionnaire was administered. In total, 400 questionnaires were distributed. From this pilot study, 94 questionnaires were returned, of which 40 were completed, and 28 were deemed usable. The remaining 12
returned questionnaires were not valid. Due to the doubtful validity of these responses, they were excluded. The 28 SMEs who completed the questionnaire properly were contacted by telephone, and 10 agreed to be part of the study; however, two were later excluded as they were operating outside the studied sectors, which was the focus of the study.

4.8 Data Analysis

Analysis of the data was conducted based on guidelines suggested by King, Miles and Huberman (1994), Dey and Coffey (1993), Saldaña (2009) and Atkinson (1996), using a combination of categorical analysis (coding and thematic analysis). In this approach, the preliminary themes and patterns were identified and noted using a word processor to run the analysis. To ensure a rigorous analysis, the interview transcripts were read closely, highlighted, coded and analysed based on the themes created. The coding process was conducted based on a comprehensive assessment of different coding types, and examples and exercises developed according to the themes and patterns created. In order to avoid missing any points, audiotapes were played and listened to repeatedly.

This method is justified, as Miles and Huberman (1994) assert that the aim of a qualitative study is to describe and explain a pattern of relationships, which can only be carried out using a set of specified analytical categories or themes. Rose and Sullivan (1996), Madison (2005), and Saldaña (2015) agree that coding and thematic approaches are popularly regarded as one of the most suitable methods for qualitative analysis.

The coding approach enables the important points to be extracted from interviews and subsequently allows interpretation of the data. Data can be easily transcribed from the interview process by listening to the audiotapes. Hence, there is a step by step, structured process to describe, to generalize, and link the qualitative data using a systematic and rigorous analysis.

Simply put, the processes involved enabled transcription and annotation, input, coding of the categories based on the specified themes, connecting, interpreting, and finally
producing corroborating evidence to test the data. The analysis was planned so that the data gathered would be as effective as possible and great attention would be paid to the details. Therefore, the data gathered was thought to provide enough evidence to be analysed consistently throughout the study. The aim was to identify the factor-related context, and to observe every perspective throughout the entire process of SM adoption. The evidence gathered from the interviews was connected and engaged with the conceptual literature to deliver results. By understanding the deeper context of each of the interview analyses, theory can be generated. The data collection and analysis process is illustrated in Figure 12.
As discussed earlier, a conceptual framework was developed by reviewing the literature on the available models for technology adoption in business. Then, the empirical work was begun after obtaining ethical approval from the university. After which a pilot study was conducted to ensure the applicability of the study to the research context, and the availability of participants. The participants were selected according to purposive sampling to serve the research objectives. The main criteria for companies wishing to participate were SMEs operating in the K.S.A that had already
started using and adopting SM. Participant selection was facilitated by the pilot study and the final participants were confirmed by adding one more criterion, which was that the businesses selected belong to the retail sector. Having SMEs from multiple sectors could lead to inappropriate comparisons and analysis. Additionally, the retail sector was chosen, as it is essential to the country’s economy, as explained in the sampling procedure section.

Companies were contacted by email to confirm availability and to arrange interview appointments. Each company represented a single case study, and within each company, three employees were interviewed to attain a clearer understanding of the phenomenon and to gather a fuller picture. The employees were selected for their accessibility and availability based on convenience sampling. The researcher tried to interview three levels of management where possible: the manager or owner ("top manager"); the department manager ("marketing or IT manager"), and finally the employee in charge of managing SM (referred to as the “SM Manager” throughout the research). The interviews were conducted according to the availability of the participants, and the same questions were asked in all cases. The interviews were recorded with the permission of the participants.

A single case analysis was conducted and structured according to the main themes generated for data interpretation from the transcripts. These included:

1) Characteristics of the business and customers
   a) Products / services
   b) Customer criteria
   c) Competitors
2) SM adoption stages/process
   a) Decision
      i) Knowledge
      ii) SM attributes
      iii) SM relative advantages
   b) Implementation
   c) Performance assessment
   d) Confirmation
   e) Performance Improvement
3) SM functions in the company
   a) Marketing
   b) Research and development
   c) Business development and expansion
   d) Other business functions (HR, suppliers relations, customers services … etc.)

4) SM adoption enablers and motivation

5) SM adoption barriers and constraints

6) Future of SM adoption in the company

Each case was presented separately, and a cross-case analysis subsequently conducted based on the results of the individual analyses. The cross-case analysis was conducted for comparable patterns between the thirteen cases, based on the themes formulated in order to determine the main similarities and differences, and any new or surprising findings. Following this, the main SM adoption stages in Saudi SMEs were identified, along with the key surrounding factors and new opportunities for SM adoption in SMEs. The factors were identified as recurring throughout the literature review, case studies, and cross-case analyses. Then the best practices for effective SM adoption were highlighted.

Figure 8 in the literature review chapter shows the proposed conceptual framework derived from the literature, which was used as a focus for examining the SM adoption process and surrounding factors within SMEs. The conceptual framework was developed by integrating both the TOE and DOI models from the literature, considering the various influencing factors in the SM adoption process.

**4.8.1 Coding and data analysis procedure**

The analysis of qualitative data comprised of several steps, including coding, categorizing, finding themes, describing and making comparisons (Hennink et al., 2012). Coding the raw data is part of the initial process when starting data analysis. The process of coding is fundamental when analysing qualitative data, because it helps to identify similar pieces of information by going systematically thorough the transcripts line by line (Cohen et al., 2011). According to Creswell and Clark (2011), coding enables researchers to label ideas and categorize them into groups to identify broader perspectives or themes. Coding is achieved by finding meaningful categories,
using units of analysis (e.g. phrases, words), comparing categories, making connections between them, and finally drawing conclusions (Cohen et al., 2011). To analyse the data in the present study, coding and thematic analysis were applied after the data transcripts, as mentioned earlier. Coding can result in the production of large paragraphs related to the studied topic, which provide a basis for subsequent in depth analysis. Following Saldaña’s (2009) coding to theory model, initial codes were identified from the raw data describing the participants responses, highlighting the key ideas they conveyed (see Table 9). Similar codes were then grouped together and synthesized to identify broader themes and patterns across all the data sets, and to facilitate analysis and inform the proposed theory framework employed in this research (see Table 10). The stages undertaken for analysis, as based on Saldaña’s (2009) streamlined codes-to-theory model for qualitative enquiry are diagrammed in the following figure (see Figure 13).

![Figure 2: Streamlined codes-to-theory model for qualitative enquiry (Saldaña, 2009)](image)

Following table 9 is an example of the coding process adopted from figure 13 above, followed by table 10 a detailed coding process example for themes generation.
<table>
<thead>
<tr>
<th>Interviewee Co. 1</th>
<th>Data extract</th>
<th>Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Manager</td>
<td>“Facebook gives us statistics, numbers of views, and who already viewed the advertisement, and after we saw that <strong>there were too many views and few demands, we switched to Twitter, Instagram, also Facebook remained.</strong>”</td>
<td>Difficulties assessing performance, number of views and followers against sales</td>
</tr>
<tr>
<td>Marketing Manager</td>
<td>“We created an account in order <strong>to make it spread and be famous</strong>, we communicated with <strong>“Fares Al-Turky”</strong>, if you know him.”</td>
<td>Social influence</td>
</tr>
</tbody>
</table>

| SMI Manager       | **1. “After his tweet, did you notice any increase in demand?”**  
A: No, but we **received orders.**  
**2. Q: But, what did you think?**  
A: Yes, because we are a newly created webpage, we have no followers, but we didn’t advertise on Instagram, and there was more interaction, especially for some people from Bahrain and Kuwait, especially for intelligence games. They ordered it in large amounts, so we **tried to deliver a certain amount to them**, and that’s just what did through marketing.” | By using Twitter:  
Orders increased, there were opportunities for business expansion, limited capabilities. |

Table 9: An example of the coding process being used to produce themes
<table>
<thead>
<tr>
<th>Interviews Co. 1</th>
<th>Data extract</th>
<th>Codes</th>
<th>Subtheme</th>
<th>Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Manager</td>
<td>There were too many views but few demands</td>
<td>Difficulties assessing performance (observability)</td>
<td>Technological Barrier</td>
<td></td>
</tr>
<tr>
<td>Top Manager</td>
<td>We switched to Twitter, Instagram, and Facebook remained</td>
<td>Social influence (SM popularity)</td>
<td>Environmental / technical Motivation</td>
<td></td>
</tr>
<tr>
<td>Marketing Manager</td>
<td>To make it spread and be famous “Fares Al-Turky” (Social Celebrity)</td>
<td>Social influence</td>
<td>Strategy/ Enablers</td>
<td></td>
</tr>
<tr>
<td>SM Manager</td>
<td>From Bahrain and Kuwait ordered in large amounts</td>
<td>Opportunities for business expansion</td>
<td>Business benefits /Motivation</td>
<td></td>
</tr>
<tr>
<td>SM official</td>
<td>Tried to deliver a certain amount to them</td>
<td>Limited capabilities.</td>
<td>Organizational Barrier</td>
<td></td>
</tr>
</tbody>
</table>

Table 10: An example of the coding process being used to produce themes
4.9 Ethics

When carrying out the investigation, ethical issues were considered significant, as the study related to processes conducted by human participation in SMEs. When collecting data from and about people, ethical issues should be taken into consideration (Punch, 2009). In order to ensure the research was conducted in a professional manner, the following three approaches were taken to tackle ethical consent and moral issues.

Consent Forms

Prior to the data collection process, ethically appropriate consent was required. Therefore, all the participants involved in the interviews were invited to voluntarily sign consent forms. No forced signing of consent took place, as that would have been unethical. The consent form acknowledged the participant’s willingness to participate. In addition, the participants were informed of their right to withdraw at their own convenience should they so wish. As the interviews were recorded, participants were informed about this prior to the interviews.

Anonymity

The interview process was designed to be as anonymous and as confidential as possible. To achieve this, the participants were assured that their personal and corporate details would never be revealed to any parties. These procedures were adopted to ensure confidentiality and anonymity would be assured and maintained.

Ethical Approval

Before data collection could take place, ethical approval had to be obtained from the University of Liverpool’s Ethics Committee, to ensure that the research conformed to the highest ethical standards, and to ensure no unethical procedures were conducted at any point.
4.10 Reliability and Validity of the research tool

To ensure reliability in this study, trustworthiness was considered (Golafshani, 2003). Trustworthiness requires the provision of reasonable justifications for the choices made regarding the qualitative methods selected by the researchers (Hammersley, 1992), in order that the results of their research can be considered useful (Lincoln & Guba, 1985). Noble and Smith (2015, p.34) define reliability as the “consistency of the analytical procedures, including accounting for personal and research method biases that may have influenced the findings”.

To assure reliability in the present study, the conceptual framework developed derived from the literature review, which acted as the ‘lens’ of the data collection process, and was published in conference proceedings, specializing in SM. This indicates that the proposed framework is of importance, and makes a theoretical contribution to the SM field.

Dubois and Gadde (2002) assert that the interview methods have a level of bias. In fact, it is arguable that all research methodologies contain bias (Araujo, 2007; Dubois & Easton, 1998; Dubois & Gadde, 2002; Yin, 2014). Nevertheless, in order to minimize bias in this research, Patton (1990) suggests a research strategy needs credibility to be valuable. Applying that in the context of the present study, a process for the standardization of the data collected for the semi-structured interviews was adopted. The collected data could thus be considered consistent in all cases, since the interview questions were homogeneous.

Another approach to minimizing bias in this study was that the selection criteria for the participants was based on them having close involvement with SM adoption at the company. Apart from direct involvement, these participants witnessed the entire process throughout SM adoption, indicating that they attached personal meanings to what they did. This was believed to strengthen the evidence. Therefore, these sources of information offered rich explanations of the data while serving to minimize bias.

Easton (2000) asserts that a semi-structured interview facilitates a robust investigation, which uses the richness of the data to conduct an in-depth exploration of the case, to
understand it thoroughly and to derive lessons from it. This is supported by Mitchell (1983) and Yin (2014), who agree that the knowledge derived from the practical experience of particular cases can be transformed to develop a theory. In addition, a semi-structured interview can lead to the discovery of “surprises” in an in-depth investigation, or open-ended questions the researcher would never have thought to ask in the first instance. When something new suddenly emerges from the unexpected responses of participants, it can contribute significantly to new findings. As suggested by Mitchell (1983) and Yin (2014), the semi-structured interview will then become evident.

The qualitative research design and the analytical approach adopted in this thesis was thus expected to assist in obtaining reliable and rich empirical data, to analyse how SM is adopted by SMEs in the K.S.A, and the surrounding factors that influence this adoption.

Another important concept in research is validity, which is a separate from, but linked to reliability (Cypress, 2017). If reliability is defined as consistency of results, validity is defined by the extent to which results are true and correct (Kirk & Miller 1986). Validity in quantitative research is measured through tools and tests (Kirk & Miller 1986), but is not a fixed measure in qualitative research. It can however be assured by assuring quality of a research investigation, questioning and theorizing (Cypress, 2017).

Validity have been frequently debated as a concept in qualitative research, and there are no straightforward tests to evaluate either the reliability or validity of qualitative research; although there are some proposed strategies and guidelines that can be followed to assess validity (Patton, 1990; Sandelowski, 1993; Hammersley, 1987). Moreover, unlike quantitative research, in which validity is checked and measured after an analysis is complete; in qualitative research, validity is justified throughout the research process by selecting valid questions, and engaging in an appropriate approach to investigate the studied phenomenon, collecting the right data to properly represent the results of the phenomenon described explore and explained. In addition, validity might be evaluated through the researchers’ ability to make the right decisions regarding data collection, and data saturation. Additionally,
researchers need to be equipped with the ability and experience to articulate the collected data through prolonged engagement with participants, and through observation and provision of verbatim transcripts, to assure the validity of the data and the results (Sandelowski, 1993; Hammersley, 1987).

In the current study, some of the strategies discussed have been applied as appropriate, with the assistance of more experienced trained and qualified researchers. As stated by Cypress (2017) and Patton (1990), validity is highly dependent on the researchers’ capabilities, experience and skills, and can be applied with the mentoring and guidance of a more expert mentor to assist doctoral students to produce reliable and valid research. Accordingly, the selection of the research questions, formulation of objectives, methodology and data analysis were approved with the assistance of the author’s supervisors and several other researchers in the field.

Additionally, while conducting the interviews the researcher followed another strategy to ensure validity, as proposed by Cypress (2017), involving giving freedom to participants to speak freely sharing their own perceptions and knowledge during the interviews. As a result, data interpretation and analysis ought to be more valid and confident “as one account confirms another, stories accrete, and regularities emerge, so it becomes less likely that individual narratives are the product of one person’s fancy and more likely that they show structural features in the lives of the subjects” (Booth & Booth, 1994, p. 421, as cited in Pyett, 2003). When feeling freedom, participants felt more confident in sharing stories and informing the researcher with more detailed facts about the phenomenon of the research. Also, describing the whole process of the research clearly to have a better understanding of the phenomenon and analysis leads to a more valid research.

4.11 Triangulation

The study was conducted using a qualitative research method through semi-structured interviews. It would be of interest to examine the research topic using triangulation, by studying the research from different standpoints and using multiple perspectives and more than one data source, research methodology, research investigator, or
multiple theories, to validate or extend the research results (Denzin, 1970; Denzin, 1978, Cohen & Manion, 1986; Turner & Turner, 2009). Using a range of other methodologies and techniques, such as a quantitative survey, would increase the accuracy and validity of the research, to make the findings more generalizable. In addition, triangulation is highly recommended when data diversity and or quantity is limited. As Thurmond (2001) stated, triangulation is a research design that offers many benefits to research; such as “increasing confidence in research data, creating innovation ways of understanding a phenomenon, revealing unique findings, challenging or integrating theories and providing a clearer understandings of the problem” (Thurmond, 2001, p. 254).

However, it is important for the researchers deciding whether to apply triangulation or not, to weigh advantages and disadvantages based on the available time and resources (Thurmond, 2001). Additionally, triangulation can only provide a more complete picture of a phenomenon, rather than the objective truth (Fielding & Fielding, 1986). Furthermore, triangulation requires combining multiple methods or theories carefully and purposefully to add breadth to the analysis, but not to pursue objective truth (Fielding & Fielding, 1986). This requires more planning and careful analysis of data sets, considering the different theoretical background associate with each method (Blaikie, 1991). Therefore, Denzin and Lincoln (1994) reviewed the definition of triangulation as a strategy for justifying knowledge, by gaining additional knowledge rather than a validity strategy. Thus, in view of the current PhD’s time constraints and limited resources it was not possible to apply triangulation in any of its forms through multiple data sources, investigations, theories, or methodologies. Such a strategy could be time consuming and require additional resources, that might not have been available when carrying out this research. Additional validation through additional knowledge can be achieved in future studies to extend the time it takes to apply triangulation appropriately, and to avoid potential disadvantages that might arise due to the limited time frame.
4.12 Summary

This chapter discussed research philosophical perspectives and the research design, methods and approaches used in the study that have been found to be the most appropriate for exploring and understanding the subject of the research. Besides, justifications have been included for the selection of the methods and the selections of the studied participants and case studies. The next chapter presents an overview of the SMEs cases analysis in details under the main and sub themes developed previously in this chapter the methodology, the analysis is supported by detailed evidence form the in depth interviews.
CHAPTER FIVE

Single Case Studies Analysis

5.1 Introduction

This chapter presents the analysis of the case studies conducted using semi-structured interviews. The details and justifications for using this method have been presented in the methodology chapter. The case studies investigated the adoption of SM in SMEs to determine how to use SM more effectively in business situations. It is anticipated that this study will improve business performance in SMEs; therefore, each case study was analysed regarding the different stages of SM adoption. As discussed in the literature review chapter, the areas of investigation in the case studies were developed from Rogers’ innovation adoption theory and the TOE framework. These were selected as they play a crucial facilitating role in the process of conducting data collection and analysis (this is explained in more detail in the theoretical framework section), which includes the critical surrounding factors of SM adoption: company criteria and customers characteristics, SM adoption stages, SM functions in the business, SM motivations and enablers, SM barriers and obstacles, and the future of SM adoption in the SMEs studied. The analysis was carried out via an in-depth investigation of data collected from all participants in each of the case studies, SMEs represented both retail and service sectors for more general and broader findings and for any comparison differences or similarities that might be found during the analysis.

5.2 Case Studies Overview

As specified in the methodology chapter, thirteen case studies were identified according to their relevance to the research topic and the availability of staff members for interviews. For the purposes of this study, participants’ and company names have been anonymized to satisfy data protection and ethical requirements. An overview of the companies is presented in Tables 10 and 11, followed by the analysis of each case study.
<table>
<thead>
<tr>
<th>Company</th>
<th>Size</th>
<th>Sub-sector</th>
<th>Number of interviews</th>
<th>Type</th>
<th>Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Small</td>
<td>Entertainment</td>
<td>Three for each business: CEO, Department manager, SM Manager</td>
<td>Private regional</td>
<td>Partnership</td>
</tr>
<tr>
<td>B</td>
<td>Medium</td>
<td>Garden supplies retailer</td>
<td>Private local</td>
<td>Private local</td>
<td>Limited partnership</td>
</tr>
<tr>
<td>C</td>
<td>Small</td>
<td>Personal medical supplies retailer</td>
<td>Private regional</td>
<td>Private regional</td>
<td>Partnership</td>
</tr>
<tr>
<td>D</td>
<td>Medium</td>
<td>Baked goods retailer</td>
<td>Private regional</td>
<td>Private regional</td>
<td>Partnership</td>
</tr>
<tr>
<td>E</td>
<td>Small</td>
<td>Fashion retailer</td>
<td>Private regional</td>
<td>Private regional</td>
<td>Partnership</td>
</tr>
<tr>
<td>F</td>
<td>Medium</td>
<td>Gifts and gadgets retailer</td>
<td>Private local</td>
<td>Private local</td>
<td>Limited partnership</td>
</tr>
<tr>
<td>G</td>
<td>Small</td>
<td>Female accessories retailer</td>
<td>Private local</td>
<td>Private local</td>
<td>Partnership</td>
</tr>
</tbody>
</table>

Table 1: Case studies overview: Retail sector
Table 2: Case studies overview: Service sector

<table>
<thead>
<tr>
<th>Company</th>
<th>Size</th>
<th>Sub-sector</th>
<th>Number of interviews</th>
<th>Type</th>
<th>Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>H</td>
<td>Medium</td>
<td>Fashion design and tailoring</td>
<td>Three for each business: CEO, Department manager, SM Manager</td>
<td>Private regional</td>
<td>Partnership</td>
</tr>
<tr>
<td>J</td>
<td>Small</td>
<td>Entertainment sector: Media content production, distribution, and consultation</td>
<td></td>
<td>Private regional</td>
<td>Partnership</td>
</tr>
<tr>
<td>K</td>
<td>Small</td>
<td>Entertainment sector: Event and trip organization and management</td>
<td>Private local</td>
<td>Partnership</td>
<td></td>
</tr>
<tr>
<td>L</td>
<td>Medium</td>
<td>Entertainment sector: Sport</td>
<td>Private local</td>
<td>Limited partnership</td>
<td></td>
</tr>
<tr>
<td>M</td>
<td>Medium</td>
<td>Entertainment sector: Media content production, distribution, and consultation</td>
<td>Private regional</td>
<td>Partnership</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>Medium</td>
<td>Restaurant</td>
<td>Private regional</td>
<td>Limited partnership</td>
<td></td>
</tr>
</tbody>
</table>

5.3 Case studies single analysis

This study seeks to explore the factors influencing SM adoption and the SM adoption process in SMEs in the K.S.A. Thirty-nine semi structured interviews have been conducted to collect data regarding the perspectives of the participants (CEOs or owners, departmental managers, and SM Managers) in order to develop a broader understanding of the subject under investigation and to produce meaningful outcomes that enable the researcher to better answer the research questions (see section 1.5 for research questions). Themes have been formulated based on the patterns identified in the literature review (see conceptual framework in section 2.8), and new patterns have emerged from the data collected from the thirty-nine interviews. This chapter presents
the analyses of the collected data and identified patterns in order to develop deeper insights and better interpretation of this research. Each case is structured according the main and subthemes discussed in the methodology chapter which were based on the conceptual framework developed from the literature reviews. Starting with an overview of the company including the sector, customers, and products or services descriptions under the business and customers’ characteristics theme. Then details found from the interviews transcripts about the SM adoption stages the company has gone through during the adoption process. After that findings regard how the company been affected by SM adoption in its business functions performance. Following, findings of the factors that influenced the adoption process and implementation in the company including enablers and motivations then barriers and obstacles that the company has faced during the process. Finally, future directions of how the company is planning onward to deal with the SM adoption and if any plans for improvements and expanding its performance in SM.

Following, the findings from each case study as described above are presented.

5.3.1 Case Study 1: Company A

5.3.1.1 Business and customer characteristics

Company A was a retailer selling a variety of electronic games and video products, including several types of video games devices, games consoles, accessories, and DVDs. The company also offered general hardware maintenance. Some of the products were imported from abroad and some were supplied by local distributors. Customers were mainly children and teenagers. The company had only one branch, located in the city of Jeddah, although its customers came from several surrounding cities. The company lacked an appropriate company profile because it was focused on meeting official government standards and requirements, which diverted it from establishing a well-planned business strategy. Furthermore, the organization was struggling to sell products offline, so it created SM accounts as a potential solution. Thus, the main reason for the company’s adoption of SM was to increase sales by attracting more customers.
The company products were very popular in certain seasons, as illustrated by the CEO who observed: “The products are highly affected by seasonal celebrations such as Eid and by new releases of new devices or games.” The selling prices ranged between average and above average. Overall, the products were considered entertainment products. The main customer base was comprised of children and teenagers from the middle and upper classes in the K.S.A society.

Thus, customers were primarily youths who were interested in video games and were active in SM in the K.S.A. In general, video games were revealed to be very popular in the country, and participants liked to buy the latest devices and games.

5.3.1.2 SM Adoption Stages and Process

Decision

The SM Manager’s personal interests and knowledge of SM in business were the main drivers for the company’s adoption of SM. He claimed: “My interest and knowledge will help SM to grow.” This suggests that that SM attributes such as accessibility, affordability, and ease of trialability and observability influenced Company A’s decision to use SM. According to the marketing manager, “… it is convenient for customers, they can use it from home or anywhere”.

Implementation

Company A started to use SM by creating a personal page on Facebook. Gradually, they developed business pages describing the business and company activities. It is notable that it took some time for the SM Manager to understand each SM platform and learn how to use the different functions which could benefit the business. In addition, the company also conducted a comparison between platforms to determine which one offered the best access to their target customers. The SM Manager explained: “We check the different SM platforms to determine which one reaches more target
customers, then we focus more on it.”

The content posted on the SM accounts mainly consisted of images of the products, including captions. The SM Manager described: “…we take photos, edit them on Photoshop and post them on SM pages and accounts.”

The SM Manager had obtained knowledge of SM online marketing whilst studying at university. He also explained that, to enhance his skills further, “I read some online articles on how to use SM in the business context.” He stated that an effective marketing strategy was “using hashtags on Instagram. If people like the content under the hashtag, they will follow the hashtag or share it, and the number of followers and orders increases significantly.”

The company created several SM accounts on different platforms such as Facebook (FB), Twitter, and Instagram. According to the marketing manager, the results were varied: “FB is low in activity, but produces positive returns… we like to use Instagram as it is becoming more popular in the K.S.A.” This was confirmed by the CEO’s comment: “Instagram is for teenagers and very effective for our business; we consider Twitter to be for adults and more educated people.”

Performance Assessment

Company A used the numbers of ‘likes’, ‘views’, and ‘shares’ as an indicator of SM performance. The SM Manager stated: “We believe that the higher the number of likes is, the better the outcome will be, as this will excite customers to buy our products.” He also added: “We look at testimonials from customers on SM pages which can attract more customers and can be used as an indicator of our SM performance… if comments are positive this indicates good performance and vice versa.”

Performance Improvement

Both the SM Manager and CEO of Company A indicated that although they were willing to plan for SM adoption, they had previously lacked “the know-how” of how to use it. However, the marketing manager noted that, by using
SM, “we have learnt and subsequently been able to establish a proper plan for effective use of SM.” Similarly, the CEO explained: “We are thinking of upgrading our SM accounts… this will lead to more advanced use of SM in the company.” He also stated that they wanted to add the company logo to all communication media and content in order to improve SM brand image: “...we will add our logo to emails, flyers, shop bags… SM content.” In addition, the CEO argued that: “It is better to check that our SM content is acceptable according to cultural norms and customs in order to build a good social brand image, otherwise many people will reject us.” This indicates that adhering to cultural norms was critical for customer acceptance. The company also decided not to post product prices on the content pages, as this could have a negative impact on customers’ perceptions. The marketing manager explained: “We have decided not to post prices anymore as it attracts so many negative comments when customers compare prices against other retailers.” Importantly, the SM Manager planned to find a way to schedule SM usage: “I am now trying to find a way to schedule the use of SM, because now it occupies all our time; this is time and effort consuming and not effective… there is a way and we will implement it.”

Furthermore, Company A planned to improve performance by working with social influencers, as described by the SM Manager: “We found that these people have a big influence on customers’ decisions and we got so many orders and sales when we tried that, so we will try to contact social celebrities who are involved in our sector and who our target customers trust, so through them we can reach more customers.” Finally, the marketing manager noted: “If, by using social influencers, sales increase, we should be ready to fulfil all the orders, and if no sales come from them, we should have a plan B for selling our stock… we have to be ready.”

5.3.1.3 SM Functions in the Company

Company A accepted SM adoption as crucial for business success. The CEO confirmed: “SM is important for us.” Significantly, the SM features, which they found easy to use, offered them the opportunity to grow. The CEO
noted: “It is easy to use in the business, we just need more self-education about it... SM gives you fame for the account, and the loyalty of customers.”

Thus, Company A used SM for several business functions, as described below.

**Other business functions**

Company A conducted some sales through SM accounts, mainly Instagram. According to the CEO: “We sell products when customers place orders through WhatsApp or the private comments’ function… Paying by cash on delivery makes it possible to use SM as a sales point, as our customers are young they can’t pay online most of the time… also, we trust buyers and they trust us, so cash on delivery is popular.”

Overall, the advantage of SM is seamless global accessibility, as long as there is an internet connection. Interactive communication such as responses to comments can be carried out at any time, from any part of the world. According to the SM Manager, “The good thing about SM is that customers can write their comments and questions at any time and we can answer anytime and from anywhere as long as we have an internet connection.” Thus, it was strongly believed that SM provided open and direct communication with customers, allowing the company to “go the extra mile”. The CEO added: “… it is vital to have SM for effective direct customer service.”

In order to maintain the integrity of SM content and enhance product image, the company only stored positive comments. Negative comments were deleted to preserve the reputation of the company. The SM Manager explained: “We block non serious users and negative comments if repeated; we delete negative comments, we only handle comments about the product itself and reply to call us or visit the store.”

**Marketing improvement**

Prior to any sale, the company ran market tests to ensure that the products
would be sold, as explained by the marketing manager: “We do a marketing campaign on SM before we order the products, to test the market need and to ensure the products will be sold.” They found that SM adoption helped them to market their products effectively; the marketing manager noted: “SM helps in marketing and building brand image and awareness in the market for our products... it is a strong advertising channel.” As stated by the SM Manager, SM adoption also helped the company to maintain sales promotions: “On SM accounts, we can update customers with offers, new releases, and best sellers faster.” Moreover, SM improved the brand image in the market with involvement in national events, as the marketing manager described: “We use SM accounts to participate in national and religious events in Saudi; we post greetings, prayers, and provide offers... sales increase whenever we do this.”

5.3.1.4 SM Adoption Enablers and Motivation

According to the SM Manager, internet service was always available, with minimum or no interruption, and this played a positive role in motivating the company to use SM, as it requires continuous internet connection. Although there were no IT managers or technical experts working at the organization, the company managed to handle SM with little or no difficulty. The SM Manager stated: “We had no managerial or technical support, but it was no problem at all, we became experts through trial and error.” Importantly, as the SM Manager observed, SM was becoming very popular in the K.S.A at the time these strategies were implemented: “Our target customers are using SM all the time.” Furthermore, the CEO explained how being specialized in electronic marketing enabled the company to explore SM in depth and learn how to use SM in business rapidly: “I did e-marketing… my background in management and e-marketing made it easier for me to try additional functions which had not been used before… in fact, it resulted in better performance on SM.” The different backgrounds of the company managers in e-marketing and SM technology meant that they were highly competent and managed SM adoption successfully. Crucially, the management supported the company to
facilitate SM use in the business.

5.3.1.5 Adoption Barriers and Constraints

The Saudi Arabian Ministry of Trade enforces laws governing the use of SM in the business sector in order to protect both customers and businesses. As the SM Manager explained: “Some products in store are restricted on SM simply because of cultural issues.” This restricted the company’s ability to post their entire product range on SM, as only certain product images were permitted.

An important motivation for the adoption of SM was the business’s successful use of SM platforms without external assistance. This was emphasized by the SM Manager, who stated: “No need for outside help, we can learn by ourselves.” However, the limited knowledge and lack of formal education on how to use SM effectively restricted the full use of SM in the company. Overall, SM functions and use were dependent on one person, not the company as a whole. The company relied heavily on the SM Manager to carry out all SM activities and nothing was documented, which could have significant negative consequences for the business if the SM Manager left the company. The SM Manager confirmed: “Nothing is documented... or organized as rules for SM use... if I leave them, they will collapse on SM... because they do not have enough knowledge.”

Similarly, the negative comments from customers or SM users on the company accounts discouraged the company from embracing SM fully, as highlighted by the CEO: “If customers say something, they affect others.”

5.3.1.6 Future of SM adoption

In this case, Company A benefited from using SM to improve sales. SM adoption transformed the business from a traditional store to a semi-online business. This was clearly stated by the CEO: “SM can be a channel for sales and can replace real stores, we are thinking of closing the store and focusing on Instagram.” SM adoption changed Company A’s business paradigm by opening up new opportunities. In addition, the SM Manager explained how
the influence of SM celebrities expanded business growth, as they acted as role models to others and helped the company reach more customers: “...the support some SM influencers provide for SMEs on their SM accounts helps us grow.” Furthermore, the use of SM unexpectedly caused new penetration into neighbouring countries which had not previously been achieved. The CEO commented: “SM facilitates expansion for the business and access to new cities and neighbouring countries like Bahrain and Kuwait.”

5.3.2 Case Study 2: Company B

5.3.2.1 Business and customer characteristics

Company B specialized in garden supplies for internal and external gardens and green areas. They recognized the demand for durable, high quality, and creative garden products and supplies in the Kingdom, which motivated them to start the business. Company B employed highly-skilled and experienced employees to run the business in the best way and to choose the products that best suited customers. Their products were mainly imported from the leading brands in the field and were customized according to local needs. Company B’s slogan was ‘quality comes first’. Their products included industrial green grass, decorative pieces, children’s toys for gardens, and plant containers and vases.

The company operated only one branch, but they were planning to expand the number of branches in the Kingdom. According to the CEO of the company, the use of technology was considered vital to facilitating business communication: “In fact, SM is an emergent tool for growing and expanding business faster and more easily.”

The CEO also clarified that Company B’s target customers were “mostly the high class”; therefore, the price range of products was above average for similar products in the garden supplies and landscaping market.

Company B had few competitors in the local market. There were some businesses operating in similar sectors, but they were not identical. For
instance, the competitors tended to be garden decoration retailers or green grass sellers. This allowed Company B to dominate the market with a low level of competition. Company B’s performance on SM was not influenced by its competitors’ performance, which the CEO claimed “is weak”.

5.3.2.2 Adoption stages and process

Decision

The decision to use SM in Company B was taken because of two major factors: need and personal passion. This was driven from the bottom up in the management hierarchy. Personal knowledge and passion for using SM were the main drivers for Company B’s adoption of SM in the first instance. As described by the CEO: “One of us is specialized in SM and suggested we use it in the business.” The CEO also added: “It’s the need; we needed it, so we used SM.”

Knowledge awareness affected the speed of the decision to use SM. The CEO stated: “In fact, when I checked some international companies’ SM accounts, I was amazed by the advantages SM can offer to businesses. I found they are using SM for marketing and customer service. I thought, ‘Why we don’t do the same in our company?’ And here we are — live on SM.”

The CEO identified the main factors that affected the decision to adopt SM as simplicity and ease of use, ease of testing, and accessibility. He also highlighted the benefit of “affordability… SM cost is less than traditional marketing and advertisement media such as magazines and newspapers… that’s good for the business.”

Implementation

Company B actively adopted Instagram as their SM platform. The reason given by the marketing manager for this decision was: “We tried to use Facebook and Twitter; however, we found them complicated and less appropriate for us.” The company assigned the SM account manager full responsibility of the SM content, including what to post and publish, as the
SM Manager explained: “...so many things I have free control over… the photos and media”, although the management sometimes provided suggestions and points of view. As there was no previous dedicated SM Manager, the role was given to the IT manager, who had some experience in using SM for business as well as a personal interest in it. The CEO clarified: “He is responsible for SM as well as IT.”

SM adoption was implemented in stages, and to begin with lacked sufficient planning. The company started with basic use, as described by the marketing manager: “For the beginning, we had an account and tried Facebook.” Subsequently, they improved their SM functions in phases. The marketing manager described this trial and error approach: “...one account we tried at the beginning… he selected some photos of our products and projects, improved them to be used on different SM platforms, added attractive comments, then posted them… then we monitored customer interaction with the post to identify the best ways to attract more customers.”

**Performance Assessment**

According to the marketing manager, Company B used SM statistics as a measure of SM performance: “We use the number of the followers we have and people’s reactions to and interactions with what we post.” Thus, the company considered the number of SM ‘likes’ and ‘followers’ when assessing SM performance. In this way, they also considered public engagement.

Company B sometimes asked customers where they knew the company from, and many customers mentioned Instagram. The CEO explained: “We ask customers which SM platform led them to us, and we calculate sales driven from SM.”

**Performance Improvement**

In order to improve performance and SM usage, Company B decided to increase the amount of time and effort invested in planning and organizing
more effective SM adoption, including using analytics tools to facilitate more effective use of SM data and information.

Another strategy proposed was to use Snapchat to attract more attention and gain more customers. However, according to the CEO, they would have needed to hire a dedicated SM Manager for this task: “…for example Snapchat, the first time it appeared, we tried to enter this platform, but the time here is not helpful... it needed a dedicated employee.”

Nonetheless, the company developed a systematic method of posting on SM to achieve better efficiency and improve customer experience in a way that suited each SM platform separately. The SM Manager described the value of this strategy: “Everything has a different method, working with the photos for Instagram or Facebook... I post the photos with the logo in the middle and a caption. We organize products by colour, whereby each colour represents a group of products.”

In addition, they started to build a database for products and photos. To implement this, they acquired more sophisticated equipment in order to produce high quality SM content, which also improved customer experience and satisfaction. The SM Manager explained: “I started to prepare the ground. We protected the photos. I cannot do anything without having a database... we bought a camera, we bought a drone, and a month ago I started putting photos on Instagram… there are things that I can put now, but earlier it was difficult. I now have beautiful photos; before I had nothing.”

5.3.2.3 SM functions in the company

Company B demonstrated that SM adoption was important to business success. Both the CEO and SM Manager were enthusiastic about applying SM in daily practice, and they regularly explored new functions to improve their performance.

Company B mainly used SM for marketing activities, specifically for advertising their products and services. They also used SM to support some
other business functions, which are described below.

**Marketing improvement**

SM enabled Company B to display their products in real settings, which attracted more customers. In addition, SM made it easier and quicker to reach customers, as noted by the CEO: “SM is cost effective and the customers reach is easier, so we decided to use it.”

One of the main motivations for Company B to use SM was that SM facilitated the creation of a strong brand image and awareness. The marketing manager claimed: “SM unified our brand image.” Thus, SM increased the number of opportunities to introduce the brand and their products to others.

**Other business functions**

Another advantage of SM identified by Company B was the enhancement of business communication with both customers and suppliers. The marketing manager identified WhatsApp as being particularly effective for reducing time and effort: “In fieldwork, we use WhatsApp for almost everything, it speeds up and delivers direct information.” The CEO also noted that SM “gives us the ability to solve critical problems and make important decision instantly.” This indicates that use of SM creates opportunities to prevent problems from escalating. The CEO added: “Some decisions are affected by SM performance.” Regarding public comments, the company only replied to positive and relevant comments, and disregarded or deleted negative and inaccurate comments.

The marketing manager explained how Company B used SM to search for suppliers: “We find and search for suppliers using SM, yes… We use SM for our supplier search…We evaluate them according to the services offered through their SM accounts, and by checking their performance through customers’ comments on their services and products.”
5.3.2.4 SM Adoption Enablers and Motivation

Company B noted the significant advantages of SM as motivations to continue using it. According to the marketing manager, “SM adoption saves time and effort for the customer service department, especially in arranging customer visits.” The SM Manager commented: “Sometimes employees or customers spend half an hour searching for locations, or an hour! That is the problem with time... SM gives us time reward.”

Moreover, SM also helped Company B to reach more potential customers in their local area and in other remote cities in the Kingdom. The marketing manager stated: “SM enables us to reach people around us and far away.”

Crucially, top management support was a significant motivator for the SM Manager to explore using SM in depth. The CEO explained: “We predominantly give him the approval… he is doing so well.” The SM Manager added: “I have freedom in my SM work and that’s made me more active and creative, as there is no managerial delay for approval or the interference of personal views.”

Above all, SM reduced overhead costs, particularly for traditional marketing and advertisement media such as magazines and newspapers. The CEO clarified: “No we did not stop it, maybe there is 10%. I mean we reduced it and focused on SM. Newspaper advertisements are expensive.”

Another motivation for SM adoption in Company B was IT literacy and activity in the company, which was at an advanced level — staff were familiar with using technology in daily practice. The SM Manager noted: “We depend a lot on technology such as emails, internal systems, websites.” Furthermore, the CEO explained that “the low price with full access coverage of internet in the area” also encouraged Company B to adopt SM.

5.3.2.5 Adoption barriers and constraints

Several barriers were identified which restricted Company B from adopting SM effectively, as described below.
Firstly, the absence of laws and regulations to protect the company on SM, especially relating to copyright issues. The SM Manager explained: “We had an incident where a company posted our product images and our customers’ locations as their own... there is no protection; we are afraid that any photo you have on SM could be copied by another company which will claim it is theirs... there should be a way to prove it’s ours.” The CEO added: “There is insufficient regulation in the business market; there is a need for improvement, and extra effort should be taken by the government to protect retailers’ copyrights and position in the market.”

Secondly, Company B employees appeared to have less understanding of the importance of formal education and training for gaining professional knowledge about how to use SM effectively. The CEO stated: “He can learn by himself, there is no need for training.” This is expected to limit the scope of Company B’s SM adoption and prevent the company from realizing new pathways and benefits of SM.

A final barrier that restricted Company B’s SM activities was an insufficient database of media including product photos and videos. The SM Manager stated: “There was no image … I could not do anything without having a database.” However, the company built a more comprehensive database in order to overcome this barrier.

### 5.3.2.6 Future of SM adoption

The case study revealed that SM created opportunities for Company B. As the CEO clarified: “It is helping us to cut costs involved in traditional marketing channels… it is saving time and effort in arranging customer visits in a more accurate and effective way than before.” Furthermore, according to the marketing manager, the company received new requests from customers to open branches in other cities: “We have noticed some comments requesting us to open branches in other cities, then more users have liked and commented on that positively… we are thinking now of that.” Thus, the use of SM offered new potential for expansion and growth in Company B.
5.3.3 Case Study 3: Company C

5.3.3.1 Business and customer characteristics

Company C was part of the N Group, a private medium-sized company. The company specialized in medical care solutions, and offered solutions, products, and support to increase the independence of disabled or elderly people and to assist their carers. The wide range of high quality products offered by the company included mobility equipment, stair lifts, moving and handling solutions, and bathing solutions. The company’s mission was ‘To make everyday life easier’. The main objectives of the company were to ensure product safety (by choosing the right safety products), practicality, high quality design, and durability in a wide range of environmental conditions. It planned to expand the business locally within the Saudi Arabian Kingdom, and regionally in the Gulf countries and several other Arabic countries. It was predicted that SM would support and facilitate the achievement of this goal.

Company C staff believed SM could support them in achieving partnerships with successful companies. They believed this could be accomplished by increasing sales by establishing and managing a strong company image in the marketplace that engaged the target E,ulation, and by establishing offices in their target areas, i.e. Riyadh, Dammam, Dubai, Qatar, and Bahrain.

Company C’s marketing manager stated: “Our customers are mainly elderly people and they prefer to buy medical equipment by physically visiting the store.” It was assumed that customers would purchase expensive products that they would need to buy only once. Hence, the company felt that SM would not have a significant impact or be particularly necessary. Consequently, the company used SM as a complementary tool rather than a core activity in developing a new business strategy. The CEO commented: “I do actively support the use of SM in the business, but not as a core activity.” Thus, for Company C, their customer profile had a negative impact on willingness to expand SM use.
Furthermore, the level of market competition encountered by the company did not prompt investment in SM, as confirmed by the CEO: “We don’t have competitors.” This indicates that a lack of competition may have been another reason why Company C considered SM a complementary channel for business improvement only.

5.3.3.2 Adoption stages and process

Decision

According to the CEO, Company C began to use SM to support their objective of “expanding and establishing new branches locally and regionally”. The company had no plan or written strategies regarding how to adopt SM, and no definition of the main objectives for using SM in the business. The CEO noted: “We don’t have a strategic plan for SM adoption.” The marketing manager observed other businesses in the sector trialing the use of SM, and explained this motivated the company to start using SM: “We just saw other businesses using SM and we thought we could try it too.”

Other factors that motivated the decision to adopt SM were cost-effectiveness and ease of testing. The marketing manager claimed it would be worthwhile to adopt SM as it incurs no costs: “…we can try it too as it is free to try.” Thus, the accessibility of SM facilitated the decision to try it. Furthermore, the CEO clarified that if they found SM unsuitable for the business, they would be able to stop using it without any additional costs to themselves: “We can stop at any time without any cost; if we don’t like it, we stop it.”

The CEO and SM Manager claimed: “SM saves time, money, and effort compared with some traditional business activities such as customer visits.” The CEO added: “SM will help us to reach a larger customer base, facilitate existing customer communication, promote health awareness, build a stronger brand, and manage our brand image.”

Implementation

After deciding to adopt SM, Company C used SM pages to post current
product features and instructions on how to use them. This created advantages for customers and caregivers. Additionally, the marketing manager described using SM to communicate with potential customers: “SM opened a two-way communication for us with our audience.” Furthermore, SM offered customers the chance to investigate products at an early stage, prior to purchasing decisions. The company utilized this opportunity by demonstrating the advantages of the products and their positive impact on patients’ lives.

The main SM platforms the company used were Instagram, Facebook, WhatsApp, and Twitter. Regardless of the content, the marketing manager decided what to post. He stated: “Anyone can send us content and I decide what is to be uploaded and what is not.” No SM specialist was employed to manage and facilitate the company’s SM accounts and activities.

**Performance Assessment**

After several months using SM platforms, the CEO reviewed the company’s performance and identified the following:

“Asessing the performance of SM depends on the number of followers on SM accounts and the level of engagement from target customers... This can be indicated by the comments, responses, likes, and shares.”

Another key aspect of measuring SM performance was types of followers, because this influenced market credibility. The SM Manager explained: “…individuals, medical centres, health personnel, and educated people. Those people increase our credibility in SM society… if they follow us it means we are reaching our target audience.”

Financial assessment was not considered important to Company C, because they offered expensive, unique products, which customers usually preferred to purchase from physical stores. This was confirmed by the SM Manager, who clarified that their products were “not for sale online, as most are big and expensive, and in Arabic culture people like to check products physically
before buying.”

Finally, the marketing manager explained that if the company received positive engagement from potential customers and obtained a reasonable number of followers, they would continue with SM adoption and engage more SM functions: “We are just starting and plan to engage more if we find acceptance on SM.”

Performance Improvement

Company C initiated a basic plan of SM adoption. The CEO stated: “We don’t have a strategic plan for SM adoption, and I don’t think we need one. Maybe we will write down in brief a basic plan that will include the main topics we want to share with our audience on SM, and we may create a database of related photos and videos about the stuff we talk about, such as the benefits of a specific device or tool.”

The data indicates that the company adopted SM via the following stages: knowledge awareness, evaluating SM attributes and advantages to the business, adoption decision, implementation, assessment and measuring performance, and considering ways to improve SM performance.

5.3.3.3 SM Functions in the Company

Company C did not use SM as the main channel or as a core activity for reaching business goals and objectives, but rather as a supportive and complementary tool to speed up and facilitate their achievements. The CEO stated: “As a top manager, I actively support the use of SM in business, not as a core activity but as a supporting tool.” Other company managers also supported the use of SM, but noted adoption was limited. The SM Manager explained: “They want us to adopt SM in the business but using the available resources.” The CEO added that he would adopt SM “as long as it doesn’t incur any cost.”

According to the marketing manager, the company conducted limited business functions on SM; he stated: “The Company is not very active on
The main SM platforms used by the company were Instagram, Facebook, WhatsApp, and Twitter. Instagram and Facebook were used for publishing product information and details and for some customer communication, although WhatsApp was used for conducting more detailed discussions with potential clients, and for arranging meetings in the company showrooms. Twitter was only used for increasing awareness of health issues that products were intended to support. The SM Manager explained: “SM is mainly used for displaying information about the company’s products and quality of service.” The marketing manager added: “We do write and share information about how our products facilitate patients’ lives... spreading awareness of some medical and health advice.”

**Marketing improvement**

The company’s main activity on SM was promoting details and information about health issues and how products could assist several health conditions. Thus, SM enabled the sharing of information with a large customer base, regardless of geographic location, involving one simple step with minimal effort. According to the marketing manager, “We would not have achieved this level of market awareness using traditional marketing and advertising at the same cost.”

For Company C, the improvements to brand image were achieved mainly through customer testimonials. Real-life testimonials were obtained from previous customers, who shared their experiences with the intention of helping other patients with similar conditions to benefit from the available products. The marketing manager commented that such testimonials “build stronger brand image and loyal customers by sharing real stories with real positive results.” Thus, customers advertised the company’s products when sharing their life stories on SM platforms, in addition to motivating other patients to make faster, better informed decisions to buy the products with confidence.
Other business functions

Customer services on SM allowed appointments to be made with less effort and time. The CEO noted: “SM saves time and effort and gas costs.” In addition, the SM Manager highlighted: “SM helps to save on costs incurred when clients miss appointments by facilitating easy cancellation via WhatsApp, unlike before, when customers failed to arrive without giving notice.” The CEO added: “It helps in assigning more specific and accurate meetings and visiting times”, enabling the business to “reduce the requirements for overtime payments for sales agents when there is a high no-show rate, or when the agent drives to a patient’s home but they are not in, especially in remote locations.” Likewise, using SM to set appointments with customers to visit a shop or for the sales agents to visit customers’ homes helped to develop more effective and accurate communications.

Another key activity the company conducted using SM related to social responsibility. According to the CEO, the company used “SM accounts on different platforms such as Facebook, Twitter, and Instagram to spread health awareness to customers or carers.” In addition, the marketing manager described how the company focused on “spreading awareness of some medical and health advice in an informal way... Sharing health or medical knowledge with the public is part of our social responsibility.”

Research and development

Company C also used SM for market research. They considered SM a channel for testing market requirements and for identifying opportunities for expansion. The CEO commented: “SM supports the expansion of our business locally and regionally, it gives us the ability to test the market needs.” They used SM to target local and regional customers, and to work towards establishing offices in several areas including Riyadh, Dammam, Dubai, Qatar, and Bahrain.

Like other companies, Company C used SM accounts to measure general performance. Thus, the company associated customers’ acceptance of their
products on SM as a useful indicator.

5.3.3.4 SM Adoption Enablers and Motivation

Several motivations underpinned the company’s decision to adopt SM. These included internal and external factors. The interviews revealed the primary motivation for the company to adopt SM was SM characteristics such as observability, ease of trialability, complexity, compatibility, and relative advantages. For example, the marketing manager commented: “Observing the popularity of SM among consumers and businesses, including from other SMEs not in our sector, played a role in motivating us to adopt SM... we just saw other businesses utilizing SM for business.” Therefore, as the marketing manager also stated: “We thought we could try it too as it’s free.” Thus, the company was motivated to trial SM because it is free and easy to use and: “It saves time, money, and effort compared to the traditional way of some business activities such as marketing campaigns, reaching large audiences, spreading health awareness, and managing brand image. We used to use newspaper advertisements and radio commercials, but these cost a lot of money and effort, especially in terms of coordination.”

Another motivation for Company C to adopt SM was the lower or zero cost of corrective action with minimum negative effects on consumers. The CEO commented: “Corrective action is easy, yes, and it doesn’t cost anything, not like with newspapers or other traditional advertising media... so far, we have never noticed a negative effect after correcting a mistake.” The low cost and accessibility of the internet in the K.S.A also encouraged the company to adopt SM. The SM Manager stated: “…it’s very affordable in the Kingdom, with cheap offers and easy application, especially for SMEs.” Similarly, the CEO claimed that “having no technical expertise, managerial or legal consequences, or costs of using SM motivated us to make a start.”

In addition, there were some external motivations for adopting SM; for example, the SM Manager identified factors such as “government support from the Ministry of Commerce and Industry through the Chamber of
Commerce for Saudi SMEs adopting new technologies, especially ICT and SM.” Furthermore, the CEO stated: “They are now motivating SMEs to be more technology driven and to adopt new ICT, so the country’s economy can be digitalized more easily.” Significantly, unrestricted access to SM motivated the company to adopt SM.

5.3.3.5 SM Adoption Barriers and Constraints

Whereas some factors motivated Company C to adopt SM in their business, some factors were found to be barriers which restricted the company from optimizing the full functions of SM that could benefit the company in various ways.

The interviews revealed that one barrier which limited the company’s SM adoption was the underestimating the impact of SM on business success, and the limited focus subsequently applied to SM. This resulted from the limited knowledge of the company regarding SM adoption and the failure to identify its full potential in maximizing returns. Although the company had some awareness of the importance of SM for SMEs in today’s market, they lacked sufficient knowledge of how to use SM in business, which resulted in narrow scope of implementation and the assumption that SM only helps to improve company performance in marketing activities such as advertising, reaching a larger consumer base, and building brand image and awareness. In addition, the lack of appropriate planning (what the CEO referred to as “no strategic plan”) for SM adoption created another barrier to utilizing its possible benefits.

In terms of business information security, hacking was perceived as a barrier that prevented the company from posting most of its information on SM accounts. The CEO described the company belief that hackers attack SM accounts for various reasons, including “obtaining sensitive information, ruining the company’s image, or just having fun corrupting the company’s SM accounts.” He added: “…there is no clear law in the country to protect SMEs against these types of crimes.”
The CEO considered expanding the company’s activities on SM, but did not view this as a priority due to insufficient time and staffing, although the company did consider outsourcing SM account management. The company also lacked an appropriate database for storing necessary SM content, such as photos and videos about the products, or copies of existing customer testimonials. The CEO explained: “We don’t have a ready database, so we have to build a strong database of our customers and target audience.” Furthermore, the marketing manager noted that it was difficult to obtain permission from customers to post their photos or videos of them talking about their experience of the company’s products: “It is difficult to get approval from patients to use their stories, especially photos, on our SM accounts.” This was identified as related to Saudi culture.

Another crucial barrier that prevented the company from investing more in SM was that most of their customers were elderly. Therefore, the SM Manager explained, “it is hard to get them to engage on SM and to be more responsive.” However, the marketing manager argued: “If an educated elderly person, a caregiver, family member, or a close friend personally advocates the importance of spreading awareness of such products that make life easier for people with similar conditions, then they tend to participate and be responsive followers on SM.” The level of SM engagement was shown to influence customers’ decisions to buy a product or at least visit a shop in their local area.

5.3.3.6 Future of SM adoption

The company planned to create an online community that would bring together patients and caregivers regarding similar conditions. This would enable the community to discuss and communicate about the products and their effects, which would lead to the promotion of products through real-life stories and customer testimonials. The CEO explained: “We will create an online circle for each group of patients who share similar illnesses and need similar medical care. They can communicate and share their experiences of using our products and this may motivate others to buy our products... such
a social circle will assist us in spreading awareness and knowledge of our products and their importance in improving patients’ lives.”

5.3.4 Case Study 4: Company D

5.3.4.1 Business and customer characteristics
Company D was one of the first shops to open in the K.S.A specializing in a popular kinds of cookies, made locally to international standards. Large orders encouraged the company to seek ways to expand. Gradual steps were taken to establish Company D, which began as a small business in the owner’s home kitchen, and became a fully equipped preparation laboratory. Company D’s mission was to give everyone the opportunity to taste real homemade cookies. The quality and freshness of the products was carefully maintained by baking them daily with fresh, natural ingredients. Company D aimed to offer as extensive a selection of products as possible. At the time of the case study, they had launched twelve different flavours of cookies, brownies, and cupcakes, and were considering expanding their business by increasing production. Company D prioritized good taste, choice, satisfaction, perfection, and the health of each client. They operated two branches and one bakery laboratory, also using SM for conducting marketing activities and improving their sales.

The company’s product was cookies; placing it primarily in the baked food retail sector. The prices charged by the company were average, and products were generally considered inexpensive consumer items. Customers included anyone who liked cookies or who would like to try them; therefore, there was a potentially large SM customer base, especially youths active on SM in the K.S.A.

Company D had several competitors actively using SM. The marketing manager noted: “We monitor them on SM to assess the market and to obtain a clearer competitive advantage, but we don’t learn a lot from them; we have started to create our own plans for SM use in the business.”
5.3.4.2 SM Adoption Stages and Process

Decision

The adoption decision was slow, because as the CEO commented: “I had limited knowledge of how SM can be adopted in business and SM was not very popular at that time... I think my age played a role in the delay as I am not from the SM generation.” However, the CEO added that after “seeing SM’s advantages for businesses”, Company D decided to adopt it and invested heavily in it. This indicates the knowledge and awareness displayed by other companies motivated Company D to start adopting SM. According to the marketing manager, knowledge also came from family and friends: “My kids told me how SM could serve my business but they did not teach me how to use it, I had to do it by myself... it is easy to learn the basics but this takes time.” The marketing manager also identified “no cost of entry and ease of use” as factors motivating the decision to trial SM.

Implementation

Company D began to implement SM with no clear plan; however, they eventually sought to prepare a detailed implementation plan, and hired an expert to develop and maintain their SM presence, to ensure high quality content and ensure that everything worked correctly. This was confirmed by the CEO; who stated: “We have hired a professional photographer to prepare the content for SM posts and publishing.”

The main SM platform used was Instagram: “Instagram... we think Facebook is old fashioned... I used it for photo posting at the very beginning then stopped... and Twitter is for thinkers and intellectual people not for food advertisement... the most convenient SM platform... especially in the K.S.A.” However, there was no specific person managing the SM Instagram account, which was run by either the CEO and the marketing manager. They both worked to meet the requirements and functions of SM and to make decisions about the content and media published. The CEO confirmed: “There is no dedicated employee for managing SM, we do that, but we are planning to
hire someone at a later stage.”

**Performance Assessment**

Company D used SM ‘likes’ and ‘followers’ as chief measures of SM performance. The CEO stated: “The more followers we have, the more sales we generate.” These SM features enabled them to estimate the financial returns achieved through SM adoption. In addition, the marketing manager noted: “SM public engagement, positive responses, and comments reflect the company’s performance.” Another method of performance assessment was monitoring the number of customers convinced about buying the products detailed in the company’s promotions on SM. According to the CEO, “So many customers visit the store and inform us that they came because of the company’s Instagram account... the photos, posts, or videos... sometimes they ask about a specific offer that was published on SM.”

**Performance Improvement**

Company D identified several strategies to improve the performance of the business. Firstly, they planned to gain more knowledge of how to adopt SM effectively. The marketing manager claimed: “We will learn how to do properly by ourselves.” Secondly, they hired an account professional who was an expert in managing SM accounts, specifically for SMEs selling bakery products. The CEO explained: “We had a contract with a professional who reactivated our Instagram account for a specific period of time... the number of followers increased.” Thirdly, they planned to utilize SM functions to expand. The CEO stated: “We are planning to expand through SM agents on Instagram, Facebook and Google Plus... they will sell online, too... they will oversee everything from receiving orders to delivery, we will just prepare the product orders.” Finally, another strategy the company implemented was learning about the experience of other companies in the same field. According to the CEO, “We are planning to meet with SM professionals in the same type of business to learn from them and about their experience... we are aiming to establish a time framework for SM advertising...
and promotions posts.”

Company D also planned to adopt Snapchat at a later stage, once they had hired an employee specifically to run SM platforms. The marketing manager explained: “Snapchat is becoming madly popular in the K.S.A and I think it will generate big profits, but it needs constant monitoring and work which we can’t afford now, may be later if we hire an SM Manager.”

**5.3.4.3 SM Functions in the Company**

SM use was very important for Company D. The CEO noted: “We have to optimize SM use in business... it supports several main functions in the company.” Thus, they adopted SM to increase business functions and benefits. However, regarding the number of activities conducted regarding SM, the company was still in the beginning stages of SM use. The CEO confirmed: “We are doing well in advertising and marketing our products, but I think we should try more SM functions in the business, as our current use is poor... we will.”

**SM Business Functions**

Company D used SM for several functions, some of which they had only very recently begun to implement. As previously identified, the company depended heavily on its Instagram account activities to generate more sales, and to achieve this they used SM for the following purposes:

**Marketing improvement**

Company D used SM predominantly for advertising their products and promoting campaigns to customers. They believed that SM enabled them to reach a large customer base, located all over the Kingdom, at low cost. The marketing manager explained: “…we reach customers all over at minimum cost.”

To strengthen their SM influence, the company hired social influencers who were famous on SM to post the company’s products on their SM accounts,
either posting photos with positive captions or sharing videos on Snapchat or Instagram showing them enjoying the company’s cookies or other products. The CEO confirmed the positive outcomes of this strategy: “...we found the number of SM followers and likes increased and that directly increased our sales.” Some of these influencers supported the company for free, as explained by the marketing manager: “They support us because they support SME growth in the Kingdom in general and most of them are entrepreneurs who know the financial difficulties SMEs face.” Although some influencers did request payment which incurred extra costs for the company.

Company D used SM to improve its brand image and status. The marketing manager claimed: “I use SM because it helps me exist in today’s market and lets a massive number of people know that I exist... even in least developed provinces.” In this way, SM enabled the company to reach countless new potential customers, which was essential for developing a bigger customer base. The marketing manager added: “I posted an offer for the last Eid celebration (Muslims’ calibration), you wouldn’t believe the result that I got... so many customers contacted us from different areas in the city and the villages around the city... SM enabled us to reach all of those people.” In addition, SM promoted the company’s image in the market, especially if customers shared their testimonials on the company’s SM accounts.

*Research and development*

SM also enabled the company to assess market needs and product demands in different regions. This facilitated better decision making when planning for expansion and opening new branches. The owner commented: “Many customers ask us when we will open a new branch in their city or area... we also ask them where we should open our new branch... that gives us a better-informed indication of where we should open next.” Hence, SM helped the company to define its main target customers and use their feedback to adjust the company’s performance and image on SM. The owner added: “SM helps us to assess customer needs and obtain creative suggestions for how to improve the business.”
SM was perceived as an important way for Company D to assess its performance in the market and to monitor its employees’ performance. The marketing manager noted: “It is like a survey… some customers are loyal to the extent that they inform us if our products are not perfect or if it are not available in store or if an employee is acting in a bad way... we can’t pay for extra employees to supervise the workers and monitor the quality of our performance in the market... customers are doing this for us through our SM Instagram account.”

**Other business functions**

In this way, Company D demonstrated that SM was a priority for optimizing customer service. For instance, the marketing manager described how “replying to customers’ comments, suggestions and complaints provides a direct approach to handling customer service compared to traditional methods”, and also stated that SM adoption helped to save costs and time: “SM decreases the number of phone calls from customers... it saves us time and effort.” According to the marketing manager, the company responded to comments by filtering them according to importance and content: “Either we block users for bad and untrue negative comments or we pay significant attention to the true comments... for example, a customer complained about waiting at the shop door but it was not open, and he was really angry... we responded to him and explained the situation and gave him a special offer as a treat. Later, he wrote very positive comments about the company... I think it is essential to respect and care about customers’ comments if they are true... it makes a difference.”

**5.3.4.4 SM Adoption Enablers and Motivations**

There were several factors underpinning the company’s decision to adopt SM. The main motivation was SM characteristics, which include observability, ease of trialability, complexity, compatibility, and the relative advantages identified previously. Of these characteristics, the popularity of SM in the Kingdom was crucial in convincing the company to adopt SM. The
fact that SM was free and easy to use encouraged the company to adopt it quickly. The marketing manager identified “having no technical, managerial or legal issues and the cost of use” as the main motivators for SM adoption. Importantly, other than the company’s lack of a comprehensive database, SM adoption was found to be compatible with the company’s existing values and goals, as noted by the CEO: “Yes, SM is compatible with our company in all ways.”

Similarly, the affordability and accessibility of the internet in the K.S.A also played an important role in encouraging the company to adopt SM. The marketing manager commented: “The internet is affordable and a must-have in today’s life... I think everyone can have access to internet if they have a smart device... this encouraged us to use SM, as a large customer base exists online.”

Above all, the company anticipated the positive effect of SM on decision making in the business, which strengthened the motivation to expand SM adoption and use. The marketing manager argued: “SM adoption is having a significant impact on the decision-making process for many issues in the company.”

According to the marketing manager, SM was a strong motivator and enabler for the company to improve performance. He noted that “…management and company owners are passionate about utilizing SM in the business.” Other important motivations emerged from the strong support given by the government via the Ministry of Commerce and Industry to encourage Saudi SMEs to adopt ICT, which includes SM. Finally, the CEO identified “little or no restriction in using SM for business purposes” as a further key motivation for SM adoption.

5.3.4.5 SM Adoption Barriers and Constraints

One of the obstacles Company D encountered was uncertainty regarding whether followers were actual consumers or just following on SM. The CEO’s described how “the number of followers increased, but after a while
dropped by around 150 followers... I am not sure if they were fake followers or what the problem was.” This was a significant limitation of SM for the company. Users were hidden behind their online accounts and it was unclear if they were real accounts for real people or fake accounts.

Another barrier to full SM adoption was the limited ICT knowledge in SMEs. According to the marketing manager, “SMEs prefer to outsource any new functions that relate to technology, as they think it is difficult to implement these functions due to their limited knowledge.” He added: “We are struggling a bit, but we should learn how to use ICT in business and manage it ourselves with little outside support.”

Furthermore, unclear trading policies restricted the company’s plan to expand their online business using SM. The CEO commented: “There is the problem of obtaining government licensing, etc. to sell online through SM accounts which is preventing us from starting the online selling function.”

The interviews revealed that an additional barrier that causes limited adoption and utilization of SM in SMEs is a lack of practical SM training workshops which provide hands-on instruction regarding how to use SM effectively. The marketing manager claimed: “There is no good workshop to learn effective SM adoption. I went to one workshop which was expensive and too general and technical... there was no point in attending it, it was just a waste of money.” He also added: “The expensive cost of hiring a professional SM management company to manage the company’s SM accounts is a barrier.”

Thus, the limited training availability restricted the company from benefiting from the functions of SM in their business. In addition, the SM users felt that the rapid changes on SM platforms made them difficult to learn and use. As the marketing manager stated: “The main negative side of SM is the fast development of SM that is hard to keep up with.”

**5.3.4.6 Future of SM adoption**

SM helped Company D to start an online business, which led to an increase in sales. In line with the business goals, the company planned to expand its
locations and laboratories, as noted by the CEO: “SM has increased our
customer base and got us into new markets. Sometimes, for the one location,
we deliver cookies to shops late, so customers complain about not finding
our products in a nearby store. This has initiated the idea to expand the
business and open branches in other cities so we can fulfil everyone’s orders
on time, which will lead to further business expansion and growth.”

5.3.5 Case Study 5: Company E

5.3.5.1 Business and customer characteristics
Company E was an upscale fashion retailer selling thobes (traditional Saudi
gowns), with extensive experience in men’s tailoring that seamlessly blended
the traditional with the modern to offer customers the latest trends in men’s
fashion. By showcasing their collections at their signature showroom in
Jeddah, Company E had become synonymous with opulent luxury. Using
only the finest fabrics, their tailors were highly sought after for their expertise
in embroidery. They specialized in creating meticulous deglahs (traditional
celebration gowns), and dressed numerous celebrities and wealthy grooms.
They were presented in the media as the tailor of choice for celebrities.

They had one location in Jeddah, but sold their collections to customers from
all over the Kingdom and the Gulf area. Although the company specialized
in men’s traditional outfits, they also sold women’s traditional outfits and
upmarket celebration gowns and planned to reach more customers online.
They were also concerned about promoting their news and latest products in
larger online communities through SM and had recently outsourced SM
account management to a professional PR company.

As a fashion retailer focused on celebrities and elite social groups, the
company prioritized in store sales, as their customers tended to prefer visiting
the store to experience the products themselves. The marketing manager
explained: “Physical visits to the store to buy the products are the main source
of sales.”
Finally, the interviews indicated that competition in the Saudi fashion retail industry is intense. According to the marketing manager, “competitors are very active on SM, we did not monitor them, but the PR company will do that to learn from them.”

5.3.5.2 SM Adoption Stages and Process

Decision

The adoption decision was fast and easy for Company E, as the main purpose of using SM was only for advertising and sharing the latest company news with the public. The SM Manager explained: “We did not trial it, we directly decided to use SM, because I know the company wants only to advertise and share news... I know how to do that.”

Knowledge of SM benefits was another factor that prompted the decision to adopt SM. According to the CEO, “Many businesses are using SM, so we can’t afford to run the business without it.” Furthermore, the marketing manager described how compatibility was another factor that played an important role in the adoption decision: “The compatibility of SM with our existing technology structure... SM is compatible with the company’s main objectives — popularity, and increasing income and business.” SM helped the company to achieve both objectives due to its popularity in the Kingdom and Gulf area. The marketing manager also stated: “SM is accessible for companies and the public, and it is easy to use and convenient and has no problems.” This demonstrates that ease of use was an additional factor that influenced the adoption decision. Indeed, the SM Manager noted: “It is easy to use. You upload a photo, add comments, and reply to comments by customers; it’s easy.”

Implementation

In terms of implementation, the planning was somewhat inadequate. The SM Manager claimed there was “no proper planning for SM adoption; in fact, the implementation was slow.” The company started using Facebook, followed
by Twitter; however, there was no expert running the SM accounts. The CEO highlighted: “SM accounts were not active as there was no employee to manage them until later.” Later, the company opened an Instagram account. The CEO observed: “Instagram was very active and as a result generated sales in store.” The CEO’s office secretary was given the responsibility of managing the SM accounts, and he noted: “It has become part of my responsibilities… I decide on almost everything about SM usage — I create content such as photos and videos taken by ‘a professional photographer’, I produce professional photos and posters used on SM and other traditional media.” He also clarified: “The company uses Facebook, Twitter, and Instagram… in fact the best is Instagram”, which indicates that Instagram was the most effective SM platform for the company.

**Performance Assessment**

Company E took into account ‘likes’ and ‘followers’ when assessing SM performance, as well as public engagement such as responses and comments. The CEO explained: “We look at the likes and followers, if that is increasing or decreasing.” However, the company considered assessment insignificant, as demonstrated by the CEO’s comment: “Evaluating our SM performance is not essential for us as we are using SM anyway.” In some cases, the company compared its SM features to those of its competitors for a general assessment of its SM performance.

In adopting SM, Company E realized the importance of hiring dedicated people to run and manage its SM accounts. According to the SM Manager, they needed “specialized people who can perform better, as I have only limited knowledge in this.” As a result, the company decided to use SM professionally by outsourcing some of the tasks.

**Performance Improvement**

In order for Company E to improve SM performance, they required a schedule for online activities. The SM Manager stated: “We need to know when to publish a photo, when to post advertisements or offers; there should
be a schedule... as I have limited knowledge of SM in business, I do not know the answers to those questions.” Therefore, the CEO explained, the company outsourced to external parties: “We outsource our SM accounts management to a professional PR company.” The PR company handled all the company’s activities on SM, in addition to other traditional media tasks.

5.3.5.3 SM Functions in the Company

Company E perceived SM as an essential tool. According to the CEO, “SM is a positive tool for us... SM is compatible with the company’s main objectives: popularity... and getting income and business.” SM helped the company to achieve these objectives due to its popularity in the Kingdom and Gulf region. Importantly, SM provided greater access to new markets. The CEO stated: “SM is accessible to companies and the public, and it is easy to use and convenient and has no problems.” Thus, SM played an important role in Company E’s expansion and development.

Company E used SM to support several business functions. The SM Manager stated: “I was not happy with our SM performance... we were not very active until this PR company started.” After working with the external experts, the company primarily used SM to enhance brand image and awareness to increase their popularity in the market, as the SM Manager explained: “We look at the popularity of the brand.” The SM Manager also described how they used SM to advertise their latest products, by “…posting photos of the products and promoting news about new lines and the latest products”, and to promote the company’s designers through “…local and international activities and news of celebrities who buy the company’s products.”

Thus, Company E used SM functions for sales support, marketing and advertisements, and customer service, as described in detail below:

Business development and expansion

Using Instagram enabled the company to deal directly with sales in store, which created benefits. The CEO explained: “So many customers come to
the store and buy products because of the offers, sales, and advertisements posted on Instagram… we notice an increase in sales when we publish offers and the latest products on Instagram… way more than if we use magazine advertisements.”

**Marketing improvement**

Company E started to use SM primarily for advertising and publishing updates regarding products, designers, and celebrity customers. The SM Manager stated: “Yes, we use SM to advertise products or offers for specific occasions such as Saudi National Day.”

**Other business functions**

The company had not established strong customer service provision on SM. They focused on comments and responses to customers, regardless of views from customers or the public about SM. The marketing manager explained: “…if it is a comment about the products and the service we reply with one standard reply asking them to visit our store to resolve the problem… we try to solve issues in store… but if it is a comment about the owner’s appearance or a criticism of the designs, we don’t reply at all, we delete that comment… in general, we don’t reply to all comments.”

**5.3.5.4 SM Adoption Enablers and Motivations**

Several factors motivated Company E to adopt SM. One motivation was the popularity and acceptance of SM in Saudi society and the target markets. The SM Manager noted: “SM popularity motivated us to use IT.” Another motivation identified by the CEO was “… facilitating customer reach” — SM enabled the company to reach more customers quickly and easily. Furthermore, support from the top management enabled the company to perform better and increase its popularity by using SM. The SM Manager stated: “The CEO was very supportive of SM adoption… SM supports his goal of building a very popular brand name in the industry.” This indicates that the CEO had a very positive attitude towards SM adoption in the
business. Moreover, he strongly believed that SM would have a positive effect on the business and brand, claiming: “SM will take us to regional and international markets and make us famous.” Indeed, according to the marketing manager, SM significantly helped the company to build its name and brand image, increase brand awareness, and spread business news “faster and easier than before”. Another important factor that motivated Company E to adopt SM was the good internet service in the K.S.A. The marketing manager commented: “It is affordable, easy to access from anywhere; from what I know, internet service in the Kingdom is excellent, especially for companies.”

5.3.5.5 SM Adoption Barriers and Constraints

There were some factors that prevented the Company E from fully utilizing SM. Firstly, limited knowledge of how to use SM restricted the company from finding new opportunities — they only focused on what they already knew. The CEO noted: “Having limited knowledge of SM in business is an obstacle.”

Cultural norms and customs were identified as another barrier to the company in this sector, particularly the appearance of female models. The marketing manager explained: “We can’t post or publish everything we have; for example, we can sell any gowns for ladies, but if one is not modest and reveals too much of the model’s figure, we can’t post the photo on our SM accounts… that limits our content on SM… otherwise we will receive too much criticism from the society, which affects the brand image in the market.” Therefore, the marketing manager stated, the company respected social and cultural customs when using SM “to protect our brand name and to promote a better image.” This restricted the company’s freedom to promote all their products on SM, especially those for women.

Another constraint of using SM was the illegal replication of the company’s designs. According to the CEO, “As our work depends on new designs, some people copy us and pretend the designs are theirs.” Moreover, the CEO noted
“there is no protection law”, so there were no regulations in the Kingdom to protect fashion retailers from design piracy.

5.3.5.6 Future of SM adoption

Company E mainly focused on adopting SM for marketing and PR purposes. The CEO stated: “In order to improve SM performance, we are outsourcing SM account management to a professional PR company that will oversee all media responsibilities to avoid any risks.” In this way, although the company had not previously made use of all SM opportunities, working with the PR company could facilitate the use of new insights and opportunities in the future.

5.3.6 Case study 6, Company F

5.3.6.1 Business and customer characteristics

Company F retails gifts and gadgets of all kinds, for all age groups. The company operated from a single location, using the rear of the premises for its management and operations offices, and the front as a showroom for its products, and as a sales space. Their products were sold directly from the store, and also online.

Price was an important factor for the company’s customers, and when their customers were alerted to price changes, the company’s sales were influenced significantly. As the SM Manager stated, “At first, we posted the price, so that people could see all the information about the product, but we got comments like, “your products are way too expensive,” or, “you are a bunch of thieves,” and I don’t know what else. So, we had to take the prices off.”

Although most of their customers were either middle or upper class, in terms of their SM sales, the company found that their customers were more concerned about the on-line price, compared with that in-store. As the CEO commented, “They are rich, and their standard of living is good, but when they talk with me, they say that our site is expensive”.

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Once their SM site was in place, the company was better able to obtain updates about their competitors, such as their motivation, new products, or campaigns. The Marketing Manager commented, “You could see the competitors; you could see their motivation, and the new products and campaigns that they share [on SM]. So you know more things about them, faster and easier than before, especially about the market trends”. Despite the fact that this open access meant their competitors would also be able to obtain information about Company F, they did not consider this a threat, and the CEO commented, “…it doesn’t matter, because they will know about you in one way or another”.

5.3.6.2 SM adoption stages

Decision

Company F’s decision to adopt and use SM was rapid. Indeed, the Marketing Manager said, “We heard about it, we created a page”. The company was also familiar with the use of ICT, as the SM Manager remarked, “…most of our work was electronic”. The CEO, the SM Manager, and the Marketing Manager agreed that it was SM’s “…accessibility, affordability, trialability, and observability” that influenced the company’s decision to adopt its usage.

Implementation

Company F realized the importance of SM during the implementation phase, and made considerable efforts to produce user-friendly content, with eye-catching images, in order to attract more customers, and increase sales. As the Marketing Manager explained, “We shifted from regular white background photos to lifestyle images with appealing backgrounds, and we tried for friendlier descriptions, and we sometimes used a question format, or even a joke format description, to increase interaction with our customers. All of this led to a marked rise in sales.”

Significantly, the company employed the services of a professional designer to develop their SM, and the SM Manager explained that “Content designers
are very important for SM”. Any content published had to be approved at three levels, by the content designer, the SM Manager, and the CEO, as the SM Manager explained, “The CEO reviews, the designer produces, and I publish [the content]”. The content was also edited, in order to maintain the integrity and reputation of the company.

While the SM Manager had full responsibility for the company’s SM development, as he noted, “I am responsible for digital marketing on SM”, there was no clear written plan for its implementation, and the company employed a more spontaneous approach, as the SM Manager explained, “When I am surfing Instagram at home, I’ll post a new product, then post advertisements”. Thus, the company’s SM adoption was based on trial and error, as the SM Manager remarked, “One day, I tried the first method of SM marketing, and noticed an increase in the number of requests, then I tried the second method…”.

Company F moved from using Facebook initially, to Instagram, as the CEO explained, “When they started Facebook, this platform was considered to be the best in the K.S.A. Saudi is now more used to Instagram and Snapchat”. The Marketing Manager commented, “We have accounts, but we are not active on Facebook, and LinkedIn. We are semi-active on Twitter; we post one tweet per day. We don’t reply to customers every day. We are active on Instagram and Snapchat, and we were active on WhatsApp in the past, as we had orders via it, but now we don’t.” As noted, their subsequent selection of their preferred platform was determined by its popularity. The CEO explained, “When we noticed that Facebook started to weaken, and Instagram gained in popularity, we joined Instagram. We asked for SM content designers before opening the account, so that the photos we posted would create a good presence”.

**Performance assessment**

The SM features of ‘likes’ and ‘followers’ were important to the company for evaluating the engagement of their potential customers. As the CEO
commented, “Sales, number of followers, and connecting with SM itself: all of these are important”. Moreover, the company’s engagement with SM enabled them to track the source of their customers, as the Marketing Manager explained, “There was nothing called ‘link’ at the time, or let’s say ‘link code’, so we had no idea where people came from, but now we have ‘low-code’, so anyone who comes in, we know that they come via Instagram [for example].”

Their adoption of SM introduced a new paradigm for the company, as it meant that individuals who engaged with SM became aware of the company, and this engagement spread virally to others, thereby boosting its popularity. In addition, individuals who engaged with the company’s SM sites using responses and comments assisted with improvements to the company. Crucially, the company was able to save the cost of conducting market research for their products, although the SM Manager commented, “The most important factor for me is that people are talking, they comment, they respond”.

Moreover, the company was able to employ the sales resulting from their adoption of SM to assess their performance progress, according to the SM features used. If the results demonstrated a positive benefit that added new value, they continued to use it.

**Performance improvement**

Company F intended to undertake courses in SM to improve their performance, as the CEO explained, “Our experience in using the internet is sufficient to start a new project. But if there is an opportunity to take a course, we will attend to improve our performance on SM”. Moreover, their self-taught experience of SM motivated them to improve their usage, as the CEO commented, “I try to read about SM and general marketing”. The company also learned to improve its SM presence and content by observing other companies’ use of the various platforms, even if they operated in a different sector. In addition, in order to take full advantage of the various features
available on SM, the company subscribed to specific services, as the SM Manager noted, “We had to subscribe to certain applications, tools, and services, such as a service called ‘schedule drum’ that organizes our scheduling. It meant I could schedule a week ahead, like a calendar”.

Another critical aspect of its SM adoption was the company’s implementation of online payment via credit/debit card, or bank transfer, which replaced the traditional method of payment of cash on delivery. The CEO noted that the implementation of online payment meant “…the most important thing is that cash on delivery is no longer acceptable”, which represented a further improvement for the company. However, due to cultural differences, many Saudis remain uncomfortable paying online, especially for SM purchases.

Furthermore, the company appointed a consultant to offer suggestions and guidance regarding its SM adoption; as the Marketing Manager explained, “We use a Turkish company who advise on SM, providing suggestions and guidance and general advice”. To preserve the integrity of its SM content they engaged a film company to ensure maintenance of high quality content, especially in terms of images, in order to attract more customers. The Marketing Manager elaborated, “We deal with a film company to record a new product video each week”.

They concluded that when their use of SM was not effective, it was probably because the guidance they received was unclear, or that they were uncertain about the benefits of the suggestions they received. Following their positive experience with a Turkish SM company, Company F considered outsourcing their SM marketing and advertising activities, and the CEO noted, “Outsourcing is better... An employee might attend work, be absent, be sick, or be on holiday, but with outsourcing, the work is done regardless”.

5.3.6.3  **SM functions in the company**

The adoption of SM was expected to introduce significant changes to the company, as they believed that it offered power to the business in terms of
what it provided. As the CEO stated, “We knew that SM has a power and authority, so we should use it”. As a result, the company employed SM for the following business functions:

**Marketing improvement**

Company F found the adoption of SM created a brand image for them, enhanced their company’s reputation, and helped to establish their brand name. As the Marketing Manager noted, “SM helps us to define our brand and build our name”.

Company F identified online marketing and advertising as critical features of SM, since the interconnected nature of SM meant that updates regarding new product launches, or new advertisements were shared with all of their customers via their SM platforms, thereby marketing both the company and its products. The CEO noted that the range of features available on SM “…attract more customers”.

As previously noted, the company found that social influencers played an important roles in advertising, and some of were extremely effective and positively affected sales volumes. This was highlighted by the SM Manager, who explained, “We held a campaign last Friday using a famous social influencer... as a result, sales increased to 200,000 Riyal, compared with the usual 60,000 Riyal, product views increased, and the value obtained via advertising increased too, from 15,000 to over 30,000 Riyal: more than double”. The impact of these social influencers’ activity on SM also created a rapid increase in the number of people engaging with the company. The company has decided to use social influencers to reach a greater number of potential customers, and to access a larger target market, as the Marketing Manager explained, “We are now dealing with an influencer, and I have a contract that explains to the celebrity how the advertisement should work”.

In order to use social influencers on SM, it was necessary for the company to customize its plan, according to the requirements of the social influencer they recruited. However, there were risks involved in using an influencer, as the
SM Manager noted, “It is a personal matter. [The influencer’] set his desired conditions. He is not a professional. We might pay him and he might not post our advertisements, or he might take the products and not reply to our calls, and disappear”. In addition, in the K.S.A, there are no laws protecting social influencers themselves. Furthermore, despite the benefits that social influencers offered the company, the cost of hiring one was found to be higher than that involved in using SM, since the use of advanced SM features only required a fees payment, according to the company’s plan and goals. For Company F, it was cheaper to use SM than to sign a contract with a social influencer. The SM Manager clarified this matter further, explaining, “If you need to pay Facebook, you... determine the budget, so the budget is under your control... But social influencers are very expensive”.

Nevertheless, they have a proven impact on the purchasing decisions of customers. Prior to recruiting a suitable influencer, the company ensured their SM content, and the products in which they were interested in were appropriate, so that they could target their advertisements according to the influencer’s followers’ requirements and interests. If these aspects were successfully determined, the appropriate audience would be attracted to the company, using the most relevant products, via a suitable social influencer on SM. Therefore, although the use of social influencers is popular in the K.S.A, the success of their advertisement on SM is reliant on a company making appropriate decisions about who they recruit. Moreover, as the CEO explained, “Some ads succeed and others fail, so you have to be careful when dealing with customers in new ways over SM”.

**Business development and expansion**

Their use of SM helped the company establish a better sales record, as it attracted more customers to their products. As the Marketing Manager explained, “We use SM to direct people to our website through links to buy the products”, thereby using SM as a mechanism to stimulated sales, as the CEO noted, “One of the benefits is that SM enables you to sell more, especially on Instagram”. Moreover, social influencer advertisements on SM
generated a rapid growth in sales, as the SM Manager explained, “When a social influencer advertises one of the products, sales goes up by 150% or more; without SM we wouldn’t have such increase”.

Other business functions

While the adoption of SM facilitated customer service for the company, as it provided the facility to make quick comments, the availability of an email address created a challenge, as “…we can receive one thousand email enquiries in one weekend” (Marketing Manager). Nevertheless, the company found the use of traditional email performed better in terms of providing a good customer service, and the challenge of the volume of enquiries received was easily tackled by responding to the same questions using one reply, as the SM Manager explained, “Sometimes three people ask the same question, and we reply to all of them in one go”. However, since the replies were dependent on the type of comments, or the questions asked, they were dealt with on a case-by-case basis, either via a dedicated reply to an individual customer, or as a general reply to all, as the situation dictated. The SM Manager noted, “If the question is personal, then we reply to that individual personally... If the comment is general, we answer on the SM platform”.

The CEO explained the process of the adoption of SM provided an opportunity for the company’s Human Resources department, particularly in terms of recruitment: “When there is a new job to be announced, we do it on SM, we announce it on Instagram, and sometimes we use LinkedIn for targeting potential employees”. Indeed, a current SM employee was recruited using this method, as the SM Manager noted, “The employee who helps me with SM functions was recruited via SM”.

Another crucial benefit of their adoption of SM was that it enabled Company F to conduct product research in the market, in order to expand their product range. The Marketing Manager explained, “SM can help us to expand and renew our products; one employee is responsible for obtaining new products
for the company using the SM accounts of product makers and suppliers, aiming to get the products of the lowest price and top quality into our shop”.

5.3.6.4 **SM adoption enablers and motivation**

The company noted the importance of government support when adopting SM, which enabled them to advance their decision to use SM for business purposes. For example, “In the company, we ran a training course that was supported by government ICT funding for business programmes. It wasn’t an in-depth course, rather a simple introduction, and it was good” (SM Manager). The company’s prior experience with computer-based work assisted in familiarizing them with the technical features of SM, such as creating a page, coding links to the website, and preparing content, as “…most of our work was electronic” (CEO).

Moreover, the availability and affordability of the internet provided a further motivation to the company to adopt SM, together with the employees’ and company owners’ interest in using SM. As the SM Manager explained, “The availability of the internet was one factor, but there was also the fact that all the people in the business were young and excited to know more about SM... But of course, the affordability of the internet did help”. This was further assisted by financial support from the top management, who “…were strongly supportive of SM, and spent lots of money on it” (SM Manager). The company implemented the adoption of SM with few technical problems, and the SM platform service provider was always willing to assist without charge.

5.3.6.5 **SM adoption barriers and obstacles**

Although the ready availability of the internet motivated Company F to adopt the use of SM, it encountered certain difficulties, as the SM Manager explained, “[the] internet connection in some area of the city was an obstacle. We can’t work if the internet is lost, especially when uploading big images and videos, so we were restricted to working from the other locations”.

In addition, the negative views of some members of the public regarding SM
prevented the company from sharing certain information with its customers, which delayed their decision to use SM. These suggestions created problems that had not previously been encountered, and this led the SM Manager to comment: “SM is a double-edged sword. Sure, you can advertise your product, but the customer can say whatever they like, even if it is wrong, and this may hurt the company’s reputation… So you must be careful when dealing with customers over SM, and we worry sometimes that someone may discredit the product and insult the company, or say the product is too pricey… which cause problems we didn’t have before.” The company also found that their use of SM affected price changes, as “… people talk about the prices…. and affect our pricing strategy” (Marketing Manager).

Furthermore, in the K.S.A, the community is sensitive in terms of their local culture, so if the company broke any core rules, or transgressed a custom, they would face criticism. The SM Manager recalled, “I remember one time we were uploading posts about Mother’s Day, but the first post said ‘Mother’s Eid’ (Eid means religious celebration), and since there are only two Eids in Islam, there was a storm of negative comments, and we had to change the whole description of the post into ‘Mother’s Day’, and had to block many of our clients. This is the biggest obstacle, but the moral here is that you must study your target clients a million times before you upload any posts.” Additionally, the absence of predefined rules in the K.S.A governing SM activities was also an obstacle, as “Laws in the K.S.A are not clear regarding SM in particular” (SM Manager).

Meanwhile, another barrier to the effective adoption of SM was lack of expertise in the field, as the CEO commented, “We didn’t have staff who specialized in SM”. There was also employee resistance to acquiring the necessary knowledge from experts, or to attending specialized courses. Even the SM Manager stated, “I tried to read about SM and general marketing for a while, but I don’t think I will take a course or workshop”. Nevertheless, the CEO noted, “Using SM is not easy, it takes time, but it’s profitable”.

Despite the advantages of adopting the use of SM, Company F found that
sales on SM can sometimes incur additional costs if customers change their minds when they receive the products. As the CEO explained, “Most of the leaders in the market who operate in the same sector use cash on delivery, as if you didn’t use this approach to transactions, you couldn’t function. We now try to avoid cash on delivery because of the problems it causes. For example, we might deliver the product, then the customer doesn’t buy it, so we lose overhead costs and the cost of return delivery.”

5.3.6.6 Future of SM adoption

Although Company F was aware of the importance of SM, and the opportunities it offered to their business, there was no mention of new opportunities created by the insights they had obtained following its adoption, such as the opportunity for business growth, expansion, and penetration into new regional markets, that they planned to implement in the future.

5.3.7 Case study 7, Company G

5.3.7.1 Business and customer characteristics

Company G was a retailer selling women’s fashion accessories, specializing in hand-made accessories, including jewellery and hair accessories, in a range of unique, creative, elegant designs, using high quality, durable materials, some of which were bought locally, and others imported from the international market, to meet their customers’ needs and demands.

Company G considered their customers to be their most valuable asset, and their customer service department was keen to satisfy their existing customers, and to attract potential new customers. The company had one branch and one laboratory, but was planning to close their store, since, as a result of the positive outcome of their adoption of SM, they planned to operate an online business only. Their vision was to make every client feel unique and special, through the product design to the careful product packaging. These high standards distinguished its products in the market, and the company had created a distinctive, loyal customer base.
Along with their hand-made jewellery and accessories, the company had also added a new line of ladies’ and girls’ handbags. It sold its products primarily in pre-arranged sets and offers, the prices of which were average to above average, although their products were generally considered to be inexpensive. Their target customers were individuals who wished to purchase creative, hand-made accessories for women. Thus, the potential customer-base was large and consisted mainly of females who were active on SM in the K.S.A.

Company G had many competitors who were active on SM, and the Marketing Manager explained, “We consider what they do to improve our products, and sometimes we adjust our prices according to their prices, to compete... we try to distinguish our products, so if a design is available from many retailers, we try to avoid that one... the competition is higher on SM”.

5.3.7.2 *SM adoption stages*

**Decision**

Company G made a rapid decision to adopt SM, as the CEO noted, “We did not think about it, we just started to use Instagram”. He continued that this decision was due to the company’s awareness of SM: “We heard about SM in business, and how specifically Instagram is facilitating business for many retailers... I bought some stuff via Instagram, and found it good”.

The other factors that drove their decision to adopt SM were its cost effectiveness, and ease of trialability, together with its user-friendliness. As the CEO commented, “SM is user-friendly and easy to use, especially Instagram... also, the compatibility of SM with the company’s goals and objectives made it easy for us to adopt SM for the business...”.

**Implementation**

Company G began their implementation of SM without a clear plan, although a detailed plan was subsequently introduced: “After the success we had in adopting SM, we introduced a detailed plan ...” (CEO). The CEO explained
how they approached their SM content: “We take photos of the products with our professional camera, or a smartphone camera, edit them, and post them with comments...”. The Marketing Manager added, “The quality of our SM content is highly important... we care about the photos’ lighting, background, and final look... the quality of the media affects our performance in general”.

The main SM platform the company employed was Instagram, because, as the CEO commented, “Instagram... is very popular in Saudi, and gave us protection against being copied by other retailers or makers... it has the function to have a private account, and we have the freedom to accept or reject followers...”. However, there was no specific person managing the company’s Instagram account, and the owner, who was also the CEO, shared responsibility with the Marketing Manager.

**Performance assessment**

Company G did not rely on SM features, such as number of ‘followers’ or ‘likes’, to assess their performance, public engagement, or positive response, rather, as the Sales Manager stated, “We consider sales for our assessment [of the SM return on the company’s investment]”, in terms of the sales derived from the company’s SM platforms, as the CEO confirmed, “We assess our success on SM by the amount of sales that come from our Instagram account”.

The CEO noted that, during their adoption of SM, they encountered “…no technical, managerial, or legal problems”.

**Performance improvement**

In order to improve their performance, Company G planned to further their understanding of the use of SM for business purposes, and the CEO explained, “We are thinking of attending a workshop on SM in business... I think we need to educate ourselves more on this topic”. They also planned to include a greater number of comments on SM, in addition to the images they posted, since “Comments are important for attracting customers, and for
explaining what exactly the products are” (Marketing Manager).

In addition, the company planned to use its logo as a watermark background for all of its SM images, as the CEO explained, “We’re thinking of using our logo... but we’re not sure, yet”. They were also considering hiring an SM Manager “once we expand more” (CEO).

5.3.7.3 **SM functions in the company**

Company G had used SM since commencing the business, and considered it to be very important; indeed, the CEO explained, “If we stop using SM, we will end up closing the business”. He continued that they considered their performance on SM “to be very successful”, although, since they only “…use SM for marketing” (CEO), they had a low level of SM utilization. Since adopting SM, the company had employed it for the following business functions:

**Business development and expansion**

The company’s use of SM improved its sales volume, as the CEO stated, “Now, Instagram is our most profitable channel for sales... soon it will be our only channel”.

**Marketing improvement**

Like other companies, Company G used SM for marketing purposes, including advertising its products and latest offers.

The use of SM boosted the company’s image, and the Marketing Manager explained, “SM helped to strengthen [the company’s] brand image and awareness in the market”.

**Other business functions**

Company G considered its competitors on SM platforms when making decisions regarding the price of its products, as the CEO noted, “We try to be similar or lower than our competitors’ prices... we might also increase the
price of a product that no-one sells except us”.

Their use of SM helped Company G to provide a quality customer service, which they addressed in a specific way, as the CEO explained, “If it’s a question about the price, or if [a customer] wants to place an order, we ask them to contact us via WhatsApp, on the number provided. If it’s a general question about the products, we reply directly on Instagram... if it’s negative comments or silly comments, we ignore them, and if they are repeated, we block the users”.

Research and development

Their use of SM supported Company G in fulfilling market needs, and developing new ideas and designs and the CEO observed, “Some customers keep us updated with the market trends, and some of them suggest creative designs... [that are] different and unique”. The company also used SM to forecast market trends and demands by monitoring other businesses in the same sector.

5.3.7.4 SM adoption enablers and motivation

In addition to the ease of affordability and accessibility of the internet in the K.S.A, where it is “…cheap and [readily] available” (CEO), cost effectiveness and enhancing access to potential customers were strong motivations for Company G to adopt SM, as the Marketing Manager explained, “It saved us everything, including money and effort... and facilitated our customer reach”.

A further motivation was the opportunity to monitor their competitors’ performance, together with the fact that their use of SM helped the company to make better-informed decisions regarding “…pricing the products... and developing new designs” (CEO).
5.3.7.5 **SM adoption barriers and constraints**

One of the constraints of SM encountered by the company was the pressure of time involved in posting information, as the CEO explained, “Sometimes SM takes a full day or two, especially in seasons involving new collections and Eid celebrations... customers expect you to reply and take orders all day long”. In addition, the company was cautious about posting its latest unique collections on SM, due to the risk of their products being copied by others. The CEO explained that they overcame this by “…decid[ing] to go to private account mode on Instagram”, which prevented the company from being exposed to, and accessed by, the wider public, thereby protecting their copyright. As the CEO observed, “The absence of copyright protection laws in the country is one of the reasons for this problem... it would be better if we had a law to protect business and consumers on SM”.

Another constraint of using SM identified by the company concerned the posting of the price of their products, as the Marketing Manager explained, “We can’t put the price, as we have customized offers, and we negotiate the price later... also we had problems with negative comments regarding our pricing”.

Moreover, the lack of legal control of SM in the K.S.A caused the loss of profit, as buyers sometimes failed to meet their commitment to purchase, a situation that the CEO noted, “When customers place orders, and then they don’t pay, and ignore our communications... we lose money... I wish there was a law to protect us”. Furthermore, the unpopular online payment system also created problems when selling through SM, as “[it] is not very popular in the K.S.A” (CEO).

5.3.7.6 **Future of SM adoption**

Company G planned to close their retail shop, and to operate the business solely online, as “This will save us lots of money, as renting the store costs us a lot” (CEO). This demonstrated that their use of SM played an important role in reducing the company’s operational and overhead costs. Running the
business online was a new opportunity for the company that would not have existed without the presence of SM, which they found to be an effective tool for expanding and growing their business locally in the K.S.A, as the CEO noted, “Of course, SM facilitates the expansion of the business...”. Moreover, their use of SM enabled the company to develop a database of loyal customers, as the CEO noted, “By using SM, we now have our own loyal customers, who buy more and more from us”. It also presented opportunities for the company to develop new ideas and designs, since, as the CEO explained, “Some customers keep us updated regarding the market trends, and some of them suggest creative designs... [that are] different and unique”.

5.3.8 Case study 8, Company H

5.3.8.1 Business and customer characteristics

Company H was a design and tailoring service provider for traditional male and female Saudi costumes, which had been operating since 2002. The company focused on redesigning traditional clothing in a modern way to inspire young adults to wear it not only on official occasions, but also in their everyday life. After achieving success with this target, they planned to add new lines of western clothing designed to suit the traditional fashions, such as jackets that suit the design of traditional Saudi costumes. They provided two type of services, firstly offering simple alterations to ready-made designs, and secondly offering new designs, according to their customers’ preferences and needs. When employing the second service, the customers meet with the designers to choose the model and style of clothing they prefer, together with the fabric, then the designers create custom-made designs, communicating with the customer regarding any amendments or changes. After approving the final design, the designers take the customer’s measurements, then create the piece in the company’s high tech tailoring laboratory. The company operated two delivery options, either in-store, or by sending the items to a specified location provided by the customers, for their convenience. The company targeted both young adults and adults in both average and high income sectors of the society in the K.S.A, operating from
21 locations in seven cities around the K.S.A, and employing 250 individuals. All of the locations were equipped with professional designers and alteration services, but there were manufacturing laboratories at only three of the locations. The head office, from where the company was managed, was in the city of Jeddah.

The company considered its service to provide “…accessible luxury items for average income classes, and custom-made luxury items for high income classes…” (CEO). The company’s customers were primarily “…young educated adult males and females, from both high middle and high classes of society, who supported a modern shift from the classic traditional costumes of the K.S.A” (CEO). In addition, once the company’s brand was established in the market, certain new customers characteristics emerged, as the Marketing Manager explained, “After 10 years operating in the market, we started to see new customer groups, such as senior adults seeking a change in their everyday apparel, and kids whose parents want them to wear traditional clothing, but in comfy modern designs”. A further trend that was shared by all clients of the company was being active, as “Most of our clients, if not all of them, are active in their daily life, that’s why we think they like, and get attached to our brand, because we mainly focus on producing elegant yet comfortable traditional clothing that they can walk, jog, or even run while wearing, whether they are male or female” (CEO).

Competitors in the market were not considered a particular threat by Company H, and the CEO explained, “Competition exists in this sector, without a doubt, but our unique brand identity and creative designs have put us in the top of the market, in terms of our service”. Therefore, they did not employ SM to monitor their competition, rather, as the Marketing Manager explained, “…to take a glance at the general activities of our competitors, and the general trends in our market, to remain updated”. He added, “We use SM in order to remain aware of our position in the market, and of our brand image in the eyes of our customers, rather than to discover more about our competitors”.
5.3.8.2  SM adoption stages

**Decision**

The company took the decision to adopt SM usage late in 2010, focusing only on Facebook, without specific intentions regarding their utilization of the platform to enhance business, as the CEO explained, “We were aware of the importance and benefits of SM for modern businesses, and because it doesn’t cost anything initially, we felt that we should introduce a SM presence. We started with Facebook, as it was very popular in the K.S.A at that time, but had no specific plans”. However, after a year, the CEO realized that “[using] SM requires special attention and knowledge in both the SM field, and in electronic marketing, in order to manage the platform effectively”. Therefore, the company recruited a new Marketing manager with professional expertise in SM and electronic marketing, subsequently introducing “…a new direction for managing and operating our SM accounts, based on newly developed plans for the strategic implementation of SM as a communication tool” (Marketing manager.)

**Implementation**

The first action the Marketing Manager undertook when he joined the company was to “…develop a strategy for SM adoption, by exploring questions, such as how we could employ the SM accounts effectively, what tone would help to convey the brand’s identity on our SM accounts, and how best to communicate our brand using both visual and verbal content…I believe SM content is the most important factor of any business’s SM presence” (Marketing Manager). The preparation of the content to be published on its SM accounts was the most important part of the company’s SM planning, and they decided on the content according to several factors, as the Marketing Manager explained, “First, we considered our brand identity, and kept that in mind throughout, because we didn’t want to get excited about SM strategies, or friendly content that detracted from our main brand identity. Conveying our brand image appropriately on SM was our
main goal”. The SM Manager elaborated on this process, noting, “We think of the goal of what we want to publish: is it for a specific new service line, or a specific customer group, or it is a general marketing campaign for the company? Each goal has different content features”. The company also considered the demographics of their target customer, as the Marketing Manager explained, “Mainly we consider our target customers’ age, gender, lifestyle, income, and level of education before we publish content on SM… we also check popular trends on SM during the season for inspiration about SM techniques and content ideas”.

The company had a dedicated SM Manager for developing their SM content, responding to comments, and monitoring performance, and the CEO trusted the new Marketing Manager to make the appropriate decisions regard their adoption of SM, and the publishing of content. The Marketing Manager also explained, “The SM Manager and one of the owners, and a representative from the fashion design department, have brainstorming sessions to agree on the main themes of the services and product lines the be presented on SM during a specific time period... and to produce general guidelines for each category of SM content…”.

These categories were classified according to their customers’ age and gender, or by product lines, or the goal of the content. Once the guidelines were confirmed, the SM Manager was required to adhere to them when developing the SM content, although he was permitted a level of freedom to allow for creativity, and to enable him to be responsive to the rapidly changing trends on SM platforms.

In order, to avoid complications, the company decided to adopt SM in phases, starting by using just one account on Facebook, then later, as the Marketing Manager explained, “Once the owners and CEO observed the benefits of using SM, such as saving time, reaching a large customer base, no advertising costs, and how it is easy and fast to learn and use, they decided to enhance the company’s presence and performance on SM by hiring a Marketing Manager.”
The SM Manager added that he discussed the proposed plan with the Marketing Manager and the CEO to obtain their approval, evidencing the fact the Company H had an effective planning stage for its adoption of SM.

SM presence commenced with a Facebook account, then the company subsequently introduced accounts on Instagram, Snapchat, and Twitter “…as these platforms have become more popular in the K.S.A than the Facebook, the popularity of which has declined among Saudis, who are the company’s main customer base,” the Marketing Manager explained, adding, “Instagram is the most popular SM platform in Saudi now, according to our market research, then Snapchat”. The company developed different content strategies for each of the SM platforms where it had a presence.

Finally, the SM Manager explained that, in terms of the cost allocation between the platforms, “We monitor where the active customers are during a certain time, and based on that, we decide which platform to spend more on, and use more”.

**Performance assessment**

Company H developed a strategy for evaluating its performance on SM, relating their measurement factors to the objectives of their SM campaigns, as the Marketing Manager explained, “Our SM performance measurement tools are based on the objectives of each SM campaign. For example, if the objective is to increase brand awareness, the measurement will be the number of followers; if the objective is to increase engagement, then the number of likes or comments will be the measurement. We set the objective, and if we meet that objective, we can say we are doing well on SM, and we are benefiting [from its usage].” Notably, “Some of our followers and SM audience turn to our stores, and request our services, and eventually become loyal clients… we have witnessed that SM can give us both tangible and intangible benefits, and direct and indirect sales.”

It was not easy for Company H to assess the financial impact of their adoption of SM until the Marketing Manager approached the SM Manager with a
proposition, which the SM Manager explained in the following terms: “If we want to measure the financial returns of using SM, we should cease other marketing activities for a specific period of time, and use a SM campaign instead, then monitor the increase in actual customers during this period, and a couple of weeks after the campaign has finished, then compare the sales figures during the campaign with the sales figure of the same period in previous years.”

As previously discussed, the company’s decision to adopt the use of SM was based on the awareness of the company’s owners and CEO that SM platforms represented new tools for communicating their brand and image to a large customer base, at a minimal cost. The SM Manager highlighted the positive approach on the part of the company, explaining, “I was told to use different SM platforms, and to freely try the different functions and features of each platform for the first few months, until I was able to propose the best SM strategy for the company, for its industry context, and for its different groups of customers…” The CEO added, “We will use SM no matter what, even if we don’t get direct sales from it, because SM is becoming the lowest cost communication tool of this century”, illustrating the company’s awareness of the advantages of SM, and particularly the associated cost benefits.

**Performance improvement**

Company H approached the adoption of SM in an extremely professional manner from the outset. The majority of the company’s business activities were conducted on SM at the time of the research. By improving their performance and brand image using SM, the company had achieved a strong reputation among their customers and potential customers on the SM different platforms, as the Marketing Manager explained, “…after a couple of years, we found ourselves in a good position on SM among our customers and competitors. Our customers trusted us more for being transparent in responding to issues and concerns in the comments, and taking any comments, whether negative or positive, seriously… They act as research agents by giving us feedback on our service and products, and where we can
improve, or be more creative… It’s free of charge quality improvement recommendations.”

In order to sustain the improvements to the company’s performance on SM, the Marketing Manager noted the importance of “…trying the new functions of SM platforms, and the constant improvement of our content guidelines, and replying to comments, which requires time and effort….” The SM Manager added, “SM can empower the company in many ways… the most important thing is to keep updating and educating ourselves in how to use the SM platforms in the best way, keep up to date with the new functions, and with the recent changes in trends in SM use in the K.S.A”. The CEO also noted, “The popularity of SM is growing in the K.S.A and the region, so we should use it in the correct way to be in the safe side, and to sustain the positive outcomes…” Company H therefore continued to implement a phased approach to adopting SM effectively, introducing a single account on one platform, hiring expert SM employees, then outsourcing their SM management to an expert company, in order to unlock the wider potential and further benefits of SM, to sustain the positive outcomes it had already achieved.

5.3.8.3 SM functions at the company

By adopting the use of SM, Company H enjoyed several benefits, as the Marketing Manager explained, “…we have seen the benefits of using SM, the positive outcomes are tremendous… we are able now to reach our target customers easily and fast, to transfer most of our marketing activities to SM at a lower cost, and SM opens a two-way communication with our customers, which adds to our understanding of the market needs, and any improvements we should consider… This encourages us to continue improving our image and performance on the SM platforms.” Company H employed SM for the following business functions:

Marketing improvement
The company considered building its brand image and awareness was the main and most important benefit it obtained from its use of SM. As the SM manager explained, “SM audience engagement increased awareness of our brand image and our services among our target customers.” The company’s use of SM reportedly positively influenced its brand image and awareness among their target customer base.

The company used its SM platforms as their main communications tool, as the Marketing Manager explained, “We communicate our new collections and promotions… by using SM we can now share the story of our brand, and behind the scenes details, far easier and cheaper, and with a wider target base, in order to promote our brand image and services to our target customers.”

**Business development and expansion**

Company H did not consider measuring both the direct and indirect sales resulting from its SM platforms and accounts to be a priority, since “We know our sales increased when we introduced our SM accounts” (CEO). Therefore, while the company believed that its use of SM affected its sales in a positive way, they did not consider it to be a sales channel, rather one for addressing marketing and customer service.

**Research and development**

Company H employed SM as a source of market research data and figures, and increasingly depended on this SM data after observing its accuracy and relevance for improving pricing decisions and products; as the Marketing Manager noted, “We used the data we got from SM for supporting our market research, and then produced reports to inform the design and fashion department, and the marketing department in their decisions”. The SM Manager elaborated further, explaining, “…data such as our target customers’ lifestyle, fashion preferences, favorite sport, and their behaviour in general… we got all of these details from SM in the comments or
recommendations, and they inspired and informed the decision making process in the company… Additionally, you can observe widespread trends or styles… free of charge.”

Moreover, their use of SM provided the company with the added value of statistics concerning the company’s traffic on the various platforms on which they had a presence, the number and timing of visits, and sometimes the characteristics of active customers or audience members. The CEO added, “Some SM platforms offer analytical tools or statistics that are really important to our decisions concerning producing and designing content, and planning for marketing campaigns… I consider this an additional value of SM that influences our considerable appreciation of the adoption of SM for the business.”

Meanwhile, the SM Manager elaborated on the way in which the company uses the information they obtain from their SM accounts, explaining, “We take the statistics of SM traffic and the fanbase as a factor for supporting decision making, such as where to open our next branch. When planning for this expansion, we took into consideration where the majority of our fanbase is located from the SM data, and studied the options when finalizing our decision… so it facilitates the decision-making process and enables our decisions to be more accurate and valid.” The data from their SM accounts also provided guidance for demand studies, and a door for creative ideas to improve the services the company offers, although the SM manager dded the caveat that “A big mistake when following others is to copy them, [you should] do things your way, instead of wasting effort copying [others].”

**Other business functions**

The company occasionally used social influencers, and considered this a valuable strategy for expanding their target customers base, and increasing exposure of their brand to a new customer base, as the Marketing Manager noted, “[collaborating with social influencers] is a good strategy in some
areas… they help us to communicate our brand message to new fans, and to increase our number of fans in general, if our objective is to build up more followers or fans, but it requires planning and strategic thinking”. The company therefore produced guidelines to be followed when using a social influencer, and which ones to employ, and the Marketing Manager noted, “There are guidelines for selecting the social influencers. [For instance], do they have the same target audience as us? Do they match our brand identity? Will they reflect the brand image and voice in an effective and relevant way and style? Do they have a real interest in our brand and services?”

The CEO elaborated further, stating, “Mostly, we depend on collaborating with social influencers through service replacements, not with cash payment… if the person meets our requirements, and communicates our brand effectively, we can do cash agreements, but that is rare”. Meanwhile, the SM Manager noted, “…the social influencer will either convey the true story of their interest in, and satisfaction with our services, or the impact will be low… SM users are becoming increasingly aware of the deceptions some social influencers use, so either we share a real story, or don’t use them at all. We don’t want a piece of misleading content to be associated with our brand image… the cost involved in restoring your brand image among SM users is too high.”

The two-way communication that SM provided for the company was one of the main factors that motivated it to transfer the majority of its customer service support to its SM platforms, as the marketing manager explained, “With the spread of SM use in the K.S.A, our target customers want us to talk to them, and to communicate more often via the SM accounts, through the content or comments sections. Therefore, most of our customer service activities are now done via SM accounts.”

Despite the fact that using the comments function in this way might constitute a potential risk, the company found its approach to dealing with customer comments to be effective. The Marketing Manager elaborated on this matter: “We established general guidelines for dealing with the comments we
received from our SM audience that align with the brand image and tone, and
as we gained experience, we developed reply templates for dealing with
comments that are frequently made, and produced rules for dealing with
negative comments, such as never argue or debate in public, direct the
customer who commented negatively to a private chat, or invite them to the
office, and most importantly, ensure a positive conclusion to the matter, as
far as possible… if the comment is justifiably negative, we use it to improve
our service, but if it is not justified, we just ignore it, and if the comment is
offensive or disrespectful to us, or to society… we just delete it…” The SM
Manager added, “The way we respond to comments always reflects the brand
and its voice, not that of the person in charge of dealing with comments. This
is a key concept we use to avoid the degree of argument we had before”.

Moreover, the company found that comments received on SM often echo the
frequently asked questions (FAQs) document on the website, or the user
manual and service directory; since, “Some comments have fixed answers,
and are effectively a form of the traditional services directory and frequent
asked questions… we have noticed that customers like to view the comments
and answers on our SM accounts more than the FAQs on the website…
maybe SM is more friendly, convenient, and faster to access. SM constitutes
an example of your service experience for your target customers; it’s like a
gateway to your store. If it grabs the attention and interest [of the SM
audience], it will bring real customers [to the store]… it shows your
customers the level and quality of care and support [you offer], but if you
don’t manage it correctly, it will be of no use, and may even prove costly.”

5.3.8.4 SM adoption enablers and motivation
The primary enabler that motivated the management of Company H to adopt
the use of SM was the perceived advantages they understood from other
business owners in the sector. For example, as the CEO explained, “we heard
about the zero cost implications of SM at many business gatherings”. The
affordability and availability of the internet in the K.S.A was an additional
factor that motivated the company to adopt the use of SM, in addition to the
compatibility of SM with the existing technology in the company, as the Marketing Manager noted, “there was no additional cost of adopting SM, as we already had a fast internet connection and several devices…”

In addition, the ease of use and trialability of SM also motivated the company to adopt its use, and the Marketing Manager explained, “Even though it required training [for the staff], it was learnable, and easy to get used to. A benefit of SM is that we can experiment with any new strategies we learn in training, or from books, to assess their application in reality, and to check for errors or improvements before deciding whether or not to adopt the strategy… so there is always a degree of trial and improvement, which makes SM a low risk technology, and feasible for implementation in business. The business is open to any new and creative ideas [regarding its SM usage] from anyone in the company… so there is always room for inspiration and creativity.”

The significant degree of managerial support and confidence in the company’s SM team was a further strong enabler. Such support included establishing a budget for digital marketing and SM, which was a particularly strong enabler for the SM Manager and Marketing Manager, as it permitted them the freedom to explore a range of new and different strategies for the SM implementation in the business, without the necessity of convincing the management of their validity, or of seeking any related cost allocation, as the Marketing Manager observed, “They support us in all ways… the decision to set a budget for digital marketing and SM expenses, and allowing us the freedom to allocate this budget wherever we thought was appropriate was a big push for us to be creative in our approach to SM”. The SM Manager added, “We can focus on trying new strategies and functions without wasting the time and effort on managerial process; we have the green light, as long as we keep to the set budget”. 
5.3.8.5 SM adoption barriers and obstacles

Company H did not encounter many barriers or obstacles during its adoption of the use of SM for the business, and mainly mentioned the importance of respecting the culture of the K.S.A. For example, the Marketing Manager explained, “We faced a few critical situations concerning cultural aspects, such as colour of ladies’ Abaya, or ensuring that appearance of group of mixed youths reflects the differences in the various regions of the K.S.A, and had to adjust our SM content guidelines accordingly, particularly after opening branches throughout the K.S.A, because a post is for everyone, not just for a city or a region; we can’t have SM accounts for each region… cultural issues never stopped us, but they sometimes limited our creativity.”

In addition, the absence of predefined rules governing SM activities in the K.S.A was an obstacle for some of the company’s SM activities, and the SM Manager observed, “We would prefer it if there was clear regulation governing the use of SM for both the public and businesses, to protect against the problem of idea and design theft, [and to address] content copyright issues, and the time involved in evaluating what is okay to publish, and what might be considered to contravene the culture.”

A further obstacle was the fact that ensuring that company’s use of SM was effective if time consuming, as the Marketing Manager explained, “The problem is, if you want to excel and employ SM to improve and develop the business, it requires a lot of time behind the scenes. We could just shoot a photo or videos and post them, but that would not give us the benefits we experience as a result of our careful analysis and preparation of our SM content… so to gain the benefits, we have to spend the time and effort required, which is the main cost of SM to the business.” Moreover, the SM Manager added, “Although communication with our customers and our SM audience is an advantage of SM, at the same time we have to be conscious and careful all the time with what we write and post, and do it right, because if you communicate in the wrong way, it might result in a crisis, and then you
need crisis management, like what’s happened with some big companies around the world.”

Therefore, the company believed that, despite its advantages, mistakes in the use of SM can cost a company significantly, due to the scale of the SM audience, over which a business has no control. An additional obstacle involved in its implementation of SM that the company reported was its unpredictability and complexity. The SM Manager observed, “If a form of technology looks difficult, you spend time and effort studying it before you implement it, but SM looked easy, so we jumped into using it, then during the implementation, we struggled with certain issues that we hadn’t considered. SM is full of aspects that you can’t guess until you actually use it, and this sometimes makes us hesitant about trying new strategies on SM.”

These points highlighted the importance of gaining an understanding of how SM functions during the adoption process.

5.3.8.6 Future of SM adoption

The main new opportunity that the adoption of SM use presented for Company H was its transformation of the way they conducted their marketing and research activities, at a lower cost than previously. The company decided to transfer all of these activities to its SM platforms by utilizing the functions available on each platform. The Marketing Manager explained that, in order to manage this significant change effectively, they “…needed to continually train the employees who were responsible for our SM, and to think strategically about how to utilize the communication technology and tools”.

For the future, the company decided to outsource its SM management to a professional company with expertise in running and managing SM accounts for businesses. As the Marketing Manager explained, “To obtain all the benefits of SM, and to exploit the advantages of this technology, we must continue to consistently monitor and update [our activities], so we decided it is now better for us to outsource this job to an expert professional company.”

The CEO added, “The popularity of SM is growing in the K.S.A, and the
region, so we should use it in the correct way to be in the safe side, and to sustain the positive outcomes associated with the transformations we are applying to our marketing and research departments”.

5.3.9 Case study 9, Company J

5.3.9.1 Business and customer characteristics

Company J was an entertainment media production company that provided three lines of media services: the first mainly developed premium media content, including production and distribution, for either television or SM platforms with video streaming, primarily YouTube. The content targeted both youths and adults, and concentrated on social issues and subjects of interest in the Arabian Gulf area, including some work concerning wider Middle East issues. The company specialized in producing both movies and series, also developing shorter media content projects, such as advertisements and documentaries, for individual clients in any field or subject, provided it did not contravene Islamic law or K.S.A regulations and politics. The second service the company provided was premium content generation professional training for employees and interested individuals, mainly as internships or for personnel of startup media production companies, as part of the company’s objective to improve the media production industry in the K.S.A and the wider Gulf region. The training included writing and reading scenarios for editing, and developing the scenarios into media content of a quality standard. The training did not include the process of distribution of the content produced. The third line the company offered was advertisement services, within the company-produced media.

The target customers of Company J included three groups: media companies, mainly small or entrepreneurial, television channel agencies, and individuals. It targeted large private commercial companies and VIPs for sponsorships and to appear in advertisements for the media content produced, as a means of generating income by offering an advertisement service. In order to reach
its potential customers, and to obtain sales, the company was highly
dependent on their relationships and connections in the media industry,
therefore improving their public relations with their customers was of
primary importance for generating sales. The company had sales teams based
at two locations, one in the city of Jeddah in the K.S.A, and the second in the
neighboring country of Bahrain, who were responsible for reaching their
target customers, presenting their services, and arranging contracts. In total,
they employed 150 individuals, operating at 21 locations, in seven cities
around the K.S.A. The CEO stated that they “…do not have intense
competition in the Saudi market for the three service lines we provide,
although some competitors exist in the Gulf region”.

5.3.9.2  SM adoption stages

Decision
The company’s decision to adopt the use of SM was spontaneous, and
reflected the high personal SM consumption of all of the company’s owners:
“It was everybody’s idea… they are SM celebrities,” the Marketing Manager
commented, continuing that all levels of the management and employees
were supportive of its adoption, “Especially in marketing for branding and
exposure to large audience.”. The CEO added, “SM serves our main
objective…”.

Implementation
The implementation of the company’s use of SM was rapid and resource-
heavy, as they realized the critical nature of timing involved in introducing
SM marketing, as the Marketing Manager explained, “If we target the timing
appropriately, we can reach a large audience… this is our ultimate goal”. Following its introduction, the company decided to allocate responsibility for
managing their SM to only one employee, and to hire other team members
during peak seasons. The CEO explained, “We had a dedicated SM team...
at the beginning, we were excited about using SM, but we learned that the
media production sector doesn’t require heavy SM monitoring and updating,
except following the release of content, a movie, series, or advertisement… so we decided to cut costs and employ only one SM Manager, and to outsource our marketing campaigns to other companies or freelancers during specific times, instead of having a full-time team.”

In terms of an improvement strategy, the SM Manager explained, “We like to try new things, and use new SM functions in our business, like opening an account on a new platform, or using video streaming for back stage [operations], but before we confirm such steps, we trial them on a small scale to assess their effectiveness”. He continued that, in contrast, during campaigns, “We focus on the content that will be published on SM… we have the knowledge and tools to produce high quality content, but my concern is whether the SM content is the right information at the right time… if the content has any suggestion of religious, political, or racist issues, we must take care to avoid misunderstandings that might cause us huge problems… I have the main responsibility for this as the rest of the team are part-timers.”

In terms of developing their usage of SM, the SM Manager continued, “It takes the appropriate knowledge and practice to formulate a good awareness of how to manage and utilize SM for the good of the business… so we try to learn by reading books and articles, watching videos, and attending courses. Then we establish a plan and strategies, and test them in reality… our SM plan is basic, but flexible, and continually updated.”

Regarding the SM platforms that have proved to be most successful for the company, the SM Manager noted that, while they use Facebook, Instagram, and Twitter, “Twitter exposes our work to the largest consumer base, but Instagram provides us with more constructive consumer engagement, and new customers always approach us after visiting our Instagram, not from Twitter. We use Twitter for increasing our content exposure to a larger audience, but Instagram attracts customers to our services.”

Performance assessment
The Marketing Manager observed, “The most important thing is that you know where are you going with your SM account, what you want to achieve, is it increasing views or sales? Is it improving brand image, or consumer engagement for research and development purposes? You should work accordingly”. Meanwhile, the CEO noted, “We have not considered the financial implications of SM yet… maybe because of the nature of our business… higher views equals higher sponsorship via the advertisements offers we get… we know we are profiting, but we’re not sure how”.

**Performance improvement**

The SM Manager explained, “We intend to have a proper balanced plan for the management of our SM accounts; we are thinking of ways to make our accounts active throughout the year, to avoid losing followers… it’s ineffectual to use the accounts only during seasons and campaigns… some ways to achieve this are by posting interviews with the actors or producers, posting our old works, or posting links to one of our premier parties, all of which appear to work effectively in increasing our number of followers, and inspiring them to watch the upcoming movie, or any project… eventually we receive more views.”

5.3.9.3 **SM functions in the company**

Company J employed SM for the following business functions:

**Other business functions**

The CEO explained, Recruitment is easier with SM… you can search for individuals with the skills that you need by browsing the SM accounts of content producers or photographers, and many of the traditional interviews questions can be answered that way… it saves time, and increases our opportunity to select and hire competent employees.

Company J used social influencers, recognizing their value to businesses involved in the media production industry, as the CEO explained, “We use SM influencers by employing our connections and relationships, but never
pay for them… We believe in their power to attract SM users; users trust them when they suggest a movie or a link to watch… most of the time, they increase views significantly”. The SM Manager added, “Because we are a media production and distribution company, they use us to expose them to new users, and we use them for the same thing, so there’s a mutual benefit”.

**Marketing improvement**

The CEO explained, “In our industry, I think SM has lowered the cost of marketing, mainly by removing the cost of the fees we used to pay for television [advertising] and billboards… You pay almost nothing compared to the size of the audience and the number of views you get… when using SM, we never think of the cost… we know we will gain more.”

The Marketing Manager added, “We mainly use SM for marketing campaigns and advertisements… it’s our favourite marketing tool right now… very popular among everyone in society, so we can reach all of our target customers groups via SM… we are motivated to improve our SM marketing strategy to advertise what we do to large base.”

**Research and development**

The Marketing Manager explained, “The biggest trends are to be found on SM, especially on Twitter… so we generate our ideas based on these popular issues… In the media production industry, SM is a very informative tool… we used to do surveys, but not anymore… we find it easier to gather information from our target audience on SM platforms; it’s much easier than using traditional means.”

The SM Manager added, “We learn a lot from our peers’ companies, I can’t say competitors as they are in different markets, but we learn from their SM performance, especially if they are large international companies… we get inspiration from some of their posts, and the seeds of new ideas from their content on SM… We never copy, we adapt the ideas to our brand and market.”
5.3.9.4  *SM adoption enablers and motivation*

One of the enablers that inspired Company J to adopt the use of SM for the business was their management’s IT background, as the CEO explained, “I am an information systems degree holder, and I am aware of the advantages of technology, especially those that ICT and SM can provide to the company”. A further enabler, as the SM Manager noted, was the supportive culture in the company, adding, “I have a degree in marketing, which made it easier to for me to employ SM in marketing, and to communicate with the marketing team in the same marketing language. That facilitated my job significantly in terms of managing our SM platforms”. Meanwhile, personal SM use was an additional motivation, as the Marketing Manager explained, “I am addicted to SM for personal purposes… that made me familiar with the current functions of SM, and how to use them, and which platforms are popular at different times”.

Therefore, the considerable personal interest in SM of the management and employees of Company J was a strong enabler in their adoption of SM for the business, and enhanced their engagement with it, as the CEO noted, “Most of the employees fulfill their duty of checking our SM platforms every hour… If there are any updates in terms of functions, or new platforms or trends, we know about it immediately. It’s fortunate that we’re all interested in SM”.

Awareness of the perceived advantages of the use of SM was a further motivation for the company to adopt the use of SM, as the CEO explained, “SM provides us with the means to reach our target audience, and to attract a new audience… a wider audience hears about us, it means more views of our content, and more people talking about the content, which increases the views further… The customers who request the content are happier, and their recommendations bring us more new customers… it’s an amazing cycle that SM can promote, if you get into it. [As a result] we dedicate the time, budget, and effort to it.”
The trialability of SM platforms, together with their functions and options was also a motivating factor for the company, as “You can try most of the things on SM for free… the trail phase is very important to us… it increases our confidence in anything we decided to do on SM” (SM Manager). The SM Manager explained that there were a number of other motivating factors, including that fact that “The ease of use and affordability of SM are enablers, not just motivations”, and that they “…face few technical issue that can’t be fixed by the platform’s support teams online, or one of us; it’s never complicated”.

Finally, the significant degree of managerial support and confidence in the SM team was also a strong enabler.

5.3.9.5 \textit{SM adoption barriers and obstacles}

The media industry in which Company J operated constituted a factor that limited their use of SM, as the CEO explained, “We used to have an SM team, but we found that we only need one SM Manager, because we can only use SM effectively when the media content has gone public… he has the time to plan for a strong differentiated marketing campaign”. He continued that a first barrier to their adoption of SM was that fact that “We are involved in creating media content, which is dependent on creativity and new ideas, and the lack of specific regulations to protect the copyright of content, ideas, and innovations is a really risky factor in our industry”.

A further obstacle for the company involved how best to address mistakes, as the SM Manager explained, “If we publish important information about our work before distribution, it might be hard to control the situation, and such a mistake might ruin the audience’s reaction to the content… if it’s simpler information, it’s easier to handle… corrective actions are relative to the mistake itself; I can’t say it’s easy or hard”. He also explained that timing can be an obstacle, as “In our industry, the timing of posts is critical, and it sometimes delays our decisions regarding the SM content and campaigns…”
the timing problem is not easy to figure out… it’s an obstacle for the media production industry”.

In addition, the culture of the K.S.A was a further challenge for the company, as the SM Manager noted, “Some regions and cities find it difficult to accept representations of a mixed environment, so we try to filter our SM content, but not the media projects, to remove any aspects that include mixed scenes, or females who are not wearing modest clothes… This takes time and effort, and may also attract attention and raise questions… it’s better to lose the advantage than face the disadvantage.”

The quality of internet connectivity also represented an obstacle for the company, as the SM Manager explained, “Sometimes, we can’t post content, because the area we are in has bad internet… not main cities, where there is amazing internet, but far from them. If we are recording live video streaming on SM, and as time is critical in our industry, [it means] we may lose the vital minutes that would put us in first position.”

5.3.9.6 Future of SM adoption

The Marketing Manager noted “…the importance of SM in significantly reducing costs for the department… it is like a bridge to your target audience, with no tariff… we have already transformed our marketing strategy, and developed a SM marketing strategy, and while we’re satisfied with the results, it will [continue to] evolve over time”.

5.3.10 Case Study 10, Company K

5.3.10.1 Characteristics of the business and its customers

Company K is an SME that specializes in providing event management and field trips. The company plans, manages, and organizes events including scientific conferences and training workshops in different fields. Besides organizing field trips to some of the new Saudi university campuses, such as King Abdullah University of Science and Technology (KAUST), and Mohammad bin Salman College for Business and Entrepreneurship in the
K.S.A, the trips also include entertainment aspects that are available around the area, to facilitate both non-academic education and national tourism and entertainment, which are both represented in and important parts of the Saudi Vision of 2030, as announced by Saudi Crown Prince Muhammad bin Salman Al Saud.

The main objective of the company is to provide educational trips and workshops with an entertainment aspect to motivate students and interested people to attend these events. As a result, the company will add value to the citizens and the country by facilitating the acquisition of knowledge in society that the country is aspiring to achieve in its 2030 vision.

The company currently has one location and will soon be opening a second. Their target customers are classified into three groups based on the three services they provide, as follows: for general entertainment events, they target families and youth; for field trips, they target over-eighteens, mainly university students; for educational training workshops, they target university students, graduates, entrepreneurs, and unemployed youth, depending on the subject. As the target customers scope is large in Company K, they expend extensive efforts on their marketing and advertisement functions in order to reach the largest customer base possible for their business, to enhance brand exposure and to attract more customers.

The competition in the K.S.A is not high for Company K, as there is limited number of companies who provide similar services, none of which are in the same region, namely the Western Province.

5.3.10.2 SM Adoption Stages and Process

**Decision**

What is “interesting about SM is that whatever we learn from other businesses or consultants, social influencers, or by reading, we can try…” It is clear from the CEO comment that trialability and observability influenced the company’s decision to use SM.
**Implementation**

The CEO commented, “we had no SM section in our business plan... we adopted SM after struggling with traditional marketing costs and being unable to reach new customers, the adoption was low speed and implemented step-by-step to ensure effective implementation and positively present our brand image via SM... we are doing well... most of our customers come from SM... we ask them.” The company focused on Instagram and Snapchat because “they are very popular in Saudi society... they have our target customers,” according to the SM Manager.

“Whatever we learn... we can try, and if good results are achieved we continue using that function or strategy,” the marketing manager explained.

“Our content varies depending on the event or trip... we care a lot about media content and written language... we share live video streaming of actual trips and events... users can see our actual services, which motivates users to engage in live discussions with us and our customers on our SM accounts,” the SM Manager explained.

“We increase our SM activities during national celebrations, such as Eid or national days, which attract more followers... it is a new trend in the country to get excited and show enthusiasm for celebrating these special days in public places, including SM, so it is a thing now to show your excitement, too... we need to keep up,” explained the CEO. The SM Manager also mentioned national events: “we take opportunities to participate in booths or corners of exhibitions and display our SM accounts’ QR codes, so visitors can directly reach them faster and easier; in this way, we access potential new customers at these events.”

**Performance Assessment**

Company K uses SM figures to assess its performance; according to the marketing manager, “numbers of followers, likes, shares, and level of positive engagement are our indicators of SM performance in SM; the higher,
the better.” However, there is a risk of fake users, as the SM Manager explained: “we check if our followers are real active users, or fakes and bugs. It is important to consider this risk as they could harm your brand image if they were posting inappropriate religious or political content… we block them.”

**Performance Improvement**

One strategy for improving SM performance was mentioned by the SM Manager: “we contracted an SM consultant to guide us; he has knowledge and experience, we do not… we are at the learning stage”. The CEO added, “once we can afford it, we will hire additional staff for SM, one or two… it needs a dedicated team.”

The SM Manager also stated that keeping accounts active is a good strategy to retain customers and followers: “to perform better we need to make sure our SM accounts are active all the time. We need good planning to systematize that, maybe using applications to schedule or analyse… we also verify our accounts for security from hackers and to improve customer trust.”

Hacking of SM accounts is a real problem the company faces, according to the CEO: “maybe it is the sector, I do not know… a couple of times we have been hacked and lost our content and followers, but now we are learning how to protect our accounts and how to get our followers and content back. It is important to know the legal procedure for that”

5.3.10.3 **SM Functions in the Company**

Company K uses SM for business functions, as summarized below:

**Business development and expansion**

Sales was improved in company K as CEO stated “Most of our sales by youth, female, and out-of-region customers come from SM. They say ‘we saw your ads or coverage on Instagram… Twitter’.”

**Marketing improvement**
According to the CEO, advertising comes at a “really low cost in SM platforms, or I think no cost at all… we once paid a social influencer and found no great benefits so we stopped; that is the only money we have spent on SM.”

The SM Manager highlighted that one of the advantages the company derives from SM is improved marketing, explaining that “SM has allowed us to reach far more new customers through the support of events announcement accounts that have our target customers, or a portion of them, and the personal accounts of interest people. They support us a lot because they announce and recommend our events and they have an influence on people who are interested in the subjects or fields… I cannot say they are social influencers, but maybe intellectual influencers because their follower numbers are high but not necessarily huge compared to social influencers. Compared to our new SM accounts, they have more, and most of the time these are real people so the likelihood that some of them will attend one of our events or workshops is high.” Additionally, the marketing manager explained, “we have a set of criteria for the personal accounts that support us, including that they are verified and authentic; they post, share, and mention topics of public interest that are relevant to the subjects of our content; and they have a good amount of real, interested followers. We motivate them by following them, giving them special offers, and sometimes we share their posts so that they become loyal and spread positive word of mouth about us and recommend our services. Our partners support us in the same way; we greatly need these personal recommendations as building trust with potential customers… is essential to our company.”

**Research and development**

Company K uses SM to collect data about market trend relating to demand from potential customers, the most-attended events and workshops of their competitors, customer preferences and complaints, “so that we can avoid mistakes before they happen as SM provide us with data that support planning and decision making” according to the SM Manager.
**Other business functions**

The SM Manager explained that, “we depend a lot on SM for serving our customers, answering their questions, considering and responding to their comments, sharing photos they request…” They further added that, “we make sure we reply in a personal way. We have found that potential customers are motivated by greeting them by name, making suggestions according to their SM profiles, or commenting on the photos or videos they post to our accounts. They love it… I think it is our culture, and most of them become actual customers.” Furthermore, the marketing manager has noticed that, “informal respectful conversations with SM users is so effective… they say ‘we like you for being so friendly, not like some other business accounts’.”

In addition, representatives for Company K highlighted during the interview that they use SM to manage customer service after a service has been booked, and that this is particularly useful, as stated by the CEO, “to arrange timing, parking, locations… I think yes, it is customer service management.”

5.3.10.4 **SM Adoption Enablers and Motivations**

According to the marketing manager, “our business requires official permissions, and that takes a long time. Marketing through SM has enabled us to advertise and reach target customers instantly, but even if it is over a week or so we can advertise well… at no cost. These are the main motivations to use SM.”

The affordability and availability of the internet has enabled the company to use SM: “SM needs only a mobile device and the internet. It is affordable, especially for SMEs, as we get special offers on internet subscriptions, which facilitates our adoption.”

The CEO explained that an additional and strong motivator is that, “SM has exposed us to a massive potential customer base… especially the new generation, they follow influencers closely and take their suggestions.” The
marketing manager added that, “older users tend more to ask for contact numbers to get information, but it is the SM accounts that attracted them in the first instance.”

The CEO gave an example of how SM has enabled the company to increase its female customer base: “it is hard to enforce a change in conservative society, as families can restrict their girls from engaging with us… SM has enabled us to communicate our modest and professional services to overcome this… female customers are increasing over time.”

5.3.10.5 Barriers and Obstacles to SM Adoption

The CEO explained that, “creating a database for SM media content and potential customers driven from SM takes time and effort, which is the main obstacle. We are slow; we work on this if we have free time, as our focus is on running the business.” Additionally, the SM Manager discussed another barrier to effective SM adoption, which is insufficient staff to manage it and the obligation of instant replies to customers comments: “there is only myself to answer all of the comments. I was busy on Snapchat and the marketing manager came and asked why I was not answering the Instagram comments… customers complained because it was before a popular event, so they needed instant replies.”

Another obstacles is the demand from SM users for instant responses, where, “if the reply is delayed, they might unfollow… This consumes a lot of time and effort, as we do not have a systematic way to manage it.” Said by the Marketing manager.

In addition, the SM Manager explained that, “we have struggled with culture… we have to check all the content for anything that might be considered a cultural violation… there are many examples, such as photos of mixed environments or females not in traditional abaya. Only the government sector can publish whatever they want.” In addition, “we need permission from all female customers to share their photos online and, if they refuse, which is their right, it is really difficult to make sure they do not appear in
our SM content. If they are not recognizable, that is fine, but if they are they will complain and this creates a big problem. We have to take the content off our SM, which causes a disturbance for us and SM users. Checking content is now a major task related to SM.”

5.3.10.6 Future of SM adoption

The use of SM has increased the company’s awareness of the importance of defining the brand and its image, and unifying the business’s presence in all marketing media, both traditional and online. As the CEO explained, “we have learned from SM how important it is to unify our brand image and voice. This positively impacts the company in improving its presence and image amongst customers.” The SM Manager added that, “we are expecting our SM use will grow and improve over time and with experience. The more you use it, the better you perform, and we are trying out more business functions on SM to seize more opportunities for cost-reduction and better customer service… it is an exciting world that we are still discovering.”

5.3.11 Case Study 11, Company L

5.3.11.1 Characteristics of the business and its customers

Company L is a digital marketing (DM) agency that provides digital marketing services for individual providers and centres in the sports and activities industry. Its primary clients are engaged in any sport or activity that involves body movement instructors, trainers, or clubs. The second, indirect type of clients for Company L are SM users, as the company must ensure potential target customers on SM are satisfied in order to satisfy their primary clients. The CEO explained that, “SM users are indirect clients; we do not get paid by them, but we consider them as our most important clients because if they are happy and satisfied, our sport trainers and centres are happy and satisfied with our services… They are clients of our clients, so the business model is quiet complex, and we are working to design the best model to suit our services.” Company L’s services are focused on developing SM marketing as an important innovative tool to serve their customers in the best
and most affordable ways. He added that, “our contracts have a condition of a minimum six-months or a year’s contract, depending on the client’s needs and objectives for SM. These are the minimum periods for SM accounts for the business to achieve the first of their target objectives and to see the advantages of SM marketing.”

Company L has two branches, one in Jeddah and one in Riyadh. The branches serve the two cities and the areas around them; the branch in the capital, Riyadh, serve the middle and eastern regions, and the Jeddah branch serves the western region.

The company was established in response to the urgent market need in the K.S.A for a digital marketing agency, identified via a survey conducted by another company. Digital marketing also includes SM marketing (SMM). Company L is an SME that has few staff, mostly part-timer with a technical background, either computer science, or marketing and information systems and technology. The CEO believes that their technical background has greatly facilitated the company’s work and “helped the company to gain a competitive advantage in the market faster than we ever expected.”

5.3.11.2 SM Adoption Stages and Process

Decision

Company L made the collective decision to use SM, as agreed by all the management team members: “due to our background, we knew that SM would be a good tool if we adopted it correctly,” the CEO explained.

The marketing manager added that, “interesting about SM is that whatever we learn from other businesses or consultants, social influencers or by reading, we can try ourselves…” It is thus clear that trialability and observability influenced the company’s decision to use SM.

Implementation

The CEO described the SM planning: “we had no plan; it was spontaneous
SM adoption initially. Later, we found that this was wrong; we needed to plan our SM use well. It is a very cost-effective performance improver as a digital marketing tool.”

The SM Manager explained that, “we started documenting everything that we do with SM and how we do it, what the results are, in order to improve our SM marketing plan based on this documentation… it is effective for us and our clients’ services.”

“Our SM team develop SM marketing plans according to clients’ needs and their objectives in adopting SM. We also get their design guidelines and any content they have for SM, then we create SM content designs for photos, videos, and texts… and publish SM media content in a timely manner, as suited to our clients’ business needs… we take care of SM community discussion and reply to comments, known as SM community management,” the SM Manager explained.

“Community management is not easy because we have to dedicate a team to this and make sure the team understands everything about our clients’ business, and their dos and don’ts for replying to comments to avoid any mistakes when replying” the marketing manager further explained.

“Platforms such as Twitter and Instagram, which are currently the most popular platforms in the country, over Facebook, are what we use… Facebook is not popular anymore and most Saudis, who represent most of our and our clients’ potential customers, are not using it as they were previously,” explained the SM Manager. They added, “we excluded Snapchat as it requires extra effort for creating content, which and costs money that can be saved as the other platforms are less costly and provide the same benefits.”

**Performance Assessment**

Company L assesses its SM performance using SM statistics, including number of followers, shares, and likes. In addition, they take into
consideration the level of engagement in the SM user communities, and also see positive comments as a measure of their performance, as explained by the SM Manager: “we measure our performance based on the preset objectives that we are required to meet; if we meet them, that means we are doing well and we are getting a return from SM.”

The SM Manager also added an explanation of how the company calculates financial returns, stating that, “calculating the financial returns of SM is not easy… what we do is calculate any cost paid for SM marketing,, mainly the paid advertisements on some platforms, such as Facebook, Twitter, Snapchat, and Instagram, the paid-for organized data reports that some platforms provide to major business account holders… and then the cost of the team responsible for managing the clients’ accounts. Sometimes there may be other costs, such as visuals, test, videos, or any media content specifically for SM campaigns… but mostly the content does not cost more than what we are already paying for the digital marketing media, only the motion graphics that we develop only for SM. So we count this cost as an SM cost, then we try to calculate any direct or indirect sales and we also consider the saving that SM has afforded us... After that, we get a number that is not quite accurate but is an approximate financial evaluation of the SM marketing returns.”

He explained, stating that, “because SM marketing investment returns are mostly indirect, increasing followers can mean increasing customers… high SM user engagement with the business accounts may bring new customers or make existing ones more loyal.”

**Performance Improvement**

In order for Company L to improve its SM marketing they decided to document their activities and the used functions of SM and comment on any positive or negative strategies they applied to produce practical SM marketing reports that can positively affect the decision-making in regard to the SM marketing strategy and business model in general as mentioned by the marketing manager: “we have found that, to survive in SM, you need to
update yourself continuously on SM management activities and functions, define and update strategies based on what is on SM at a specific time, and by the results achieved from existing plans. I think that an updated SM marketing strategy or plan will be more effective in practice and SM target objectives will be better achieved…”

Furthermore, the CEO commented, “we update our SM plans four times a year in a very systematic way; sometimes nothing is changed, sometimes a few changes, and other times we make big changes according to SM platform updates and level of popularity among the target customers.” He continued to explain that, “as a digital marketing company, and after we adopted SM in the business, we found it necessary to look at our business model and modify it to include SM as one of the most important marketing tools and income channels. We are looking for financial model to quantify the return on investment and profits generated from SM marketing more accurately; it is essential for our clients to understand how they profit from SM.”

The SM Manager added, “we are trying now to use codes in SM platforms associated with ads, so if the customers uses the code when purchasing the service, we will know which SM platform they had been attracted or motivated by to use our services, and from which exact ad… we gain both a way to calculate the conversion rate and the business that has come from SM and a way to verify the strategies used.”

“To improve our credibility and trust amongst potential SM customers, we requested a permission from the Saudi Sports Commission to use their logo on our SM business accounts and established a sort of agreement that enabled us to use the logo for any clients from the sport and activity sector. That gave us competitive advantage, too.” As SM manager stated. This indicates that using official logos relevant to the business type and sector, for example of official bodies or commissions in the K.S.A, can be a good strategy to empower SM business accounts across the different platforms and increase credibility and trust amongst potential SM customers.
5.3.11.3  SM Functions in the Company

Company L uses SM for business functions, as described below:

Marketing improvement

“We mainly use SM for targeting sales, spreading brand image awareness, and seasonal marketing campaigns, depending upon the client’s requests and the project’s needs… it is the right tool to reach many different groups of consumers and an effective tool to market your business.” stated by the SM manager.

Research and development

The SM Manager stated that, “to improve our SM marketing we use its data… we analyse it and generate knowledge about what to do and what not to do… what customers like and do not like. This data informs the decision-making process and makes it more effective.” The CEO confirmed that “SM is a great market research tool, but you have to understand how to use the data.”

The SM Manager went into more detail about how the company generates data from SM to be used to develop the company, explaining that, “data could be SM users’ comments and feedback, likes and shares of the content, increased follower numbers at a specific time. … it is a long journey that requires attention to all the details; if one wishes to succeed in SM business marketing, one must first succeed in SM marketing, planning and management”

Other business functions

One of Company L’s strategies to assess customer satisfaction and target customers’ needs was described by the marketing manager: “we started to implement voting polls and surveys on SM business accounts for fast collection of customers’ views and opinions, then customized the services or modified strategies accordingly. This gave us a competitive advantage in the digital marketing arena…”
Additionally, the marketing manager explained that, “we are planning a loyalty program on SM platforms; a page or account in which the business follows loyal customers… we cannot control followers, but the offers and ads are all targeting these loyal customers… we expect this will encourage potential customers to try to be loyal customers, which means more sales for a longer duration. We will try this at a small scale and see if it is effective or not.”

In regard to replying to comments, the SM Manager explained that, “we value positive comments, and we may reward exceptional ones with a discount… we respond to negative comments if they sound genuine and logical by compensating the customer directly, then we move the case to the offline team for investigation and improvement… illogical and thoughtless comments we just delete; we do not want new followers to see these and think they are true.”

5.3.11.4 SM Adoption Enablers and Motivation

The SM Manager stated that, “The SM marketing cost is much lower than traditional marketing and I think it is the cheapest digital marketing tool… it is spreading fast amongst businesses, especially SMEs in this country, as it is cheap, accessible, and easy to use in general.”

“Customers appreciate fast and quick actions in response to their feedback, which SM has enabled us to achieve, unlike other survey tools. As a result, loyalty, positive word of mouth, and customer base increase; this is a big motivation to improve our SM adoption,” the marketing manager explained.

The SM Manager added that, “internet affordability is an enabler, but what motivated us is trialability of SM, which is a big incentive to use it… you can try out different functions, platforms, and strategies for free most of the time, and then you can pick what is best for the business.”

An additional enabler for the company to improve its SM performance is that the “background of most of the management team is either technical or
marketing, so we mix and match strategies and techniques from both fields to create an SM strategy, which has helped our company take the lead in this sector.”

5.3.11.5 Barriers and Obstacles to SM Adoption

Regarding SM adoption barriers and obstacles, the SM Manager commented: “obstructions or obstacles… can be the culture, which is a challenge in the K.S.A; you must respect it and know how to approach things delicately and in a smart way to achieve your objectives without touching on cultural or religious concepts, so that you avoid any problems.” He also provided an example: “we make sure that female models are wearing modest clothes and any photos of or ads featuring female training instructors are also appropriate for the culture… no swimming suits or revealing sports outfits… no photos of mixed classes…” He continued, “there are some businesses that like to stand up for their opinions and ignore the cultural power in this country, but we have witnessed them suffering.”

The CEO explained that “consumers in the K.S.A are becoming more and more educated and aware of the power of SM, and use it against anyone who insults their culture or religion, even if indirectly. This can destroy a business.” It can thus be concluded that the culture in the K.S.A can be considered an obstacle for SMEs, as it prevents them from freely posting content on SM platforms; this requires additional time and effort to find other creative ideas to present the content in an acceptable way to SM users in the K.S.A.

In regard to SM rules in the K.S.A, the marketing manager explained that, “there are no rules for SM marketing or business activities in general in the K.S.A; we just anticipate what is acceptable and what’ is not. If there were rules, it would be better… it may be easier than guessing and spending money on something to then find it is not acceptable to the culture or political environment… then it is a waste of effort and money.”

He elaborated, offering an example: “for example, we made a lot of effort to
get agreements with all our sports and activities lines to provide offers on Mothers’ Day and convinced most of them that it was a good campaign... after getting all the SM content ready for publishing, a friend, by coincidence, said to us ‘Are you crazy? The users will turn against you.’ We understood his justifications and could not use any of the content, which cost us time, effort, and money, and we had to apologize to the clients... but this was the only incident... it was funny how we missed it, but it was not funny from a business perspective.” The SM Manager confirmed that, “from the Mothers’ Day incident we learned the lesson that no risk is worth taking in regard to cultural norms... play it safe with culture.”

Another obstacle to SM adoption was highlighted by the marketing manager: “we should be extra careful before publishing SM content as it spreads really fast and reaches a large base of platform users... if you make a mistake it could turn into a disaster; equally, it could not, but why risk your business? We have a member of the SM team who scans all platform content for errors before publishing, even language errors... that is time consuming.”

5.3.11.6 Future of SM adoption

The SM Manager also talked about their expectations regarding new opportunities that SM may provide to the business, explaining that, “once we reach our target market, we will invest more in SM platforms... we believe SM platforms can be a replacement for websites, which cost a lot, and once payment methods are provided in any SM platform we will make sure we are among the first to adopt this if it is popular in the K.S.A... SM is rich in opportunities and potential for business but it needs careful and detailed planning and continuous updating and improvement in the way it is used, in the functions that are utilized, and in the platforms themselves, whether they are still popular or not.”

The CEO confirmed, “I expect if SM advances at the same speed as it does now, soon we will have an SM business concept, not just SM marketing. It is evolving fast and business models are evolving with it,” later adding that,
“as long as the company has a good quality product or service to start with, SM can be great technological tool to improve and expand the business… however, many SMEs fail or quit because they think that SM can promote the business, sell products, and reach customers, and so put all their effort into content and comments. Then they fail. Why? Because the product or service was not good. SM is not a magic wand; it is a very important, effective, and supportive tool provided the company knows how to adopt it in the right way.”

5.3.12 Case Study 12, Company M

5.3.12.1 Characteristics of the business and its customers

Company M is a media production and consultancy company in the entertainment sector. They offer two services, the first is consultation on media productions and entertainment media planning and management. Clients communicate their proposal and their requirements of the media content they are looking for; the company team then analyses the client’s proposal, request, and needs and puts forward a media production plan and different options for media content. The second service is media production for SM platforms or other channels, for individuals and businesses; here, the company develops and produces entertainment content and then either publish it on their accounts or distribute and sell the content to other publishing channels online or on television.

The clients of Company M are either individuals or businesses, but mostly television channels that request a specific piece of content which the company then produces, and which will then appear on that channel, Alternatively, they might get a request from an individual for personal or event use, the company develops and produces the content and submits it to the client. Part of the company’s business is assessing entertainment media trends so that they can produce creative media content of a high standard and then sell it to media distributors to find a channel, online or offline, to present it.
The level of competition is not as high as for Company M, as the CEO described, “there are limited entertainment media production companies in the K.S.A, but we have competitors in the Gulf area, mainly some of the big television channels, as they have production arms. This competition can be considered indirect but threatening, as the Gulf area audience shows broadly the same trends and needs with regard to entertainment media; their expected standard is high and they are looking for creative and new ideas, or the presentation of cultural issues in unique and attractive content unlike what they have seen before… the Arabic audience are now critical viewers and appreciate good quality work… we have to fulfil their expectations and work at the same level as our indirect competitors.”

5.3.12.2 SM Adoption Stages and Process

Decision

The decision was made based several factors but mainly for the cost effectiveness of SM as the SM manager stated “We adopted SM platforms in our business because we had no other choice; traditional media, television and radio are dominated large companies and the cost of marketing or advertising on them is too high, even to rent a time slot to present our media content… it is the cheapest and most attractive option, and we could see at that time how popular SM was. It is a window to a very large audience base… we can target any audience group, we just need to carefully choose the right platform for that group.”

Implementation

Implemnation was applied according to a plan as SM manager “We had no plan… we tried to participate in SM to create standards and work flow for SM activities and SM content production.”

He added “Through trial and error with different SM functions and platforms, we have been able to develop standard guidelines and best practices in how to manage SM most effectively.”
“To produce the media content for our customers, especially individuals, we hire one or two staff to help us run the project; we choose them according to the subject and budget of the project. This is better than having a full-time team, as sometimes we have no projects but we will still be paying them, and the team will give you similar ideas and productions. By hiring new staff for each project we are ensuring the uniqueness of the media content produced for each project,” the SM Manager explained. They also mentioned that they coordinate this process of producing SM content and managing its publication on SM platforms.

“We use Instagram, Twitter, and Facebook… also YouTube, depending on the audience trends, and the platforms they are on during the release period… we like to have an account on all SM used in the country as each platform has its own functions, strategies for use, target market, and potential customers, so we like to be ready for any hits on any platform. Also, when the target audience migrates to a new or another platform, we can easily follow them.”

**Performance Assessment**

The SM Manager described how the team measures their SM performance: “we measure depending on the project’s target objective; it can be number of views, likes, positive comments, or quality market data, all of these provide us with a good measure of the effectiveness of our SM content and advertisements, and this directly affects the quality of our work and our sales rate.” He added, “the more views we achieve, the more positive comments we get, which encourages our clients to stay with us and motivates new clients to use our services.” In this way, measuring SM statistics can give the company a good indication of its SM performance; also, by generating more clients, it can be considered that indirect sales are driven by SM.” He added “We also measure the financial returns by calculating the cost of SM adoption, including human resource expenses, talent recruitment costs, location hiring, and the costs of media technology devices and tools… we also pay for some platforms to assess us in managing content or collecting
data… then we calculate the indirect and direct sales driven by SM; we do this by asking the clients and by tracking comments.”

**Performance Improvement**

One evident improvement driven by SM adoption in Company M was identified by the marketing manager, who described the “low cost media content distribution compared to other distribution options that are very expensive. Now, the larger part of the budget is directed toward purchasing the latest production tools, cameras, and applications that speed up the media content development and production process; this lowers expenses and at the same time provides the highest quality media content.”

Furthermore, the CEO mentioned that, “we have gained a competitive advantage in the market as SM adoption improved our budget allocation in a way that means we can now produce highest-quality content at a lower cost, whereas large companies already have expensive production tools, so it is too hard for them to let go of their expensive tools and transition to SM platforms.”

The marketing manager explained how the company improves its knowledge of SM functions and business uses: “to improve our SM activities and performance we prefer self-learning, as we do with everything in the business… the SM Manager is responsible for following up with any updates in the SM platforms or functions… he contacts the platform support team and they provide free tutorial videos and ‘how to use’ links, and they respond well to any problems or inquiries we send them… so it is important to learn how SM should be used in business to reach your objectives and be effective in your adoption.”

**5.3.12.3 SM Functions in the Company**

Company M uses SM for various business functions, as described below:

**Marketing improvement**
“We use SM as a marketing and promotional tool… the SM audience is the largest target audience that consumes our media content; we use other channels and we have other audiences not on SM, but on SM the audience is larger,” the SM Manager explained.

The CEO further elaborated that, “to showcase our brand image and to let our brand voice reach the largest audience base possible, we have to use SM and improve daily… we could not survive today in our business without SM, as a small company we would not be able to compete with the big names and large companies in the entertainment sector.”

**Research and development**

“Using SM we can collect and trace data about viewers… such data… provides us with the trends in entertainment media and the audience’s needs, then we can tailor our media productions accordingly to suit the majority of our viewers” the marketing manager explained. The SM Manager added that, “if you manage, understand and analyse SM data and information from customers you will gain a lot of benefit and be more effective in SM. If you do not have a plan you will face a huge amount of data that might mislead your decisions and cause you losses or difficulties.” Therefore, whilst data is a good source for R&D it must be managed correctly and effectively to gain the most advantages.

**Other business functions**

“We appreciate positive comments and constructive suggestions and opinions, but we ignore the negative or unrealistic ones… of course, we deal with genuine negative comments… we look for information and establish what happened, and try to solve the issue offline,” the SM Manager explained. They added that “now, it is easier to manage comments, as some platforms provide a method to filter the comments automatically; any offensive, abusive, or violent comments will be deleted automatically.”

The marketing manager explained how HR recruitment was facilitated by SM
by saying “We use SM to advertise job vacancies and also check the SM accounts of content designers and producers to recruit them… it is so effective, and cheaper and faster than traditional methods… SM pages almost enable you to have an interview with them, without the time and effort of an appointment.”

5.3.12.4 **SM Adoption Enablers and Motivations**

The main motivation for the company to use SM as mentioned by the marketing manager “SM is very flexible… it is as if you are contracting with SM to distribute and present your content, but without any obligations from it… it can be any time, day, length, type, topic… you decide all of that, not like contracting with distributors or channels… SM is also relevant to our business, as we produce media content and SM is built on sharing content…”

The marketing manager stated that, “sharing our media content on the different popular platforms in the country and the region is exposing us to new audiences and new markets… the size of the Arabic audience increased after we adopted SM…”

The SM Manager listed the main motivations for Company M to adopt SM: “I think, yes, we were motivated highly motivated to adopt SM because it is easy to use and fast to learn; it is a low cost tool and technologically compatible with the existing tools and devices used by ourselves and our audience…”

The marketing manager further mentioned that, “internet services in the K.S.A are really excellent, mobile devices are accessible and affordable… the penetration rate of internet content, especially SM, is really high in the country… for our sector, it is a must-use.”

The CEO added “SM makes it very easy for us to reach regional and international markets.”

5.3.12.5 **Barriers and Obstacles to SM Adoption**

Some of the main barriers that prevent the company from updating SM
functions, especially new ones are, according to the SM Manager, “language and payment to platforms for additional business tools like performance reports or analytics in general.” He continued, explaining that “most SM platforms release their updates and their tutorials in English, so if we do not have a fluent English speaker amongst us it is hard to understand everything correctly, and that sometimes delays or prevents us from adopting the new updates as we have to translate to Arabic and then teach it to our staff and sometimes clients… to get extra business analysis in some platforms you have to pay… all over the world they accept credit cards, except for some countries, and K.S.A is one of them… a representative agency collects the payment and then we receive the service…. the agency often increases the service rates, but we cannot do anything about it… that unfairly prevents us from using some business tools.”

Another barrier was mentioned by the CEO: “there is no law to protect us or our content on SM; it is risky, but I hope this issue will be resolved soon.”

The marketing manager added, “SM is slightly risky as it is so unpredictable… you cannot ever be sure of the next trend, or if a new platform will be popular, so you don’t know if you should activate your business there or if the activation cost will be wasted. Thoughtful decision-making informed by data collected from SM is essential, as well as a good background in e-marketing, media content filming and photography, textual content writing and editing, and of course business management. Utilizing all of these will make SM adoption easier and more effective.” He went on to add, “it is not complicated at all; you just need to have adequate knowledge about the SM platforms and study them against your objectives and business model. This is easy to do, you do not need a technical background as the platforms are designed in a way that is very user-friendly, accessible, and usable by anyone who can connect to the internet and use a mobile device, for example.”

The SM Manager expanded on this issue, explaining that “it is important for companies to fully understand the functions and rules of each SM platform
to avoid wasting effort and money on campaigns on one platform and then discover that the platform does not allow or support that content. It has happened with us on Facebook, which does not allow ads for sponsors. It was a big waste of money. We moved to YouTube, which provided greater freedom on this issue.” This makes it clear that not having full and accurate knowledge about SM platforms can be a barrier to choosing the right platform and, as a result, a barrier to effective SM adoption and outcomes.

5.3.12.6 Future of SM adoption

As the marketing manager explained “…the size of the Arabic audience increased after we adopted SM, so we are thinking about producing new content that is relevant to Arabic subjects and the Arabic audience’s needs and trends, not just the Gulf area… expansion opportunities is one of the advantages of SM that we have benefitted from.”

The SM Manager further explained that, “to access other Arabic markets, we need to keep our SM accounts live all the time, regardless of whether we have a project or not… we produce media content especially for SM accounts and develop a content plan including scheduling to make sure that followers stay with us and are entertained all the time by our content… it could be international media content or entertainment sector prize events and latest news. It should be attractive SM content that ensures our followers will not find a reason to unfollow after a particular project has ended.”

SM adoption has also enhanced the company’s social responsibility activities, as explained by the CEO: “SM adoption has allowed us to participate in positively influencing social awareness of good causes and worthwhile issues, such as health, the environment, or social issues… any subject that fits in with our broader vision.”

5.3.13 Case Study 13, Company N

5.3.13.1 Characteristics of the business and its customers

Company N is a business operating in the hospitality service industry. It is a
two-restaurant business; the first serves seafood to the Saudi community in an innovative way that combines the taste experience of seafood. The second restaurant serves breakfast and pastries of the highest quality possible, and made of the finest ingredients.

The primary target customers for Company N are females, as “they represent the highest percentage of our restaurant diners and they are the decision-makers in families in regard to where to go to eat. Second is single males, then children, and married men we also consider,” the CEO explained.

There is only one branch of each restaurant, the CEO noted, “SM played a role in our expansion decisions… we responded to so many requests on SM platforms to open branches in other cities and we studied the options and made a decision; now, we are about to open two more branches of each restaurant in Makkah, Riyadh, Alkhobar, and Jezan” (main cities in the K.S.A).

Company N’s two restaurants are considered casual dining and average price restaurants. This means that they are easily affordable for both average and higher-class society, making the target audience among the Saudi community wide; however, at the same time, the competition is also high in the food service sector.

5.3.13.2 SM Adoption Stages and Process

Decision

The marketing manager stated that the SM adoption decision was taken before the business had even opened its restaurants, due to their awareness of the relative advantages and attributes of SM, namely affordability and ease of use. “We directly adopted SM platforms once we started planning our business, for many reasons. The first was that people these days depend almost entirely on SM when deciding where to go for a coffee or to eat, so we established the SM pages before launching the restaurants so as to attract and excite potential customers. We posted photos and descriptions of some
our dishes and unique menus… we posted the story behind the restaurant philosophy, and how customers would enjoy their experience of eating at our restaurants, due to the excellent taste, different atmosphere, and unique eating experience.” They further added that, “SM is very, very popular in the K.S.A… SM’s affordability and ease of use were all strong motivations to adopt SM so quickly.”

“We are on Instagram, which is the most popular platform in the K.S.A, then Facebook, as this is used a lot by many residents from outside K.S.A, but not Saudis. We also used Twitter to spread brand awareness amongst a very large consumer base,” the marketing manager explained.

The SM Manager went into more detail about how the company uses multiple SM platforms: “we create special content for Instagram and modify the language for the Facebook posts… we share this content on Twitter, due to its popularity in the K.S.A, but what makes us profit and attracts customers is mainly Instagram, and then Facebook.” Therefore, for Company N, its customers are mostly driven from Instagram, followed by Facebook.

**Implementation**

“We developed a basic strategic plan for SM adoption in the business; later, we improved the plan to make it a full SM marketing plan, based on trial and error. The plan included a posting schedule, content standards, comment management guidelines, which platforms to focus on, what functions to use in what period or season, and which analysis tools to use,” the SM Manager explained, in regard to the SM adoption planning. Answering such questions seems to help SMEs in managing their SM adoption effectively, as Company N is doing.

“To start using SM in the business effectively, you just need to have a good knowledge of business management, e-marketing, and SM platforms and functions. An IT background is not required.” Said by the SM manager.

**Performance Assessment**
The marketing manager stated that, “some SM platforms offer analytical tools that enable us to measure our SM performance; these are especially for business accounts that have high traffic… this service is very helpful.” Using such services can improve a business’s ability to evaluate its achievements on SM platforms. The marketing manager further added, “we only pay for promotional ads on some platforms, with some spending on designing and developing the SM content, and the salary of the SM Manager and two other staff in their team. That is the total cost of SM, I think.”

Regarding how direct sales can be realized, SM manager said “we associate a code for each platform and encourage customers to use this during marketing campaigns and promotional periods. Each code reflects the platform and the promotion or ad, or any content they access. We can find out what has worked best and keep using it.” Additionally, most of the time, the customers “show us a photo on our SM accounts and say ‘I want this’, so we know what excites them and encourages them to try our food and services.”

Measuring SM business performance cannot be based on one factor alone; rather, it involves consideration of a collection of factors, as stated by the SM Manager, who explained that, “measuring SM performance can be based on many factors, from counting views and likes to followers and shares, but the level of discussion and positive comments on the business pages is also essential and also reflects the company’s performance.”

“During content creation, we apply so much of what we have learned from the SM influencer partner… how to formulate textual content, what language or vocabulary to use, how to respond to comments, how to decide on the timing for marketing campaigns or promotions…”

**Performance Improvement**

One way for Company N improved its SM effectiveness was through trial and error, as the SM Manager described: “we developed a strategy through a trial and error approach… content which includes faces and recognizable
people stimulates more discussion and attracts more customers. We started to ask customers for permission to take their photos in the restaurants, and some agreed.”

“We found from our experience that SM requires continuous work and updating, including comment management, post timing and scheduling, content and photo quality, and the language used in post and comments. This is all one package that the business has to take extra care of to gain advantages from SM and protect itself from the disadvantages, or public embarrassment” the CEO explained.

In serving customers, it is important that the business understands what its customers like and what they dislike, to maintain existing ones and attract new ones. As explained by the SM Manager, so that the company can “be better at SM and allow followers unfollow, we do not exactly repeat posts, content, or text… we have found that SM users hate repetition and constant notifications, as it interrupts and is annoying and causes them to unfollow.”

The marketing manager expressed a different thought, on outsourcing, stating that, “we have never considered outsourcing to SM management companies, we would hire additional or part-time staff, as these companies can never communicate your brand image and message to SM users in your own way… they do not have your spirit. Also, they are very expensive compared to the quality of their work… I think they treat it as a task, not as a genuine marketing or PR channel.”

Another improvement strategy is a rewards system for loyal customers, as the SM Manager stated: “to improve our comments management, we developed a rewarding system for our most frequent customers who share their experience on SM platforms. It could be a discount or a free meal for a group. We have not implemented this yet, but once we set the guidelines we will.”

5.3.13.3  **SM Functions in the Company**

Company N uses SM for the business functions described below:
Marketing improvement

The CEO stated that the company uses SM for “marketing, customers service and appreciation, collecting market data to inform decision-making, and motivating customers to engage in discussion to collect their opinions and share their experiences… to promote our brand image and message amongst a large consumer base.”

The SM Manager explained that, “when we post high-quality content and write exciting, friendly comments, customers are attracted to this and engage in discussion, and press ‘like’ and ‘share’, which has been found to directly convert potential customers from SM into actual customers who visit the restaurants and ask for a specific dish from a photo, even if they do not know what it is… positive word of mouth amongst SM users is highly trusted and is a strong push factor that has a powerful effect on the customer’s choice of restaurant and dishes.”

The marketing manager stated that social influencers can further support the business and bring in new customers; however, there is a challenge in how they discover the business and how real the experience is that they share with their fans. “Social influencers are not good for the business if they are paid and invited to the business to promote it to their followers… they create a bubble, then, when they leave, in a week or a couple of months the customers go with them. That is the end, and your money is wasted… maybe this is because we are service business, but what we have seen is that followers loved their experience and have requested influencers to visit us; when they come to the restaurant and mention this fact, of course, we serve them with our compliments… we can then be sure that what they say about us is real because they came on their own, we did not invite them, choose the food, or tell them what to say… It is real and that has brought customers who have stayed and became loyal regulars.” The SM Manager summarized this experienced as, “fakes bring fakes and real brings real, and we want real customers.”
**Research and development**

From SM data, Company N has realized many things regarding the timing of posts, which is a major factor in managing and planning SM content, as explained by the marketing manager: “we have realized the importance of timing in the process of developing and publishing SM content… customers who are driven by SM during the week differ from those who come on weekends, vacations, holy days, or national occasions…we modify our plans based on such data”

The marketing manager commented on how SM observability has enabled the company to observe competitors: “SM enabled us to gather more frequent information about them. We monitor our competitors, we update ourselves on their latest offers and strategies, we learn from their mistakes, and try always to be on top of trends.”

“We use SM platforms and accounts to study the market needs and demand… small surveys and polls… we ask customers about what flavours or dishes they prefer, what they think we should take off the menu, which new dish from two or three we should add to the menu. We use their input to inform our decision-making in this area… it is really effective.”

**Other business functions**

As explained by the SM Manager, “it is very economical technology… offers real-time communication and engagement… customers make suggestions and we reply; they complain and we reply instantly… some of them, while they are in the restaurants, post complaints or questions and when we respond instantly they directly appraise us in the same communication, and that is really good… comments come in like, ‘this restaurant’s service is amazing, they care about making your experience complete.” This type of instant customer service, exposed to public, would not be possible or effective without SM platforms; the positive scenario of customers complaining, receiving a response, and then sharing their satisfaction and appreciation with the public, is improving the credibility and popularity of the business and
enhancing its brand image amongst SM potential customers.

To best manage comments on SM platforms, the SM Manager in Company N advises following a systematic approach: “we created guidelines for answering and replying to comments; good, positive ones we value, consider, and thank the customer for, negative, we apologize and investigate, and if the comment is true, we compensate the customer. Non-genuine negative comments mainly come from bored SM users or accounts paid by competitors; we ignore or delete these. To save time, we have developed ready answers and responses for frequently asked questions.”

In regard to correcting mistakes on SM, SM manager added, “it is the risky part of SM adoption. You can never be sure your mistake has gone; you can delete it, but as SM exposes the business to a massive consumer base, anyone could capture or take a photo of the mistake… if they want to abuse you, they can”.

The marketing manager shared an example, stating that they had observed that when “individuals attain high positions, people post their SM content from five or ten years ago and use it against them, so these mistakes can follow you in your life.” He stressed the need to “be careful when you post that you are objective and concentrating on promoting your business. Do not fight, attack, mock or downgrade. Just be positive in your activities and content on SM, and hopefully you will be safe.”

5.3.13.4 SM Adoption Enablers and Motivations

The marketing manager mentioned that “SM is very, very popular in the K.S.A… it is so affordable… we just need a mobile, SM staff, and an internet connection… it is very easy to learn and, with experience, it becomes easy to use.” Company N considered all these attributes of SM to be strong motivations to adopt it early on.

The CEO confirmed that, “during the last five years we have witnessed some friends who have invested in the restaurant business and have benefitted a lot
from SM, and we have seen how a properly planned, high-quality hashtag can reduce your marketing bills and promote your brand image amongst potential customers… it was a success factor in the business, helping it to gain popularity and succeed.” In this way, observability was a motivation for Company N to adopt SM.

Another motivating factor was a statement by the Telecommunications Minister in the K.S.A, who stated, as the CEO explained, that “75% of the Saudi community is 13 or younger. They spend from 50 to 60 hours a week on the internet, but mainly on SM.” The CEO added, “and I saw that around me… everyone was using SM for different purposes.” Thus, SM’s huge popularity amongst the Saudi youth was also a motivation. The marketing manager added “We were so excited to adopt SM, as it is low cost and a great and high-impact marketing tool.”

One enabler was the existence of internal competent SM experts, as explained by the SM Manager: “what really enabled us to effectively adopt SM was the experience and knowledge of one of the partners, who is a social influencer… he has so many proven strategies and brilliant techniques that help a lot with SM management… he knows the hidden secrets of different platforms’ functions and services.” This is another enabler that helps to unlock the potential of SM in the business.

In regard to government support, the CEO commented: “the government agencies are putting extra effort into supporting SMEs in general… mainly to adopt and use ICT in order to be part of the country’s transformation to a knowledge society. You know the 2030 vision… the organized events are so beneficial, informative, and effective.”

### 5.3.13.5 Barriers and Obstacles to SM Adoption

The SM Manager commented on the limitations of SM, stating that, “there is no big barrier or obstacle to SM adoption in the country, but I can say that the risk of making mistakes on SM is difficult to manage. In our guidelines we have some ‘don’ts’ that we have learned from experience and observation,
these include the requirement not to engage with or post anything related to issues that are controversial in this country… some religious issues, political matters, sexual and gender disunion, drugs-related issues, or anything similar. There are official entities taking care of these issues and spreading awareness, so it is not our job to do this.”

The marketing manager explained, “we struggled at the beginning with the language used in SM content. It is critical, as the Kingdom is a multicultural society, and you do not want anyone to feel excluded, so it is better to use what is known as ‘white language’, which all Arabic nationalities can understand, and simple English.”

The CEO talked about how the absence of “clear rules and regulation makes it difficult to know what might be considered offensive, businesses must wait for feedback to find out if anything is unacceptable.”

**5.3.13.6 Future of SM adoption**

The CEO stated that “SM is extremely important. You are opening up expansion opportunities for the business once you create accounts on SM platforms; if you have a good and unique product or service, it is very closely associated with increasing sales.” He furthered saying “Accessing new markets and new groups of potential customers… is related to follower numbers; if the numbers increase, our customer base will increase. Comments increase, so engagement increases, as this motivate more people to come and join the discussion... As a result, more potential customers are motivated to visit us in the restaurants… consumers trust each other on SM more than they trust the business itself.”

It can be concluded that making effort to increase followers, but specifically real potential customers, and motivating existing customers to follow the business’s SM account, is essential to accessing new markets, to increase the variety of the business’s services and product lines, and to expand geographically, too
CHAPTER SIX

Discussion

6.1 Introduction

Having reviewed the study context and literature in chapters 2 and 3, discussed the methodology in chapter 4, and presented the case-studies analysis in chapter, this chapter presents a discussion of the process and stages of SM adoption in SMEs in the K.S.A, followed by a detailed discussion of the influencing factors underpinning SM adoption, including enablers and motivators, and barriers and obstacles, finally recommending best practices for SM adoption in SMEs.

The empirical findings from the previous chapters are discussed here in the light of the context presented and the literature reviewed in, with an emphasis on similarities and differences among the studied SMEs. Thirteen SMEs were explored through in depth semi-structured interviews with 39 interviews (three participants from each company) from both retail and service sectors for fuller understanding of the whole wider picture of SM adoption in SMEs in K.S.A across multiple sectors. SMEs represented both retail and service sectors for richer data than limiting the study to one particular sector (Scupola, 2003). Beside, comparison was intended to be conducted but data findings showed no major differences insights between the adoption experience among the two different sectors and no essential comparative insights were observed during the analysis. Therefore, data analysis and results discussion are representing retail and service sectors together and are applicable to both.

The proposed framework for SM adoption was thus based on the conceptual framework presented in chapter 2 and the empirical work in chapters 5, which provided an insight into the adoption process in SMEs in the K.S.A and a deeper understanding of the surrounding factors and their implications and the enriched discussion in this chapter.

The framework shown in (Figure 14) includes the critical factors influencing SM adoption decision processes and use in Saudi SMEs (environmental factors, SME-
related factors, SM related factors). These factors were categorized into enablers that motivate fast and early SM adoption and obstacles that lead to slow and inferior SM adoption, which are proposed in (Figure 15) The model also reveals the possible business improvements that SM may provide to SMEs (SM marketing improvement, business functions transformation, and business development and expansion), which might be achieved by considering the proposed best practices (Figure 16) as guidance for SM adoption.

6.2 Proposed SM-based framework for SMEs

The proposed framework was developed from the insights provided by the participants of the case-studies and the relevant literature.

The business framework developed in this study proposes the SM adoption decision process stages modified based on the findings of the case studies conducted in this research. Additionally, the proposed framework contributes to the decision-making process for effective SM adoption by considering the surrounding factors that influence the adoption stages, including the SM-related factors, SME-related factors and environmental factors. Also, the study results inform business strategic plans by recommending best practices for effective adoption of SM and indicating the most evident malpractices that may lead to limited and poor SM adoption and performance in SMEs. The proposed framework also presents the main new opportunities and outcomes for SMEs in the K.S.A if they adopt SM using an accurate, planned approach. For more in-depth understanding of the phenomenon, the study categorized the different surrounding factors into enablers and obstacles that influence SM adoption in SMEs in the K.S.A.

To clarify, the original aspects of the proposed framework are: first, a modification to Rogers’ five stages of the innovation decision process model based on the research findings and results; and second, a contextualization of the TOE model based on the context of SMEs in the K.S.A.

The five stages of innovation decision (Rogers, 2003) were not fully supported by the findings of this research. The stage of accruing different types of knowledge before
the implementation of SM adoption in the business was not conducted properly. In addition, the confirmation stage was not identified as important and it was not clear how the SMEs included in the case-studies confirmed their decision to adopt SM. Additionally, most SMEs in this study moved directly from the knowledge stage to the decision-making stage without passing through the persuasion stage at all.

Based on the findings form the collected data analysis in (chapter five), the current study proposed this framework (as in figure 14) for SM adoption in SMEs in K.S.A , to facilitate knowledge understandings and enable effective application of SM in the business.

The following paragraphs describes the process and details of developing the framework of the this study.

The framework was developed according to the conceptual framework of the study presented in the literature review chapter, along with modifications and extensions form the research findings that emerged from the data analysis and exploration. The first part of the framework presented the influencing factors during SM adoption in SMEs based on the TOE model contexts in order to answer the second research question: What are the factors that might influence SM adoption in Saudi Arabian SMEs? (details of how the study achieved the research questions is presented in the next chapter, section 7.2) and to specify the factors nature as enablers and motivations or barriers and obstacles (details found in sections 6.3 and 6.4 along with figure 15). Then, the next part of the framework presented the main SM adoption stages processes that SMEs studied in this research were experiencing in order to answer the first reach question: How is SM currently being adopted by SMEs in the Saudi Arabian context? The last part of the framework presented the expected outcomes of of SM adoption in SMEs in K.S.A, the better planned the adoption the more effectiveness will be experienced in the company performance and development across several business functions. This section will asset in answering the third research question: How is the adoption of SM improving the way in which Saudi Arabian SMEs conduct business. The fourth research question: What are the most evident practices for the effective adoption and utilization of SM by Saudi Arabian SMEs? were answered based on the
generated best practices and malpractices found form the collected data analysis of the participated SMEs (as detailed in section 6.5 and figure 16); along with the broader inclusive understanding that has been improved from the discussion and deep analysis of this framework across all its three parts. Hence, all of the research questions and objectives have been satisfactorily achieved throughout the developing of this proposed SM based framework for SMEs in K.S.A. along with the additional parts of the findings and dissuasion results presented in this chapter.

Following, are (figure 14) that presents the proposed SM based framework for SMEs. Then a detailed table and then a discussion of the research findings and the modification applied to The five stages of innovation decision model.
Figure 14: Proposed SM based Framework for SMEs
For easier and more convenient reading of the tables, it has been referred to marketing manager as (MM), SM manager as (SMM), the CEO as it is. Also, companies have been abbreviate to (CO.---) then the company identifying letter A,B,C,D,E,F,G,H,J,K,L,M,N. Besides, if all the companies supported a factor or a theme it is mentioned as (Supported by all companies), if most of the companies supported the theme it is mentioned as (Supported by all companies except companies…..stating the non supportive companies), if some companies supported the them then the supportive companies are listed as (Supported by companies….listing the supportive companies) and that for facilitating tables reading.

<table>
<thead>
<tr>
<th>SM adoption stages</th>
<th>Supported by SMEs</th>
<th>Cases’ evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge stage</td>
<td>Supported by all companies</td>
<td>“It takes the appropriate knowledge and practice to formulate a good awareness of how to manage and utilize SM for the good of the business.” SMM Co.J</td>
</tr>
<tr>
<td>Persuasion stage</td>
<td>No support in placed</td>
<td>No evidence</td>
</tr>
<tr>
<td>Decision stage</td>
<td>Supported by all companies</td>
<td>“SM is cost effective and the customers reach is easier, so we decided to use it.” CEO Co.B</td>
</tr>
<tr>
<td>Implementation stage</td>
<td>Supported by all companies</td>
<td>“the adoption was low speed and implemented step-by-step to ensure effective implementation and positively present our brand image via SM.” CEO Co.K</td>
</tr>
<tr>
<td>Confirmation stage</td>
<td>No support in placed</td>
<td>No evidence</td>
</tr>
<tr>
<td>Assessment and monitoring stage</td>
<td>Supported by all companies</td>
<td>“We assess our success on SM by the amount of sales that come from our Instagram account.” CEO Co.G</td>
</tr>
</tbody>
</table>
6.2.1 The innovation-decision process

6.2.1.1 The knowledge stage

Rogers (2003) described the innovation-decision process as “an information-seeking and information-processing activity, where an individual is motivated to reduce uncertainty about the advantages and disadvantages of an innovation” (p. 172). The findings indicated that the innovation decision process is more about the decision to adopt the innovation or not and if yes, to what extent. In this research the innovation was SM. Throughout the adoption stages, SMEs needed and looked for a sort of awareness knowledge to inform each stage in order to be more aware and informed of the advantages and disadvantages of SM in the business. However, most of the SMEs had limited knowledge of the basic principles required for SM adoption, which could lead to misuse and poor performance. As Rogers (2003) stated “This knowledge includes the functioning principles describing how and why an innovation works”, so as the SMEs did not know and include in their SM plan and strategies why they should adopt SM and how they could adopt it, this might led to the inefficient implementation that have been noticed. Additionally, what most of the companies lacked was how-to knowledge, which Rogers described as knowing how to use the innovation correctly. It was clear from the findings that most of the companies lacked this knowledge and
had no in-depth knowledge of how to adopt and use SM correctly. This lack of knowledge was one of the barriers preventing the effective adoption of SM.

6.2.1.2 The persuasion stage

The persuasion step occurs when an individual has a negative or positive attitude toward the innovation, but “the formation of a favourable or unfavourable attitude toward an innovation does not always lead directly or indirectly to an adoption or rejection” (Rogers, 2003, p. 176).

The results indicated that all of the SMEs included in the study had a positive perception toward SM adoption and use in the business at different levels. The persuasion step was not clear during SM adoption; most businesses moved directly from the knowledge step to the decision-making step. Even though, persuasion is more about the feeling than the cognitive attitude (Rogers, 2003) and eastern nations are well known of their emotional influence in decision making, others opinion about SM was not a major factor in SM adoption decision in the studied cases.

6.2.1.3 The decision stage

According to Rogers (2003) at this stage an individual takes the decision to adopt or reject the innovation. Adoption refers to “full use of an innovation as the best course of action available,” while rejection means “not to adopt an innovation” (Rogers, 2003, p. 177). When this adoption definition was applied to the case-studies, a modification to the definition of adoption was indicated: adoption of SM refers to the use of SM as the best course of action available, but the usage level might vary. In some cases, it was full, but in most cases it was limited.

6.2.1.4 The implementation stage

One of the most important concepts Rogers (2003) discussed in the implementation stage is the need for outsider change agents or others to assist with the technical competency required for proper implementation. Also, Rogers mentioned reinvention as a process of undertaking modifications and changes to the innovation while adopting it, but it was not part of the implementation stage in the case studies in this research.
The study showed that SMEs in the K.S.A tend to adopt existing ways of using SM in business rather than creating new ideas about how to use SM or inventing new ways of adopting SM. In most cases, they followed the popular trends and most adopted methods for SM adoption and business utilization in the market by monitoring their competitors and other large companies in their sector or relevant sectors, trying to learn from them or copy their strategies without much modification. This could be considered as one reason for the limited SM adoption in SMEs in the K.S.A: they focus on following trends rather than tailoring SM functions and potentials to their own needs, business requirements and available resources.

6.2.1.5 The confirmation stage

According to Rogers (2003) at this stage it is possible to reject the adoption of the innovation, but in most cases it is the stage to confirm the decision and to continue use of the innovation. In this study, this stage was not essential for SMEs as most of them took an absolute decision at the decision stage that they would definitely use SM. However, the extent to which they would use SM was not clear at the decision stage, but became clearer in the implementation stage and later in the improvement and development stage. At the development stage most of the SMEs had a better and clearer view of SM adoption in their business and had already witnessed the actual benefits SM had brought or would bring to them.

The study results indicated that the confirmation stage was not applicable in the study context of SMEs in the K.S.A and this stage was replaced by two other stages found to be important during the adoption process: monitoring and assessment; and improvement and development stages.

6.2.1.6 Monitoring and assessment stage

During this stage SMEs monitored their SM adoption strategies for effectiveness and decided whether to keep using these strategies or to try other approach for SM adoption. Lee (2014) noted that companies should establish suitable planned SM metrics for measuring their SM performance. The case studies showed that SMEs monitored their SM performance at this stage using three main measures: SM figures of followers and likes; number of reviews, posts, retweets and SM public engagement
and comments; and finally financial measurements. The SM figures and level of customer engagement reflect the non-financial performance of the company in SM, including relationship-building and customer connections and bonds to the business brand and products. Financial measures mainly focused on monitoring SM-led sales and SM-led customers, then seeing how they contributed to the total sales generated by the company. Following a table showing the different assessments of SM performance combined with evidence from the cases.

<table>
<thead>
<tr>
<th>SM performance assessment</th>
<th>Supported by SMEs</th>
<th>Evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>SM figures (followers, fans, likes, share)</td>
<td>Supported by all companies except company G</td>
<td>“numbers of followers, likes, shares, and level of positive engagement are our indicators of SM performance in SM; the higher, the better”. MM Co.K</td>
</tr>
<tr>
<td>Financial performance</td>
<td>Supported by all companies Except companies A,C,E,K</td>
<td>Co.L “we try to calculate any direct or indirect sales… we get a number that is not quite accurate but is an approximate financial evaluation of the SM marketing returns”. SMM</td>
</tr>
<tr>
<td>SM communities engagement</td>
<td>Supported by all companies except companies B, C, G,K</td>
<td>“Assessing the performance of SM depends on the number of followers on SM accounts and the level of engagement from target customers... This can be indicated by the comments, responses, likes, and shares.” CEO Co.C</td>
</tr>
</tbody>
</table>

Table 13: SM performance assessment in SMEs

### 6.2.1.7 Improvement and development stage

At this stage SMEs had already tried the different strategies and approaches for SM use, and were aware of the real benefits of SM to their business, and of their level of
performance. Accordingly, they could develop a well-established plan, for effective SM adoption and improvements and developments, the company could apply to its use of SM. Such development and improvement plans should be informed by how-to and why-to knowledge gained through learning approaches such as attendance at workshops and training courses and/or reading appropriate material or meeting with and learning from expert individuals. Alternatively, SMEs could outsource SM adoption and utilization to companies that specialize in SM management for business objectives after assessing the pros and cons of such decision.

6.2.2 The TOE Model

The research results showed that TOE model was an appropriate choice as most of the factors surrounding the SM adoption process in SMEs in the K.S.A fitted into the three main factor categories in the TOE model: technology, organizational and environment. The main contribution to this model is the contextualization of the factors in each category.

In the current research the technology context is SM (social media), the organizational context refers to SMEs and the environmental factors refer to the specific context of the K.S.A.

As mentioned above the second contribution of the current research is the contextualizing of the TOE model. Referring to Rousseau and Fried, "Contextualization entails linking observations to a set of relevant facts, events, or points of view that make possible research and theory that form part of a larger whole" (2001: 1) as cited in (Johns, 2006). In fact, contextualization is a sort of situational opportunities and constrains that contribute to the meaning, understanding, analysis, and discussion of a phenomenon (Johns, 2006). Additionally, context affect the factors around a specific study and how these factors interact and relate. Also, studying management field phenomena in a specific context is essential to avoid fracturing of research (Pfeffer, 1993). So, it can be concluded that contextualizing a theory play an important role in studying the theory in a more specific approach that helps to advance understandings and analysis of the theory.
Accordingly, and as the results of this study is contextualized around the K.S.A context, SMEs in K.S.A can better understand the SM adoption process stages, and have a clearer vision of the factors influence this adoption from environmental, organizational and technological perspectives. When SMEs in K.S.A be informed with this contextualize SM based business model, their SM performance is expected to improve, consequently, they will gain and benefit of the SM adoption expected outcomes of effective business transformation and development as presented in the following table. After that, more detailed discussion of the concluded factors from the case-studies.

The tables below revealed the outcomes of the cases as a result of SM adoption in SMEs in K.S.A.

<table>
<thead>
<tr>
<th>SM expected outcomes</th>
<th>Supported by SMEs</th>
<th>Cases’ evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>• SM marketing improvement</td>
<td>Supported by all companies</td>
<td>“we have already transformed our marketing strategy, and developed a SM marketing strategy, and while we’re satisfied with the results, it will [continue to] evolve over time”. MM Co.J</td>
</tr>
<tr>
<td>Brand management</td>
<td>Supported by all companies</td>
<td>“We use SM in order to remain aware of our position in the market, and of our brand image in the eyes of our customers”. MM Co.H</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“SM helped to strengthen [the company’s] brand image and awareness in the market”. MM Co.G</td>
</tr>
<tr>
<td><strong>Marketing campaigns</strong></td>
<td><strong>Supported by companies</strong></td>
<td><strong>“We mainly use SM for marketing campaigns and advertisements”. MM Co.J</strong></td>
</tr>
<tr>
<td>------------------------</td>
<td>---------------------------</td>
<td>--------------------------------------------------</td>
</tr>
<tr>
<td><strong>SM advertisements</strong></td>
<td><strong>Supported by all companies</strong></td>
<td><strong>“our business requires official permissions, and that takes a long time. Marketing through SM has enabled us to advertise and reach target customers instantly, but even if it is over a week or so we can advertise well… at no cost. These are the main motivations to use SM.”” MM Co.K</strong></td>
</tr>
<tr>
<td><strong>Business functions transformation</strong></td>
<td><strong>Supported by all companies</strong></td>
<td><strong>“to sustain the positive outcomes associated with the transformations we are applying to our marketing and research departments”. CEO Co.H</strong></td>
</tr>
</tbody>
</table>
| **Operational cost reduction** | **Supported by all companies** | **“reduce the requirements for overtime payments for sales agents when there is a high no-show rate”. CEO Co.C**  
**“This will save us lots of money, as renting the store costs us a lot”. CEO Co.G** |
<p>| <strong>Social responsibility</strong> | <strong>Supported by companies C,M</strong> | <strong>“SM adoption has allowed us to participate in positively influencing social awareness of good causes and worthwhile issues, such as health, the environment, or social issues… any</strong> |</p>
<table>
<thead>
<tr>
<th>Customer Services</th>
<th>Supported by all companies</th>
<th>“replying to customers’ comments, suggestions and complaints provides a direct approach to handling customer service compared to traditional methods”. MM Co.D</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>“most of our customer service activities are now done via SM accounts.” MM Co.H</td>
</tr>
<tr>
<td>Resources Allocation (time, money, effort)</td>
<td>Supported by all companies</td>
<td>“SM adoption improved our budget allocation.” CEO Co.M</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“it is saving time and effort in arranging customer visits in a more accurate and effective way than before.” CEO Co.B</td>
</tr>
<tr>
<td>Suppliers Evaluation</td>
<td>Supported by companies B,F</td>
<td>“We find and search for suppliers using SM, yes… We use SM for our supplier search… We evaluate them according to the services offered through their SM accounts, and by checking their performance through customers’ comments on their services and products.” MM Co.B</td>
</tr>
<tr>
<td><strong>HR recruiting</strong></td>
<td>Supported by companies F,M</td>
<td>“We use SM to advertise job vacancies … to recruit them… it is so effective, and cheaper and faster than traditional methods… SM pages almost enable you to have an interview with them, without the time and effort of an appointment.” Marketing manager Co.M</td>
</tr>
<tr>
<td>------------------</td>
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<td>------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Informed Decision making</strong></td>
<td>Supported by all companies</td>
<td>“When there is a new job to be announced, we do it on SM”. CEO Co.F</td>
</tr>
<tr>
<td><strong>Business development and expansion</strong></td>
<td>Supported by all companies</td>
<td>to make better-informed decisions regarding “…pricing the products... and developing new designs”. CEO Co.G</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“informed the decision making process in the company”. SMM Co.H</td>
</tr>
<tr>
<td><strong>Improve sales</strong></td>
<td>Supported by all companies</td>
<td>“SM facilitates expansion for the business and access to new cities and neighbouring countries like Bahrain and Kuwait.” CEO Co.A</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“One of the benefits is that SM enables you to sell more, especially on Instagram” CEO Co.F</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“Most of our sales by youth, female, and out-of-region customers come from SM. They say ‘we saw your ads or coverage on Instagram… Twitter.””</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CEO Co.K</td>
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</tr>
<tr>
<td><strong>New business markets</strong></td>
<td>Supported by all companies</td>
<td>“SM will take us to regional and international markets and make us famous.” SM manager Co.E</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“expanding and establishing new branches locally and regionally”. CEO Co.C</td>
</tr>
<tr>
<td><strong>New potential customers</strong></td>
<td>Supported by all companies</td>
<td>SM “…is exposing us to new audiences and new markets.” MM Co.M</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“SM has increased our customer base.” CEO Co.D</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“they help us to communicate our brand message to new fans”. MM Co.H</td>
</tr>
<tr>
<td><strong>Research &amp; development</strong></td>
<td></td>
<td>“SM is a great market research tool, but you have to understand how to use the data.” CEO Co.L</td>
</tr>
<tr>
<td><strong>Crowdsourcing</strong></td>
<td>Supported by companies C,D,F,G,H,J,L</td>
<td>“The most important factor for me is that people are talking, they comment, they respond”. SMM Co.F</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“They act as research agents by giving us feedback on our service and products, and where we can improve, or be more creative…We used the data we got to inform the design and”</td>
</tr>
<tr>
<td>Mass customization</td>
<td>Supported by companies D,E,G,H,L,M,N</td>
<td>“SM opens a two-way communication with our customers, which adds to our understanding of the market needs”. MM Co.H</td>
</tr>
<tr>
<td>New products/innovative products</td>
<td>Supported by companies D,G,H,J,L,M</td>
<td>“we started to implement voting polls and surveys on SM…for fast collection of customers’ views and opinions, then customized the services or modified strategies accordingly”. MM Co.L</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“Using SM we can collect and trace data about viewers… provides us with the trends and the audience’s needs, then we can tailor our media productions accordingly to suit the majority of our viewers” MM Co.M</td>
</tr>
<tr>
<td></td>
<td></td>
<td>we get inspiration from some of their posts, and the seeds of new ideas from their content on SM”. SMM Co.J</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“Some customers keep us updated with the market trends, and some of them suggest creative designs… [that are] different and unique”. CEO Co.G</td>
</tr>
</tbody>
</table>

Table 14: SM expected outcomes in SMEs
From the cases, the findings revealed most, or all companies supported the adoption of SM in the K.S.A. Further, the cases disclosed that SM adoption were significantly improving marketing aspects in the business, particularly for preserving brand image, marketing campaigns and advertisements. Almost all companies agreed to the importance of the SM technical and characteristics factors in the implementation process, however, only few companies opted the marketing campaign factor. From the above findings, SM adoption denotes how critical it is in improving the marketing campaign in business, as agreed by (Mathwick, 2002). More importantly, brand image was improved as exposed by the cases which was also developed in literature (Blackshaw & Nazzaro, 2006, Xiang & Gretzel, 2010, Hanna et al., 2011, Kietzmann, 2011).

In terms of business transformation, only few factors such as social responsibility, suppliers’ evaluation and human resource recruitment were not in favour or recognition to most companies. However, others SM factors which were operational cost reductions, customers service, resources allocation and informed decision making were embraced by all companies in their SM adoption. There were evidences derived from the cases that SM adoption developed cost effectiveness, customers service, resource allocation and informed decision making as shown in the literature (Brown, Tilton and Woodside, 2002, Gemunden et al., 1997, Lee, 2014).

Looking from the critical aspect of business development and expansion, the study discovered that all companies supported these factors which were improved sales, new business market and new potential customers. These evidences demonstrated that, not only SM adoption was accepted in the K.S.A., more significantly, it delivered drastic improvement to the business. Stephen & Toubia, (2010), Tuten and Solomen, (2014) argued in literature on how SM adoption can make improvement in business. This was demonstrated by the cases which resulted in business performance that led to increase in economic values.

In research and development aspect, there were evidences that these factors of SM adoption were crucially accepted by most companies, although few of them resisted. Factors which were crowdsourcing, mass customisation and new products/innovative products revealed that there were highly accepted in some of companies which produced new ideas and innovations. Thus, as argued in literature, the findings
disclosed evidences that SM adoption support new product development and innovation (Moon & Sproull, 2001, Dodgson et al., 2006).

6.2.3 TOE based influencing factors

In order to assist with SM adoption in SMEs, it is argued that the first level of understanding required is the surrounding factors related to the SM itself, its company profile, and its operating environment. Following a table illustrating the SM adoption influential factors under the main themes of technology, organization and environment. Each factor has evidences from the studied SMEs data analysis chapter, for verifying the relativeness of the factor supported by the literature review and any additional emerged factors that were generated from the data analysis.

Following table 15 which is representing the factors influencing SM adoption in SMEs in K.S.A:

<table>
<thead>
<tr>
<th>SM adoption influencing factors</th>
<th>Supported by SMEs</th>
<th>Cases’ evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Technology Context</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relative advantage to business</td>
<td>Supported by all companies</td>
<td>“We were aware of the importance and benefits of SM for modern businesses, … we felt that we should introduce a SM presence”. CEO Co.H</td>
</tr>
<tr>
<td>Complexity</td>
<td>Supported by all companies except companies F&amp;K</td>
<td>“Using SM is not easy, it takes time, but it’s profitable”. CEO Co.F</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“I think, yes, we were motivated highly motivated to adopt SM because it is easy to use and fast to learn” SMM Co.M</td>
</tr>
<tr>
<td>Feature</td>
<td>Supported by</td>
<td>Comments</td>
</tr>
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</tr>
<tr>
<td>Compatibility</td>
<td>D,E,G,J,M</td>
<td>“it is a low cost tool and technologically compatible with the existing tools and devices used by ourselves and our audience…” SMM Co.M</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“The compatibility of SM with our existing technology structure... SM is compatible with the company’s main objectives — popularity, and increasing income and business.” MM Co.E</td>
</tr>
<tr>
<td>Observability</td>
<td>all companies except G,J,M</td>
<td>“Observing the popularity of SM among consumers and businesses, including from other SMEs not in our sector, played a role in motivating us to adopt SM” MM Co.C</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“In fact, when I checked some international companies’ SM accounts, I was amazed by the advantages SM can offer to businesses.” CEO Co.B</td>
</tr>
<tr>
<td>Trialability</td>
<td>all companies</td>
<td>“interesting about SM is that whatever we learn … we can try…” SM manager Co.K</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“You can try most of the things on SM for free… the trail phase is very important to us… it increases our confidence in anything we decided to do on SM”. SMM Co.H</td>
</tr>
</tbody>
</table>
| SM security issues           | C,K          | “obtaining sensitive information, ruining the company’s image, or just having fun corrupting the company’s SM accounts.” He added: “…there is no clear law in the
<table>
<thead>
<tr>
<th></th>
<th>Supported by all companies except company B</th>
<th>“it’s our favourite marketing tool right now… very popular among everyone in society” MM Co.J</th>
</tr>
</thead>
<tbody>
<tr>
<td>Popular among target customers</td>
<td></td>
<td>“We are on Instagram, which is the most popular platform in the K.S.A”MM Co.N</td>
</tr>
<tr>
<td>SM content</td>
<td>Supported by all companies</td>
<td>“I believe SM content is the most important factor of any business’s SM presence”. MM Co.H</td>
</tr>
</tbody>
</table>

### Organizational Context

<table>
<thead>
<tr>
<th></th>
<th>Supported by all companies except company C</th>
<th>“We don’t have a strategic plan for SM adoption, and I don’t think we need one.” CEO Co.C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic planning</td>
<td></td>
<td>“After the success we had in adopting SM, we introduced a detailed plan …” CEO Co.G</td>
</tr>
<tr>
<td>Top Management Support</td>
<td>Supported by all companies except companies C,G</td>
<td>“I have freedom in my SM work and that’s made me more active and creative, as there is no managerial delay for approval or the interference of personal views.” SMM Co.B</td>
</tr>
<tr>
<td>SM Internal competencies</td>
<td>Supported by all companies except company C</td>
<td>“The CEO was very supportive of SM adoption... SM supports his goal of building a very popular brand name in the industry.” SMM Co.E</td>
</tr>
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<td>--------------------------</td>
<td>---------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------</td>
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</tbody>
</table>
| Business knowledge       | Supported by companies A,M,N                 | “My interest and knowledge will help SM to grow.” SMM Co.A  
<pre><code>                      |                                             | “[using] SM requires special attention and knowledge in both the SM field, and in electronic marketing, in order to manage the platform effectively” CEO Co.H |
</code></pre>
<p>|                          |                                             | “Having limited knowledge of SM in business is an obstacle.” CEO Co.E |
| Individual interests on SM (emerged) | Supported by companies A,B,D,F,J,K,L | “To start using SM in the business effectively, you just need to have a good knowledge of business management, e-marketing, and SM platforms and functions. An IT background is not required.” SMM Co.N |
|                          |                                             | “my educational background in management made it easier for me to try additional functions which had not been used before… in fact, it resulted in better performance on SM.” CEO Co.A |
|                          |                                             | “…management and company owners are passionate about utilizing SM in the business.” MM Co.D |</p>
<table>
<thead>
<tr>
<th>Environmental Context</th>
<th></th>
<th>“It was everybody’s idea… they are SM celebrities,” MM Co.J</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet services accessibility and affordability</td>
<td>Supported by all companies</td>
<td>“The availability of the internet was one factor, …, the affordability of the internet did help”. SM manager Co.F</td>
</tr>
<tr>
<td>Government ICT support for SMEs</td>
<td>Supported by companies C,F,N</td>
<td>“the government agencies are putting extra effort into supporting SMEs in general… mainly to adopt and use ICT in order to be part of the country’s transformation to a knowledge society. You know the 2030 vision… the organized events are so beneficial, informative, and effective.” CEO Co.N</td>
</tr>
<tr>
<td>Government SM regulations</td>
<td>Supported by all companies</td>
<td>“There is insufficient regulation in the business market; there is a need for improvement.” CEO Co.B</td>
</tr>
<tr>
<td>Copy rights issues</td>
<td>Supported by companies B,G,H,J</td>
<td>“and extra effort should be taken by the government to protect retailers’ copyrights and position in the market.” CEO Co.B</td>
</tr>
<tr>
<td>Competitors</td>
<td>Supported by all</td>
<td>“The absence of copyright protection laws in the country is one of the reasons for this problem... it would be better if we had a law to protect business and consumers on SM”. CEO Co.G</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“We just saw other businesses using SM and we thought we could try it too.” MM</td>
</tr>
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<tr>
<th>pressure</th>
<th>companies</th>
<th>Co.C</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>“competitors are very active on SM.” MM Co.E</td>
</tr>
<tr>
<td>Cultural issues</td>
<td>Supported by all companies</td>
<td>“It is difficult to get approval from patients to use their stories, especially photos, on our SM accounts.” MM Co.C</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“We faced a few critical situations concerning cultural aspects.” MM Co.H</td>
</tr>
<tr>
<td>Customers criteria</td>
<td>Supported by all companies</td>
<td>“until I was able to propose the best SM strategy for the company,… and for its different groups of customers…” SMM Co.H</td>
</tr>
<tr>
<td>Sector and sub-sector</td>
<td>Supported by all companies</td>
<td>“but we learned that the media production sector doesn’t require heavy SM monitoring and updating” CEO Co.J</td>
</tr>
</tbody>
</table>

Table 15: factors influencing SM adoption in SMEs in K.S.A

The key environmental factors were found to be internet service infrastructure readiness, governmental rules and regulations, business segment, product and customer characteristics, market competition intensity, cultural issues, security issues and copyright issues. The organizational factors of SMEs included top management behavior, strategic planning, internal knowledge, the SME’s individual interest and SME management internal competences. Technology factors including SM’s relative advantages, attributes and platform popularity among target customers and the platforms’ functionality and communities have a major influence on the SM adoption decision process and use in SMEs.
The main factors relating to SM context that contributed to the SM adoption process and decision in SMEs were SM relative advantages; SM platforms popularity; platform’s functions; figures and community; and SM attributes.

The most SM platforms used and SMEs created accounts and pages at are Facebook, Instagram, twitter, WhatsApp and Snapchat. But, Instagram and Snapchat were recognized for their effectiveness to business more than other SM platforms. WhatsApp was mainly used for facilitating and supporting customers and suppliers communications.

SM relative advantages were found to be the essential factors that motivated SMEs to decide to adopt SM. In most of the case studies, saving resources, particularly time, money and effort were a major incentive for SMEs to adopt SM. As it is common for SMEs to have limited resources (Hill & Stewart, 2000 and Laforet, 2011), any technology or tool that might positively improve the allocation of resources is likely to be advantageous (Lee, 2014). SM helped the case study businesses by reducing marketing costs, especially for advertisements as stated in several interviews. Also, SM contributed positively to financial, technical and operational organizational resources (Lee, 2014). For example, SM facilitated better time management for some SMEs by helping in arranging customer visits, leading to reduced slack time and better use of employees’ efforts.

Another SM advantage was accelerating access to a large customer base of different ages and income groups, as supported by Lee (2014), who noted that SM enhances reaching target customers effectively and maintaining open communication. Also, SM enable access to new markets, as stated by Lee (2014), who commented that “SM enables organization to extent their boundaries”. Additionally, SM plays a role in helping SMEs to build a stronger business image and brand, facilitating customers’ communication in a more open direct way, as noted by Lee (2014), helping customers make faster purchasing decisions on the basis of online testimonials from existing customers.
In fact, the SM attributes defined by Rogers (2003) were confirmed by this study as essential to the decision-making process and they were generally the first motivation for SM adoption in SMEs in Saudi Arabia.

In the SMEs related factors, the study showed that many SME owners, managers and employees in the Saudi retail and services industry did not understand how SM can be of real advantage and become a main channel for the business. Most owners and top managers interviewed considered SM to be complementary or a future trend, counter to the growing figures internationally showing that SMEs are adopting SM for a number of business functions but primarily as their main marketing medium (Abed et al, 2015). Also, it was found that managers’ poor understanding of SM, how it can be implemented in the business, and the surrounding factors create a barrier to adopting SM effectively. This is similar to the findings of Timmers (1999) and Simpson and Docherty (2004), who stated that ignorance of the level of security, costs, legislation and interoperability when dealing with technology is creating concerns in companies that limit the technology adoption opportunities.

As exploring and identifying factors is critical to establish an understanding of the SM adoption phenomenon in business (Dahnil et al, 2014), enablers and barriers and obstacles were identified from the surrounding factors as shown in (figure 15). The main enablers that might facilitate and motivate the adoption of SM in Saudi SMEs were: top management support/enthusiasm; government support for SMEs; ICT; internal technical and SM competencies; simple organizational structure; SM popularity among customers; SM accessibility; SM platforms and functional variety; SM cost effectiveness/low entry cost; and Internet affordability & availability.

The key obstacles that might lead to slow and inferior SM adoption in SMEs were: cultural issues restricting SM content; absence of business laws and regulation relating to SM; inadequate SM adoption planning; management unwillingness to incur SM costs; absence of SM databases and documentation; lack of SM operational timeframe; limited awareness of SM professional knowledge importance; limited awareness of SM potentials and returns; reliance on personal effort; lack of qualified employees; lack of time; lack of relevance to the SME’s sector; customer behaviours (online payment, buying commitment, privacy issues); and expensive SM outsourcing.
As the main framework in figure 14 included the factors influence the SM adoption in SMEs based on the TOE categories of technological, organizational, environmental contexts, it was considered to present the factors in a form of enablers and barriers for more applicability and understandings of the influencing type of each factor. Thus, the following figure 15 presents the main enablers and barriers of SM adoption in SMEs in K.S.A.

Figure 15: Enablers of & Obstacles to SM adoption in SMEs in Saudi Arabia

For detailed evidences of the findings in the following sections, SMEs data analysis can be reviewed and visited in the previous chapter of case studies analysis. That’s to avoid redundancy of interview quotations from the study participants as the factors were detailed in table 15 accompanied with cases’ evidences.
6.3 Enablers

6.3.1 Government support for SMEs

It is crucial for the government to support SMEs, particularly in ICT such as SM adoption. Government assistance to SMEs in the K.S.A can help to ensure that SM adoption will be smoothly implemented and practiced. For example, with government approval, any requirement that involves government action can be solved quickly without delay or hindrance. SM can thus be fully used, resulting in SMEs being able to undertake improvements while expanding their business. The findings thus demonstrated that the government’s role has an important influence on SM adoption in SMEs.

6.3.2 SMEs’ Simple organizational structure

The simple structure of SMEs was found to be an advantage for effective SM adoption. For instance, a simple company structure eliminates many of the difficult and lengthy process of SM implementation that often apply in larger organizations. Most of the SMEs in the case studies had a simple company structure, enabling rapid SM adoption. The analysis thus suggests that a simple organizational structure contributes to fast decision of SM adoption.

6.3.3 Top Management support and eagerness

It is well known that in running any business, support from top management is a key to overall success. Therefore, in SM adoption, support from top management is critical, as supported by the case study findings. With support from the top management, the decision-making process became easier, implementation was faster and the application became reality more easily. When the top management are aware of the situation, any necessary action can be taken promptly. In contrast, without support from the top management, the implementation of SM adoption is likely to fail. Therefore, the findings suggest it is important for top management to provide support in SM adoption.
6.3.4 ICT Infrastructure readiness

The analysis indicated ICT infrastructure readiness as one of the key elements for effective SM adoption. Logically, without available ICT infrastructure, SM adoption cannot be accomplished. As demonstrated by the retailers in the case studies, the availability of adequate ICT infrastructure was a key element that enhanced the SM implementation process, allowing it be carried out faster. The findings therefore suggest that ICT infrastructure readiness is a contributing factor enabling SM adoption.

6.3.5 Internet affordability and availability

In the K.S.A, it was found that internet costs were relatively affordable for most SMEs. In addition, internet availability was reliable, without intermittent disruptions. It is recognized worldwide that reliable internet connectivity is vital for business use of SM. As noted by Stolterman, (1999), the internet is a virtual place in which business people can gain active and real-time information. The study findings showed that internet affordability and reliable availability were essential for SMEs throughout their SM adoption process. Since the K.S.A can achieve this infrastructural requirement, it contributes to effective SM adoption. The findings strongly suggest that these Internet reliability and affordability contributed to enabling effective SM adoption.

6.3.6 SM platforms and functional variety

In a process of adopting SM effectively, the SM platforms chosen must provide appropriate functions for specific business activities. The analysis showed that with correct implementation, the SM platforms adopted performed a variety of functions. For instance, customers connected by SM technologies were encouraged to build long-term customer relationships, as suggested by Bauer et al, (2002). Another function is creating competitiveness (Levy and Powel, 2003), which is a significant positive indicator of business transformation. The competition’s benchmarks and requirements can easily be found in SM platform, encouraging companies to be aware of the current market demands of their competitors. This awareness stimulates companies to improve and create competitive strategies to compete in the market. The findings
found that appropriate SM platforms and their range of functions were enabling factors in effective SM adoption.

6.3.7 SM accessibility

The analysis demonstrated that SM accessibility is one of the key factors in SM adoption. Even though the findings revealed that only a few companies were well prepared in terms of technical competency and familiarity in accessing SM, this did not prevent the companies from using SM. In fact, SM accessibility enables companies to get access to instant information and rich data sources, aiding decision making. Tan et al. (2009) assert that SM allow access to required information with accuracy, timeliness, relevance, and retrieve-ability. Thus, the findings justified these key values to be critical. As a result, SM accessibility is a key factor in effective SM adoption. Without SM accessibility, which is a basic requirement, SM adoption would be difficult to realise.

6.3.8 Internal technical and SM competencies

The findings demonstrated that internal technical and SM competencies are critical in effective SM adoption. Some of the companies in the case studies showed that good internal technical background can lead to an effective SM adoption. Lack of guidance and external training on how to use SM correctly was not an issue in some companies. Individual-level SM background acquired previously at university or college encouraged some employees to fully use SM in the business setting. The commitment that these employees showed helped to develop SM competencies and improve business performance. The findings indicate that internal technical and SM competencies play an important role in enabling effective SM adoption.

6.3.9 SM Cost effectiveness and low entry cost

One of the main motivations for SMEs in Saudi Arabia to adopt SM was SM’s low entry cost, cost effectiveness and popularity among potential customers, which confirms Johansson and Corvera’s finding (2012) that getting closer to customers is very important in modern business. This can be mediated through SM’s major advantages of cost saving and getting closer to customers. This result aligned in
agreement with Plant, (2004) who stated that a key factor of such technology is the low cost of communication. Dholakia and Kshetri, (2004); Kaplan and Haenlein (2010), and Hawn (2009) also suggest that online SM create cost-effective means of communication, as demonstrated in the case studies, enabling SMEs to carry out improvements while developing their business performance. The findings indicate that SM adoption offers cost effectiveness and low entry costs to SMEs in the K.S.A.

6.3.10 SM popularity among customers

One of the main reasons for SM adoption by SMEs is to help them to increase their customer base without needing physical mobility. Lunati (2000) stated that SM technologies enable SMEs to increase their customers globally by broadening their markets geographically. The case studies showed that effective SM adoption led to popularity among customers which in turn attracted more customers. However, since SM links people globally, thus one simple action can have a considerable impact. For instance, recommendations of a company’s products or services can spread rapidly with one click, which can potentially attract a huge number of new customers. When the public “like” products or services on SM, it will attract further public attention and increases the numbers of new users who look at the products and services offered by the company. As SM is global, new customers can be from any part of the world. Therefore, popularity among customers is suggested to be a strong finding to increase and reach more customers in SMEs.

6.4 Obstacles and barriers

This section presents the perceived obstacles and barriers to SM adoption derived from the analysis. The findings indicate that strong barriers can prevent the SM adoption process from being implemented effectively. However, in the SM adoption process in the companies studied, some barriers were unavoidable. While the barriers varied to some extent from company to company, the findings showed that most companies in the case studies had similar patterns of challenges that acted as obstacles in the SM adoption process. The barriers that may have restricted companies from using the full range of activities in SM platforms are discussed in this section.
6.4.1 Cultural issues restricting SM content

Cultural issues were disclosed as restricting progress with the use of SM. Most companies were restricted by cultural issues affecting the contents of their SM pages. Therefore, they could only produce limited ranges of products and services on their SM platforms, limiting their ability to fully advertise their products. These limitations reduced sales and despite the restrictions, some customers still disapproved of the content of the SM platforms. The restrictions also minimised the potential to increase new customers and to expand the business globally. More importantly, these issues prevent the companies from fully using SM as a core business activity. For this reason, the findings suggest that cultural issues are categorised as one of the obstacles that prevent effective SM adoption and SMEs should carefully consider and deal with.

6.4.2 Absence of SM in business laws and regulation

The findings showed that SM legislation was yet to be enforced in the K.S.A. This means that SMEs have no rights, in terms of contents and intellectual property, with regard to their SM platforms. In the worst case, this can create legal issues, as indicated by Burgess et. al. (2011), who note that online contents provide legal and social challenges to users. Therefore, this study suggests that the absence of SM legislation is a barrier to an effective SM adoption in the K.S.A and decision makers are advised to consider and establish proper rules to govern SM based business content and intellectual property, to support SMEs adopt SM effectively.

6.4.3 Inadequate SM adoption planning

Apart from the low level of SM adoption in retail and services SMEs in Saudi Arabia, this research found that the lack of planning for such adoption was another barrier to full SM utilization. In most of the case studies, company employees used trial and error in SM implementation, without proper planning. The analysis revealed that most companies had inadequate SM adoption planning. Inadequate preparedness can lead to deviations from the original objective of the SM adoption. Inevitably, this creates a barrier to successfully completing the SM adoption process. As Lee (2014) stated, that SM influence business organization as a whole. In order for SMEs to adopt SM
effectively, they need to develop proper strategies for SM usage that are integrated seamlessly into the company business plan.

6.4.4 Management unwillingness to incur SM costs

New investment is considered a critical element of SM adoption. Sterne (2010) agreed that SM adoption is inevitably involves some investment. The costs can range from the basic components of SM implementation such as internet connectivity from the Internet Service Provider (ISP) to much larger expenses; for instance, the ICT equipment needed for the expansion of SM implementation. Without appropriate equipment and other necessary technical requirements, all of which involve some costs, SM implementation cannot be fully achieved. However, the analysis revealed that not all of the companies were willing to make an upfront investment in SM implementation. This unwillingness to incur costs, particularly from the management, put the companies in no position to progress with SM adoption. As a result, the findings suggest that unwillingness to incur cost is a barrier to wider SM adoption.

6.4.5 Absence of SM database and documentation

It is accepted worldwide that SM allow users to transmit messages and increase users or customers almost instantly. Berthon et al. (2012) and Pitt (2012) note that the numbers of customers on SM platforms are rapidly increasing. Technically, if customers increase, company databases need to be increased concurrently. However, the findings showed that most of the companies were unable to support databases containing high volumes of customers. Consequently, this lack of adequate database maintenance represents a barrier to SM usage and an obstacle to unlock all the potentials from SM that may support and improve knowledge creation for the business based on customers data and information.

6.4.6 No SM operational timeframe

In the case studies, most of the SM adoption processes were based on trial and error. The analysis showed that there was no benchmark for producing a real SM operational timeframe. As such, the effectiveness of the SM adoption process could not be measured accurately to gauge performance. Ultimately, since there was no scheduled
timeframe, it provided a barrier to the SM adoption process as a whole. Content publication and SM accounts updates better to be conducted according to specific timeframe, in order to achieve proper SM utilization.

6.4.7 Limited awareness of the importance of SM professional knowledge

Implementing SM adoption requires professional knowledge, particularly in those who are involved directly with SM, such as marketing managers or top managers. Even though Martin (2010) recommends learning for the digital age, this was not the case in the findings, especially when knowledge required appropriate training and costs. Most of the companies studied had limited awareness of the importance of SM professional knowledge, which created a barrier to effective SM implementation. Professional knowledge gaining might lead to create a solid background for SMEs to enhance SM performance development.

6.4.8 Limited awareness of SM potentials and returns

The findings revealed that most companies lacked knowledge and awareness of SM potentials and returns. As a consequent, SM adoption could not be implemented fully as SMEs were not aware of the positive impacts. Even though an effective SM adoption offers many advantages and benefits to the company, this outcome was not seen in most of the case studies. For example, SM has been used by many international companies such as P&G, General Electric and IBM to promote their sustainability initiatives (Lee, 2014). This reflects the larger scope of SM adoption that SMEs should be aware of while planning for SM adoption so that they realize what SM possibly can do to help them promote business sustainability, which is critical to the company’s competitive advantage in the market (Lee, 2014). Limited awareness of SM functions and potentials played as a constraint that creates a barrier to effective SM adoption.

Additionally, according to Constantinides et al (2010), being aware of SM advantages such as the low cost and popularity of SM among consumers make SM extremely attractive for SMEs. In this research it was found that the Saudi SMEs were not aware of the diverse range of business benefits that can be achieved through their SM adoption. This study showed that even those Saudi SMEs that had partially used SM platforms and technologies did not achieve the expected benefits, mainly due to the
lack of awareness of SM’s potential for business, particularly for SMEs. Thus, lack of awareness of the potential of technology is one of the barriers that reduce SM adoption effectiveness and level of use in SMEs. This finding is also supported by Rogers’ (2003) explanation and definition of awareness-knowledge and its importance in the adoption process, whereby awareness-knowledge represents the knowledge of the innovation’s existence, its potentials and relative advantages, which can motivate individuals to learn more about the innovation.

6.4.9 Relying on personal efforts

all of the studied companies were SMEs with a lack of employees with professional qualifications in SM, and ran their companies using a traditional approach. However, this constraint did not prevent them from attempting to implement SM. With minimal support, most of the companies in the case studies relied on personal effort from their employees, which led to less than full implementation of the available SM functions. The absence of proper guidance on how to use SM correctly and a lack of full participation from the company therefore created a barrier to full SM implementation. Also, in most of the cases, SM adoption process decisions and strategies were dependent on personal efforts leading to a risk of losing all the performance they have and the experience they gathered in SM use in the business if the responsible employee leaves the company for any reason.

6.4.10 Lack of qualified employees

In order to implement an effective SM adoption, qualified employees are essential. However, the findings demonstrated that most companies lacked qualified employees, particularly in terms of SM literacy. If the employees were not qualified, the SM adoption was unlikely to be achieved precisely. Therefore, the absence of suitably qualified employees created a barrier to effective SM implementation.

6.4.11 Lack of training

Providing training to employees directly involved with SM adoption is important as it offers opportunities to learn how to operate SM platforms correctly. Despite suggestions from Avlonitis and Karavinna (2000), who note that providing special
training in rapid SM technological progress is time consuming, the analysis showed that lack of training time was a critical issue in the companies studied. The major barriers in training were not only inadequate time; they also included lack of confidence, lack of competence, lack of knowledge and lack of access to resources, which might be resolved by training and education.

6.4.12 Lack of relevance to the SME’s sector

Achieving effective SM adoption was certainly the ultimate goal for SMEs among their different segments. However, the lack of relevance to the specific SME’s market sector was a distinctive factor that created challenges to the SM adoption process. The analysis showed that market segment and specialty played an important role in determining SM usage. All SM claim to be relevant and applicable; however, the findings showed that not all sectors found equal relevance in the SM adoption process. This is significant since Michaelidou et al. (2011) noted that the most significant barrier to SM adoption is the lack of perceived relevance for particular sectors and segment. The findings indicated that lack of relevance for a particular sector created significant barriers to SM use.

6.4.13 Expensive SM outsourcing

It is well known in ICT that outsourcing involves extra costs, particularly in SM adoption, which can be expensive, especially if it involves external expertise. The additional functions, activities, workforce and other resources in the outsourcing of SM adoption process needs further investment, and not all companies were willing to do so. The analysis showed that these additional costs for outsourcing were expensive for SMEs. As a result, it restricted companies from fully implementing the SM adoption process. Therefore, this study suggests that the cost of the outsourcing process creates a barrier to effective SM adoption, if the company is not willing to improve internal competences and not able to afford external support.

The findings as discussed revealed the key barriers that occurred in the SM adoption process. Empirically, these barriers not only restricted the companies from implementing an effective SM adoption, but also prevented the companies from using the full functions available on those SM. Therefore, these barriers halted the SM
development process and prevented further progress. The findings suggest it is crucial for those involved with SM adoption to be aware of these barriers and respond to them to ensure an effective SM adoption process.

6.5 Best Practices and malpractices in SM adoption

This study showed that the decision stage and the implementation stage were the most obvious aspects of the SM adoption process in SMEs in Saudi Arabia. The decision was easy and fast for most of the companies, but was not well informed. The implementation process was clear and mainly aimed at sharing up-to-date information and product news and offers with the public. Most of the SMEs followed a similar pattern when implementing SM. The SM-manager would take a photo; edit and improve it; upload it; add comments and details; and then publish product information or relevant data on the SM platform. Even though this looks like a systematic approach to using SM, it lacks strategic planning and adequate preparation. It is essential for companies to plan well before using SM otherwise they may suffer negative outcomes. However, SMEs should be aware that having a well-planned SM presence doesn’t guarantee adoption success or effectiveness. Web 2.0 technologies must be well-designed but are by no means a guarantee of success (Constantinides, 2014). Following figure 16 presenting the main best practices and malpractices for facilitating effective SM adoption in SMEs in the K.S.A. Findings and results have been concluded and emerged from the case studies. For detailed evidences of the findings in the following sections, SMEs data analysis can be reviewed and visited in the previous chapter of case studies analysis. That’s to avoid redundancy of interview quotations from the study participants as the factors were detailed in the analysis chapter.
During the SM adoption journey, the analysis revealed the practices applied in the case studies were considered either malpractices or best practices. The malpractices were found to be unhelpful to SMEs as demonstrated in cases that did not acquire benefits from the SM adoption process. In contrast, the best practices highlighted benefits that can be obtained and may be used as a roadmap for SMEs in developing their business while adopting SM.
6.5.1 Malpractice

The key malpractices were categorized under the headings of poor implementation of SM adoption, lack of improvement, and lack of business progress, which are discussed in detail as below.

For better understand of the estimated risks factors that SMEs may encounter during the adoption of SMEs which have been emerged from the case studies, following is a detailed table of the risks and the evidences from the collected data of the essential of the risks in SM adoption in SMEs in K.S.A. Then findings of the risks and malpractices are presented.

<table>
<thead>
<tr>
<th>SM estimated risks</th>
<th>Supported by SMEs</th>
<th>Cases’ evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tarnished brand image</td>
<td>Supported by all companies C,E,H,J</td>
<td>“..otherwise we will receive too much criticism from the society, which affects the brand image in the market.” MM Co.E</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“We don’t want a piece of misleading content to be associated with our brand image… the cost involved in restoring your brand image among SM users is too high.” SMM Co.H</td>
</tr>
<tr>
<td>Customers rejection for manipulating cultural issues</td>
<td>Supported by all companies except B,D,G,M,N</td>
<td>“there are some businesses that like to stand up for their opinions and ignore the cultural power in this country, but we have witnessed them suffering.&quot; SMM Co.L</td>
</tr>
<tr>
<td>Business ideas, products, services replication by competitors</td>
<td>Supported by companies B,E,G,H,J</td>
<td>“As our work depends on new designs, some people copy us and pretend the designs are theirs…there is no protection law” CEO Co.E</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>---------------------------------</td>
<td>--------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Instant and fast respond to customers’ obligations</td>
<td>Supported by companies D,F,H,K,L,N</td>
<td>“customers complained …they needed instant replies.” SMM Co.K</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“if the reply is delayed, they might unfollow… This consumes a lot of time and effort.” MM Co.K</td>
</tr>
<tr>
<td>SM Content faults consequences</td>
<td>Supported by all companies except companies C,J</td>
<td>“it is the risky part of SM adoption. You can never be sure your mistake has gone; you can delete it, but as SM exposes the business to a massive consumer base, anyone could capture or take a photo of the mistake… if they want to abuse you, they can”. SMM Co.N</td>
</tr>
<tr>
<td>SM platforms unpredictable trends (emerged)</td>
<td>Supported by companies D,H,M</td>
<td>“SM is slightly risky as it is so unpredictable… you cannot ever be sure of the next trend, or if a new platform will be popular, so you don’t know if you should activate your business there or if the activation cost will be wasted.” MM Co.M</td>
</tr>
<tr>
<td>Time consuming</td>
<td>Supported by all companies</td>
<td>“it requires a lot of time behind the scenes…so to gain the benefits, we have to spend the time and effort”</td>
</tr>
</tbody>
</table>
Table 16: SM estimated risks during its adoption and use by SMEs

6.5.1.1 Poor implementation of SM adoption

The main malpractice found to be negatively affecting SM adoption on SMEs is the poor implementation stage of SM adoption including lack of SM awareness, no clear strategy, no scheduled planning, no dedicated expertise, lack of IT background, lack of important documentation and too slow in making decisions.

Inevitably, during the SM adoption process, poor implementation occurred for unexpected reasons. For instance, a lack of SM awareness in the first place led to poor commitment and assignment of responsibilities during the implementation. Implementation results could not be achieved as expected as there was no clear target or objectives. Another critical point was the lack of a clear strategy and clear plan. In this case, an appropriate planning schedule was not in place, so the SM adoption process could not be implemented effectively and no advantages and benefits could be derived from SM adoption, as suggested by Derham et al (2011) and Constantinides et al (2010).

Having the right employees also plays an important role in implementation. However, the analysis showed that in most cases, the companies had no expertise, or no specific person in charge of the implementation. Hence, the SM adoption process could not be delivered successfully.

In addition, a lack of proper documentation also resulted in poor implementation as no correct guidance was available and the key points of SM adoption could not be trialled for reference. More importantly, a lack of IT background contributed to failure of the SM adoption process. These factors resulted in slow decision-making processes.

6.5.1.2 Lack of improvement

Another key point of malpractice highlighted in the analysis was lack of business improvement. including inadequate knowledge and training, no acquired knowledge
about SM adoption, slow response or feedback to customers, and lack of online transactions decreased online sales.

As the implementation was poor, it offered little or no improvement in business performance, as demonstrated in the case studies. One of the reasons was identified as inadequate knowledge and training of employees, in agreement with the findings of Drury, (2008) and Durkin et al (2013) that without proper knowledge, effective SM adoption is difficult to achieve.

In order to adopt SM effectively, sufficient knowledge and training are critical. However, some companies showed that they lacked the key elements, which meant that no knowledge was acquired in the SM adoption process. Simply put, the SM adoption process could not be completed successfully. The functionalities of SM platforms could not be explored and used to the full benefit of customers and companies. For instance, responses and feedbacks from customers and public engagements were delayed and subsequently decreased online transactions and online sales as a whole. Not knowing how to deal with and respond to customers’ comments in the different SM platforms played a major role in diverting companies from improved SM performance.

6.5.1.3 Lack of business progress:

Combined with the lack of improvement from the SM adoption process and the lack of benefits, the situation worsened when there was little or no business progress due to several reasons including no product validity due to restricted contents, no market expansion, no increase in customers, and no new business penetration. The analysis showed that dysfunctional in SM adoption led to little or no progress in online business. One cause was lack of product validity due to restricted contents on SM platforms. The full range of products could not be published as the contents were restricted by Saudi cultural laws. Therefore, in some cases customers were not convinced about the advertised products. With no increase in sales, new market expansion is generally not possible, although Lunati (2000) asserts otherwise in stating that SM adoption extensively expands markets both geographically and virtually. However, if new customers cannot be reached, no new business penetration
is likely. The analysis suggested that these malpractices are crucial points to be avoided in adopting SM in SMEs.

Further more, in most cases the interviews talked about SM advantages, ignoring that fact that SMEs do face risks while adopting and using SM. Hence, it is important that SMEs be aware of these risks in order to avoid their negative impact. These risks included malicious copying of companies’ designs, hacking, and negative word of mouth from customers, even if it is inaccurate. Dinger and Grover, (2010) added computer viruses as another risk factor associated with technology adoption of any kind in a business environment. One reason for the existence of such risks is the lack of attention to SM in business laws and regulation. Further development of protective legislation would help in protecting SMEs against some of the risks associated with business use of SM as mentioned earlier. As shown in the previous table 16 which presents the main risks SMEs might experience when adopting SM, hence they should plan to avoid them.

6.5.2 Best-practices

The findings also revealed best practices, which can be used to guide SMEs in progressing with the SM adoption process. The key ideas were: motivated positive changes; developed improvement; created new opportunities; and expanded business growth. These ideas are clarified in detail below.

6.5.2.1 Motivated positive changes:

Motivated positive changes in SMEs were a key element in progressing with SM adoption and achieving an effective SM adoption as suggested by Durkin et al (2013), involving enthusiastic supportive manager, new awareness of SM updated advantages and benefits, gains in proficiency and knowledge, effective communication channels, and rapid decision-making process. To elaborate, an enthusiastic supportive manager will take full commitment and responsibility, even if it demands financial cost for carrying out the implementation. New awareness of the advantages and benefits of SM adoption also motivates SMEs to fully use SM platforms and functionalities. Where SM adoption was implemented effectively, companies gained proficiency and knowledge, as shown in the case studies. In some
cases, companies advised the SM manager to take educational SM adoption training and in other case, the managers organized a meeting with an expert in the field for his practical insights about SM use in the business for improving their knowledge. In addition, effective communication channels were established between companies, established customers, public users of SM or anyone who was interested in the products. Importantly, use of SM speeds up the decision-making process in comparison with traditional methods. For instance, being able to check competitors price ranges played a role in pricing decisions efficiency. Additionally, Top management shall consider the financial cost associated with SM adoption and provide support of both encouraging the SM adoption and approving financial cost raised during the adoption such as cost of contracting with popular accounts or social influencers, cost of consulting experts, and cost of buying required tools for professional content development as mentioned earlier.

6.5.2.2 Developed improvement:

Levy and Powell (2003) suggested that SM adoption promoted improvements in competitiveness. However, the findings indicated that the SM adoption process created improvement in many areas such as increased business performance in online sales, facilitated customer engagement, quick response and feedback to new updates, and saving time, money and effort. The SM adoption process allows businesses to distribute messages and new updates with a click, which in turn improves SMEs’ business performance. Some case study companies experienced drastic increases in online sales. Use of SM also facilitated customer engagement globally because of the ability for quick response and feedback to new updates as shown in the case studies.

6.5.2.3 Created New Opportunities:

Another important point revealed in the analysis was the creation of new opportunities for the SMEs studied which resulted in positive outcomes as SM enhanced and enabled building stronger virtual community, developing larger customer database, establishing online customer relationships, facilitating monitoring competitors, alerting to rivalry needs, predicting future markets and
demands, and providing new marketing tools and public relations processes. Effective SM adoption built stronger virtual communities, with everyone connected within the same network. As a result, information about activities, events or updates was delivered to the community immediately. As this community expanded, it created a larger customer database, which is a positive outcome. Bauer et al. (2002) suggested that SM build long-term customer relationships, and the cases supported that.

Unexpectedly, the cases provided information on how to manage competitors efficiently. The SM adoption process encouraged companies to observe and be alert to their rivals in real time, so they were always aware of any new requirements of their competitors. In addition, future market demands can also be predicted by studying and observing activities in SM platforms, as indicated in the case studies. The findings showed that SM platforms acted as new marketing and research tools and improved public relations.

6.5.2.4 Expanded business growth:

The findings indicated new business expansion following the SM adoption process as SM enhanced popularity and sales, exponential increase in customers, new online business paradigm, and penetrating new business zones. As expected, those businesses that fully utilised SM enhanced their popularity and sales. The analysis showed an exponential increase in customers following successful SM adoption, as supported by the findings of Berthon et al. (2012) and Pitt (2012). Also, the cases revealed that an effective SM implementation produces a new online business model, which represented a new paradigm in terms of business opportunities. As a result, the case study companies penetrated new business zones that they had not accessed before. Thus, SMEs that successfully implemented SM adoption would exhibit positive signs of business growth.

The analysis revealed both malpractices and best practices when SMEs tried to implement an SM adoption process. The identified malpractices led to little or no progress or improvement in SMEs business performance in SM. However, when the best practices revealed in the analysis were adopted, positive results were achieved.
From these findings, it is suggested that the malpractices identified need to be avoided, whereas the best practices drive an effective SM adoption process in SMEs.

6.6 Summary

In summary, all the advantages and benefits that SM brings can lead to development and improvement of SMEs in ways that include enhancing actual sales by directing potential customers to the SMEs’ points of sale both online such as websites, and offline in stores and shops. Another positive outcome is increased market exposure, which “allow[s] companies to tailor their products and services to customers’ needs and interests” (Chen, 2014). In many cases the advantages of SM to SMEs included improved marketing, advertising and customer service, improved supplier relations, reduced cost and uncertainty of supplier selection, and more effective HR activities.

After all, it can be concluded that conducting business is not any more a one-way conversation between business and consumers, it’s the economy of open direct multiple way communication that enrich the production experience of SMEs and empower the buying experience of consumers. For SMEs to develop and sustain their position in the market, they need to accept and work according to the fact that SM is one of the best and most effective technological tools that they better understand and plan for adopting and utilizing in the business. Consequently, SMEs then can gain the advantages and potentials of SM, and develop the business based on the opportunities opened by SM. It is a time for transforming business to operate more effectively using SM different platforms and functions. It is the time for business models and paradigm based SM and ICT tools.

This chapter discussed and presented the main contribution of the research, the SM adoption framework along with more details of how to best achieve the SM adoption positive gains from the perspective of SMEs in K.S.A. Additionally, it discussed best and mal practices that SMEs are advised to consider during SM adoption process. Next, is the last chapter of the thesis that display and presents the main findings of the research, how the research questions have been met and answered, the research contribution, limitations, and future directions.
CHAPTER SEVEN

Conclusions and Future Research

7.1 Introduction

This chapter summarizes the findings of this research study, regarding the data collected from 13 case studies from a wide range of subsectors of the retail and service sectors, together with the framework that was subsequently developed, based on the TEO model, and the five stages of the DOI adoption process. It discusses the theoretical and practical contributions of this study to the extant knowledge and practice of the field, together with the limitations of the study. Finally, this chapter offers suggestions for potential areas of future research in the field of ICT, and specifically SM, adoption in business sector, specifically for SMEs.

The core objective of this study was to fill a gap in the extant literature, and to improve the understanding of the theory and practice of the adoption of the use of SM by SMEs. It proposed a comprehensive SM adoption framework, including the essential factors that influence this adoption, the stages through which SMEs proceed during the adoption process, and the potential positive outcomes of such adoption. In order to provide a comprehensive picture of the process, the study identified some of the main practices that are necessary for the effective adoption of the use of SM in SMEs. In order to achieve these aims, the research questions were as follows:

1. How is SM currently being adopted by SMEs in the Saudi Arabian context?
2. What are the factors that might influence SM adoption in Saudi Arabian SMEs?
3. How is the adoption of SM improving the way in which Saudi Arabian SMEs conduct business?
4. What are the most evident practices for the effective adoption and utilization of SM by Saudi Arabian SMEs?

This research study achieved the aims and objectives originally proposed through the findings and results generated and developed.
7.2 Research Results

This section presents a summary of the results of this research study according to each of the research questions presented in Chapter 1, as follows:

1. How is SM currently being adopted by SMEs in the Saudi Arabian context?

The Saudi SMEs involved in the case studies generally adopted it in the following stages: awareness and knowledge of SM, decision, implementation, monitoring and assessment, improvement and development. The findings of this study revealed that the majority of Saudi Arabian SMEs adopted the use of SM spontaneously according to their prior awareness knowledge of SM relative advantages to their business, SM compatibility to their existing systems and culture, complexity as SM was practical easy to use technology, observability through market competitors and other businesses and from customers, friends and family, or personal experience, and trialability as it was confirmed by all companies that SM attribute of easy and no costs trial process was a strong motivation toward their adoption decision. The decision to adopt the use of SM was also inspired by the company’s awareness of SM popularity and internal interests on SM from top management or employees.

SMEs tended to be somewhat to be unstructured in their adoption, which in most cases was primarily concerned with marketing activities, such as advertising and marketing campaigns, imposing and improving brand image. The SMEs employed SM either for marketing-related purposes only, or for multiple business functions, within the scope of operational cost reduction, customer services, altered resources allocation (time, money and effort) and decision making process as SMEs confirmed that SM enabled them to take better and more informed decisions in the business.

Moreover, the decision to adopt the use of SM for the business was generally taken by the owner/top manager, with no clear planning or involvement of knowledgeable employees. There was a lack of proper understanding and strategic planning in many of the SMEs SM adoption process. In most cases, once the company decided to adopt the use of SM, this was the final decision, and required no later reevaluation or confirmation for that persuasion and confirmation stages were not supported as part
of the SMEs experience of SM adoption stages. Once the decision to adopt the use of SM was taken, some SMEs tended to implement the adoption in a rapid, uninformed way, often commencing with the use of several different SM platforms and functions, mainly for marketing activities. Other SMEs have more structured process and well planned SM adoption according to their adequate business management knowledge and SM management knowledge, but they were less than the majority of the studied SMEs.

Some of the SMEs monitored their SM performance, and their implementation strategies, and amended and improved their SM adoption process accordingly. They later assessed their SM performance according to SM-led sales and customer numbers, SM figures for ‘likes’ and ‘followers’ which was supported by the majority of the studied SMEs, and the level of public engagement with their SM sites. Following the implementation and evaluation of their performance on SM, once they had witnessed the benefits of the use of SM, the companies tended to either improve their SM use and invest more time, effort, and money in it, or to reduce their activities and employ SM solely for marketing activities.

2. What are the factors that might influence SM adoption in Saudi Arabian SMEs?

In order to answer this question, it was necessary to understanding why the use of SM should be adopted by SMEs, and to determine the supporting factors that might facilitate the adoption of the use of SM, and make it an attractive tool for SMEs, including the attributes of SM, together with the organizational and environmental enablers. It was also essential to evaluate the obstacles and barriers that prevented the full use of SM, and that engendered a less effective adoption of the use of SM in SMEs in the K.S.A. The more that SMEs are aware of these obstacles and barriers, the more they will be to understand the situation, and to improve their SM adoption process.

By exploring the findings related to the three TOE model contexts technological as SM, organizational as SMEs and environmental as K.S.A context, it has been found that categorizing factors into motivations and enablers and into barriers ad obstacles is a suitable and convenience approach for better understanding the influence nature of these factors on the adoption process in SMEs in K.S.A. as displayed next.
The case studies demonstrated that the main environmental enablers of SM adoption for SMEs in the K.S.A were the governmental support for SMEs specially to adopt ICT in the business, the readiness of the ICT infrastructure in the K.S.A and the availability and affordability of internet and the customers and sectors criteria that urge the use of SM to gain competitive advantages and better reach target customers.

The key enablers related to the technological context were the popularity of SM platforms and functional variety, the accessibility of SM, the internal technical and SM competency within the company, the ease of use and ease of creating content, the cost effectiveness and low entry cost of SM, and the popularity of SM among their target customers.

From the organizational perspective, findings exhibited that SMEs’ simple organizational structure, the enthusiasm and support of the top management, internal proper business management knowledge were the central factors positively linked to SM adoption in the studied SMEs. Additionally, well-defined structured planning revealed high effective performance patterned in the SMEs that had the planning process well form the initial stages of adoption, which resulted to highly motivating the same SMEs to improve and invest more to develop their performance in SM.

Each of these enablers represented an encouragement, or a facilitator for the SMEs involved in the case studies to adopt the use of SM, making the decision to adopt it, and the process involved, both an appealing and a worthwhile investment.

On the other hands, the main environmental barriers to the effective adoption of the use of SM for SMEs in the K.S.A were cultural and copy rights issues that restricted SM content, the lack of business laws and regulation regarding SM in the K.S.A, which resulted in preventing SMEs form fully utilizing SM as risks of security issues such as hacking or ideas and products replications and content faults consequences were not tackled by the regulations adequately. Additionally, risks of tarnishing brand image or customers’ rejection of the brand as a result of manipulating cultural issues were an obstacle for most studied SMEs. Furthermore, the time consuming fact that SMEs might encounter during the SM adoption due to SM nature of continuing demand for updates and monitoring for unexpected trend of platforms
and audience was an impediment faced by most of the SMEs specially at the beginning of the SM adoption and application journey.

Besides, inadequate SM adoption planning, unwillingness on the part of the management to incur SM costs, the absence of SM databases and documentation, the lack of an SM operational timeframe, a limited awareness of the importance of SM and professional knowledge, a limited awareness of the potential returns of using SM, a reliance on personal effort, a lack of qualified employees, a lack of time devoted to training, a lack of relevance to the SME’s sector, and the expense involved in outsourcing the use of SM all were hindering and obstructing the effective SM adoption in most of the studied SMEs as found from results.

1. How is the adoption of SM improving the way in which Saudi Arabian SMEs conduct business?

In order to address this question, it was divided into two more focused sub-questions, the first of which concerned the determination of the most supportive benefits of the adoption of the use of SM as expected outcomes for SMEs in the K.S.A. It was also important to explore the future opportunities and advantages of the use of SM that SMEs might gain as a planning result of their effective SM adoption. The business-related benefits of the use of SM make it an essential tool in the modern business world, and may motivate SMEs to undertake faster and better informed SM adoption.

The most important SM advantages to business functions improvement that made it an effective tool for the case study SMEs to employ were the fact that it saves time, money, and effort; accelerates access to a large customer base of different ages and income groups; enables access to new markets in the region; helps to forge a stronger business image and brand; facilitates more open direct customer communication, and helps customers to make purchasing decisions, based on online testimonials.

All of these advantages and benefits have the potential to engender the development and improvement of SMEs in several ways, including enhancing actual sales; increasing market exposure and accessing new markets and new potential customers base; improving marketing, advertising, and brand image management. Moreover, other business functions transformed in different levels as a result of SM adoption in
the business including changes in the way the company conducting customer services, improving supplier evaluation, and reducing the cost and uncertainty of supplier selection; facilitating effective HR activities, taking better informed decisions for different business issues and mostly for resources allocation. It has been found that the main transformation that was evident to be an effective outcome of SM adoption is the cost reduction of operational and overhead expenses.

Furthermore, the research and development functions were fundamentally affected by SM adoption in SMEs primarily for facilitating and enabling the application of important business strategies including crowdsourcing, mass customization for developing more creative and innovative products and services in more effective faster approach.

The second sub-question under this research question addressed the future opportunities and potentials that the adoption of the use of SM might afford SMEs who did not experience them in the initial adoption journey. According to the research findings, the general future opportunities offered by the adoption of the use of SM for the performance improvement and business expansion of SMEs included the creation of online communities that support customers, and positively affect their purchasing decisions; the dissemination of the business image, brand awareness, and product validity to a large market; the maintaining of customer loyalty, and the facilitation of the creation of customer information databases to enable more informed business decisions and activities; the facilitation and support of product creativity and development through mass customization and crowdsourcing strategies; the enabling of more effective customer engagement; and the facilitation of the structured planned involvement of social influencers.

3. What are the most evident practices for the effective adoption and utilization of SM by Saudi Arabian SMEs?

To answer this question, it was necessary to evaluate in depth the SM adoption process employed by SMEs in the K.S.A, in order to determine the most efficient practices that would engender effective and successful SM adoption, and to determine the malpractices that SMEs should avoid, in order to prevent poor and inefficient SM
adoption. The practices that were found to be vital for effective SM adoption, and which engendered better business performance on SM, were found to be firstly, learning about each SM platform, and its functionalities for businesses, deciding how they can best be employed for the business, then determining which platform the company should focus on, and which could be used as supporting platforms. The second was to seek social influencers, both free and paid, in order to promote the business, establishing specific criteria for selecting the most appropriate social influencers by assessing their follower types and groups to determine whether they are similar to the company’s target customers, and evaluating the content of their SM accounts, to determine whether they are relevant to the business. It was also found to be important to establish an objective when hiring or using social influencers, in order to clarify for the SME what it sought from a social influencer, how they could benefit the business, and what costs were appropriate. In addition, it was found to be important to establish indicators for measuring the effect of these social influencers on the business’s performance.

The third effective practice was providing the SM Manager with the appropriate knowledge concerning the adoption of SM, via dedicated on- or offline SM-in-business training, making professional resources available, and arranging meetings to seek how-to knowledge from experts in SM adoption in SMEs. The fourth was encouraging the marketing manager’s involvement in SM-related decisions, since most SM activities are related to marketing and PR, and it is therefore important to use the marketing manager’s knowledge and experience when making SM-related decisions. Fifthly, ensuring that the owner/top manager is supportive and/or enthusiastic about the decision to adopt SM. Sixthly, producing professional SM content, including photos, videos, comments, and scripts, either by outsourcing this activity to professional content developers, or by improving the related internal competencies within the business. The seventh effective practice was to publish friendly and timely content on each SM platform selected, since it is critical to ensure the quality and timeliness of the business content. One way to achieve this was found to be developing a systematic content publishing process to ensure continuity, regular updates, and quality of content. A further beneficial practice was guaranteeing the content quality on a company’s SM platforms by developing appropriate
specifications as indicators for evaluating and measuring purposes. Finally, a phased adoption of SM helped to ensure its effective implementation, including considering the requirements of each stage, from business knowledge, detailed planning for the adoption, developing implementation strategies, and commencing with a trial of these strategies, to monitoring the outcomes of the strategies, before deciding which are most appropriate for the business, and confirming their applicability. This should be followed by ongoing efforts to improve the company’s performance on SM, and keeping up-to-date with changes and developments in technology and SM platforms and functions.

This study’s findings indicated that adhering to the majority of these best practices was likely to engender effective SM adoption, and better business performance in SMEs in the K.S.A.

In contrast, the main problems that limited SM adoption and caused poor SM performance were found to be a lack of appropriate planning, including determining the objectives of adopting SM, and details of the adoption process; a lack of written, defined strategies for SM adoption; a failure of top management to recognize the importance of employing a specialist in SM to manage the business’s SM activities; an underestimation of the necessity of having a dedicated employee for the adoption and management of the company’s SM; the decision-making regarding the company’s SM management being reliant on one person, with no collaborative work to produce better-informed and more appropriate SM decisions; adopting SM too slowly, which meant that the company was constantly a step behind the market, because of the rapid pace of technological development, and the continual changes and improvements to SM platforms and functions; a lack of management of the adoption of technology, and lack of an IT background; a lack of professional know-how regarding the adoption of SM usage; and finally, perceiving the business adoption of SM to be similar to that of personal adoption. This study indicated that if SMEs work to avoid these malpractices, they are more likely to achieve effective SM adoption, and avoid poor, or limited adoption.
7.3 Contributions to Knowledge

This study provided three main contributions to the current theoretical understanding of the field which it was concerned. The first two of which contributed to modifying and contextualizing the TOE model, and the Roger’s five-stage innovation adoption process model, while the third contributed to the academic understanding of ICT, specifically in terms of SM adoption in business, from the perspective of SMEs. Together with these theoretical contributions, this study also offered practical considerations for SMEs and policy makers to facilitate their work, inform their decision-making regarding the adoption of ICT in their organizations, and how it should be applied or imposed in the business sector. These are discussed in detail below.

Research can be claimed original and considered sufficient contribution to knowledge in different ways. One of which is by conducting new empirical research that has not been looked at before. Such original empirical research provides new interpretations to exiting knowledge from different perspectives of different stakeholders or different geographical locations (Francis, 1976; Phillips, 1992; Phillips, 1993; Phillips and Pugh, 2005; Phillips and Pugh, 2010). Hence, contextualizing existing knowledge improves the overall understandings and comprehension of the specified studied topic in a novel way, which formulates a theoretical contribution (Remenyi, 2005; Bamberger, 2008). Accordingly, contextualizing a research or a theory is a valuable contribution to the larger scope of the research. As Rousseau and Fried stated, "Contextualization entails linking observations to a set of relevant facts, events, or points of view that make possible research and theory that form part of a larger whole" (2001: 1) as cited in (Johns, 2006). Thus, the contribution of the current research can be considered valuable as it contextualized the DOI and TOE theories based on the conducted empirical research on SMEs in K.S.A. As stated by Johns (2006), contextualization is a sort of situational opportunities and constraints that contribute to the meaning, understanding, analysis, and discussion of a phenomenon. In this research, contextualization improved the understandings and analysis of how IS/ICT innovation adoption is processed and what factors influence such adoption in the studied context. Particularly to understand the adoption
in SMEs in developing countries such as K.S.A. (Rahayu and Day, 2015; Kapurubandara and Lawson, 2006). Accordingly, this study provides an additional contribution by contextualizing the two theories in terms of the specific environmental situation of the K.S.A. Therefore, the study may be considered relevant to the academic literature of other Gulf countries, and developing countries that share similar contextual factors and similar SME organizational contexts. Henceforth, the study is potentially expected to inform and update the knowledge in the extant literature concerning the adoption of IS and ICT in SMEs in these contexts. Moreover, the proposed contextual modifications to the models have the potential to inform both the theory and practice in the field of technology adoption in business. Also, the research findings constitute a valuable base for further research in similar contexts. Further research might employ this study as a basis for advancing and verifying the findings in different sectors, geographical locations, or organizations to create a broader understanding of SM and technology adoption in the business sector.

Specifically, this research project employed two of the predominant technology adoption models to examine in depth the subject which it was concerned. The findings reinforced the importance and relevance of both models for studying and investigating technology adoption in the business sector. The TOE framework was examined in order to explore the factors affecting SM adoption in SMEs in the K.S.A. The results offered new critical elements to the context of the TOE framework, including technological, organizational, and environmental, which provided new insights into the factors influencing SM adoption that might affect the adoption process and outcomes in SMEs in the K.S.A. Enablers and motivations were proposed that facilitate and accelerate the adoption process, and contribute to positive outcomes. Meanwhile, the barriers and obstacles that hinder the adoption process and contribute to less effective outcomes were also suggested.

The second model this study explored was the five-stage innovation adoption process model of the DOI theory, and the study enhanced the understanding of the stages of SM adoption process, and the usefulness and relevance of each stage for achieving effective SM adoption in SMEs, by modifying the model according to examples from the Saudi SME context. Additionally, the results of this study identified some of the
main practices that may improve, or obstruct the adoption process in SMEs, clarifying best practice, and advising on the appropriate approach for effective SM adoption, along with explaining the malpractices that should be avoided to prevent poor performance during the adoption of SM in SMEs in the K.S.A.

Most importantly, this study provided a comprehensive recommended approach and framework for the adoption of SM usage by SMEs, in order to improve various aspects of business performance. The framework stressed the importance of considering environmental, technological, and organizational factors when determining the adoption of new technologies in developing countries, and offered insights into the importance of the perceived technological advantages, and the potential positive outcomes for SMEs, in order to accelerate the decision-making process regarding the adoption of SM, and/or the decision to improve the company’s presence and performance on SM platforms.

This framework also has the potential to assist official bodies that support SMEs to evaluate their current state, and to assess their ability to progress to the next level of business development and expansion, by employing, facilitating and enabling benefits of technology. This will help the national economy to achieve the economical versification strategy that supports the growth of SMEs, and to reinforce the necessity of the adoption of such technology in SMEs, both of which are fundamental to the K.S.A’s 2030 vision that promotes significant advancements in the country, as discussed in detail in the relevant section of this thesis.

Besides, the current study contributed to the academic literature concerning information systems and ICT innovation adoption, implementation, and the factors that were argued in the literature review to influence technology adoption in businesses. This project also constituted further research concerning the emergent technology of SM, including the functionalities, technologies, and benefits for SMEs in general. This is of particular relevance to the context of the K.S.A, where only limited studies have been conducted concerning this subject, specifically in terms of providing an understanding of the existing process of SM adoption among SMEs, and the current business utilization of popular SM platforms in the K.S.A, along with some of the key surrounding factors. Moreover, the literature review revealed concepts and
techniques that are likely to be of interest to SMEs, as well as to academics, and which might be explored further in future. This study therefore provided guidance of value to SMEs for improving and sustaining their businesses.

Finally, the author of this thesis achieved personal benefits by applying the understanding of the theory learned during their bachelor’s and master’s degrees in order to gain clearer insights into technology adoption and SM, their impact on business performance, and how best to employ the use of SM in SMEs in the K.S.A, thereby providing the author with experience in research methodologies, research skills, and data analysis.

7.4 Limitations of the research

One of the main limitations of this study was time, which is almost always a constraint for research projects, especially for PhD research, as projects must be completed in a specific timeframe. Nevertheless, the research achieved its objectives, and answered the research questions proposed at the outset.

Another limitation of this research was that inherent in any study that involves a specific geographic location, in this case the K.S.A, or a specific business size, which restricts the findings to the limited perspective of the participants who represent the phenomenon in that specific context. Accordingly, caution must be applied when generalizing the result of the current research to other contexts in different geographical locations, such as developed countries, or different sized organization, such as large or international businesses. Nevertheless, the results of this study constituted a useful basis for similar studies in similar cultural or economic contexts, such as in the neighboring countries of the Gulf Cooperation Council (GCC).

A further limitation was the fact that although 13 companies agreed to participate in this study, the majority provided only limited, or no access to their files, for reasons of confidentiality, therefore the analysis focused mainly on the data collected through the qualitative interviews. While this yielded a rich dataset and substantive findings, accessing the company files would have provided the opportunity to include further organizational factors that may have been of interest, or may have been critical to the
company’s SM adoption. This study was also limited by the deficiency of the official reports and academic publications documenting the current statistics, information, and knowledge of SMEs in the K.S.A, and SM use and figures for the K.S.A. Although the section of this thesis that discussed the K.S.A was thorough and detailed, it was necessarily based on limited resources.

Moreover, it was not possible to achieve triangulation in this study. As discussed in the methodology chapter, it is important for researchers to determine whether or not to apply triangulation, and to assess its advantages and disadvantages, based on the time and resources available (Thurmond, 2001). Due to the limited access to additional data resources during this study, it was decided that it was not appropriate to apply triangulation, in order to avoid any disadvantages that might arise subsequently.

In addition, while this study focused on exploring the phenomenon with which it was concerned from the internal business perspective of employees and owners, as they represented the key fundamental perspectives of the adoption experience, it would have been useful to obtain additional insights from the perspective of other stakeholders, such as customers and suppliers, or even policy makers, in order to enable a wider assessment to gain a greater understanding of the adoption of the use of SM in businesses.
A further limitation was the conservative female culture in the K.S.A, which plays a significant role when collecting data in the Kingdom. However, this is a challenging, rather than a constraining limitation, as it emanates from the society, rather than being imposed by the government. It is also highly dependent on the cultural background from which the individual female researcher, or the female research participant originates, rather than on the society in general. In other words, what is acceptable for one family might not be acceptable for others. For example, obtaining permission to leave the house for work or study, and flexibility and openness concerning working with males for professional purposes, and visiting male-dominated working areas. However, some issues or restrictions exist that are common among the majority of the society. For instance, it was not practical for the researcher, as a female, to access or contact the male participants who constituted the majority of the country’s business sector, and the researcher was required to obtain permission from her legal guardian, who would generally be her husband, father, or brother, to interview the male participants, to meet them in person, and to contact them. In some cases, it was necessary for the researcher to arrange for a relative or a friend to accompany her when visiting the SMEs facilities to conduct the interviews, especially if they were located in a remote area, or an industrial district, due to the limited female presence in such areas. This cultural barrier was time- and effort-consuming. Moreover, arranging transportation was also inconvenient, as during the data collection period, females were not permitted to drive, although the K.S.A government has since granted permission for females to drive, which will positively address this limitation for future researchers in the K.S.A. Nevertheless, the researcher was able to tackle these cultural challenges, and collect sufficient data to produce valid findings regarding the adoption of SM by SMEs in the K.S.A, thereby contributing valuable information to the body of knowledge regarding ICT adoption in general, and specifically SM adoption by SMEs, in the K.S.A, in terms of the influential factors and best practices for such adoption, along with proposing an associated framework.
7.5 Future research opportunities

The results of this study constituted a helpful synthesis of the extant literature in the field, and represented a useful springboard for further work in this important area. The application of a similar methodology to other theories of technology adoption in business might be of interest, as a means of evaluating the phenomenon through other lenses, in order to obtain a diverse analysis from different theoretical perspectives. Moreover, conducting research in this field using quantitative methods, in order to obtain more structured and statistical results would help to validate the results of this research.

It would also be valuable to interview and analyse a wider range of cases with high success rates in terms of their SM adoption, to determine empirically the shared best practices for the successful implementation of SM in SMEs. It would also be helpful to conduct more case studies of a similar type in different sectors in the Saudi market, to test the wider generalizability of the theories proposed, and to determine whether the factors identified by this study influence SM adoption in the same manner in business sectors other than the retail and service sectors, and the various subsectors, assessed by the current project.

To enhance the generalizability of this study’s findings, the same research design could be replicated in different research contexts in the Arab world, or in developing countries with similar economic and cultural conditions, in order to identify comparable patterns in the motivations and barriers to SM use in the context of Arab, or other developing countries. Moreover, since organizational size and sector are relevant in business studies (Tornatzky and Fleischer, 1990), it would be interesting to conduct similar studies in organizations of different sizes, and in sectors with different strategies and capabilities, in order to obtain more varied results, to produce more general results, and to determine the most valuable approaches for companies to employ when adopting SM or ICT in their business.

Furthermore, a quantitative analysis of the impact of the critical factors identified by this study would assist in assessing the factors’ value, significance, and importance, which would be of value to both researchers and practitioners.
The present study constituted exploratory research in the field of SM adoption in SMEs, and a future study could adopt a confirmatory approach using longitudinal research to examine the changes, and the impact of the proposed framework, on managers’ and/or employees’ attitudes towards such adoption, and/or the impact on company performance on SM, over time.

Finally, since this study revealed that strategic planning for ICT adoption was an issue for most of the case study companies, it would be valuable to explore the relationship between strategic planning and ICT, and specifically SM adoption, employing this study’s findings as a basis.

### 7.6 Summary

This study’s findings regarding the adoption of the use of SM in the organizational context of SMEs represented an important extension to the body of knowledge regarding SM adoption. Additionally, the study provided an in-depth understanding of SM adoption in the specific context of developing countries, represented by the K.S.A. This was identified as a gap in the extant literature, as only limited studies of this context exist, therefore further empirical research was required to explore the adoption of technology in this context. This study therefore employed a qualitative approach to explore the stages of the adoption process that SMEs undergo, based on the Rogers five-stage adoption process, together with identifying the surrounding factors influencing such adoption, based the TOE model. Besides, practices of effective SM adoption and the positive expected outcomes were discussed and presented, too.

This chapter summarized the findings of the current research study, and presented the theoretical and practical contributions to knowledge in the field. As it was conducted using a combination of both DOI theory, and the TOE framework, the results modified certain aspects of these theories, and offered an extension, or different view of other aspects. Furthermore, the study contextualized the TOE model for SMEs in the K.S.A-specific context, an approach that could be replicated in similar environments. Finally, this chapter discussed the limitations of the study, and suggested opportunities for future research.
In conclusion, the nature of this century’s economy no longer involves a one-way conversation, rather two-way open direct communication now exists between the different stakeholders involved in the business sector. Therefore, there is a growing need for research concerning the adoption of ICT from the business perspective, due to the increasing affordability and accessibility of ICT among consumers and businesses. Moreover, if SMEs are the backbone of the economy, research concerning SMEs such this research should get more devote attention and support in order to produce better understanding of how improvements can be achieved or limitation can be challenged in these SMEs. Likewise, to better realizing of how existing opportunities shall be sized and obstacle shall be avoided. Hence, SMEs will advance and positively influence the economy. In order to respond to this demand, this study explored SM adoption by SMEs in the K.S.A, and proposed a holistic framework to provide a more complete view and understanding of the matter, and to support the more effective adoption of SM to enable SMEs to achieve their full potential. Even though SM looks like a no cost easy to use technology, it is in fact a technology that requires the same effort, time, strategic thinking and planning as any other information technologies that might be of high cost and complicated use. Based on the research results, the short advice could be if SMEs are perceived SM as an information technology rather than just communication or networking tool, SMEs will enjoy broader greater improvements almost throughout the business. Furthermore, it is essential to say from the research findings it can be presumed that whatever the business aspires to reach: a new business market, a larger consumer base, a creative brand image, mass customization opportunities, competitive advantage, crowd sourcing and/or brand popularity, the goal can be reached by SM if SM has been adopted strategically, systematically and profoundly, yet nothing can be guaranteed when it comes to such fast evolving technology.

In brief, the collective answers of how, why and what, that were discussed in this research might shape a chapter to be added to the long story of how ICT of different forms and varieties, here as SM, can be viewed, explored, understood, and utilized by SMEs to achieve business growth; and the last line in this chapter could be: SMEs shouldn’t be busy of ‘we have to adopt SM’ but should be busy with ‘we have to plan for the adoption of SM’.
REFERENCES


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Appendices

Pilot study questionnaire

Social Networks' Effects on Small Businesses

Thank you for agreeing to take part in this survey. The aim of this research is to better understand the link between effective use of social networks and business improvement and expansion. There is no ‘right’ or ‘wrong’ answer to any of these questions. Please read each item carefully before responding. The information we get from you is vital to the success of this project. By completing the survey, you are giving your informed consent to take part in this study. You may withdraw at anytime from this study.

Please answer the following questions according to your business use of social networks by placing a tick at the most applicable answer or answers and giving your scale.

<table>
<thead>
<tr>
<th>Q1. Do you use social networks in your business?</th>
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</thead>
<tbody>
<tr>
<td>[ ] Yes</td>
</tr>
<tr>
<td>[ ] No</td>
</tr>
<tr>
<td>[ ] Considering using them in the near future</td>
</tr>
</tbody>
</table>

If your answer is not Yes go to question 5 directly.

<table>
<thead>
<tr>
<th>Q2. Approximately, for how long have you been using social networks in your business?</th>
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<tr>
<th>Q3. How often do you use social networks in your business?</th>
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<tbody>
<tr>
<td>[ ] Throughout the day</td>
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<tr>
<td>[ ] At least once a day</td>
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<tr>
<td>[ ] At least once a week</td>
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<tr>
<td>[ ] Less than weekly</td>
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<table>
<thead>
<tr>
<th>Q4. What type of social networks is your business currently using?</th>
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</thead>
<tbody>
<tr>
<td>[ ] External social network</td>
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<tr>
<td>[ ] In-house social network</td>
</tr>
<tr>
<td>[ ] Both</td>
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</tbody>
</table>

<table>
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<tr>
<th>Q5. Which external social network are you using or planning to use?</th>
</tr>
</thead>
<tbody>
<tr>
<td>[ ] Facebook</td>
</tr>
<tr>
<td>[ ] LinkedIn</td>
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</table>

Tick the appropriate answers

On the scale from 1 (most effective) to 6 (least effective) Please rank them according to their effectiveness to your business (only the one you are using)
Q9. Do you agree that businesses that are using social networks will grow faster than those that don’t?

[ ] Agree  
[ ] Disagree  
[ ] Not sure

Q10. If yes you agree, why?

Q11. Which are the most important functions of social networks that benefit or attract you the most?

<table>
<thead>
<tr>
<th>Tick the appropriate answers</th>
<th>Social network’s main functions</th>
<th>On the scale from 1 (very effective) to 5 (not effective) Please rank them according to their effectiveness to your business (only the one you are using)</th>
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<tbody>
<tr>
<td>[ ]</td>
<td>Blogs / notes</td>
<td></td>
</tr>
<tr>
<td>[ ]</td>
<td>Walls (status updates)</td>
<td></td>
</tr>
<tr>
<td>[ ]</td>
<td>Multimedia and photo sharing</td>
<td></td>
</tr>
<tr>
<td>[ ]</td>
<td>Tagging</td>
<td></td>
</tr>
<tr>
<td>[ ]</td>
<td>Instant forums and discussions</td>
<td></td>
</tr>
<tr>
<td>[ ]</td>
<td>Others (please specify):</td>
<td></td>
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<td></td>
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</table>

Q12. In which of the following ways are social networks saving or will save you (time, money, and effort)?

[ ] Reducing length, volume and printing of e-mails

[ ] Facilitate and encourage online meetings of internal and external

[ ] Reduce traveling requests, clients or partners visits

[ ] Accelerate finding potential information, employees and expertise

[ ] Facilitate customer reach

[ ] Reduce communication costs

[ ] Others (please specify):

<p>| | |</p>
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</table>
Q6. What are you gaining or hoping to gain by using social networks?

<table>
<thead>
<tr>
<th>Tick the appropriate answers</th>
<th>Potential Benefits</th>
<th>On the scale from 1 (very important) to 5 (not important) rate each of the following Benefits' importance to your business.</th>
<th>Only if you are using social networks in your business, rate the level of improvement gained for each Benefit on the scale from 1 (highly improved) to 5 (not improved).</th>
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<td>[ ]</td>
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<td>[ ]</td>
<td>Find people, or expertise more quickly</td>
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</tr>
<tr>
<td>[ ]</td>
<td>Collaboration and knowledge sharing from geographically dispersed locations</td>
<td></td>
<td></td>
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<tr>
<td>[ ]</td>
<td>Effective marketing tool</td>
<td></td>
<td></td>
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<tr>
<td>[ ]</td>
<td>Attract new customers and retaining existing clients</td>
<td></td>
<td></td>
</tr>
<tr>
<td>[ ]</td>
<td>Fast and easy way to find information</td>
<td></td>
<td></td>
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<tr>
<td>[ ]</td>
<td>Reduce cost</td>
<td></td>
<td></td>
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<tr>
<td>[ ]</td>
<td>Gain better customers' understanding from feedbacks</td>
<td></td>
<td></td>
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<tr>
<td>[ ]</td>
<td>Increase sales</td>
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<tr>
<td>[ ]</td>
<td>Increase growth and expansion</td>
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<td></td>
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<td>[ ]</td>
<td>Others (please specify):</td>
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</table>

Q7. Do you agree that social networks will change a business’ strategies and processes?

[ ] Agree
[ ] Disagree
[ ] Not sure

Q8. If yes you agree, how the change will happen?
Q11. What do you think are the barriers to using social networks in businesses?

[ ] lack of perceived benefits
[ ] difficult to measure return on investment
[ ] not used in your industry
[ ] lack of understanding and awareness
[ ] lack of in-house skills
[ ] lack of management support
[ ] additional cost
[ ] uncontrolled negative word of mouth
[ ] Others (please specify):

[ ]

If you are not using social networks in your business please go to comments section.

Q14. How do you measure your performance in social networks?

[ ]

[ ]

[ ]

Q15. On the scale from 1 (minimal positive improvement) to 5 (full improvement) how do you rate your organization performance and productivity after utilizing social networks?

[ ]

[ ]

[ ]

[ ]

[ ]

Thank you for participating in the survey.

If you have any further comments, please leave them here; your comments are of great importance to us.
Interview questions before pilot study

SNs and their functions:

- What are the existing SN platforms the company is using for business purposes?
- What are the main SN functions that serve business activities?
- Why do you think SNs are being perceived as emerging business tools?

Large global audience:

- To what extent are SNs improving customer reach in your company?
- What is the size of your participants (i.e. SN-derived clients)?
- Do you think SN participants are receptive to the idea of using SNs in business activities and why?
- What are the major needs for customers who exist in the virtual online world, and what are their main characteristics of them if any?

SN business benefits:

- What are the main benefits of SNs that directly affect your business performance?
- For how long you have been using SNs in your business and in which departments or activities?
- Can you classify the business benefits of SNs in relation to the different departments and activities of your company?
- How do you measure your success in utilizing SNs?

Business environments:

- What are the main factors influencing your adoption of SNs?
- Do you have a specific strategic plan for employing SNs in your business?
- What are the changes you had to make when you first start using SNs for business purposes internally and externally?
- Was there any training or preparation organized for employers from different levels in your company?
- Have you faced any technical issues while adopting SNs in your business?
- What were the main managerial issues that affected your implementation of SNs?
What are your past, present and future plans with regards to the use of SNs?

**Implementation:**

What were the main stages you had to go through in order to adopt SNs at the first time? (For example, decision making, preparation, planning, consulting, market scanning, implementation)

Can you tell us some details regard the process of adoption, setting up, and if you used any outside help and support to start using SNs?

**After implementation and adoption:**

What are the main advantages and disadvantages of using SNs in your business?
Participant information sheet for interviews

Participant Information Sheet

Title of Study: Effect of social networks (SNs) on small to medium sized enterprises (SMEs).

You are invited to participate in a research study. Before you decide whether to participate, it is important for you to understand why the research is being done and what it will involve. Please take time to read the following information carefully and feel free to ask us if you would like more information or if there is anything that you do not understand. Please also feel free to discuss this with your friends and colleagues if you wish. Your contribution will be greatly appreciated should you decide to proceed with the study, but we should stress that you do not have to accept this invitation and that you are free to withdraw participation at any stage, including after signing the consent form.

Thank you for reading this.

Purpose of the Research
The purpose of this research is to investigate how small and medium enterprises in the Kingdom of Saudi Arabia are using social networks, and how they can benefit from the experience of some UK Small to medium enterprises that have successfully employed social networks to define best practice for effective adoption and implementation of social networks for business improvements and expansion.

The research aims to contribute to the subject knowledge by extending the literature, providing practical knowledge to Small to medium enterprises and identifying those factors that may provide them with a competitive advantage when utilizing social networks.

Why have I been chosen for the research?
In your role within your company, and/or through your commercial experience we believe that you are likely to have the knowledge, opinions or anecdotes that are particularly relevant to this research area.

The process of interviews
Upon agreeing to take part and signing the interview consent form; we will arrange your participation in our interviews at your convenient time, and you will be contacted by e-mail. The main data collection method at this stage will be through informal face-to-face semi-structured interview, which will typically last about 1 to 1.5 hours. The interview will be a discussion guided by a series of topics and questions, for deeper understanding of usage of social networks in the business process. If permission is granted, the interview will be digitally recorded. This will allow the conversation to proceed freely without distraction from note-taking, and will ensure that the process is consistent and reliable across all interviews.

Are there any risks in taking part?
You are at no physical or psychological risk by taking part in this research. Nevertheless, if you feel uncomfortable with the interview at any point then please let the researcher know and the interview will be terminated and all associated information destroyed.
What if I want to withdraw or ask to have my data destroyed?
We should stress that you do not have to accept this invitation and that you are free to withdraw participation or ask to have your data destroyed as long as it is at a stage where it is possible, including after signing the consent form and after conducting the interviews but should be before collected data results written up, published or entered into analysis where its not possible to remove your data.

Are there any benefits in taking part?
The research is intended to contribute to an understanding of the link between effective use of social networks based virtual communities and Small to medium enterprises improvement and expansion. In addition to academic publication, a short report of what will be produced as ‘best practices’ which may be a useful input for the business will be made available to each participating organization that could assist in improving practices and thereby providing a competitive edge in the market and provide useful insights for participated organizations.

What if I am unhappy or if there is a problem?
If you are unhappy during the research, please feel free to let us know as soon as possible. If you feel you need to contact us after the interview has taken place, then please get in touch using the contact details at the end of this information sheet. If you remain unhappy or have a complaint which you feel you can not come to us with then you should contact the Research Governance Officer on 0044-151-7948290 (ethics@liv.ac.uk). When contacting the Research Governance Officer, please provide details of the name or description of the study (so that it can be identified), the researcher(s) involved, and the details of the complaint you wish to make.

Will my participation/ information be kept confidential?
Yes. All identifyers to you will be anonymized within the research and under the Data Protection Act your personal information will not be shared with anyone else and will be kept in password protected electronic storage. Additionally, quotations from interviews might be used but such reporting will be anonymized, too.

Who can I contact if I have further questions or complaints?
If you have any concerns about any aspects of the research, either before or after participation, or would like to talk to someone other than the researcher, then please feel free to contact:

Dr. Hosam Ismail  Dr. Matthew Tickle
hismail@liverpool.ac.uk  M.Tickie@liverpool.ac.uk
LJL Management School.
Chatham Building, Chatham Street, Liverpool L69 3XL

Thank you
Title of Research Project: Effect of social networks (SNs) on small to medium sized enterprises (SMEs).

Researcher(s): Hanaa Namankani

1. I confirm that I have read and have understood the information sheet dated [DATE] for the above study. I have had the opportunity to consider the information, ask questions and have had these answered satisfactorily.

2. I understand that my participation is voluntary and that I am free to withdraw at any time without giving any reason, without my rights being affected. In addition, should I not wish to answer any particular question or questions, I am free to decline.

3. I understand that, under the Data Protection Act, I can at any time ask for access to the information I provide and I can also request the destruction of that information if I wish.

4. I understand that confidentiality and anonymity will be maintained and it will not be possible to identify me in any publications.

5. I understand that my participation will be audio recorded and I am aware of and consent to your use of these recordings for the purpose of this research.

6. I understand that my responses will be kept strictly confidential. I give permission for members of the research team to have access to my anonymised responses. I understand that my name will not be linked with the research materials, and I will not be identified or identifiable in the report or reports that result from the research.

7. I agree to take part in the above study.

Participant Name ___________________________ Date ___________ Signature ________________________

Name of Person taking consent ___________________________ Date ___________ Signature ________________________

Hanaa Namankani

Researcher ___________________________ Date ___________ Signature ________________________

Principal Investigator: Dr. Hossam Ismail (h.ismail@liverpool.ac.uk)  
Student Researcher: Hanaa Namankani (hnamankani@gmail.com)  
Matthew Tickle (M.Tickie@liverpool.ac.uk)

Management School, Chatham Building, Liverpool L69 3XL

The contact details in the event of a complaint are:
Research Governance Officer: 0151 794 8290 or ethics@liv.ac.uk
[5.0/May 2013]
Consent form for questionnaire

Title of Research Project: Effect of social networks (SNs) on small to medium sized enterprises (SMEs).

Researcher(s): Hanaa Namarkani

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______________  ___________  ___________
Participant Name      Date          Signature

______________  ___________  ___________
Name of Person taking consent      Date          Signature

Hanaa Namarkani

______________  ___________  ___________
Researcher       Date          Signature

Principal Investigator: Student Researcher:
Dr. Husain Ismail (hasmail@liverpool.ac.uk) Hanaa Namarkani (hnamarkani@gmail.com)
Dr. Matthew Tickle (m.tickle@liverpool.ac.uk)

Management School, Chatham Building, Liverpool L69 3XL

The contact details in the event of a complaint are:
Research Governance Officer: 0151 794 9290 or ethics@lrv.ac.uk

[5.0/May 2013]
Participant information sheet for questionnaire

Title of Study: Effect of social networks (SNs) on small to medium sized enterprises (SMEs).

You are invited to participate in a research study. Before you decide whether to participate, it is important for you to understand why the research is being done and what it will involve. Please take time to read the following information carefully and feel free to ask us if you would like more information or if there is anything that you do not understand. Please also feel free to discuss this with your friends and colleagues if you wish. Your contribution will be greatly appreciated should you decide to proceed with the study, but we should stress that you do not have to accept this invitation and that you are free to withdraw participation at any stage, including after signing the consent form.

Thank you for reading this.

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Why have I been chosen for the research?
In your role within your company, and / or through your commercial experience we believe that you are likely to have the knowledge, opinions or anecdotes that are particularly relevant to this research area.

The process of questionnaires
Upon agreeing to take part and signing the questionnaire consent form, we will arrange your participation in our questionnaire survey. The questionnaire is mainly based on closed-ended questions but there will be some open-ended questions where we seek to understand the organization’s situation regarding usage of social networks-based virtual communities in the business process. Following the questionnaire survey round, you might be invited for an interview, which you are free to accept by signing the interview consent form at a later stage and the interview will be at your convenient time and you will be contacted by e-mail.
Are there any risks in taking part?
You are in no physical or psychological risk by taking part in this research. Nevertheless, if you feel uncomfortable with the interview at any point then please let the researcher know and the interview will be terminated and all associated information destroyed.

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Thank you