



Social Media Utilizations in SMEs Context: Review Paper

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ABSTRACT: Numerous comprehensive investigations have been carried out regarding social media usage, yet the factors driving its adoption within organizations, particularly small and medium-sized enterprises (SMEs), remain unclear. Specifically, internal, and external social media usage. Previous studies have predominantly concentrated on individuals or the use of social media by large corporations. As a response, the present review seeks to provide an encompassing perspective on the utilization of social media and its advantages for SMEs. It systematically combs through pertinent research articles on the integration of social media within SMEs, drawing from reputable databases like Web of Science and Scopus. This search employs specific keywords such as ("social media" OR "Facebook" OR "Twitter" OR "Instagram" OR "social networking sites" OR "External social media" OR "Internal social media") AND (entrepreneur* OR "SME" OR "small business" OR "small and medium"). The ensuing articles scrutinized in this review delve into the subsequent aspects: (1) the objectives driving social media employment in SMEs, (2) the publication year, (3) authors' nationalities, (4) publishing journals, and (5) how the present research enriches the existing literature by furnishing an exhaustive assessment of viable options and pinpointing gaps in research. Consequently, this exploration offers researchers and innovators enticing prospects to cultivate new strategic implementations by extensively examining the significance of social media and its multifaceted advantages across various dimensions of SMEs.

KEYWORDS: Entrepreneur, Literature Review, Social Media, Social Network, Small-Medium Enterprise, SMEs, Small Business.

1. INTRODUCTION

Small and medium-sized enterprises (SMEs) are recognized as a significant driving force for economic expansion in terms of both employment and gross domestic product (Alhamami et al., 2021; Gherghina et al., 2020). Over the years, a range of scholars (Alhamami et al., 2021; Gherghina et al., 2020; Hanaysha et al., 2022; Tang et al., 2021; Tehseen et al., 2020) have emphasized the growing importance of marketing in bolstering the competitiveness of SMEs. They note that the adoption of both market orientation and strategies could confer SMEs with a sustained competitive edge.

The existing body of literature increasingly indicates a potential correlation between business practices and SME success (Cheah et al., 2022). Additionally, SMEs are acknowledged as central to a country's economic progress. Consequently, governments globally are launching various transformation initiatives to enhance SME productivity, enabling them to compete more effectively and leverage new business prospects. As a result, numerous SMEs have embraced the digital realm by establishing corporate websites and integrating diverse information and communication technologies. Although these endeavors are praiseworthy, they remain insufficient (Abu Bakar et al., 2019). In particular, business management has undergone substantial transformation, driven by technology which accelerates operations across all business facets. Notably, the recent surge in mobile devices, IT, web systems, and internet usage has revolutionized work processes. Reinterpretation and redesign are pivotal business variables that underscore an organization's value creation and performance. The focus has shifted to data management, predictive analysis capabilities, and prioritizing data quality over process quality, a departure from previous priorities. Machine learning intervention has introduced the potential to disrupt business operations. However, the capacity and willingness of large corporations to invest are likely stronger compared to SMEs, which often contend with constraints and capital limitations (Ramdan et al., 2022; Susanto et al., 2023).

Scholars and experts have acknowledged the significance of consumer engagement in the process of creating novel products/services (Alhamami et al., 2021; Ramdan et al., 2022). Notably, advancements in information technology have spurred the emergence of innovative enterprises (Adam et al., 2016). The proliferation of the internet has seemingly augmented customer activity online, inducing a notable shift in corporate conduct. Recently, social media and social networks have gained prominence as primary platforms for shaping and overseeing transactional and correlated undertakings within companies (Kaplan & Haenlein, 2010). They have also facilitated the establishment and communication of brands (Cruz Rincon et al., 2022; Sahaym et al., 2021).



Given this escalating trend, further investigations across diverse market levels, industries, and viewpoints are warranted to delve into the integration, usage, strategies, and outcomes of social media, thereby forming a solid theoretical foundation (Ndiege, 2019). A substantial body of empirical research has centered on social media, particularly concerning Small and Medium-sized Enterprises (SMEs), considering its implementation as a tool for achieving positive outcomes (Bouargan et al., 2021; Ndiege, 2019). Notably, studies on social media have underscored its advantages for the success of SMEs (Bouargan et al., 2021; Ekanem & Erukusin, 2021). Therefore, the current review aspires to provide a critical examination of the assimilation of social media usage within the context of SMEs.

In short, as mentioned earlier, the primary objective of this review is to see the role of social media (internal and external) in enhancing SMEs practices.

2. METHODOLOGY

The aims of this research involve investigating the utilization of internal and external social media within SME sectors, focusing on the fundamental aspects of social media implementations. To accomplish these objectives, a two-part methodology was employed. The initial phase encompasses the preliminary assessment of collected articles. Subsequently, the second phase involves a meticulous evaluation of existing literature concerning social media applications. The search strategy, in line with recommendations, relied on designated databases chosen for article exploration and selection. (1) Web of Science (WoS), (2) Scopus, these are the most popular, well-known databases worldwide and the most reliable databases applying this query ("social media" OR "External social media" OR "Internal social media" OR "Facebook" OR "Twitter" OR "Instagram" OR "social networking sites") AND (entrepreneur* OR "SME" OR "small business" OR "small and medium").

3. THEORETICAL BACKGROUND

3.1 Social Media usage and SMEs Benefits

There exist multiple potential interpretations of social media (Kietzmann et al., 2011; Mpandare & Li, 2020), as it is perceived and utilized diversely by different individuals. Nonetheless, the description provided by Kaplan and Hoenlein (2010) is notably succinct and all-encompassing. They define social media as "a collection of online applications rooted in the principles and technology of Web 2.0, enabling the generation and exchange of User Generated Content." Consequently, adept utilization of social networking can enhance various corporate procedures. This encompasses activities like collaborations with trade partners, sharing of information, synchronization, and even the management of logistics across supply chains (Ainin et al., 2015; Mpandare & Li, 2020). Tools designed to manage social media and assist business operations include Qwaya, Agency Analytics, and Agora Pulse (Cheing et al., 2020). A multitude of research has delved into the usage of social media and its influence on the accomplishments of SMEs, both in developing and advanced nations, with a heavier emphasis on developed nations. It's crucial to consider that extending the conclusions of past research on social media usage in SMEs from developed nations to the context of developing nations should be approached with caution. This caution arises from significant contextual discrepancies between developed and developing nations, including factors pertaining to organization and the environment within SMEs (Dewan & Kraemer, 2000).

However, the two prevalent types are as follows: (1) internal, indicating interaction taking place within the organization itself, and (2) external, encompassing interaction with external entities like customers, suppliers, and the broader public. Internal social media utilization is the deployment and use of social media among the employees of a given organization (Mpandare & Li, 2020). External social media utilization is the deployment of social media for communication between an organization and its external stakeholders such as its customers (Mpandare & Li, 2020). Nonetheless, there is a lack of research on these two types of social media performance in both developed and developing countries, especially internal social media (Alhamami et al., 2023; Mpandare & Li, 2020). Based on the researcher knowledge so far, there is no study between internal and external social media usage together and SMEs performance. Moreover, previous studies show mixed results between social media and business performance. This is because many SME have social media, but they don't know how to use it effectively (Wibawa et al., 2022). For example, in developing country such as Saudi Arabi, SMEs adopt internal social media like Yammer, Slater, and IBM, and external social media like Facebook, Twitter, but they don't use it effectively.



3.2 Small and Medium-Sized Enterprises

A universally agreed-upon definition for a small enterprise does not exist (Ramdani et al., 2013). Multiple interpretations have been proposed, which are also influenced by a country's economic growth rate and trajectory (Ayandibu & Houghton, 2017; Ungerman et al., 2018). Various researchers have considered factors like capital assets, labor skills, turnover rates, legal status, production methods, ownership, and industry to define small enterprises (Alhamami et al., 2021; Ramdani et al., 2013). The most widely adopted framework across different nations to define SMEs primarily relies on factors such as employee count and resources (Cowling et al., 2018).

Despite their significance to the development of developing countries, existing literature portrays SMEs as struggling to survive in the market. Wang et al., (2016) draws from a World Bank survey encompassing SME data from 119 developing nations, identifying financing as a major growth hurdle followed by competition (Wang et al., 2016). Given these challenges, it would be prudent for small and medium-sized enterprises to adopt cost-effective, easily attainable, and rewarding technologies. In this context, digital technology proves advantageous (Al Halbusi et al., 2022; Hoong et al., 2019). Such technologies are generally user-friendly and accessible, not requiring extensive technical expertise (Abdullah et al., 2019).

These innovations offer SMEs a straightforward and affordable means of connecting with both current and prospective customers. Leveraging the insights generated from these platforms can strategically position SMEs, thereby bolstering their prospects of survival and competitiveness (Al Halbusi et al., 2022; Hanaysha et al., 2022). Notably, advancements in IT have led to a surge in inventive enterprises (Adam et al., 2016; Hanaysha et al., 2022).

3.2.1 Characteristics of Small- and Medium-Sized Enterprises

Small and medium-sized enterprises (SMEs) differ from large corporations in various aspects (Cheing et al., 2020). SMEs, in particular, tend to have tighter control but are less inclined to hire specialized experts (Raghavan et al., 2018). This could stem from their prioritization of essential skills, which might lead to a deficiency in IT knowledge and the requisite technological experience to fully grasp and exploit its benefits (Al Halbusi et al., 2022; Tehseen et al., 2020). Moreover, due to constrained financial resources, SMEs might hesitate to invest significantly in substantial IT infrastructure or technological proficiency (Rizos et al., 2016). This hesitation is heightened by their awareness that they might lack the managerial, human, and financial capital to manage potential issues that could arise (Hassan et al., 2020). Hence, SMEs must foster innovation and creativity to ensure their business sustainability.

4. STATISTICAL INFORMATION OF SELECTED ARTICLES

4.1 Years of Publication

This section discusses the recent trends in publications over the past decade concerning the adoption of social media by small and medium-sized enterprises (SMEs) and the benefits derived from it, as illustrated in Figure 1. It is evident that scholars have shown a substantial interest in this topic, as the number of publications has noticeably risen between 2011 and 2021. This increase strongly suggests that researchers have been dedicating significant effort to this field, underscoring its growing importance in recent years, as depicted in Figure 1.

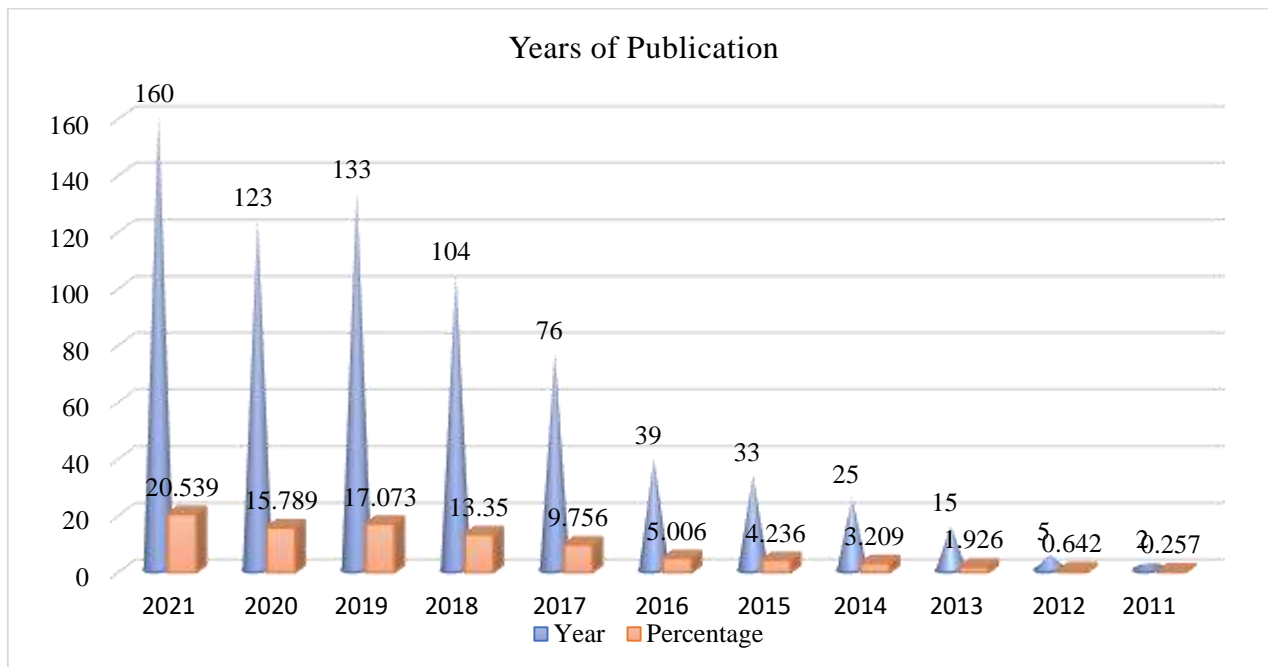


Figure 1. Years of Publication

4.2 Author Productively

Table 1 provides an overview of the authors who have been most productive between 2011 and 2021. The data reveals the most prolific author in the last decade concerning "social media adaptation/usage in SMEs" to be BALTAR F, who has contributed 5 publications to the Web of Science (WOS) database. Following closely is DUFFY BE, also with 5 publications. Table 1 further elucidates the ranking of these authors in a specific order.

One noteworthy aspect identified in this study is that there is variability in the authors' rankings. This discrepancy could be attributed to factors such as the publication year or the availability of research papers. Consequently, researchers and authors are encouraged to develop strategies aimed at enhancing their research visibility and impact, both before and after their publications, as emphasized by (Ebrahim et al., 2013).

Table 1. The most productive authors of "Social Media adaption in SMEs" from 2009 to 2019.

Author Name	Number of Publication	Percentage%
BALTAR F	5	0.642%
DUFFY BE	5	0.642%
BURGESS S	4	0.513%
DEL GIUDICE M	4	0.513%
ELICHE-QUESADA D	4	0.513%
RUS-CASAS C	4	0.513%
SCUOTTO V	4	0.513%
ABU BAKAR AR	3	0.385%
AHMAD SZ	3	0.385%
AININ S	3	0.385%



4.3 Top Published Journal

Figure 2 displays a compilation of the top 10 journals that have published the most articles on the subject of "social media usage in SMEs" in recent years. Leading the field is 'Technological Forecasting And Social Change,' which has contributed 10 published articles, constituting 14% of the total publications included in the search. Following closely is the 'Journal of Small Business and Enterprise Development,' with 9 publications, making up 12% of the total count. Additionally, the 'Journal of Business Industrial Marketing' has published 8 articles, accounting for 11%, and so forth, as indicated in Figure 2.

It is important to note that none of these journals can be considered dominant in the field, as they are only a subset of the journals featured in the figure. This presents an excellent opportunity for new journals to focus on the topic of "social media and SMEs" and potentially increase their publication count, thereby enhancing their reputation in the field.

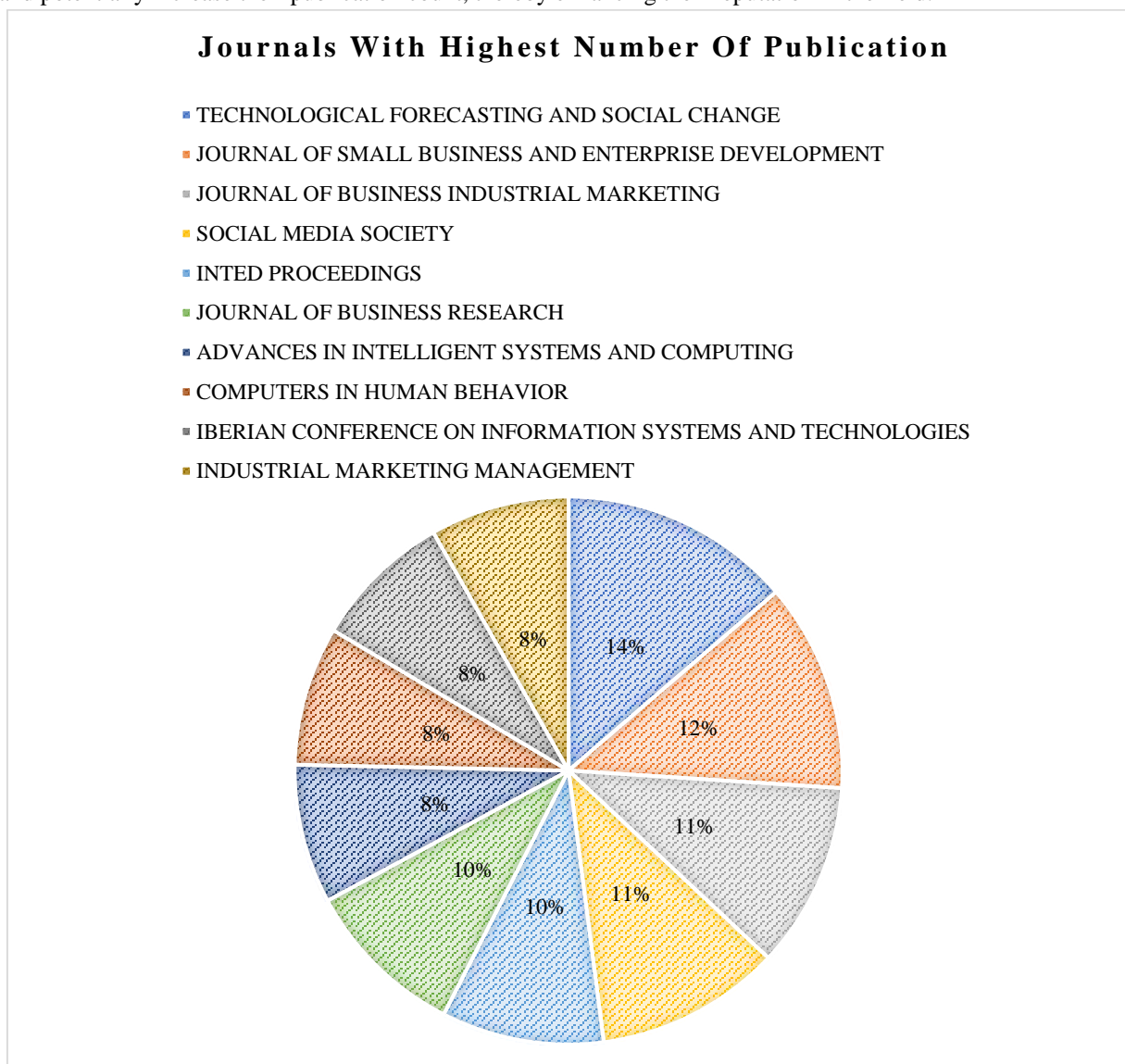


Figure 2. Top 10 journals with highest number of publications in “Social Media Use in SMEs”

4.4 Top 10 Intuitions Based on Number of Publications

In the fast-paced landscape of research within universities and institutions today, many organizations are striving to maintain their positions in global rankings. Consequently, in Figure 3, we can observe the top 10 universities and institutions that have recorded



the highest volume of publications. Within Figure 3, it becomes evident that 'Queensland University of Technology' and 'Michigan State University' have been particularly prolific, with eleven and seven articles, respectively. The following closely is 'Temple University,' with eight articles, and more comprehensive information is available in the accompanying table below.

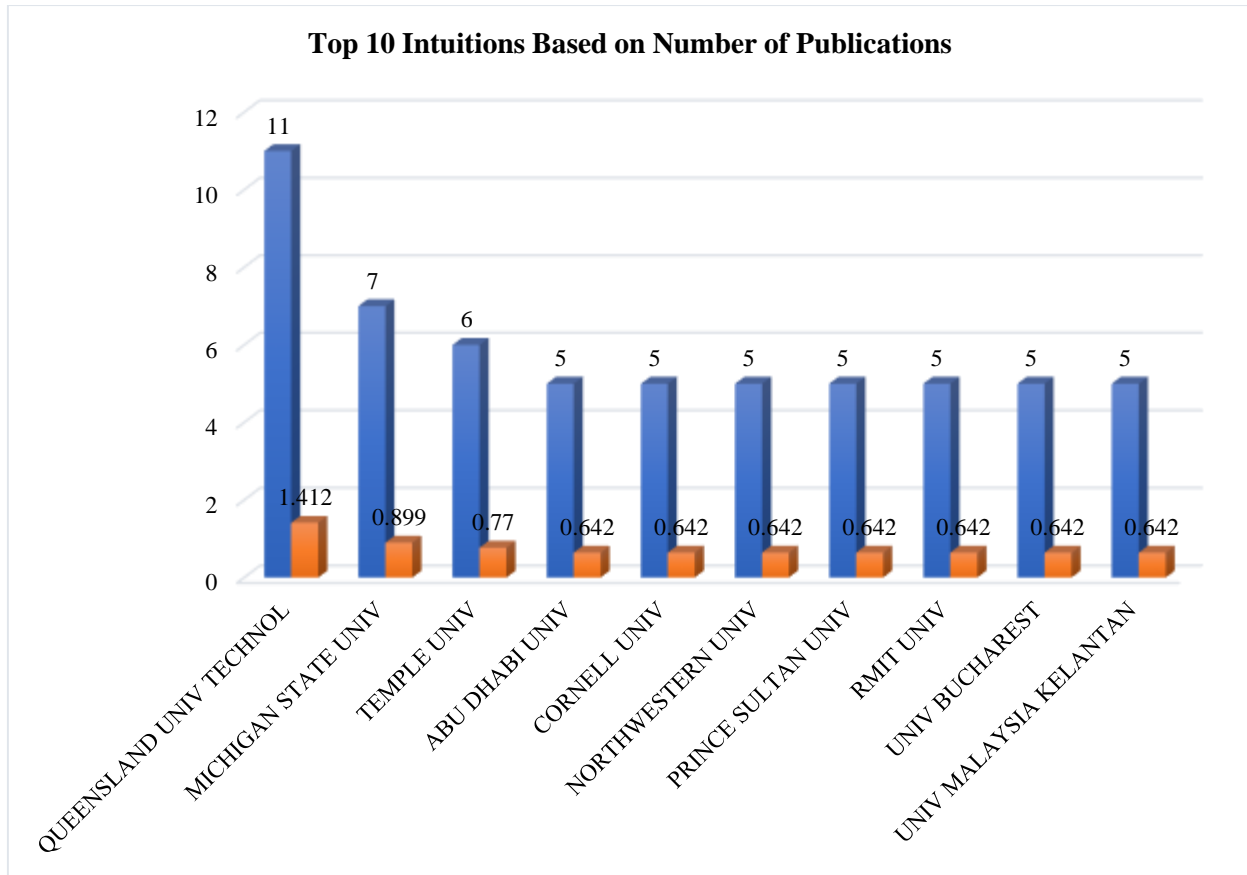


Figure 3. Top 10 intuitions based on number of publications.

5. DISCUSSION AND CONCLUSION

This study stands out as one of the few comprehensive examinations that the authors are aware of regarding the impact of social media adoption on SMEs. The findings are of particular significance because social media is a technology primarily aimed at engaging with customers. In contrast to most technologies previously explored in research, which have typically focused on enhancing operational efficiency or internal systems like e-commerce or cloud technology, the use of social media holds substantial implications for organizations. Furthermore, the decision made by SMEs to utilize social networks is significantly influenced by the technology aspect. It's important to note that this influence is often assumed rather than empirically established, relying on the firm's expertise and understanding (Cruz Rincon et al., 2022), while small and medium-sized enterprises believe that social media can contribute to their business success.

In conclusion, this review demonstrates the advantages of adapting to social media for SMEs. The findings of this review strongly suggest that the adoption of social media greatly benefits SMEs in terms of business performance within the studied organizations. This is primarily because it offers a more sophisticated and cost-effective advertising platform compared to traditional methods, as social media platforms are typically free to use, which is particularly advantageous given the financial constraints often faced by SMEs. Therefore, utilizing social media as a means to advance one's business is a crucial strategy. It is hoped that this study will provide a solid foundation for further research on the adoption of social media.



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