



Swansea University  
Prifysgol Abertawe



## Cronfa - Swansea University Open Access Repository

---

This is an author produced version of a paper published in:  
*International Journal of Indian Culture and Business Management*

Cronfa URL for this paper:  
<http://cronfa.swan.ac.uk/Record/cronfa27777>

---

### **Paper:**

Abed, S., Dwivedi, Y. & Williams, M. (2016). Social commerce as a business tool in Saudi Arabia's SMEs.  
*International Journal of Indian Culture and Business Management*, 13(1), 1  
<http://dx.doi.org/10.1504/IJICBM.2016.077634>

---

This item is brought to you by Swansea University. Any person downloading material is agreeing to abide by the terms of the repository licence. Copies of full text items may be used or reproduced in any format or medium, without prior permission for personal research or study, educational or non-commercial purposes only. The copyright for any work remains with the original author unless otherwise specified. The full-text must not be sold in any format or medium without the formal permission of the copyright holder.

Permission for multiple reproductions should be obtained from the original author.

Authors are personally responsible for adhering to copyright and publisher restrictions when uploading content to the repository.

<http://www.swansea.ac.uk/iss/researchsupport/cronfa-support/>

---

## **Social Commerce as a Business Tool in Saudi Arabia's SMEs**

---

### **Salma S. Abed**

School of Management  
Swansea University Bay Campus  
SA1 8EN, Swansea, UK  
E-mail: [717185@swansea.ac.uk](mailto:717185@swansea.ac.uk)

### **Yogesh K. Dwivedi\***

School of Management  
Swansea University Bay Campus  
SA1 8EN, Swansea, UK  
Tel: +44 (0) 1792 602340  
E-mail: [ykdwivedi@gmail.com](mailto:ykdwivedi@gmail.com)

**\*Corresponding Author**

### **Michael D. Williams**

School of Management  
Swansea University Bay Campus  
SA1 8EN, Swansea, UK  
Tel. +44 (0) 1792 295181  
E-mail: [m.d.williams@swansea.ac.uk](mailto:m.d.williams@swansea.ac.uk)

**Abstract:** Social media adoption plays a significant role in economic development. Yet, many Small- and Medium-sized Enterprises (SMEs) do not believe that they could expand their market and reach customers on social media sites, especially in developing countries such as Saudi Arabia. Therefore, this study conducted a content analysis method to determine the elements of social media that SMEs are using to connect with consumers and its impact on consumers' usage. The study has analysed sixty SMEs divided into four main categories including online information provided and shared by SMEs; online business strategies used by SMEs; technology and social media tools and platforms used by SMEs; and consumers social media tools and platforms usage to connect with SMEs. Finally, the analysis indicated that businesses are building online trust using social media; online business strategies influence consumers' perceptions of the uncertainty; innovative businesses lead to innovative consumers; and quality of online information affects consumers' adoption.

**Keywords:** Social Commerce, Social Media, SMEs, Content Analysis, Saudi Arabia

*S.S. Abed, Y.K. Dwivedi, & M.D. Williams*

**Reference** to this paper should be made as follows: Abed, S.S., Dwivedi Y.K., and Williams, M.D. (---) ‘SMEs’ Adoption of E-commerce using Social Media in a Saudi Arabian Context: A Systematic Literature Review,’ *International Journal of Business Information Systems*, Vol. 0, No 0, pp.00-00.

**Biographical notes:** **Salma S. Abed** is a PhD candidate at Swansea University, Wales, UK. She obtained her MSc in Business information Technology from the College of Computing and Digital Media at DePaul University, Chicago, Illinois, USA. She is a lecturer in the College of Business at King Abdul-Aziz University, Jeddah, Saudi Arabia.

**Yogesh K. Dwivedi** is a Professor of Digital and Social Media in the School of Management at Swansea University, Wales, UK. He obtained his PhD and MSc in Information Systems from Brunel University, UK. He has co-authored several papers which have appeared in international refereed journals such as CACM, DATA BASE, EJIS, ISJ, ISF, JCIS, JIT, JORS, and IMDS. He is Associate Editor of the European Journal of Information Systems, Assistant Editor of TGPPP, Senior Editor of JECR and member of the editorial board/review board of several journals. He is an annual member of the AIS and life member of the IFIP WG8.6 and 8.5.

**Michael D. Williams** is a Professor in the School of Management at Swansea University in the UK. He holds a BSc from the CNAAB, an MEd from the University of Cambridge, and a PhD from the University of Sheffield. He is a member of the British Computer Society and is registered as a Chartered Engineer. Prior to entering academia, Professor Williams spent twelve years developing and implementing ICT systems in both public and private sectors in a variety of domains including finance, telecommunications, manufacturing, and local government. Since entering academia, he has acted as a consultant for both public and private organisations. He is the author of numerous fully refereed and invited papers within the ICT domain, has editorial board membership of a number of academic journals, and has obtained external research funding from sources including the European Union, the Nuffield Foundation, and the Welsh Assembly Government.

---

## **1 Introduction**

Social media plays an important role in the economic development, as it offers both organisations and customers’ new ways to connect with each other. Companies began to embrace social media websites as a way to improve information sharing, communication, and collaboration by

implementing many innovative and essential business practices (De Vries et al., 2012). This includes adding social media to companies marketing and brand-building activities. Companies began to look for leverage into the “people’s Internet” and to gain knowledge to pull the “likes”, “shares” and “comments” for profit making (Chen et al., 2011). Nowadays, it is common to see businesses launch themselves on ‘Facebook’ pages, ‘Twitter’ accounts, and ‘YouTube’ channels in an attempt to maintain significant amongst the competition and to create or strengthen links with customers (Weinberg et al., 2013). They start by creating product pages upon which users are invited to join those product pages in order to ‘follow’ the products. Social media drives companies to work faster by creating and managing more interdependencies and operating in global markets (Abed et al., 2015ab). As a result, social media offers companies a variety of ways to reach consumers by communicating with them and measuring their browsing and purchasing activities (Coulter & Roggeveen, 2012). Accordingly, the development of social media has improved a new e-commerce model called social commerce. The term of social commerce is defined as a concept of Internet-based social media, which enables people to participate actively in the selling and marketing of different products and services in online marketplaces (Kim & Park, 2013). This dynamic process helps consumers to get better information about different products and services provided by companies.

Saudi Arabia has witnessed the largest growth of diffusion of social media platforms, which is the strongest enabling factor to e-commerce adoption within the Kingdom (Youssef, 2012). Many large organisations, as well as small businesses and new ventures, have set-up their companies and group profiles on Facebook or LinkedIn or other similar websites. In fact, Saudi Arabia ranks second in the Arab countries, after Egypt, for registering 5,240,720 Facebook users (Arab ICT Use Report, 2012). In

*S.S. Abed, Y.K. Dwivedi, & M.D. Williams*

addition, Saudi Arabia represents the largest proportion of Twitter users with approximately 830,300 users or 38% of total Arab users (Arab ICT Use Report, 2012). Furthermore, over 4 billion viewers watch YouTube in Saudi Arabia, the equivalent to 90 million video views per day. This is the highest number of YouTube viewings worldwide per Internet user (De Kerros Boudkov Orloff, 2012). These amazing facts have created a new landscape for business owners and managers as well as marketers to reach their potential consumers.

In contrast, Small- and Medium-sized Enterprises (SMEs) are critical to the economic performance and development of any country (Ghoshal, 2015). SME's use of information technology-based systems and applications such as electronic commerce (e-commerce) is generally constrained by limited resources (Dwivedi & Sahu, 2014). On the other hand, since social media tools are low-cost to obtain and operate and little requirement for technical expertise, there is increasing evidence that SMEs are becoming early adopters of social media by aiming to improve their ability to serve customers (Barnes et al., 2012). Social media offers SMEs an opportunity to implement and/or promote e-commerce-based applications in a cost-effective manner. Accordingly, the development of social media has improved even further by introducing a new e-commerce model called social commerce. The term social commerce is defined as a concept of Internet-based social media, which enables people to participate actively in the selling and marketing of different products and services in online marketplaces (Kim & Park, 2013). This dynamic process helps consumers to get better information about different products and services provided by companies (Abed et al., 2015c). However, this emerging technology has generally been studied very little in developing countries generally and in the Middle East specifically. Existing research suggests that the implementation of e-commerce by SMEs in the Kingdom

of Saudi Arabia (KSA) would improve their own financial health and contribute substantially to the growth of the Saudi national economy. However, it appears there is a low rate of e-commerce adoption by Saudi SMEs (Dutta & Coury, 2002).

Many studies have attempted to examine factors affecting technology adoption from the business point of view as well as the consumers' perspective in developing countries such as Saudi Arabia. For example, Alryalat et al. (2013) conducted an analysis of electronic government research from the perspective of developing countries. Besides, Dwivedi et al. (2014) examined factors affecting intention and behaviour of mobile commerce adoption in the Indian context. Furthermore, Rana et al., (2015) extended the DeLone and McLean's information system model in order to examine the success of the online public grievance redressal system in the Indian context. Additionally, Kapoor et al. (2015a) investigated the role of innovation-attributes for examining consumer adoption of entertainment-related innovations in the Indian context. In the context of social media, Dwivedi et al. (2013) examined factors influencing user adoption of Web 2.0 applications. Moreover, Kapoor et al. (2015b) examined the metamorphosis of Indian electoral campaigns through social media. Additionally, in the context of technology adoption by SMEs, Dwivedi and Sahu (2014) investigated the adoption of information and communication technology towards growth of small- and medium-sized enterprises by conducting a case study of Indian enterprises. Several efforts have been made for analysing existing knowledge in the context of Saudi Arabia; for instance, Weerakkody et al. (2013) examined the influence of intermediaries in facilitating e-government adoption in the context of Saudi Arabia. Similar studies are needed to explore factors responsible for the widespread adoption of social media and Web 2.0 applications, since social media and Web 2.0 tools, such as social network,

blogs, wikis, podcasts, and information tagging are transforming people's lives. Furthermore, studies can help in formulating better strategies that may lead to an increase in customer usage of social media applications (Dwivedi et al., 2013). Therefore, it is relevant to determine the elements of social media that SMEs are using to connect with consumers and its impact on consumers usage. This has been achieved by conducting a website content analysis of selected SMEs in Saudi Arabia. The remaining sections of the paper include a description of the content analysis of the websites; the presentation of the results; discussion; and Summary and conclusion.

## **2 Related work**

Few studies have conducted a content analysis method to social media. Xiang and Gretzel (2010) examined the role of social media in an online travel information search. The study employed a content analysis method aiming to simulate a traveller's use of a search engine for travel planning. The researchers used a set of predefined keywords in combination with nine United States. tourist destination names. The study confirmed the growing importance of social media in the online tourism domain. Agichtein et al. (2008) introduced a method for exploring high quality content on social media. The researchers focussed on Yahoo! Answers; it is a large community question/answering portal that provides a rich amount of varying types of content and social interactions. The study introduced a general classification framework for combining different sources of information that can be tuned automatically for quality definition. The study is able to present a system that separates high-quality information from the rest with an accuracy close to that of humans. Denecke and Nejdil (2009) examined a content analysis of health-related information provided in social media to get an overview on the medical

content available. Particularly, the content of medical Question & Answer portals, reviews, weblogs, and Wikis is compared. The results indicated that there are considerable differences in the content of several health-related web resources. The knowledge on information content and content differences can be exploited by search engines to improve ranking, and to direct users to appropriate knowledge sources.

### **3 Social commerce research framework**

There are several frameworks that can be used or expanded to outline and understand social commerce research. For example, Liang and Turban (2011) presented a framework that identifies two fundamental elements of social commerce that help us to understand the knowledge landscape of social commerce. These two elements are social media and commercial activities. In addition, Henderson and Venkatraman (1993) proposed the strategic alignment model (SAM) which is another possible framework. This was created before the social commerce phenomenon but could be expanded to represent a research framework to examine social commerce from an organisation's perspective. SAM attributes difficulties with understanding value from information technology (IT) investments to the lack of association between IT strategies and the business prospective of organisations. Furthermore, Wang and Zhang (2012) created a conceptual framework that is the information model or 'I-model'. The model can be used to demonstrate the similarities and differences among various related disciplines to examine, promote, and evaluate research programmes and studies, and to re-examine historical cases in the context of social commerce specifically. The I-model consists of four essential components which are: information, technology, people, and organisation/society. Curty and Zhang (2011) have used the I-Model to examine issues addressed by the academic literature in social commerce. Furthermore,

*S.S. Abed, Y.K. Dwivedi, & M.D. Williams*

Wang and Zhang (2012) used the I-Model to provide a systematic analysis of social commerce development from 2005 to 2011. Additionally, Zhou et al. (2013) used the I-Model to understand the development of social commerce research and practice, and have reported some preliminary findings from a bibliometric study of academic as well as industry publications in social commerce. The researchers revealed recent trends and research topics, as well as some verification of the I-Model. As the validity of a content analysis is achieved by understanding the research objectives and reading the sub-set of relevant content, the researchers adopted the 'I-model' created by Wang and Zhang (2012).

#### **4 Content analysis of websites**

McMillan (2000) investigated early website content analysis studies and identified different challenges of applying this method to the World Wide Web. Furthermore, he suggested five primary steps to guide the process of conducting content analysis research. Those steps are: (1) formulating the research questions/hypothesis; (2) selecting the websites sample; (3) defining categories and units of analysis; (4) training coders and examining the reliability of coding; and (5) analysing and interpreting the data.

##### *4.1. Research question*

The first step is to formulate the research questions and/or hypotheses. McMillan (2000) stated that the real challenge for researchers who apply content analysis to the web is not to identify questions but to find a context for the identified research questions in existing theory. He suggests that researchers should build on an existing or emerging communication theory in defining their web-based research. The first two research questions that

this research addresses are: What are the elements of social media that SMEs are using to connect with consumers? What is the impact of different social media elements that SMEs are using on consumers' usage? These research questions are exploratory in nature as the purpose of this phase of the study is to examine the elements of social media that SMEs are using to connect with consumers and its impact on consumers' usage, rather than testing priori relationships among variables.

#### *4.2. Sample of websites*

The second step is to select a sample of websites. Due to the fast growth and change of the Internet as new websites keep appearing or being removed rapidly, the available directories are always unfinished. As a result, drawing a sample may be one of the most difficult aspects of website content analysis (McMillan, 2000). There are two ways of defining a sample of websites: use an online list of websites with a related given category; or identify websites with related criteria for the purpose of the study (Mendo, 2007). This research has used the online list of the top sixty inspiring and innovative entrepreneurs in Saudi Arabia identified by the *Forbes Middle East* magazine. McMillan (2000) found that most of the studies she examined had a sample size between fifty and five-hundred websites. Consequently, the sample size of the present study is considered within the range of similar previous studies, although it is at the lower end.

#### *4.3. Units of analysis and coding of units*

The unit of analysis is the segment of content on which data is counted, scored, and analysed and for which findings are reported (Neuendorf, 2002). Defining the unit of analysis is a unique challenge on the World Wide Web as coding an entire site could be extremely time-consuming (McMillan, 2000). However, as the given SMEs' websites sample of the

*S.S. Abed, Y.K. Dwivedi, & M.D. Williams*

present research are relatively small in size, it was decided to apply a more comprehensive approach by aiming to code web features that may not be included in the home page. This has been achieved by creating a coding sheet with different components and variables. A logical scientific approach to content analysis requires that all decisions on variables, their coding rules, and measurements must be made before data collection begins. The researchers started with a prior design of a coding system by a comprehensive written coding list. This list contained the variables (units of analysis) to be researched, and provided the researchers with a consistent framework for conducting the research.

#### *4.4. Training coders, coding and checking reliability*

The researcher worked as a coder. According to Holsti (1969), training is necessary to make sure that the coder is relying on the same aspects of his/her experience in his/her decisions. Therefore, prior to the actual coding, the researcher conducted a pilot coding in order to refine and validate the coding scheme and also to ensure the model fit and by becoming familiar with the coding sheet. Five randomly-selected Saudi SME websites have been chosen and examined. While evaluating each website with the coding sheets, the following question was asked: 'Does this website contain any of the following features?' Accordingly, the coding variables have been adjusted. After the training and the pilot testing, the researcher analysed the selected list of website samples. The coding of each website took approximately 30 minutes.

#### *4.5. Analysing and interpreting the data*

McMillan (2000) suggests that the statistical tools used for data analysis will depend on the type of data collected by the researcher and on the research questions that are addressed. In addition, the researcher found

that the web-based content analysis does not carry any new challenges in this step. As the present study is mostly exploratory in nature, it was decided to use descriptive statistics to analyse frequencies to determine the elements of social media that SMEs are using to connect with consumers. The analysis of frequencies was undertaken by an examination of the number of websites that contained each of the identified social commerce features that are included in the three components (technology, business strategy, information) and reported as a percentage of all investigated cases. The technology component had six features, the business strategy had eight features, and information had seven features making twenty-one features. Each feature had one of two answers, either 'Yes' marked with a '1' if the website contains the feature; or 'No' marked with a '2' if the website does not contain the feature. This analysis demonstrated which particular social commerce features are recorded most frequently whether they were added or removed from the websites during the study period, for each of the three web evaluation components. After that, the fourth component (consumers) has been investigated by recording the number of Facebook likes, LinkedIn followers, Twitter followers, YouTube subscribers, and Instagram followers of the SMEs that are using all social media tools in the selected sample.

## **5 Results**

The following four tables and figures show the analysis of the websites of the top sixty inspiring and innovative entrepreneurs in Saudi Arabia by *Forbes Middle East* magazine. In order to answer the first research question, three components of the I-model, created by Wang and Zhang (2012), were analysed and are presented in the next three tables and graphs including technology used by SMEs containing social media tools and platforms, online business strategies used by SMEs, and online

information used and shared by SMEs. To answer the second research question, the fourth component of the I-model (consumers) was investigated including the number of consumers on Facebook likes, LinkedIn followers, Twitter followers, YouTube subscribers, and Instagram followers from the SMEs that are using all social media tools in the selected sample.

While investigating the technology component, 26.1% SMEs had basic websites that provided information and made it available to anyone at any time. The latter group is a high percentage of SMEs that are still playing a waiting game by not having a basic website. In fact, small businesses in Saudi Arabia are struggling to make the decision of whether or not to have a website and go online; even though they recognise the increasing importance of using the Internet to conduct business. According to Al-Hawari et al. (2008), SMEs have figured out most of the difficulties which can be handled and easily dealt with. But they are mainly concerned about some specific problems such as connecting their databases to the web, security concerns, and managing their website (web hosting). Furthermore, while investigating social media tools and platforms used by SMEs, the largest population of a social media tool used by SMEs is Facebook (25.5%), Twitter came in second place with 20.1% of SMEs. Businesses registered with LinkedIn totals 11.4% and 9.2% of SMEs have YouTube accounts. Finally, 7.6% of businesses are registered with Instagram accounts. This indicates that Saudi SMEs are taking the initiative and using social media tools and platforms to connect with consumers to conduct social commerce activities. On the other hand, thirteen SMEs did not have any social media websites and tools; this is a high number of SMEs that still are not aware of the importance of social media for the success of their business, or they may know the significance of social media but are still waiting by not making an initial move.

Michaelidou et al. (2011) indicated that the most significant barrier of social media adoption by SMEs is the lack of perceived relevance for particular sectors, as well as the majority of SMEs not adopting any metrics to assess social media effectiveness. Table 1 shows the details of technology and social media tools and platforms used by selected SMEs.

**Table 1: Technology and social media tools and platforms used by SMEs**

		Responses		Percentage of Cases
		N	Per cent	
<b>Technology used by SMEs<sup>a</sup></b>	Basic Website	48	26.1%	82.8%
	Facebook	47	25.5%	81.0%
	LinkedIn	21	11.4%	36.2%
	Twitter	37	20.1%	63.8%
	YouTube	17	9.2%	29.3%
	Instagram	14	7.6%	24.1%
<b>Total</b>		<b>184</b>	<b>100.0%</b>	<b>317.2%</b>

SMEs are not similar; they have different characteristics in sector, size, and experience with websites. This can directly affect their ability, opportunities, and needs to engage in various aspects of e-commerce, and affect their business strategies. Basically, what works for one SME does not certainly work for another as they might face totally different opportunities and constraints. While analysing data from the business strategy component, it was found that the highest number of SMEs (29.4%) used multi-channel business designs; for example, traditional communication channels as well as digital communication channels including e-mail and web-based forms. This has been achieved mostly by creating a basic website and including e-mails and contact details; in addition to these, other businesses have included applications to be downloaded onto different devices. The second highest business strategy used by SMEs was social media marketing and advertising with 25.8% of SMEs that have created Facebook and Twitter pages to connect with their consumers by creating contents that attract the customers' attention to

encourage them to share it with other customers on social media platforms. The minimum number of business strategies used by SMEs found to be true on-time and online capability as no business has been identified within this context in the selected sample; this means that SMEs still did not started to provide true on-time and online services just as large organisations such as airlines and hotel companies. Furthermore, only 1.2% of SMEs were found to be completely automated businesses; that is, YouTube programmes including UTURN Entertainment and Screen TV. Furthermore, 7.4% SMEs provided online transactions. In fact, transactional websites are not the primary strategy for SMEs to generate online sales. Alternative strategies have been found to be more suitable for businesses with limited resources and technical skills that are similar to SMEs such as selling by online auctions and external services provided by web portals (Gribbins & King, 2004). Table 2 shows the detail of the business strategies used by selected SMEs.

**Table 2: Business strategies used by SMEs**

		Responses		Percentage of Cases
		N	Per cent	
<b>Business Strategies used by SMEs<sup>a</sup></b>	Bricks Clicks	18	11.0%	32.1%
	Completely Automated Business	2	1.2%	3.6%
	SM Marketing Advertising	42	25.8%	75.0%
	Online Transaction	12	7.4%	21.4%
	Social-CRM	21	12.9%	37.5%
	Social recruitment	20	12.3%	35.7%
	Multi-Channel Business Design	48	29.4%	85.7%
<b>Total</b>		163	100.0%	291.1%

While analysing the data from the information perspective, it has been found that the largest number of SMEs provides online pictures on their social media sites with 28.5% SMEs. Business and/or product information comes in second place with 26.3% of SMEs. In contrast, the least online information shared is user-generated content as 7.5% SMEs have been

identified in this category. This includes Ecommerce SEA which is a fully automated business that provides online shopping stores including vanillaeshop.com and thou8.com. It offers customer ratings, reviews, and word of mouth to promote its products as well as social bookmarking tools. Similarly, only 7.5% SMEs have provided online videos about their companies' products and services. In addition, 8.1% SMEs have provided social bookmarking. Furthermore, 13.4% SMEs have social media buttons and icons integrated into their websites; yet, most of the investigated SMEs still do not provide these features. However, according to Michaelidou et al. (2011), SMEs that are currently using social media have indicated their intention to increase their marketing spending on this channel. Table 3 shows the detail of online information provided and shared by SMEs.

**Table 3: Online information provided and shared by SMEs**

		Responses		Percentage of Cases
		N	Per cent	
<b>Information Provided and Shared by SMEs<sup>a</sup></b>	Business Products Information	49	26.3%	92.5%
	Pictures	53	28.5%	100.0%
	Videos	14	7.5%	26.4%
	SM Integration to Websites	25	13.4%	47.2%
	Content and Social Sharing	16	8.6%	30.2%
	Social Bookmarking	15	8.1%	28.3%
	User-generated content	14	7.5%	26.4%
<b>Total</b>		186	100.0%	350.9%

To answer the second research question, the fourth component of the I-model was investigated by the researcher who gathered data relating to consumers' online engagements with SMEs on social media websites. Table 4 analyses the SMEs that have used all five social media technologies investigated in this study. In fact, out of the sixty SMEs investigated, only fourteen SMEs have used the five social media

technologies including Facebook, LinkedIn, Twitter, YouTube, and Instagram. The table highlights the consumers' engagement with the selected SMEs in social media including the numbers of consumers associated with Facebook likes, LinkedIn followers, Twitter followers, YouTube subscribers, and Instagram followers. Most of the SMEs that are making full use of social media platforms are from the food and beverages' industry. There are five SMEs from the selected sample: Munch Bakery, Shawarmer, Dani & Aani Chocolatier, Chocolat, and Golden Caviar. The second industry sector making full use of social media platforms is multimedia and advertising with four businesses in the selected sample: UTURN Entertainment, Design Magazine, Full Stop Advertising, Phenomenal PR). Other business sectors include Human Resources (Glowork, TAFE Arabia), technology (N2V, Qaym), and the fashion & clothing sector (Lomar Thobe). The highest number of consumers registered on Facebook likes is 1,562,464 in the investigated fourteen SMEs in the selected sample. Instagram followers came in second with 706,130 followers. Twitter came in third place registering 645,674 followers and YouTube came in fourth place registering 412,744 subscribers. Finally, LinkedIn came in last place by registering only 7,356 followers.

**Table 4: Consumers engagement with SMEs in social media communities**

Company Name	Facebook likes	LinkedIn followers	Instagram		YouTube		Twitter	
			Tweets	Followers	Videos	Subscribers	Posts	Followers
Munch Bakery	568,670	43	5,989	37,000	7	8,673	2,903	269,280
Shawarmer	129,247	735	23,000	58,738	17	2,189	429	33,059
Aani & Dani	141,475	378	3,249	38,111	13	71	2,145	104,472
Chocolat	2,278	5	436	631	9	33	322	8,016
Golden Caviar	5,203	292	2,726	4,462	33	13	86	204
UTURN Entertainment	228,534	500	3,780	448,167	59	395,565	1,834	214,797
Design	90,034	500	3,618	8,013	19	2,740	429	30,928

## Social Commerce as a Business Tool in Saudi Arabia's SMEs

Magazine								
Full Stop Advertising	380	339	2	92	19	510	581	1,421
Phenomenal PR	171	6	1,472	6,984	13	18	420	1,075
Glowork	21,596	2,121	3,805	13,084	14	63	295	4,288
TAFE Arabia	196	145	132	227	7	7	68	479
N2V	274,870	1,993	3,020	5,410	4	378	16	222
Qaym	45,852	124	4,967	4,832	4	3	397	4,573
Lomar Thobe	53,958	175	10,451	19,923	46	2,481	1,247	33,316
<b>TOTAL</b>	<b>1,562,464</b>	<b>7,356</b>	<b>66,647</b>	<b>645,674</b>	<b>264</b>	<b>412,744</b>	<b>11,172</b>	<b>706,130</b>

### 6 Discussion

It is important to highlight that this study did not aim to evaluate SMEs using social commerce in terms of completeness of online information provided; online business strategies; and technology and social media platforms used by SMEs. Instead, by gathering data in a very exploratory way, it showed the indications of social commerce trails and the delivering of a description of facts thereby aiming to contribute to a better understanding of this phenomenon. Developing a hypothetical or theoretical analysis would not be sufficient to provide explanations about possible inconsistencies of social commerce adoption without in-depth knowledge and setting the initial groundwork that will lead to future research. Consequently, the findings are presented in the following subsections according to the main content analysis.

#### *6.1. Trustworthy businesses are using social media*

The realisation of the remarkable potential of social commerce usage depends on consumer willingness to use the web for transacting personal business, such as gathering information or purchasing. However, there is substantial evidence that consumers perceive major risks and uncertainty in interacting with online businesses (Kim et al., 2008). As a result, web-based vendors need to build trust with consumers to overcome uncertainty

S.S. Abed, Y.K. Dwivedi, & M.D. Williams

and risk. SMEs could achieve this by adding it to their online business strategies; for example, by providing a Social Customer Relationship Management (Social-CRM) strategy using social media services, technology, and the techniques to engage with customers in a collaborative conversation, in order to provide a trusted business environment (Malthouse et al., 2013). From the investigated sample, 12.9% of SMEs are trying to provide these strategies. For instance, Munch Bakery has posted on their Instagram page: *Our goal is always innovation and renewal of a variety of ways to deliver our products to our customers.* Furthermore, to build trust in the product's quality, Munch Bakery has posted: *The secret behind the quality and taste of our products is our own ingredients, and that helps to produce better products and Our production is based on the highest standards to maintain the level of satisfaction of our customers and our quality.* In addition, Chocolat has organised a tasting event in their shop to build consumers' trust, and have invited their social media followers stating: *Indulge your senses in a night with pure chocolate...join us to taste the latest creations by our French chef at Chocolat Boutique and Café... a night that is guaranteed to make you remember...Paris.* In addition, SMEs are involving in national and non-profit community events such as Ramadan and Eid Holydays and national holiday celebrations; for example, Father's Day. Munch Bakery posted: *A very happy Father's Day to all our superheroes out there.* Furthermore, Chocolat has sponsored a fund-raising event for breast cancer research and posted it on their social media platforms *Share your hope with us.* The efforts that SMEs are making to connect with their consumers are leading to the creation of ratings, reviews, recommendations, online word of mouth, and user-generated content. When these messages spread between users, they enable consumers to get advice from each other, find goods

and services, and purchase them. As a result, customers' trust to shop online will increase.

*6.2. Online business strategies influence consumers' perceptions of the uncertainty*

The web environment does not allow consumers to examine the product, or directly observe the vendor and look into the vendor's eyes. Humans have depended for ages on these assurance mechanisms. Accordingly, consumers find it difficult to evaluate if a web-based retailer will deliver on his or her promises or protect the privacy of personal information by not sharing it with the retailers. Furthermore, some consumers perceive that the web environment itself is not secure (Kim et al., 2008). Consumers fear the unauthorised access to their personal information by hackers; especially with the issue of the widespread media coverage about security, privacy, and fraud on the Internet. As a result of lack of trust, many consumers hesitate to get involved in the behaviours necessary for social commerce in online social media platforms, such as sharing personal information with online retailers and making purchases over the web. The lack of consumer trust in social commerce and in the overall web environment remains a barrier to electronic commerce. Accordingly, from the findings of the sixty SMEs examined, only fourteen businesses are using the five investigated social media platforms for their business with the aim of building consumers' online trust. In contrast, the other forty-six SMEs are still not making full use of the social media tools and techniques to share information and to reach consumers. Social commerce has expanded to include a range of social media tools including customer ratings, reviews, and word of mouth. This would allow people to post their opinions and research for products or services, which could drive sales upwards. Saudi SMEs are making very poor use of these messages; they are not taking the advantage of spreading these messages from user to user

*S.S. Abed, Y.K. Dwivedi, & M.D. Williams*

and enabling shoppers to get advice from each other. As a result, customers' trust to shop online is decreasing and perceptions of the uncertainty and risk are increasing.

### *6.3. Innovative businesses leads to innovative consumers*

The findings indicate that the more the SMEs are innovative in using social media platforms, the more consumers will engage, comment, share, rate, review, recommend, and tag the business to others, which will lead to creating online word of mouth and user-generated content. The findings from the investigated sample (Table 4) indicates that the more tweets are posted on Twitter, the greater the number of followers are created; the additional videos that SMEs are posting on YouTube, the greater the number of subscribers are established; and the more pictures the SMEs are posting on their Instagram accounts, the greater the number of followers' and friends' tags they will achieve.

Furthermore, after investigating the SMEs that have the highest numbers of followers, it was noticed that SMEs are innovative in presenting themselves in social media platforms. For example, Munch Bakery has posted on their Instagram page: *It is our mantra to push our limits in the field of creativity and to produce what is considered impossible by most people.* Furthermore, Lomar Thobe posted: *When the past meets the future, innovation is redefined.* Additionally, SMEs are innovative in creating ways to engage consumers in social media platforms. For instance, Munch Bakery posted on their Instagram account: *Creativity comes from within! Share your creativity with Munch on #munchinspire.* In addition, they have created a drawing and painting competition on their social media platforms to engage consumers by adding: *Consider yourself an artist, show us your creativity!* and *Share with us your creative drawings of your cupcake design and the most liked*

*picture will be the winner.* Also, Lomar Thobe have created *Lomar Discovery Trip* which is a yearly trip to new destinations in Saudi Arabia. Selected consumers from social media platforms will win the trip with the business owner and managers and will share their discovery trip photos and experiences with other consumers on social media. Furthermore, Lomar Thobe has created an online competition on their social media platforms to engage with their consumers called: *Eye on Talent*. They have posted on their Instagram page: *If you are seeking to exhibit your designed products, or want to share your creative mind, apply now for either an exhibition or presenting a workshop.* The winner will receive a fashion course in Milano and a possible job opening. As a result, these efforts of innovative SMEs are encouraging innovative consumers to adopt social commerce technologies.

#### *6.4. Quality of online information affects consumers' adoption*

One of the benefits of searching on the Web is to access a greater amount and a wider variety of information. However, users need to select the information that they want by reducing the huge amount of available information. As a result, information quality is the extent to which users believe that the information is useful, accurate, current, and good (Kim et al., 2008). The SMEs that have used all five social media platforms were examined in this study from the information perspective. It has been realised that those SMEs that provide high quality information on their social media pages are the ones that attract consumer usage. This includes contact details such as website, physical address, e-mail address, customer service contact details; products and services information and pictures; as well as the companies' buy, return, and change policies. Furthermore, they respond to customers' questions and concerns in online social media platforms. Other valuable information that affects consumers' adoption are

S.S. Abed, Y.K. Dwivedi, & M.D. Williams

the companies' mission, vision, and main goals and objectives. For example Design magazine have posted: *Design magazine is for every creative designer and admirer of art in Saudi Arabia and Design is a humble attempt to integrate creativity into the firm fabric of society and to open the floodgates of humanity's innovative power and indulge in the discovery of self- expression.* Furthermore, Lomar Thobe provided their aims on their Facebook page: *To introduce fashion sense and creativity into traditional Saudi attire; To create a new level of style by reinventing traditional norms and transforming them into bold and dynamic fashion statements; and To elevate Saudi fashion through innovation.* In addition, Qaym posted: *Qaym is a social network to evaluate and share experiences and photos of restaurants and writing about their views in the country.* Companies also have posted some of their products' benefits to consumers; for instance, Chocolat stated on their social media pages: *Chocolate might be good for your brain! Dark chocolate contains flavanols and antioxidants, which seems to be good for long-term brain health.* The information that businesses are providing on their social media platforms attracts consumers' attention and helps consumers to connect with those businesses. Consumers are able to search for their products and services, rate them, write a review about them, and recommend them to other users; these will generate profit to the businesses.

## **7 Summary and conclusion**

Social commerce adoption by SMEs is becoming a required element of business success. It is no longer an option for SMEs to delay the involvement in social media tools and platforms. In fact, some SMEs are still not fully aware of the importance of social commerce adoption for their business success, or they may know the significance of social commerce but they are not moving to use the technology. Even though

SMEs in Saudi Arabia realise the significance of using the Internet to conduct business, they are still having difficulties to make the decision of whether to go online or not. SMEs need to consider both traditional and online strategies as all components work together to achieve the corporate goals.

## **8 Research Contribution**

The current study makes a significant contribution by conducting a content analysis method to social commerce technologies, which is a novel modern technology. Furthermore, the study determined the elements of social media that SMEs are using to connect with consumers as well as its impact on consumer usage. Finally, the current study expanded the literature knowledge by focussing on a new cultural context (that is: Saudi Arabia).

## **9 Managerial implications**

This study has important implications for organisations operating in the Saudi Arabian context, as it discovered that the indications of social commerce trailed by SMEs delivered a description of facts that aimed at contributing to a better understanding of this phenomenon. Hence, the implications for any organisation are as follows:

First, business managers should build online trust with consumers on the social media websites. SMEs could achieve this by adding it to their online business strategies. From the investigated sample, 12.9% of SMEs are trying to provide Social-CRM and aiming to build online trust. Decision-makers should use social media services as a business strategy to engage with customers in a collaborative conversation, in order to provide a trusted business environment.

Second, the lack of online trust is building consumers' perceptions of the uncertainty. From the sixty SMEs examined, only fourteen businesses are using the five investigated social media platforms for their business. On the other hand, forty-six SMEs are still not making full use of the social media tools to reach consumers such as including customer ratings, reviews, and word of mouth, which could drive sales upwards. Saudi SMEs are making very poor use of these messages. As a result, customers' trust to shop online is decreasing and perceptions of the uncertainty and risk are increasing.

Third, business managers and decision-makers should create innovative ways to connect with consumers on social media websites. The results of the study indicated that innovative efforts from innovative SMEs are encouraging consumers to adopt social commerce technologies.

Finally, business managers should provide high quality information on their social media pages, as it has been realised that quality of online information affects consumers' adoption, and those SMEs that provide high quality information are the ones who attract consumer usage. As a result, business managers should provide contact details such as website, physical address, e-mail address, customer service contact details; products and services information and pictures; as well as the companies' buy, return, and change policies on their social media pages.

## **10 Limitations of the study and future research directions**

This research is at an exploratory level, so the limitations of the exploratory research are applicable in the current study. In addition, the research was based on a sample of sixty SMEs. A larger sample could have been tested for a more conclusive research. Furthermore, this study focussed on businesses using social media platforms to connect with consumers (B2C); further studies should examine B2B social commerce

usage. Moreover, this study investigated SMEs using social commerce in the Saudi Arabian context. The findings may not be applicable to other countries; accordingly, further studies should investigate other countries. Besides, different types of social media websites are characterised by different patterns. This study has examined only five selected social media websites; other different categories of social media websites should be examined in further research. Finally, future studies could investigate the differences across different industries and the business sector with social commerce usage.

## References

- Abed, S., Dwivedi, Y. K. and Williams, M. D. (2015a) 'Social Media as a Bridge to E-commerce Adoption in SMEs: A Systematic Literature Review'. *The Marketing Review*, Vol. 15, No.1, pp. 39-57.
- Abed, S, Dwivedi, Y. K. and Williams, M. D. (2015b), 'SMEs' adoption of e-commerce using social media in a Saudi Arabian context: a systematic literature review', *International Journal of Business Information Systems*, Vol. 19, No. 2, pp. 159-179.
- Abed, S., Dwivedi, Y. K. and Williams, M. D. (2015c) 'Social Commerce Adoption by Saudi Consumers: A Conceptual Model'. *UK Association for Information Systems 2015 (UKAIS 2015)*.
- Agichtein, E., Castillo, C., Donato, D., Gionis, A., & Mishne, G. (2008) 'Finding high-quality content in social media', *Proceedings of the 2008 International Conference on Web Search and Data Mining* (pp. 183-194). ACM.
- Al-Hawari, M., Al-Yamani, H., & Izwawa, B. (2008) 'Small businesses' decision to have a website: Saudi Arabia case study'. *Proceedings of World Academy of Science: Engineering & Technology*, 37, pp. 308-312.
- Alryalat, M., Dwivedi, Y. K., & Williams, M. D. (2013) 'An analysis of electronic government research from the perspective of developing countries'. *International Journal of Indian Culture and Business Management*, Vol. 7, No.4, pp. 461-527.
- Arab ICT use and Social Networks Adoption Report (2012) *Madar Research & Development, KACST*. Retrieved 05.01.15 from: <http://www.kacst.edu.sa/en/about/>

[publications/Other%20Publications/Arab%20ICT%20Use%20Report%202012.pdf](#)

- Barnes, D., Clear, F., Dyerson, R., Harindranath, G., Harris, L. and Rae, A. (2012) 'Web 2.0 and micro-businesses: an exploratory investigation'. *Journal of Small Business and Enterprise Development*, Vol. 19, No. 4, pp. 687-711.
- Chen, Y., Fay, S., & Wang, Q. (2011) 'The role of marketing in social media: How online consumer reviews evolve'. *Journal of Interactive Marketing*, Vol. 25, No. 2, pp. 85-94.
- Coulter, K. S., & Roggeveen, A. (2012) 'Deal or no deal? How number of buyers, purchase limit, and time-to-expiration impact purchase decisions on group buying websites'. *Journal of Research in Interactive Marketing*, Vol. 6, No. 2, pp. 78-95.
- Curry, R. G., & Zhang, P. (2011) 'Social commerce: Looking back and forward'. *Proceedings of the American Society for Information Science and Technology*, Vol. 48, No. 1, pp. 1-10.
- De Kerros Boudkov Orloff, A. (2012) 'Ecommerce in Saudi Arabia: Driving the Evolution Adaptation and Growth of ecommerce in the Retail Industry', *Sacha Orloff Consulting Group, SOCG*, 2012, June 17. Retrieved from: <http://www.scribd.com/doc/136654512/E-Commerce-in-Saudi-Arabia-Driving-the-Evolution-Adaptation-and-Growth-of-Ecommerce-in-the-Retail-Industry-SOCG-2012June17>
- Denecke, K., & Nejdil, W. (2009) 'How valuable is medical social media data? Content analysis of the medical web'. *Information Sciences*, Vol. 179, No. 12, pp. 1870-1880.
- De Vries, L., Gensler, S., & Leeflang, P. S. (2012) 'Popularity of brand posts on brand fan pages: an investigation of the effects of social media marketing'. *Journal of Interactive Marketing*, Vol. 26, No. 2, pp. 83-91.
- Dutta, S., & Coury, M. E. (2002) 'ICT challenges for the Arab world', *The Global Information Technology Report, 2003*, pp. 116-131.
- Dwivedi, P., & Sahu, G. P. (2014) 'Adoption of information and communication technology towards growth of small and medium enterprises: a case study of Indian enterprises', *International Journal of Indian Culture and Business management*, Vol. 8, No. 2, pp. 182-197.
- Dwivedi, Y. K., Tamilmani, K., Williams, M. D., & Lal, B. (2014) 'Adoption of M-commerce: examining factors affecting intention and behaviour of Indian consumers', *International Journal of Indian Culture and Business Management*, Vol. 8, No. 3, pp. 345-360.

- Dwivedi, Y. K., Ramdani, B., Williams, M. D., Mitra, A., Williams, J., & Niranjana, S. (2013) 'Factors influencing user adoption of Web 2.0 applications'. *International Journal of Indian Culture and Business Management*, Vol. 7, No. 1, pp. 53-71.
- eMarketer (2010) 'Does social media marketing make sense for the smallest businesses? ', Retrieved from: <http://www.emarketer.com/Article/Social-Media-Marketing-Make-Sense-Smallest-Businesses/1008054>
- Ghoshal, M. (2015) 'Descriptive analysis of present quality management practices of Indian micro, small and medium enterprises'. *International Journal of Indian Culture and Business Management*, Vol. 10, No. 1, pp. 16-41.
- Gribbins, M. L., & King, R. C. (2004) 'Electronic retailing strategies: a case study of small businesses in the gifts and collectibles industry'. *Electronic Markets*, Vol. 14, No. 2, pp. 138-152.
- Henderson, J. C., & Venkatraman, N. (1993) 'Strategic alignment: Leveraging information technology for transforming organizations'. *IBM Systems Journal*, Vol. 32, No. 1, pp. 4-16.
- Holsti, O. R. (1969) *Content Analysis for the Social Sciences and Humanities*. Reading, MA: Addison-Wesley.
- Kapoor, K. K. & Dwivedi, Y. K. (2015) 'Metamorphosis of Indian electoral campaigns: Modi's social media experiment'. *International Journal of Indian Culture and Business Management*. Forthcoming.
- Kapoor, K. K., Dwivedi, Y. K., & Williams, M. D. (2015) 'Conceptualising the role of innovation-attributes for examining consumer adoption of entertainment-related innovations'. *International Journal of Indian Culture and Business Management*. Vol. 10, No. 3, pp. 367-389.
- Kim, S., & Park, H. (2013) 'Effects of various characteristics of social commerce (s-commerce) on consumers' trust and trust performance'. *International Journal of Information Management*, Vol. 33, No. 2, pp. 318-332.
- Kim, D. J., Ferrin, D. L., & Rao, H. R. (2008) 'A trust-based consumer decision-making model in electronic commerce: The role of trust, perceived risk, and their antecedents'. *Decision Support Systems*, Vol. 44, No. 2, pp. 544-564.
- Kim, D. J., Song, Y. I., Braynov, S. B., & Rao, H. R. (2005) 'A multidimensional trust formation model in B-to-C e-commerce: a conceptual framework and content analyses of academia/practitioner perspectives'. *Decision Support Systems*, Vol. 40, No. 2, pp. 544-564.

- Liang, T. P., & Turban, E. (2011) 'Introduction to the special issue social commerce: a research framework for social commerce'. *International Journal of Electronic Commerce*, Vol. 16, No. 2, pp. 5-14.
- Malthouse, E. C., Haenlein, M., Skiera, B., Wege, E., & Zhang, M. (2013) 'Managing customer relationships in the social media era: introducing the social CRM house'. *Journal of Interactive Marketing*, Vol. 27, No. 4, pp. 270-280.
- McMillan, S. J. (2000) 'The microscope and the moving target: The challenge of applying content analysis to the World Wide Web'. *Journalism & Mass Communication Quarterly*, Vol. 77, No. 1, pp. 80-98.
- Mendo, F. A. (2007) '*Development of a change framework to study SME website evolution* PhD thesis, Brunel University, UK.
- Michaelidou, N., Siamagka, N. T., & Christodoulides, G. (2011) 'Usage, barriers and measurement of social media marketing: An exploratory investigation of small and medium B2B brands'. *Industrial Marketing Management*, Vol. 40, No. 4, pp. 1153-1159.
- Mitic, M., & Kapoulas, A. (2012) 'Understanding the role of social media in bank marketing. *Marketing Intelligence & Planning*'. Vol. 30, No. 7, pp. 668-686.
- Neuendorf, K. A. (2002) '*The content analysis guidebook*'. Vol. 300. Thousand Oaks, CA: Sage Publications.
- Rana, N. P., Dwivedi, Y. K., Williams, M. D., & Piercy, N. C. (2015) 'An extended DeLone and McLean's information system model for examining success of online public grievance redressal system in Indian context'. *International Journal of Indian Culture and Business Management*, Vol. 10, No. 3, pp. 267-290.
- Wang, C., & Zhang, P. (2012) 'The evolution of social commerce: The people, management, technology, and information dimensions', *Communications of the Association for Information Systems*, Vol. 31, No. 5, pp. 1-23.
- Wang, S., Beatty, S. E., & Foxx, W. (2004) 'Signaling the trustworthiness of small online retailers. *Journal of Interactive Marketing*', Vol. 18, No. 1, pp. 53-69.
- Weerakkody, V., El-Haddadeh, R., Al-Sobhi, F., Shareef, M. A., & Dwivedi, Y. K. (2013) 'Examining the influence of intermediaries in facilitating e-government adoption: An empirical investigation'. *International Journal of Information Management*, Vol. 33, No. 5, pp. 716-725.
- Weinberg, B. D., de Ruyter, K., Dellarocas, C., Buck, M., & Keeling, D. I. (2013) 'Destination social business: Exploring an organization's journey with social media, collaborative community and

- expressive individuality'. *Journal of Interactive Marketing*, Vol. 27, No. 4, pp. 299-310.
- Xiang, Z., & Gretzel, U. (2010) 'Role of social media in online travel information search'. *Tourism Management*, Vol. 31, No. 2, pp. 179-188.
- Youssef, H. (2012) 'Ecommerce in Saudi Arabia: Driving the evolution adaptation and growth of ecommerce in the retail industry'. *Sacha Orloff Consulting Group, SOCG*, 2012, June17. Retrieved from: <http://www.scribd.com/doc/136654512/E-Commerce-in-Saudi-Arabia-Driving-the-Evolution-Adaptation-and-Growth-of-Ecommerce-in-the-Retail-Industry-SOCG-2012June17>
- Zhou, L., Zhang, P., & Zimmermann, H. D. (2013) 'Social commerce research: An integrated view'. *Electronic Commerce Research and Applications*, Vol. 12, No. 2, pp. 61-68.

### **Appendix**

**Company name:**

**Website:**

**Date:**

**Sector:**

**Technology:** Social media (tools, platforms, technology)

1)Basic website

Social networking sites:

2)Facebook

3)LinkedIn

(Blogs/ wikis/ micro blogging)

4)Twitter

Presentation sites:

5)YouTube

6)Instagram

**Business Strategy:** Commercial Activities:

1)Integrated bricks and clicks

2)Completely automated business

3)Social media Marketing and Advertising

4)Online transaction

5)Social-CRM consumer services

6)Human resources (e-recruitment and social recruitment)

7)True on-time and online capability

8)Multi-channel business design

*S.S. Abed, Y.K. Dwivedi, & M.D. Williams*

**Information:** Website content, information and communication tools

- 1) Business and products information
- 2) Pictures
- 3) Videos
- 4) Social media integration to websites (buttons and icons)
- 5) Content sharing and social sharing (e.g. text, video, and images)
- 6) Social bookmarking (e.g. tagging)
- 7) User-generated content (rating/ reviews/ WOM)

**Consumers:** Social media communities and societies:

- 1) Number of Facebook likes
- 2) Number of LinkedIn followers
- 3) Number of Twitter followers
- 4) Number of YouTube subscribers
- 5) Number of Instagram followers