

A STUDY ON THE IMPACT OF SOCIAL MEDIA  
ON STUDENT'S BUSINESS PERFORMANCE  
IN MELAKA

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## SUPERVISOR'S APPROVAL

“I hereby acknowledge that this project paper has been accepted as part fulfillment for the Degree Bachelor of Technopreneurship with Honours”.

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## DECLARATION

I hereby, declared that this report “A Study on The Impact of Social Media on Student’s Business Perfomance in Melaka” is the result of my own research except as cited in the references. This project paper has not been accepted for any degree and is not concurrently submitted in candidature of any other degree.

Signature : .....

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Date : .....

## **DEDICATION**

Alhamdulillah, praise to the Almighty Allah S.W.T

This thesis is dedicated to:

My beloved family,

My Parents,

My fiance,

Friends of mine

and

My Supervisor,

Dr. Norhidayah Binti Mohamad.

For all the spirituals and moral support that had been given to me all the time.

**LIST OF ABBREVIATION AND SYMBOLS**

SPSS	Statistical Package For The Social Sciences
BP	Business Performance
MK	Marketing
BA	Brand Awareness
SD	Value Of Deliver
SM	Social Media
ANOVA	Analysis Of Variance

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## ABSTRACT

The main objective of this paper is to investigate the impact of social media on student's business performance in Melaka. Social media has completely transformed the way businesses are done. Social media applications in the present time have become the platform most efficient and effective tools for student conducting their business and normally they use social media to advertise and public their products. They make page for their product and warmly welcome any suggestions, comments and opinions from the followers and customers which will help them improving their business. However to achieve this, this was guided by two objectives: To evaluate the current effect of social media on student's business performance; and to identify the relationship between social media used and student's business performance. A research framework is developed to understand the factor of performance that influenced by social media use in business. The survey data was collected from 382 respondents from 3 different universities through snowball technique. The gathered data were analysed by using Statistical Package for Social Science (SPSS) version 22.0 software for descriptive and regression analysis. The results shows all th factors of performance have significant impact of the use of social media in business. Business performance, marketing , brand awareness and value of deliver are the significant variables to business performance. This research also give implication to knowledge and practical contribution. Limitation and recommendation also proposed for the future research.

## ABSTRAK

Objektif utama kertas kerja ini adalah untuk mengkaji kesan media sosial terhadap prestasi perniagaan di Melaka. Ia juga mengenal pasti jenis media sosial yang digunakan oleh pelajar dalam menjalankan perniagaan. Media sosial telah mengubah sepenuhnya cara perniagaan dilakukan. Aplikasi media sosial pada masa ini telah menjadi platform yang paling efisien dan efektif untuk bisnes pelajar dan biasanya mereka menggunakan media sosial untuk mengiklankan dan mengumumkan produk mereka. Mereka membuat 'laman' untuk produk mereka dan dengan mesra mengalukan apa-apa cadangan, komen dan pendapat daripada pengikut dan pelanggan yang akan membantu mereka memperbaiki perniagaan mereka. Bagaimanapun, untuk mencapai matlamat ini, kajian itu dikawal oleh dua objektif: untuk menilai kesan semasa media sosial terhadap prestasi perniagaan pelajar; mengenal pasti hubungan antara penggunaan media sosial dalam perniagaan dan prestasi perniagaan pelajar. Sebuah rangka kerja telah dirangka untuk memahami faktor prestasi yang dipengaruhi oleh penggunaan media sosial dalam perniagaan. Tinjauan data kepada 382 responden daripada 3 buah universiti yang berlainan menggunakan teknik 'Snowball'. Data yang dikumpul dianalisis menggunakan perisian "Pakej Statistik untuk Sains Sosial (SPSS) versi 22.0. Hasil kajian menunjukkan faktor prestasi menunjukkan kesan ketara ke atas penggunaan media sosial di dalam perniagaan. Prestasi perniagaan, pemasaran, kesedaran jenama dan 'value of deliver' adalah pemboleh ubah yang ketara terhadap prestasi perniagaan. Kajian ini juga memberi implikasi pengetahuan praktikal. Had dan cadangan juga dicadangkan untuk kaian masa depan.



## CHAPTER 1

### INTRODUCTION

#### 1.1 Introduction

This chapter is about the introduction of the Study. In this research, the elements of the background of research, problem of statement, research objectives, research questions, hypothesis, significant of research, scope of research and limitation of research are discussed.

## 1.2 Research Background

Social media help business to achieve business goals, 57.6 % businesses embrace social media for the sake of online world (Warren, 2018). The same social media is same like other media as an invention for interaction but on a large scale for more accessible social interactions and communication techniques. social media is one of the ever-growing online tools and platforms as well as application that enable everyone to interact and share information. Social media has a significant impact on a company and its customers. social media has become an important tool for marketers who require light and small investments. According to Tina & Ratna (2017) leader today should implement social media for 3 reasons. Firstly, social media contributes to a low-cost field, which is also an easy-to-reach platform and easy-to-use personal identification, and informs the identity of and outside the company. Secondly, social media justify catch up immediately and along with friends, clients, customers and expanding the public to streamline relationships, show their dedication to something and demonstrate the capacity for indications. Thirdly, social media offers the opportunity to learn from quick information and bare feedbacks. In today's situation, the business judge users are according to the existence of the online business, though companies could show their innovative and build good image by always concern about what customer needs and wants.

In 2017, nearly 2.1 billion people in this world having their own social media accounts. Based on statistics and trend 7 per 10 internet users are fanatic on social media and 4 per 10 internet users actively use social media applications (Salleh, 2017). The platforms of social media that shows the highest preference is facebook, followed by youtube, google account, twitter, instagram and tumblr. It also shows that social media impact the brand engagement based on the users interaction with the brand posts. In US 2017, esimated the increase in using social media and 88.2 percent companies use social media for marketing purposes.. It shows that the trend is social media increase significantly by users.

Based on the statistics release by Global Social Media Research Summary 2017, the ranked type of social networks sites worldwide used by active users. The highest was Facebook, Whatsapp, Facebook Messenger, Wechat and Instagram. Facebook is contain huge lead on the competition. In the past 5 years also shows that facebook remains the most popular social media platform for users.

Nowadays, young people especially student are so eager to strike out for their own. They manage to start up their own business at a very young age around 19 years old to 26 years old while still studying. People who are at their younger age are more willing to be entrepreneurs because of their disclosure to leadership and technology which now leading the world. Minda (2017) mentioned that if you're a 20-something entrepreneur, you know how to use social media to promote and grow your business because you are having a good understanding and sense of using social media.

The performance indicator use may different according to company, depending on their significancy or criteria use to measure performance and this may include company profit, earning per share for stakeholder, revenue per employee but for the purpose of this Study, performance means how well company are doing in their market share, brand awareness, value of deliver and type of product. Business performance can be measure by the customer review/insight. Customer can expressed their opinion as they are knows that the company is listening to their voice and concerns,, companies also can be able to serve to dynamic attentiveness and set up new marketing campaign accordingly to their importance (Tina & Ratna, 2017). Small businesses use social media more because it is all about socializing and sharing opinion, the opinion can be expresses as written entries in the form of comments on social media site of the company or business. Besides that the opinion given are direct and unfiltered (Shabbir et al, 2016). This is where the customer appraise the value before and after they purchase for the product. To evaluate the real situation of a business performance with sunject to social media, the criteria used are market share ( cost reduction and sales improvement), build brand and create brand awareness.

Besides that, government of Malaysia developed 'Pelan Tindakan Keusahawanan IPT 2016-2020' to ensure the strategies of government in IPT Entrepreneur Development Trust is achievable. The aim of the plan is to provide nation with holistic and balanced graduate with entrepreneur mind. With the help of entrepreneur mind, the students are not shame to shows their credibility, creativity, innovative and will build their own career as an entrepreneur (Khalid, 2016).

This study comprehend the impact of Social Media on student's business performance.

### **1.3 Problem statements**

The research problem is to evaluate the impact of implementing social media in their business and how the social media impact the performance of a business. There are many type of social media that people currently use for their business. The ease to access and join the social media is the main reasons why people choose to use it for the business purposes. Moreover, social media sites like facebook and instagram provide tools for business promotion and it really help the online seller to promote their business effectively. Social media trends has been changed. New technologies are driven and attribute launched on every social media networks. The definition used in 2012 were far away that being used in modern social strategy and it's time to modify, to mobile first for change, audience were obsessed to video , adapt to new strategy that take good of new tools, adapt how we measure victory and what we are trying to get (Marcus, 2017).

The revolution of social media into business use is accepted as it have positive impact on the student's business performance. In this era, the contribution of student in doing business is real. They doing business while still struggling to finish their diploma and degree because becoming fully self-employed is even more worthwhile than great pay and solid benefits. They either want to decrease the burden of their parents to support them or they doing it because they love to do the business. They believe that the hard works will have all worth it. Besides that, statistics showed the increase in unemployed graduates because lacks of job chances. So by doing business while still studying helps them to continue improving and expanding their business after they graduated.

The increase of social media users were not a doubt anymore. The trend of having own gadgets will bring the users to explore and downloaded social media applications. Source from Pew Research Center (2017) who currently doing research in monthly users of social media stated that the users of facebook, youtube, google and twitter increase monthly. More and more business profits potential in the Social media users on the internet and those business are right.

Therefore, it is important for this Study to explore the impact of social media on student's business performance to go further and be more through in future studies on business performance.

## 1.4 Research Questions

This research have to answer the following research questions in the research:

- a) What is the effect of socithe use of social media media use in business on student's business performance in Melaka state?
- b) What is the relationship between the use of social media in business and student's business performance?

## 1.5 Research Objectives

Based on the research there are few objectives designed to solve the research questions as mentioned above. Those objectives have shown as below:

- a) To evaluate effect of the use of social media in business on student's business performance.
- b) To identify the relationship between the use of social media in business and student's business performance.

## **1.6 Purpose of The Study**

The purpose of this study is to explore the impact of social media use in business on student's business performance in Melaka with the aim to encourage more student who involve in business for using social media to enhance their performance in business. It also increase the understanding of the uses of social media and the significant for student in doing business.

## **1.7 Significant of Research**

This research is a good chance for researcher to increase the understanding the social media use in business and the significant for student who get involve in bussiness using social media. Researcher gain valueable knowledge regarding the social media usage for business performance that related to the use of social media in student's business topic. It also will help and create awareness for the new business start-up for student and SME to involve using social media for their business. This research also help to a deep understanding in impact of social media on business performance.

## 1.8 The Definition of Terms

### **Social Media**

Social media are platforms that let the interactive web by appealing the social media user to participate in interaction to, put their own comment and manage content as means of communicating with other users and public also (Cohen, 2011). Social media also expedite increase the pace of interaction and width of the public information and provide one-to-one and many-to-many interaction.

### **Student**

Student or learner especially the one who attend school and studies an alert and organized observer (Merriam, 2017). Student also define as one who come to a school, college or university and the person who studies in some course or for some purposes. In this Study, students is who attend university in Melaka area.

### **Business**

According to Manu (2014) , business is an activity that give financial benefits. It is an centre or systems of economic which or where product like goods and services are trade for money, this is what business are. Every business need an investments and consumers. Because its production can be sold on a stable basis in order to gain a payback. Businesses can be in different types, private, not-for-profit business, and state-owned.