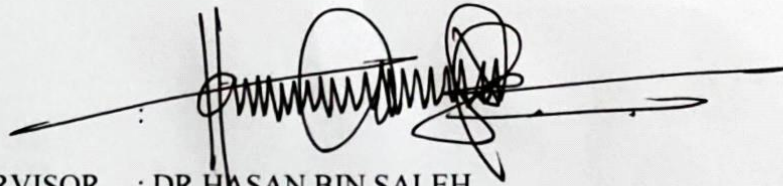




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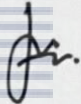


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Post-Covid19 era, Social media influence in SME sector

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This thesis is submitted in partial fulfilment of the requirements for the award of
Bachelor of Technology Management (Technology Innovation) with Honors



DATE

2022/2023

DECLARATION OF ORIGINAL WORK

I hereby affirm that all of the work contained in this thesis, titled "**Post-Covid19 era, Social media influence in SME sector**", was created by me entirely from scratch and that no part of the work covered by this research project proposal was submitted in support of an application for any other degree or qualification from this or any other educational institution.



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اونيورسيتي تيكنيكل مليسيا ملاك

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DEDICATION

I want to express my gratitude for the commitment of my dear family members who encouraged me to pursue a degree via education. Additionally, I want to convey my sincere thanks to my friends, my professor, Dr. Hasan Bin Saleh, who is also my project supervisor for my final year project. They have given me their complete assistance and counsel during my inquiry. Without their support and encouragement, it will be difficult to accomplish this research in a reasonable amount of time.

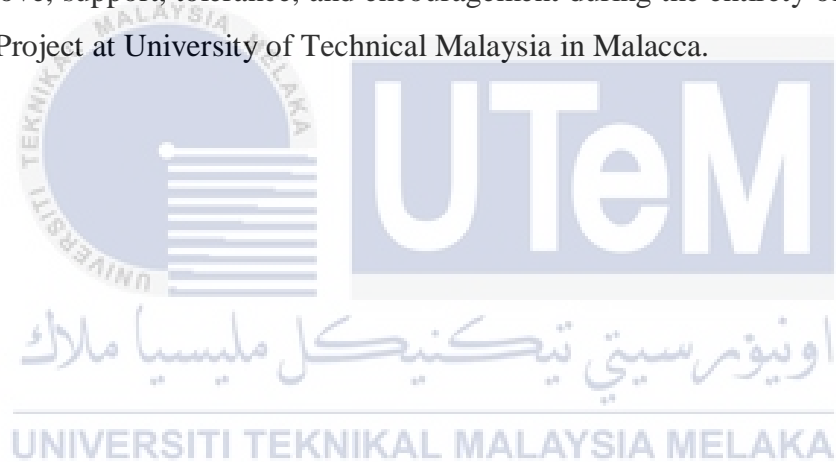


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Abstract

The purpose of this study is to comprehend how social media in the post-Covid19 age affects Small-to-Medium Enterprise (SME) sectors. These impacts would include adjustments made by social media in SME sectors, SME sector use of social media platforms, and SME sector limitations on social media. According to the study framework, social media developments, social media platform use, and social media limitations are the elements that have an impact on the SME sector in the post-Covid19 age. Based on the measurement modified from earlier research, a construct measurement was created to experimentally test the construct. In order to gather the primary information and investigate the effects of social media on SME sectors in Malim Jaya, Malacca, Malaysia, a quantitative study structured questionnaire was utilised. Distribution of the survey was done using basic random sampling and probability sampling techniques. 90 questionnaires were gathered in the Taman Teknologi Cheng neighbourhood in Melaka. Each construct's reliability and validity were evaluated using SPSS reliability analysis. On the other hand, multiple regression analysis and correlation were employed to examine the relationship between the variables.

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Abstrak

Matlamat kajian ini adalah untuk memahami pengaruh media sosial terhadap sektor Perusahaan Kecil hingga Sederhana (PKS) dalam era pasca covid19. Pengaruh ini termasuk perubahan yang dibuat oleh media sosial dalam sektor PKS, penggunaan platform media sosial bagi sektor PKS, dan penehadan media sosial pada sektor PKS. Rangka kerja penyelidikan mencadangkan bahawa perubahan yang dibuat oleh media sosial, penggunaan platform media sosial, dan penehadan media sosial adalah faktor yang mempengaruhi sektor PKS semasa era Pasca-Covid19. Satu ukuran konstruk dibangunkan berdasarkan ukuran yang diadaptasi daripada kajian lepas untuk menguji konstruk secara empirik. Soal selidik berstruktur kajian kuantitatif digunakan untuk mengumpul data primer dan meneroka pengaruh media sosial dalam sektor PKS di Malim Jaya, Melaka, Malaysia. Soal selidik diedarkan secara persampelan kebarangkalian dengan teknik persampelan sistematik dan persampelan rawak mudah. 60 soal selidik telah dikumpul di kawasan Malim Jaya, Melaka. Untuk mengukur kebolehpercayaan dan kesahan setiap konstruk dan analisis kebolehpercayaan melalui SPSS telah digunakan. Sebaliknya, analisis korelasi dan regresi berganda digunakan untuk menguji hubungan antara pembolehubah.

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1.0 Introduction

1.1 Background of study

Malaysia has been impacted by the worldwide COVID-19 pandemic, which is brought on by the coronavirus 2 (severe acute respiratory syndrome) (SARS-CoV- 2). As of March 20, 2022, the country had more than 3,900,000 confirmed COVID-19 cases, more than 270,000 active cases, more than 34,000 deaths, and more than 53 million tests. It was ranked third in Southeast Asia for COVID-19 cases, behind Vietnam and Indonesia, and fourth for COVID-19 deaths, behind the Philippines, Vietnam, and Indonesia. After taking strict emergency measures to battle COVID-19 for more than two years, Malaysia has joined the worldwide movement to change the status of the disease from pandemic to endemic.

A recent social phenomena that hasn't been fully investigated is social media (Roth, Bobko et al. 2013). Websites and television shows that emphasise participation, community-based feedback, communication, and information sharing are referred to as social media. Through social media, people engage and communicate with their friends, family, and other communities. The concepts of Web 2.0, social networking sites, and user-generated content/user-generated information systems are contrasted with those of social media in the next section, which is set within the context of current research. As of right now, there is no clear definition of what "Social Media" is. "Social Media is a series of Internet- based applications that build on the conceptual and technological roots of Web 2.0, and that allow the creation and exchange of User Generated Content," say Kaplan and Haenlein (Kaplan and Haenlein 2010).

Small and medium-sized businesses (SMEs) are autonomous, stand-alone companies with fewer employees. The sum varies according on the country. In Malaysia, a firm will be recognised as a SME if it fulfils either of the two qualifying requirements—sales turnover or full-time employees—depending on which is lowest. 250 employees is the most usual cutoff for the European Union's SME classification system. While the US classifies SMEs as companies with less than 500 employees, several countries have a maximum of 200 employees. Small firms often have less than 50 workers, whereas microbusinesses frequently have no more than 10, and occasionally no more than 5, employees.

Small and medium-sized firms (SMEs) have been highlighted as one of the world's growth engines, with SMEs accounting for more than 90% of all businesses. Changes in the global business environment, as well as ongoing liberalisation pressures resulting from the economic and financial crisis, present new challenges and opportunities for SMEs.

1.2 Problem Statement

Covid19 has caused MCO breakdown in Malaysia, where there's a lot of SME's starting to enhance or move to social media platform in term of many aspect on works and business process. Now, due to endemic, we are questioning that, are social media influences still the same as it is during MCO breakdown or there are changes during this Post-Covid19 era (Curvearro, 2020). Without doubt social media really brings a huge different to the SME businesses (Jaroslav Belas et al 2021) it is either some SME who adapt that carry on or those who can't adapt to it that has resulted in failure or bankrupt.

On another hand, we wonder on how would SME sector utilize or make use of social media in this Post-Covid19 era where we are going back to the norm before covid19(Jaroslav Belas et al. 2021). This norm are all about getting back to face to face works and a lot of offline meetups while some minority still maintain online but soon will turn offline (Aris Katzourakis 2022) . On this time, how would SME's react to the new norm on social media utilization.

There's also questioning about the limitation of social media influences on SME sector after we know how SME's will utilize it (Quinton & Wilson, 2016). What actually are the limitation of social media on SME sector that we can't do online but could do it face to face. Or is there no limitation at all?

Given the vital role of social media in modern society nowadays, and the potential benefit from it, it is a need to figure out how would the influences goes during or after covid19 period which is during pandemic and now during endemic (Lacho & Marinello 2010). The study are to know what changes that social media has made in SME, how would SME react as to utilize the use of social media during endemic and what limitation does social media has on SME sector.

1.3 Research Question

This study are to solve following research question;

- i. What changes does social media has made in Small Business Enterprise(SME) sector.
- ii. How SME sector utilize social media platform in the Post-Covid19 era.
- iii. What the limitation does social media have on SME sector.

1.4 Research Objective

The following are research objective that are going to be achieve;

- i. To identify the changes that social media has made in the SME sector
- ii. To determine what would SME sector do to utilize and make use of social media platform in Post-Covid19 era
- iii. To identify the limitation of social media in SME sector.

1.5 Scope and Limitation of the study

The targeted audience are SME that can be found in Segamat or Malacca. Method used in the study will be beneficial to this paper and to those who are interested in similar topic. The necessity for SME sectors to effectively determine the role and importance of social media are crucial. As a result, SME's will identify and assure the changes of social media and determine the role for it in Post- Covid19 era. For the researcher, this study will aid in the discovery of understanding in how social media will influence and make changes in SME sector during Post-Covid19 era. As a result, there will be new perspective on how peoples in SME sector determine the role of social.

1.6 Significant of the study

Because social media has been a big part of the world now days, SME sectors also plays important part in company this paper are beneficial for people to assure relation between Social media and SME's. Method used in the study will be beneficial to this paper and to those who are interested in similar topic. The necessity for SME sectors to effectively determine the role and importance of social media in the SME's sectors are crucial. As a result, SME's will identify and assure the changes of social media and determine the role for it in Post-Covid19 era. For the researcher, this study will aid in the discovery of understanding in how social media will influence and make changes in SME sector during Post-Covid19 era. As a result, there will be new perspective on how peoples in SME sector determine the role of social media.

1.7 Summary

Chapter 1 of this study has introduce Social Media and SME sector including the correlation between these two subject. The main purpose of this research is to identify the influence of Social Media in SME sectors. The problem statements in this paper is focused on Social Media as a medium in SME sectors to enhance a business during Post-Covid19 era.

2.0 Literature Review

2.1 Introduction

Small and medium-sized enterprises (SMEs) have become a significant and dynamic part of the global economy. For SMEs to boost productivity and competitiveness, information technology is essential. As technology era emerge, more and more country has started to adopt social media in as part of their business. This situation has been boosted and pushed further more as Covid19 disease breakout all around the world. It has caused MCO breakdown in Malaysia and all the businesses and corporation are forced to stay home and go online as in the term of working and business activities too. The purpose of this study is to ascertain how social media impacts the performance of small and medium-sized businesses. Social media's role as a mediator is also explored. To improve social media measurement, items were created to assess the various goals of organisational social media use. Social media are internet- based platforms that let individuals or the general public access, produce, and share information, ideas, photographs, videos, information, interests, and other things. Vo et al. (2019) claim that the increase of online users and transactions has turned the Internet into the centre of the business environment. Additionally, social media was defined by Kaplan and Haenlein (2010) as a group of web-based applications that support the production and sharing of user-generated content and are built on the conceptual and technical foundations of Web 2.0. The government has continually introduced strategic programmes, including financial facilities, to support and empower small and medium businesses (SMEs) and micro-SMEs (MSMEs) in their fight to continue operating in 2021 despite the ongoing COVID-19 outbreak. To boost the country's economy and decrease the effect of the epidemic on SMEs, the National People's Well-Being and Economic Recovery Package (PEMULIH), the Strategic Programme to Empower the People and Economy (PEMERKASA), and PEMERKASA Plus were all presented this year. For SMEs, the growth in Gross Domestic Product (GDP) for the previous year was negative 7.3%. This was the first time in 17 years, according to the Department of Statistics Malaysia, that their growth fell behind the growth of Malaysia's overall GDP.

2.2 Changes made by social media

In the business press, there is considerable discussion over the benefits of social networking. According to Kaplan & Haenlein (2010), the use of social media apps has grown to include businesses, and Forrester Research predicts that by 2014, social media spending would exceed \$3 billion. (2010) (Lacho and Marinello). Nicholas J. Oxborrow claims in his study, "Social Media Helps Small Business," that by creating a profile, interacting with customers, and posting content and campaigns in the hopes that they will be widely shared among potential customers, small businesses can create their own brand presence and quickly and significantly increase brand awareness.

Through social media, consumers now have access to a lot of information and a new yardstick by which to judge firms. Social media enables firms to identify themselves and provide details about their brand because today's consumers are increasingly tech-savvy and interested in the businesses they buy from. Marketing, 23 January 2022 (Kevin Urrutia)

The phrases social networks and social media networks have been used interchangeably in the popular press throughout the digital era since social networks now incorporate online networking activities (Naudé et al., 2014). 2016 (Quinton & Wilson). Social media networks may be accessed often through online social networking services like LinkedIn, Facebook, and Twitter (Anin et al., 2015). They provide businesses with a ready-to-use option to encourage social networking and networking activities for better information and knowledge flow, the growth of business connections, and the building of collaborative relationships (Williams, 2019).

Furthermore, as users may connect with others through many-to-many, one-to-one, and one-to-many interactions inside social networks, using social media networks can improve corporate reach for both types of links made within social networks (Quinton & Wilson, 2016). (2015) McCann & Barlow. Social media platforms can therefore provide businesses simple-to-use online spaces for establishing strategic partnerships (Möller & Svahn, 2009; Paniagua & Sapena, 2014). The rise of "social media business networks" is another effect of connections between firms via social media networks, which may provide a fluid membership constituency with members who have shared interests (Quinton & Wilson, 2016).

2.3 Social Media platform utilization

Social media platforms like LinkedIn, Facebook, and Twitter have been increasingly popular as venues for individuals and organisations, particularly during the COVID crisis (Ainin et al., 2015). These networks offer fresh avenues for interaction, collaboration, and communication (Quinton & Wilson, 2016). Through many-to-many, one-to-one, and one-to-many connections, users may create information and engage in social interaction (Ainin et al., 2015; McCann & Barlow, 2015). The majority of social media platforms are free to use (Ainin et al., 2015; Kaplan & Haenlein, 2010), and companies utilise them for social networking and sharing as well as for selling, advertising, and marketing (Ainin et al., 2015; Kaplan & Haenlein, 2010). Ainin et al. (2015)

Only around 70.5 percent of businesses in Malaysia use social media to connect and interact with customers, whether through WhatsApp, Facebook, or Instagram, according to a 2018 survey by SME Corp. Malaysia and Huawei Technologies.

Social media refers to a wide range of internet channels and platforms that enable collaborative information generation and distribution. (Aichner and Jacob 2015) divided the vast social media platform into thirteen categories based on its extent and usefulness. The most well-liked ones include blogs, microblogs, forums, business networks, cooperative projects, photo sharing, social bookmarking, social gaming, and social networking sites. Several studies contend that social media varies from Web 2.0 in terms of scope, typology, and economic models (Kaplan and Haenlein, 2010; Berthon et al., 2012). In actuality, Web 2.0 has evolved into a social media technological base that enables the creation of apps and platforms.

Despite the spectacular growth of social media use in industry throughout the world, data suggests that corporate social media initiatives are faltering. Businesses' incapacity to use social media intelligently and track the performance of their efforts is the source of these issues. (Effing and Spil, 2016; McCann and Barlow, 2015)

Making use of social media networks has given many businesses a new networking method that speeds up the process of creating connections and partnerships for business purposes (Quinton & Wilson, 2016). Social media

networks' capacity to forge a flexible membership constituency in accordance with their goals and interests might, therefore, lead to the emergence of social media business networks (Cenamor et al., 2019; Quinton & Wilson, 2016).

Although many SMEs have profited from modernising their company operations through the usage of social media, there is still an issue with the practise. SMEs still lack a solid understanding of the measures that may be applied to measure their business performance on a digital platform.



2.4 Social Media limitation

There are certain challenges that limit the adoption of social media in SMEs. One of the most well-known concepts in digital marketing is social media. Social media platforms are being used by businesses and marketers to improve their marketing in the digital age. Over the past 10 years, there has been a clear transition from traditional marketing to digital marketing. Attracting clients to a firm is the major goal of marketers. Additionally, social media is where the great majority of customers can be located. 52 percent of businesses say social media has helped them increase their income and sales, and this percentage is projected to climb.

Social media, however, is becoming into a more intricate part of a company's marketing strategy. because marketers nowadays must deal with a variety of social media marketing constraints. 2020 (Curvearro)

Rural firms must use online networking and social media business networks to get over challenges with distance (Roberts et al., 2017; Townsend et al., 2016). On the other side, it is typically said that rural SMEs lack adequate internet connectivity and digital infrastructure (Philip et al., 2017; Townsend et al., 2016). Due to a lack of digital and technological capabilities, rural SMEs adopt digital technologies at a slower rate than their urban counterparts (Warren, 2007; Wilson et al., 2018). Therefore, compared to urban SMEs, rural enterprises may find it more difficult to join social media business networks and increase their networking activities (Lekhanya, 2018; Phillipson et al., 2019).

Previous research has revealed that rural SMEs had a lower adoption rate of digital technologies, particularly social media business networks, than urban SMEs. Due to the urban-rural digital divide, this has occurred (Lekhanya, 2018; Onitsuka, 2019; Philip et al., 2017; Warren, 2007). For instance, according to (Galloway and Mochrie 2005), due to supply and demand issues with ICT, rural firms have lower levels of digital proficiency than urban enterprises. Similar to this, (Warren 2007) finds that compared to their urban equivalents, rural areas traditionally had lower levels of broadband connectivity and digital technology availability and adoption. Rural SMEs in South Africa experience networking issues due to a lack of broadband connectivity, inadequate access to technology, and inadequate infrastructure (Lekhanya 2018). Based on empirical data from Japan, (Onitsuka 2019) claims that more rural than urban firms experience

difficulties in creating collaborative work and online networking with external partners as a result of the issue of internet connectivity.

2.5 Relevance of SME sector and Social Media platform

The expansion of small firms is constrained by financial, resource, and technological limitations. Contrarily, this sector is rapidly utilising social media to improve external relationships with stakeholders and to create ties that will pay off in the long run (Gordon, 2009; Fischer and Reuber, 2011). Social media has emerged as an increasingly important tool for SMEs because to its simplicity of use, ability to reach customers quickly and affordably, facilitative features, and less technical platforms (Fischer and Reuber, 2011; Broekemier, Chau and Seshadri, 2015)

Numerous studies have been conducted on the interaction between social media and enterprises in the digital economy. Ainin et al. (2015), Franco et al. (2016), Paniagua & Sapena (2014), and Vásquez & Escamilla (2014) explored the impact of social media on firm transformation, while other research looked at the connection between social media use and business value (Aral et al., 2013). (Paniagua & Sapena, 2014; Franco et al., 2016; Ainin et al., 2015). The impact of social media and its business networks on company performance, particularly for rural SMEs, is not well studied empirically.

Lee (2013) asserts that the usage of social media by businesses has an effect on consumer purchasing behaviour. According to the study, social media significantly influenced customers who chose goods or services from a certain SME after selecting and analysing information about such goods or services (Belas et al., 2020). SMEs need a defined social media strategy so that customer feedback and group comments are exchanged constantly to avoid misunderstandings between the parties (Ufan et al., 2020). Due to SMEs' use of social media, firms in the V4 nations now have access to possibilities, ideas, concepts, and the flexibility to adapt their products to meet the tastes and preferences of their clients.

As a consequence, SMEs continually take their clients' needs into account. Additionally, Facebook, YouTube, and Twitter are only a few examples of the social media sites that Ferencakova et al. (2020) claim have significantly improved marketing intelligence. Business strategies for SMEs in

the V4 nations had to be intensified, new business possibilities had to be established, and the use of social media in business helped open the way for innovation. Similar to how big businesses utilise social media, SMEs have made significant contributions to organisational benefits, business strategy, and innovation (epel, 2019; Scuotto et al., 2017).

Social media business networks are professional-focused social media networking platforms that aim to help users build a network of connections (Chang et al., 2017). These online business networks make it simple to connect with potential clients and receive access to vital outside resources and information from network members (Pettersen, 2016). To improve business performance and growth, many companies, especially SMEs, have included them as a crucial part of their marketing strategies (Naudé et al., 2014).



2.6 Theoretical Framework

IV's

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Social Media Influences

