Overcoming Social Media Barriers for Small Businesses

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Abstract:

Despite an increasing number of small businesses using social media, many seem limited in their ability to effectively respond in an environment where consumers speak freely to a potentially global audience. Barriers to adoption exist that limit the effective use of these and other new technologies. The main barriers to active usage of social media included a lack of skill, knowledge, time and resources. However, there is limited research into how businesses can overcome barriers to the adoption of social media. One approach for overcoming barriers includes a synergistic relationship between university students supported within an academic based, industry project assist small businesses to gain skills and information while simultaneously providing students with real world experiences. This opportunity can offer small businesses a point of entry to understanding and utilising new technologies. This exploratory research investigates how a student-industry project aided in reducing the barriers to social media usage by small tourism-related businesses.

Keywords: small business, student-based projects, overcoming adoption barriers, social media.

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Background Information

Small and medium enterprises (SMEs) are essential to national economies as they generate employment and afford socio-economic expansion (Wolcott, Kamal & Qureshi, 2008). In many western countries, SME’s are central to economic growth (Fosso, Wamba & Carter, 2013). There exists a synergistic opportunity whereby students supported within an academic based project can aid small businesses to gain skills and information while simultaneously gaining real world experiences. These opportunities offer small businesses a point of entry in understanding and utilising new technologies. With small businesses comprising approximately 95% of all actively trading businesses in Australia, accounting for 47% of non-financial sector employment and about 35% of production (Connolly, Norman & West, 2012), it is important to ensure that they are accessing the opportunities offered through new and innovative technologies such as social media.

Social media broadly describes technological systems for collaboration and connection (Joosten, 2012) via the creation of personal and business profiles, content creation and the sharing of information, opinions and activities (Boyd & Ellison, 2007). A 2012 Nielsen survey of more than 28,000 global consumers with Internet access revealed 70% explored social media at least once a month to hear about others’ experiences, 65% participated to learn more about brands, products and services and 50% to express concerns or complaints (Nielsen, 2012). New social media sites are continually emerging but Facebook and Twitter continue to be amongst the most popular (Nielsen, 2012; Wright & Hinson, 2012).

Social media is user-generated content that has changed the way we, and businesses, communicate. Being user-generated, information dissemination that was once one way extending outwards from businesses can now also be created by consumers in response to a multitude of external stimuli. Peer-to-peer communication, the type frequently used on social media, has meant information about products and services is no longer solely in the hands of businesses (Mangold & Faulds, 2009). Despite an increasing number of businesses using social media, many seem limited in their ability to effectively respond in an environment where consumers speak freely to a potentially global audience (Kaplan & Haenlein, 2010). Social media is a ubiquitous source of information that provides networking opportunities, (Michaelidou, Siamagka & Christodoulides, 2011), new market access, reduced transaction costs, improved communication (Abid, Rahim & Scheepers, 2011) and the potential to enhance value (Culnan, McHugh & Zubillaga, 2010). Good customer relationships are essential to small business success and social media facilitates relationship development. However, good customer relations also involve building trust. This continues to be challenging as consumers place greater trust in information that is provided by ‘friends’; other consumers and peers (Weinberg & Berger, 2011) requiring greater transparency and accountability from businesses.

Facebook is a popular social media tools with more than 12 billion active members (Fowler, 2012). In 2012, Facebook had 11 million small/medium businesses using the site and small/medium businesses are considered to be technology late adopters (Darwell, 2012). It therefore behoves businesses to understand the possibilities and potential pitfalls of joining the conversation.

As an extension of the World Wide Web, social media has expanded the opportunities for small businesses (those with between 0-19 employees) (ABS, 2011) to compete with larger, global companies. Although businesses have been investing in social media at a quicker pace than they have in any other types of online marketing (Lacho & Marinello, 2010), small businesses lag behind
larger organisations in adopting new online processes (OECD, 2004). Engagement with social media by small businesses increased from 14% to 27% from 2010 to 2011 with Australian small businesses spending an average of AU$3410 on social media in 2011 (AIMIA, 2012). Research predicts business spending on social media will reach an estimated $3 billion by 2014 (Lachow & Marinello, 2010). Information and communication technology (ICT) and social media networks are particularly under-utilised by small businesses for marketing, purchasing and the management of customer relations (Antlova, 2009). Only 10% of Australian small businesses utilise social media, but of these, 60% stated the impact on their business was positive (ABS, 2011).

Using social media demands new ways of thinking (Kaplan & Haenlein, 2010) and research suggests a lack of knowledge or expertise is a significant barrier to uptake (Michaelidou et al., 2011; Pippen, 2010; Thompson, Williams, Thomas & Packham, 2010). Skill shortages involving information technology may mean small businesses cannot progress beyond the production of electronic brochures or email communication (Thompson et al., 2010). This may be further compounded by a lack of financial capacity to invest in IT specialists to develop and maintain social media accounts. Research indicates that a trusted facilitator or IT champion is a catalyst for the adoption of ICT as they have the knowledge and skill to negotiate the complexity of the internet (Doiron & Fleet, n.d.; Fleet, 2012). Fleet (2012) defines facilitator as those individuals who are close to a business and have Internet-related expertise that can assist owner/managers with ICT adoption. These identified barriers and the opportunities for work integrated learning offered by universities raised the question:

*How can a [University] student based, work integrated learning project aid in reducing the barriers to social media usage by small [tourism-related] businesses?*

The majority of today’s university students are familiar with social media tools in their everyday lives (Baird & Fisher, 2005). However, these students need to gain real world experience involving the utilisation of social media in a business context. Linking business owners and managers with university students within a structured learning environment can assist small business to overcome their respective barriers while providing real world contexts for student learning. Small business operators have been found to prefer learning from experience or through ‘action-learning’ where one-to-one mentoring occurs through individualised intervention (Laister, 2012). In addition, cooperative learning enables the accomplishment of specific goals through people working together (Panitz, 1997). Providing key users and personal assistance as support can result in continuous attainment of social media initiatives (Zeiller & Schauer, 2011) and build on existing knowledge as each individual’s personal use of social media facilitates the process (Gligorijevic & Leong, 2011). Fosso, Wamba and Carter (2013) suggested that younger individuals should be incorporated into the management structure of a business as younger managers have a greater propensity for adopting social media technology.

The focal undergraduate university based course and the businesses in this study are within the tourism industry. Tourism is a service based industry facing numerous external global challenges: political, economic, social, technical, legal and environmental. The internet has facilitated possibilities for single operator businesses in remote regions to compete alongside larger, city based businesses. Consumer demand for real time information means business must be ready and able to respond quickly to factors that could affect demand and supply. The effective utilisation of online
tools and resources can be influential in directing consumers’ choices and aid in informing managerial decisions (Miguêns, Baggio & Costa, 2008). A good understanding of the mechanisms for communicating online can aid tourism managers (Buhalis, 1998).

Social media, considered by some to be an essential part of their lives, allows people to share photos, stories and experiences. These are vital components of tourism, the sharing of which can further enhance visitor experiences. Tourism Australia has the largest Facebook page in Australia and destination page in the world with 4,196,140 likes (Tourism Australia, 2013). Tourism Australia’s Managing Director, Andrew McEvoy, said “people are passionate about travel and love to share their holiday experiences via social media” (Tourism Australia, 2013). There are numerous e-courses, e-tools, workshops, books and blogs to assist business owners to gain information regarding the use of social media tools and technologies. Miguénset al, (2008, p.2) state that tourism businesses “need to implement strategies and tools (websites or portals) based on user generated contents or, at least, to incorporate these new technologies to enrich their multimedia contents”. This is due in part to the widespread uptake by consumers and the influence social media content has on traveller decision making (Yoo, Gretzel & Zach, 2011). However, despite this Carson (2005) found technical competence, difficulties in access and the cost of the internet were some of the barriers to effective internet usage.

Method

This paper reports on the exploratory stage of an ongoing project and focuses on the participating businesses. Small (between 0-19 staff), tourism-related businesses partnered undergraduate students to create, manage and monitor various social media tools including Facebook, Twitter and LinkedIn. Participating businesses included accommodation, adventure tourism and leisure providers, transport (buses and cruises) and community not-for-profit groups. The business-student group partnerships involved in the projects worked together for seven weeks in 2010 and 2011. In each of the two years different businesses and different student cohorts were involved. At the end of each course, online questionnaires were administered to participating businesses with a total of 50(86%) responses provided. Qualitative and quantitative responses were collected.

Findings

Although from a variety of tourism, leisure and event-related businesses, the respondents were predominantly specialty accommodation providers (43%), followed by transportation (14%) and not-for-profit community-based organisations (9%)(Figure 1). The majority had less than ten employees (98%).
Three social media tools were offered: Facebook, Twitter and LinkedIn. In 2010, 43% of respondents had not applied any of the three social media tools for business purposes and in 2011 this was 22% of respondents. Respondents indicated that prior to the project they had not created or maintained social media sites due to a lack of knowledge or skill (50%), time (27%) and/or uncertainty (15%). Of the three tools offered, Facebook was the tool most often developed by respondents prior to the project. In 2010, 98% of respondents chose to have students work with Facebook while in 2011 92% of respondents chose Facebook, 7% chose Twitter and 1% chose LinkedIn.

The main barriers to respondents becoming active users of social media prior to participating in the social media project were a lack of skill (67%), lack of knowledge (55%), lack of time (44%) and a lack of resources (money) (11%). More than half (57%) indicated these barriers were reduced following their involvement in the project.

Respondents indicated they joined the student-based project to “gain a better understanding of the benefits of Facebook for my business”, “to find out how to increase our profile”, “to get some help to set up a page”, “to get up to date on social media trends” and “learn more about how to use [social media]”.

When asked what they had learned regarding social media, the majority stated how to use social media more effectively (40%) (Figure2).
Following their involvement, respondents stated that working with the students introduced them to a new viewpoint and how to make more effective use of their time when utilising social media. Respondents felt more confident using social media after being involved in the project, and indicated they had put this new, professional knowledge to use. Business respondents became more aware of the importance of social media and the need to continually investigate what these tools and technologies have to offer. All business respondents moderately to strongly agree that the project outcomes were useful to their business (average 5.5 on a 6 point scale).

When respondents were asked what the best part of participating in the project was, responses focused on the gaining of confidence (64%) “to be part of a changing world”, time saving benefits (57%), the learning experiences (31%) and the exposure to “fresh viewpoints and ideas” (19%). Furthermore, the synergistic relationship between students and businesses gave the business respondents an additional sense of confidence as they were able to “assist the students with their learning” and provide “opportunities for the next generation to hone their skills in a practical way”.

A network of learning was established between the course teacher, and participating student and businesses. All of those who responded said they shared the information gained and skills developed from being involved in the social media project with between two and six other people including staff and colleagues (71%), other business contacts (42%) and family (14%). Further, respondents also sought information regarding social media from others including staff and colleagues (57%), other business contacts (28%), industry groups, friends, family and others (10% respectively).

Network extension occurred with two businesses revealing they shared their new knowledge with other businesses in semi-formal, group settings. Further, 56% of respondents stated they made more connections with other local businesses also they had made more connections with other businesses outside of their local area (12%), with industry-related stakeholders (11%) and with government (9%). Forty-one per cent attended industry or local government courses and workshops.

Following their involvement in the project, respondents stated their attitude towards social media was positive. Respondents revealed a variety of positive outcomes including improved

![Figure 2: What respondents said they had learned about social media following their involvement in the project (%)](image-url)
communication with customers, increased avenues for marketing and access to new markets (Figure 3). The only negative aspect highlighted was that social media is very time consuming (35%).

Overall, respondents agreed or strongly agreed that being involved in the student based social media project assisted them to learn more about the use of social media and had reduced some of the barriers they had experienced before the project.

Discussion and Implications

Overall, results presented have obvious importance for practitioners. The results suggest that providing an opportunity for businesses to engage in student-based projects can reduce the barriers to social media usage. A key outcome for small businesses is that co-operative learning can be useful in the overcoming of barriers to adoption and usage of social media. Furthermore, this opportunity facilitated extended networks for learning.

This study sought to better understand how a student-based, work integrated learning project aids in reducing the barriers to social media usage by small [tourism-related] businesses. The advent of IT and WEB 2.0 requires new ways of thinking and in strategy redesign by small businesses. Research into IT adoption and use is driven by the need to identify predating factors leading to successful application (El-Gohary, 2010; Lynn, Lipp, Akgün, & Cortez, 2002). Research and the results of this study suggest the barriers to uptake and effective use of social media include a lack of knowledge, skill, time and money (Mehrtens, Cragg & Mills, 2001; Street & Meister, 2004). Whilst, it is clear small businesses can benefit from the use of technology when used effectively (Wielicki & Arendt, 2010), there is limited research on overcoming IT adoption barriers caused by a lack of knowledge, understanding or expertise. This study provides some insights into an innovative approach for small businesses to address these issues.
The growth in use of social media for personal, organisational and business purposes has been unprecedented (Lenhart, Purcell, Smith & Zickuhr, 2010). The pervasive nature of social media is also evident within the university setting. Social media is influencing how students engage, communicate, collaborate and learn. The majority of today’s students were raised in the “always on world of interactive media, the Internet, and digital messaging technologies” (Baird & Fisher, 2006, p.2). Many have a rich appreciation of the use of social media for personal use but few have an understanding of how to use these tools for business. The application of social media technologies within assessment tasks allow students to use their individual life experiences and multiple intelligences, and to work in collaborative team settings with a variety of stakeholders including other students, academics and businesses (Baird & Fisher, 2006). In addition to gaining learning opportunities, participating businesses gained additional confidence from sharing their knowledge with the students.

Furthermore, tourism is an industry that features high volumes of online transactions with the internet a highly important communication channel between public and private businesses and organisations (Werthner & Ricci, 2004).

The underlying premise of projects that feature collaborative contribution is that joint efforts by various contributors can generate better outcomes. These experiences involve a partnership among students, educational institutions and employers, with specified responsibilities for each party (Fleming & Martin, 2007). Cooperative learning facilitates the accomplishment of specific goals through people working together (Panitz, 1997). Cooperative learning in this context was shown to be useful to the small business owners and managers within this study. Beyond this project, training programs have been successfully used to enable e-commerce adoption for small and medium sized businesses (Caskey & Subirana, 2007; Kuttainen & Lexhagen, 2011), influence greater uptake of social media and provide technical expertise to assist potential adopters (MacGregor & Vrazalic, 2005). An additional benefit of this synergistic approach also addresses the financial barriers to adoption and successful application.

A number of studies have discussed the various advantages of using social media including the building of networking opportunities (Culnan et al., 2010; Gligorijevic & Leong, 2011; Michaelidou et al., 2011). Within this study, networks of learning were purposefully created. Learning networks provide opportunities for participating learners to develop their knowledge by sharing, communicating and collaborating with others. The application of social media in a university student-based project permits students to work collaboratively in a real world setting (Baird & Fisher, 2005). This provided a network of knowledge transfer and opportunities for communication the commenced between students and their lecturer (Tosh & Werdmuller, 2004) which was extended to the participating small business owners/managers. What was even more useful was the extension of the network beyond those participants directly involved in the project as many of the respondents shared what they had learned with others. With more people gaining new skills and knowledge there is the capacity to enhance the capabilities of the industry and community members.

Ongoing benefits have been realised including the establishment of cooperative working relationships with the University, the opportunity to evaluate potential employees, participate in the preparation of future industry professionals, increase awareness of new and innovative ideas in the
fields, gain assistance and expertise in related projects and develop and/or create new programs or projects (Martin & Hughes, 2009). Eighteen participating businesses have participated in other student-based projects and one completed an MBA (Master of Business Administration). In competitive and challenging times, these provide the additional skills and knowledge for identifying market opportunities.

Contributions have been made to theory and practice by providing additional understanding of applying social media in assessment tasks and the benefits this has to small business. The practice of combining student skills and academic support with small business operators can be considered a conduit for providing useful benefits. In conclusion, the utilisation of social media in an industry project is a new and innovative approach to learning that extends learning outside the classroom. Although this study is in the context of tourism and social media, the opportunity to work with students to reduce the ICT barriers such as the building of knowledge and skill in a cost and time effective manner could create benefits for a wide variety of small businesses. Where social media is concerned, these benefits may offer wider industry opportunities as capacity and skill is enhanced. Ongoing research is being undertaken to further investigate the potential of engaging in this manner.

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