THE ROLE OF SOCIAL MEDIA ON THE PERFORMANCE OF SMALL AND MEDIUM ENTERPRISES: A REVIEW OF LITERATURE

David Maina Macharia.
School of Business, Kenyatta University, Kenya
Mary Namusonge.
School of Business, Kenyatta University, Kenya

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ABSTRACT

The Small and Medium play a vital role in different economies across the globe. SME's performance is very important for the growth and development of the economy. The purpose of this study was to review the literature on the role of social media on SMEs performance to highlight the knowledge gaps suitable to form a basis for future research work. Therefore, the specific objective were to review the existing conceptual and theoretical literature on the construct of social media usage and SME performance; to review the relevant empirical literature on the construct of social media usage and SME performance; and to identify emerging conceptual, theoretical, and empirical gaps from the reviewed literature. The research is anchored on three theories; namely, the social network theory, social penetration theory, and technology acceptance model. The theories shed light on the importance of social networks which can be employed in business to enhance performance. Technology–Organization–Environment (TOE) conceptual Framework guided the study. The study established that social media plays a positive role in enhancing SME's performance. The adoption of social media by SMEs is important to their performance. However, the effectiveness of using social media to enhance SMEs’ performance is dependent on the role played by the SMEs management and the government.

Keywords: **Social Media; SMEs performance; Small and Medium Enterprises.**

INTRODUCTION

Small and Medium Enterprises (SMEs) play a vital role in different economies across the globe. In Kenya, the situation is not different as SMEs contribute significantly to Kenya’s Gross Domestic Product (GDP) and more importantly, employ most of the citizens (Ombongi & Long, 2018). Therefore, the SME's performance is very important for the growth and development of the economy. According to Kotane and Kuzimina-Merlino (2017), SME’s performance is the outcome of a firm’s business activities. It is the actual output of an enterprise in comparison to the initially planned output (Richard, Devinney & Yip, 2009). Thus, it is a way of comparing what a business has achieved in comparison with the goals it had set for a certain business year. It is a method of standardizing used to compare business performance. An outstanding feature of enterprise performance is that it does not only focus on sales and profits as the only measure of performance. There are various ways of measuring firms' performance, which is also applied in measuring SME's performance. According to Shepherd and Wiklund (2009), SMEs performance is commonly measured using firms' growth measures including the growth in employees, sales, assets, profits, and equity.

The most common measure is financial performance. Financial performance emphasizes the general measurement concerning the current financial position of an organization (Bernadin & Russel, 2009). Some of the general financial indicators used to measure financial performance include Return on Capital Employed (ROCE); Return on Sales (ROS); Return on Equity (ROE); Return on Investment (ROI); and Return on Assets (ROA) (Gormoma, 2014). Return on Investments appraises the efficiency of an investment or a comparison of the efficiency of different investments. Return on Assets points to the profits generated by the total asset employed. In other words, ROA provides an overview of how efficient the management is concerning to utilization of assets to generate profits.

ROCE indicates the profitability of the investments in an institution while ROE refers to the average income divided by the stakeholder's equity. ROCE and ROE can be derived from the firms' financial statements (Gormoma, 2014). While these indicators are used for measuring the financial performance of organizations, it is advisable to also use non-financial measures such as efficiency in operations, dependability of the organization, and flexibility of the services offered. This helps to have a comprehensive determination of the financial performance of a given firm at a specific time (Selvarajan *et al,* 2017).

The advancement of internet technology has significantly changed the world of business and so has social media (Elena-Iulia, 2014). Social media has provided a level platform for all to use, learn and create networks, and Small and Medium Enterprises (SMEs) need to leverage this to advance their business locally, nationally, and internationally (Wanyoike and Kithae, 2019). Social media has become the fastest-growing channel of business promotion across the world (Appel, Grewal, Hadi & Stephen, 2020). This trend shows a paradigm shift in the businesses across the globe in doing business now and in the future. The use of traditional media like newspapers, television, magazines, and radio as interactive platforms is shifting to social media platforms (Pentina, Koh & Le (2012)**.** Therefore, any shrewd entrepreneur, whether in large, small, or medium enterprises must align himself or herself with the new normal in terms of interacting with customers. Unfortunately, as Abou-Shouk, Megicks, and Lim (2013) correctly argued, SMEs, more so from developing nations, are slow adopters and users of technologies including social media.

Globally, most of the big companies are using social media as a strategy to penetrate other markets. Fraccastoro and Gabrielsson (2018) conducted an empirical study on how the use of social media speeds the international growth of international new ventures. The results revealed that the use of social media played a crucial role during the introductory phase in speeding the internationalization of new ventures, but there was a need for direct sales personnel and personal relationships as the businesses enters the maturity phase.

Firend and Sedrack (2020) studied the impact of social media marketing on the development of small businesses in the United Kingdom. The results revealed that common social media platforms such as Twitter, Facebook, Youtube, Instagram, and Whatsapp are used in small businesses in the UK. They help the small businesses in creating awareness, branding, and recognition as well as lead to their growth. Ekanem and Erukusin (2017) studied the emergence of social media and its influence on SME performance in the UK. The findings revealed that there is a positive relationship between the adoption of social media and the growth of a company's market share. The study further established that adoption of social media improves the sales, company's brand image, and awareness; improves communication between customers and companies. Parveen, Jaafar and Sulaiman (2014) researched the impact of social media on organizational performance. The findings established that social media improved the financial performance of the business, enhanced customer relations, and improved access to information about the market.

In Africa, social media has been adopted by businesses significantly. In Nigeria, social media has been successfully used to enhance business success. Khan and Karodia (2016) established that there has been a high rate of usage of social media with 51% of the brands noting that they have used Facebook as an effective channel of marketing their brands, and public relations.

In Kenya, small and medium enterprises are expanding their marketing through social media platforms (Wanyoike & Kithae, 2019). In Kenya, small enterprises are organizations with less than 50 employees while medium enterprises are those that have more than 50 employees. Organizations are considered to be small due to the small-scale units of production and a small amount of capital invested. The Kenyan SMEs sector has grown drastically in the past decade; hence the increased contribution to the Kenyan Economy. As per the Kenya Economic Survey (Kenya National Bureau of Statistics (KNBS), 2016, the SMEs sector contributed 80% of the job opportunities created during the year 2015. Besides, the SMEs sector contributes about 70% of the country's GDP (KNBS, 2012). According to the National baseline survey (2014), 17% of the Kenyan SMEs are located in Nairobi.

Several studies have been conducted in Kenya concerning the use of social media in different aspects of business operations. Waithaka, Muturi and Nyabuto (2014) found that Twitter and Facebook have influenced small businesses by enhancing communication between owners and customers. In a study on the use and effect of social media for the growth of small businesses, Kimani (2014) established that Twitter and Facebook had the most users among the SMEs in their business. While the adoption of social media among SMEs is increasing day by day, there is a lack of studies on their role in enhancing the performance of SMEs in Kenya; hence the need for this study. Most studies have focused on how the use of social media influences businesses in general or small businesses. Therefore, there is no conclusive study that can effectively form the basis for future research on the role of social media on SMEs performance in the Kenyan context. As such, the current study sought to fill the gap by reviewing the literature on the role of social media on SMEs performance, highlighting the knowledge gap that is appropriate for forming the basis of future research on the topic.

Statement of the Problem

The importance of adopting internet technology, especially the use of social media has been critical for business success. According to Kim, Lee, and Lee (2013), SMEs can adopt social media to enable them to compete outside the market they currently occupy. This implies that SMEs can expand and grow using social media to facilitate their business operations. Social media has made it easy for SMEs to access resources into the dominance of large firms. More importantly, SMEs can adopt social media technology to cut costs by enhancing their internal processes, seamlessly communicating with customers, advertising, and distributing their products and services easily over the internet (Ainin, Parveen, Moghavvemi & Jaafar, 2015). Social media has changed the way business is done. Therefore, slow adopters are doomed to fail or stagnate. Abou-Shouk, Megicks and Lim (2013) noted that SMEs, more so from developing nations, are slow adopters and users of technologies including social media, which may explain their high rate of failure. A study by Kithae, Gakure and Munyao (2015) revealed that about 75% of SMEs do not survive beyond their third year after start-up

Social media offers a free for all to create awareness and network; hence SMEs can leverage this to enhance their performance locally and internationally (Stelzner, 2015). All successful businesses in this information age have adopted social media as a strategy for targeting potential clients and enhancing brand awareness. Empirical studies have revealed that social media add value to businesses, but it is not established whether their use directly affects the performance of SMEs (Kisato, Wakanda & JoAnne, 2016). A study in Kenya by Kabue (2013) established that there is a positive adoption of social media for advertisement and business performance. Kabue (2013) further found that many SMEs have access to web-based social media, but they have less consideration for their use for business advertisement. Therefore, it is not clear in available literature the role social media plays in the performance of SMEs in Kenya. The study, thus, aims to systematically review the relevant conceptual, theoretical, and empirical literature on the concept of social media usage and SME performance.

Study Objectives

The study aims at reviewing the literature on the role of social media on SMEs performance to highlight the knowledge gaps which is suitable to form a basis for future research work. The specific objectives were:

i. To review the existing conceptual and theoretical literature on the construct of social media usage and SME performance.
ii. To review the relevant empirical literature on the construct of social media usage and SME performance
iii. To identify emerging conceptual, theoretical, and empirical gaps from the reviewed literature.

THEORETICAL REVIEW

The research is anchored on three theories; namely, the social network theory, social penetration theory, and technology acceptance model. The theories shed light on the importance of social networks which can be employed in business to enhance performance.

Social Network Theory

The proponent of the social network theory is Scott in 2003. Scott (2003) conceptualized his theory from several concepts and was largely based on understanding the structure and relational networks of social associations between living things. The focus of the theory is the study of the way individuals, groups and institutions interact and relate with each other; hence, analyses all sorts of relationships between things, animals, or people. The social network theory holds that the largest element is the network that has many individual elements. It is worth noting that the smallest element in a network is an individual as an actor; hence, the theory portrays social relationships as ties and nodes, where the ties represent the relationships that exist and link the players while the node signified the individuals. There are various types of ties between nodes, which explain the interdependence that exists in the social network (Mulunda, Mukabi & Macharia, 2021).

The social network theory is relevant in this study on the role of social media on SMEs performance. This is because it helps in the understanding of the formation of relationships between marketers and consumers. The relationship becomes valuable when the marketers manage to reach many consumers. It is worth noting that marketers are normally in constant contact with the consumers; hence, better understand them. The basis of this theory is linked to the content that may go viral and reach many on social media in a relatively short period. Besides, the theory offers an important framework for understanding social media and its usage in business. The actors in a network consume social media via virtual nodes online while social ties are created via sharing, links, and memberships (Richardson, Choong & Parker, 2016). Therefore, understanding how social networks work in social media marketing is very important in the modern business environment. SMEs may use this strategy to ensure information reaches their target consumers within a short period. The social network theory brings out the relevance of online marketing where SMEs should be in contact with as many consumers as possible to enhance their business performance.

However, the theory is not without shortcomings. For instance, it does not consider the individual characters of the actors in the network as well as their perception of the world which may have a significant effect on the relationship between them. While the theory emphasizes the importance of social networks, it does not inform how marketers should ensure there is a healthy relationship which is the only way an enterprise can benefit from the social networks.

Social Penetration Theory

The proponents of the social penetration theory are Altman and Taylor in 1973. The theory is based on a common phenomenon known as getting to know someone. The social penetration theory holds that interpersonal relationship moves from a very shallow surface level over time to deeper and more intimate levels. This is supported by Emerson (2016), who opined that social penetration progresses via several stages to establish relationships. Getting to know someone as the relationship moves from one level to the other depends on mutual disclosure or sharing of vulnerability and inner feelings (Altman & Taylor, 1973).

The social penetration theory assumes that self-disclosure is predictable, systematic, and mutual. The theory describes the role of disclosure in developing relationships, but the focus is on the way self-disclosure functions to establish relationships. Self-disclosure is used in developing relationships to enhance intimacy via depth, breadth, and the norm of reciprocity. This theory is objective since it is not subjective to individual bias or feelings. Instead, it is based solely on facts and not opinions. The proponents of the social penetration theory further argue that penetration is initially rapid but slows down swiftly as the tightly wrapped inner layers are reached (Blau, 2014). Building a relationship is likened to peeling off an onion, which is easier to peal initially but becomes hard as inner layers are revealed. Over the years since its establishment, the theory has proved to be versatile, which has made it possible for scholars to use it in various ways.

The social penetration theory has been criticized first, due to its Heurism; that is, educational principles of gaining knowledge via practical experience and empirical study. Consequently, the theory has been used in various studies on a wide variety of relationships. Besides, it is given credit for most of the thinking behind establishing relationships. Second, the social penetration theory is criticized due to its narrow scope with critics arguing that the process of establishing relationships is not always linear. However, the social penetration theory is relevant when one tries to understand the interactions that we encounter daily as it helps to understand various stages of relationships; hence, aids in understanding how best to rationalize and make decisions at each stage of relationship development.

In the context of this study, the social penetration theory informs the SMEs and marketers that relationship building in the social network is a process that improves gradually as both parties get to know each other's properly in terms of who they are, what they offer and their principles in business. As such, it is important to grow the relationship over social media gradually and systematically to a point where the consumers understand the businesses, their products, and services. This way, SMEs can benefit significantly through social media usage.

Technology Acceptance Model (TAM)

The Proponent of the technology acceptance model is Davis, back in 1989. Davis (1989) used this model to try and predict and explain the user's behaviour when a new technology is presented to them. It holds that several factors influence the decision of the users in terms of when and how they adopt the new technology. The factors include the perceived usefulness of the technology to improve performance; and the perceived ease of use as shown in Figure 1.

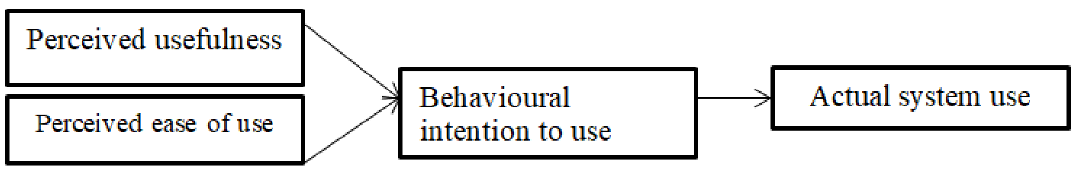

Figure 1: Technology Acceptance Model
Source: Davis (1989)

The perceived usefulness refers to the extent to which a user believes that the use of a certain new technology will facilitate performance. Perceived ease of use, on the other hand, refers to the extent to which one believed that using a certain technology will be effortless (Davis, 1989). Whenever there is perceived ease of use and perceived usefulness of new technology, users develop the intention and attitude to adopt the technology. However, the proponent of the model argued that the perception can change based on the age and gender of the involved people since human beings are different. Social media is a new technology that presents organizations with opportunities to engage their clients and meet their demands and needs. However, the adoption of social media technology by businesses is influenced by perceived usefulness and ease of use.

According to Park (2009), the TAM is an important theoretical model that helps in understanding the behavioural intentions in the usage and adoption of new technology. Therefore, this theory is relevant in this study as it aids in understanding why new technology like social media can be adopted or rejected by users. This is because it informs technology providers of the importance of sharing useful innovation. However, the TAM is not without some shortcomings. The model is criticized for not considering some important issues such as costs that comes with adopting technology, environmental and structural influence that affect the way individuals adopt new technology.

CONCEPTUAL REVIEW

The Technology–Organization–Environment (TOE) Framework

The TOE framework is described in Tornatzky and Fleischer's (1990) book, the process of innovation. In their book, Tornatzky and Fleischer (1990) described the entire process of innovation right from the development of innovations by entrepreneurs and engineers to the adoption and implementation of innovations by users in the context of a firm. The TOE framework represents one part of this process, that is, how the firm context influences the implementation and adoption of innovation. It explains that three different elements of a firm's context influence decisions to adopt innovations. The three elements are the organizational context; technological context; and environmental context.

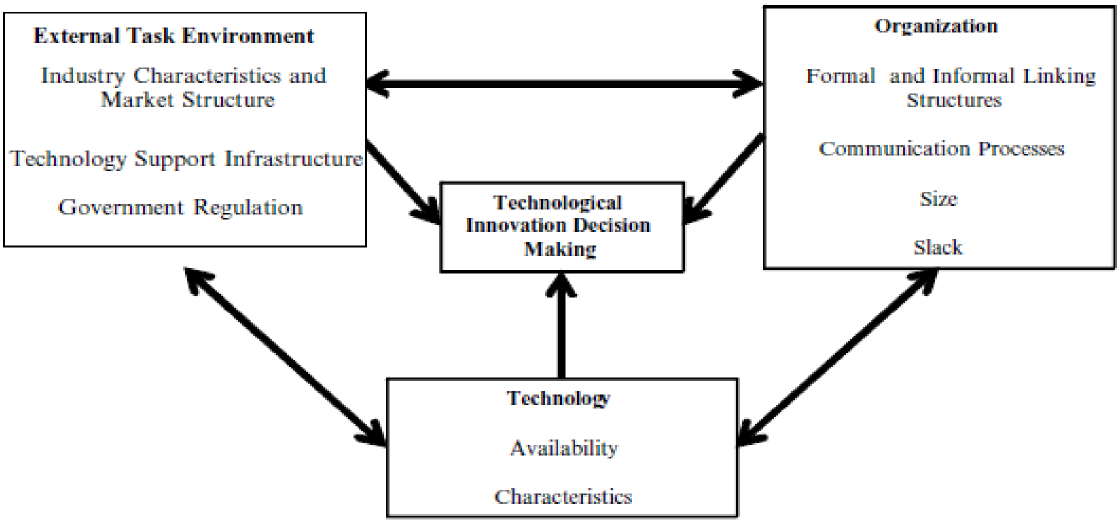

Figure 2: The TOE framework
Source: Tornatzky and Fleischer, 1990)

The Technological Context

The technological context entails all the relevant technologies to an enterprise including technologies already adopted in the organization and those that are not adopted but are available in the marketplace. The technologies that exist in an organization are crucial in the adoption process since they set a broad limit on the pace and scope of technological change that an organization may undertake (Collins, Hage & Hull, 1988). The technologies that are in the marketplace but not yet in an organization also influence innovations as they demarcate the limits of what is possible and show the organization the way such technology may enable them to evolve and adapt to the current business environment.

According to Tushman and Nadler (1986), within the technologies that exist but are not yet adopted in a firm, there are three types of innovation; namely, those that create synthetic, incremental, or discontinuous changes. The technologies that produce incremental change bring new features or new versions of technologies that existed. The best thing about these types of technologies is that they are less risky to a firm that adopts them. The technologies that produce synthetic change represent a middle point of moderate change where already existing technologies or ideas are combined in a novel way. On the other hand, technologies that produce a discontinuous change, also known as radical innovation are characterized by significant departure from the existing processes or technology (Ettlie, Bridges & O'Keefe, 1984).

While technological innovations that lead to synthetic and incremental change allow an organization to have a measured pace of adoption, those that cause discontinuous change require the firm to make decisive and quick adoption to enhance and maintain its competitive standing (Baker, 2011). Therefore, Tushman and Anderson (1986) correctly warned that when firms are evaluating technologies that lead to discontinuous change, they must consider if the technologies are competence-destroying or competence-enhancing. When technological innovation is competence-enhancing, a firm can gradually change as they build up their expertise. On the other hand, when technological innovation is competence-destroying, makes existing expertise and technologies obsolete. These discontinuous competence-destroying innovations usually make significant shifts in the market or industry (Baker, 2011). Therefore, businesses should be careful when considering the type of changes that will be made by adopting new technology.

The Organisational Context

The organizational context is the resources and characteristics of an organization including linking structures between intra-firm communication processes. Employees, firm size, as well as the amount of slack resources. Organizational context affects the adoption and implementation decision in various ways. First, the mechanism that connects internal subunits of a firm or spans of internal boundaries that promotes the adoption and implementation of an innovation (Tushman & Nadler, 1986), when there are informal linking agents such as boundary spanners, product champions, and gatekeepers.

Organizational structure has been broadly researched on to identify the firm's relationship to the innovation adoption process. According to Daft and Becker (1978) and Burns and Stalker (1962) decentralized and organic organizational structures are linked to the adoption of technological innovations. Firms with these types of structures emphasize teams and have a degree of fluidity in responsibilities for staff, and they promote lateral communication as well as communication along reporting lines. Other studies on organizational structure show that while decentralized and organic structures can be best suited to the adoption phase of the innovation process, mechanistic structures with their focus on formal reporting relationships, centralized decision making, roles that are clearly defined, are best suited to the implementation phase of the process of innovation (Zaltman, Duncan & Holbeck, 1973).

The process of communication within an organization context may promote or inhibit innovation. When the top management establishes an organizational context that welcomes change and is supportive of the firm's core vision and mission, innovations in the firm become possibles (Tushman & Nadler, 1986). The leadership of the top management and the communication process entails a description of the role of creativity and innovation in the firm's strategy, showing the benefits of innovation to employees, rewarding creative and innovative staffs, and developing a skilled team of executives that can cast a compelling vision for the future of the organization.

However, size and slack remain the most frequently discussed factors in an organizational context that influence innovation. Some studies have established that slack enhances the adoption of technologies and innovations (Rogers, 1995; March & Simon, 1958). However, some research indicates that innovation may take place in the absence of slack hence slack does not necessarily lead to technological innovations. It is thus not sufficient nor necessary for innovation to happen (Tornatzky *et al.*, 1983; Tornatzky & Fleischer, 1990).

Various researches have been conducted about size, but there is still no conclusive link between the size of an enterprise and innovation. However, some studies have established that large enterprises are more likely to adopt technological innovations (Cyert & March, 1963; Scherer, 1980; Kamien & Schwartz, 1982). However, these studies save been widely criticized on the ground that the size is just a crude proxy for more specific and meaningful organizational factors like the availability of certain resources (Kimberly, 1976). Therefore, the relationship between size and innovation cannot be conclusively established; hence, scholars call for use of more specific measures of organizational variables other than Size (Baker, 2011). This is true because while some micro and small enterprises have shown great creativity and innovation than some large organizations.

The Environmental Context

The environmental context entails the industry's structure; the absence or presence of technology and the regulatory environment. The industry's structure has been researched in several ways. For example, intense competition stimulates the adoption of technological innovation (Mansfield *et al*. 1977; Mansfield, 1968). In the industry lifecycle, it is opined that organizations in industries that are rapidly growing tend to innovate more rapidly. However, in declining or mature industries, innovation practices are not clear-cut (Tornatzky & Fleischer, 1990).

Some organizations use the decline phase of the industry life cycle to innovate through efficiency or expansion of businesses to other sectors. Other firms may avoid investing in technological innovation to reduce costs at this phase. However, this is no empirical studies to validate the assertion about the relationship between industry life cycle and the adoption of innovation. Innovation is affected by the support infrastructure for technology. The organizations that pay high wages for skilled labour are normally required to innovate via labour-saving innovation (Levin, Levin & Meisel, 1987; Globerman, 1975). According to Rees, Briggs and Hicks (1984), the availability of consultants or supplies that offer technology services and the availability of skilled labour promote innovation.

Government regulation may have a positive or negative effect on innovation. For instance, the government of the day may impose constraints on an industry like requiring that all firms in the energy sector have pollution control devices, in which case, innovation becomes a mandate for the firms. On the other hand, the government may impose stringent testing and safety measures which can inhibit innovation for many firms. Therefore, government regulations may either discourage or encourage innovation. The three contexts, technological, environmental; and organizational can bring either opportunities or constraints for technological innovation (Tornatzky & Fleischer, 1990). They influence the organization's level of technological innovation. Whether an organization adopts the use of technology such as social media in business, the technological, environmental; and organizational contexts are crucial and need to be considered.

The TOE framework has been applied in various empirical studies to explain the adoption of different innovations (Zhu & Kraemer, 2005; Zhu *et al*., 2006; Lee & Shim, 2007). Qalati, Wenyuan, and Shafique Khan (2021) recently researched the effects of TOE factors on the adoption of social media and SMEs' performance in developing countries. A close-ended questionnaire was used to collect data among SMEs in Pakistan from July 2019 and December 2019. The results indicated that there exists a direct positive relationship between the TOE constructs, social media adoption, and the performance of SMEs. While it was established that there was full mediation between technological factors and SMEs performance, it was found that there was a partial mediation between environmental and organizational factors and SMEs performance.

These studies confirmed that technology, environment, and organization contexts do influence how an organization identifies the need for, searchers for, and adopt new technology. It is worth noting that in all empirical studies that test the TOE framework, the scholars have employed slightly different factors for organizational, technological, and environmental contexts. Thus, various researchers have agreed with Tornatzky and Fleischer (1990) that the three contexts influence the adoption of technological innovation. However, the researchers have assumed that every specific technology or context that is under study has a unique set of measures or factors.

EMPIRICAL REVIEW

Social Media and SMEs performance

There are different empirical studies on the influence of social media on business performance. Tiwasing (2021) performed a rural-urban comparative of the social media networks and SMEs ' performance. The study was conducted among 13,000 SMEs that were listed in the 2015- UK government's small business survey. The findings revealed that the SMEs in the rural areas who were members of the social business network had high turnover and sought to improve their sales compared to urban and rural SMEs that were non-members. The study concluded that the SMEs' performance in rural areas needs an improved online business support environment, improved digital connectivity, and infrastructure, increased technological and digital skills, and the creation of online co-working spaces.

Ekanem and Erukusin (2021) assessed the emergence of social media and its effect on SMEs in the UK. Data was collected using qualitative methods. The findings revealed that there is a positive relationship between the adoption of social media and the growth of a company's share. Besides, it was established that the use of social media improved the sales figures, brand image and created awareness. Social media helped to enhance communication between customers and companies. This implies that SMEs should be encouraged to develop their presence on various social media networks to enhance their performance.

Sulaiman Ainin, Moghavvemi and Jaafar (2015) studied the factors that influence the use of Facebook by SMEs and the effects of Facebook usage on the financial and non-financial performance of SMEs. The study was conudcted among 259 SMEs in Malyasia. The results revealed that the use of Facebook has a strong and positive effect on SMEs' financial performance. The results further indicated that there are positive and strong effects of the use of Facebook and SMEs' non-financial performance in terms of reducing costs on customer service and marketing; improvement on access to information and improving customer relations. Further, it was established that factors like costs effectiveness, compatibility, and interactivity influence the usage of Facebook by SMEs.

Alkateeb and Abdalla (2021) studied the adoption of social media and how it affects the performance of SMEs in Palestine. The study examined how technological, environmental, and organizational context; perceived usefulness, perceived ease of use, capability to control technology; and attitude toward technology influence the adoption of social media and their impacts on SMEs performance. The findings revealed that all the variables except technological context positively influence the adoption of social media by SMEs and the adoption of social media positively influences SMEs performance.

Amoah and Jibril (2021) studied the use of social media as a promotional tool for SMEs development. Data was collected using questionnaires among 648 employees of SMEs in the rural banking sector in Acra and ghana. The results revealed that the use of social media as a promotional tool has a significant effect on the financial performance of SMEs. It was also established that the use of social media has a positive influence on customer's attraction, business motivation and increases the market share. Therefore, SMEs need to invest in social media marketing tools and use them effectively to enhance their growth and survival.

Gekombe, Tumsifu and Jani (2019) studied the way perceived usefulness, social identity, and perceived ease of use affect the use of social media by SMEs and how the use of social media influence the growth of the SMEs in the fashion industry in Kenya. Data was collected using structured questionnaires among 394 SMEs owner-managers in the fashion industry in Nairobi and Kiambu counties. The results revealed that perceived ease of use and social identity have a significant influence on the use of social media, but perceived usefulness was found to have no significance in influencing the owner-mangers to use social media. However, the use of social media was found to have had a significant influence on the growth of SMEs.

Wanyoike and Kithae (2019) researched the effect of social media networks on the performance of SMEs in the international arena with a special focus o the SMEs in kamukunji areas in Nairobi county. Data was colleceted usig quationnires among 838 SMEs in Kamukunji. The findings established that the use of social media significantly influences the growth of SMEs. The use of social media helps in retaining customers as well as sourcing inputs which contribute to the growth of the SMEs. Thus, SMEs need to establish strong relationships with customers and suppliers through the use of social media.

The theoretical, conceptual, and empirical reviews have helps to raise critical issues that may help the SMEs to adopt and use social media effectively you enhance their performance. First, it emerged that it is crucial to understand how to relate effectively with customers through social media platforms. While social networks are critical for business performance, the value can only be realized if SMEs can reach many customers through social media. Besides, the value posted on social media platforms is a determinant factor on how important social media is in enhancing performance.

Second, the establishment of interpersonal relationship through social media is not a one-time event, but progress from one stage to the other as the parties disclose more information about themselves. Therefore, SMEs must understand the different stages of online relationships. It is the only way they can be able to disclose relevant and valuable information about their businesses.

Third, it was clear that the adoption of new technologies depends on how the users perceive their usefulness and ease of use. It is, thus, important that technology providers ensure that their innovations are user-friendly in terms of user interface and that adequate awareness is created before they are implemented. It was further established that cost of adopting technology is an important consideration whether SMEs adopt or reject technology.

Fourth, it has merged that technology within an organization and that in the marketplace influence the adoption of new technologies. However, there are some technologies that an organization can avoid or adopt at their own pace and convenience. However, some technologies become a must to adapt to survive in the market. It also came out that management support is an important determinant of whether an organization adopts to reject technology. It was also established that some small enterprises are innovative and may adopt new technology while some large enterprises may not. Therefore, this brings about the question of whether the size of an enterprise, in terms of micro, small, medium or large is a factor that determines the adoption of social media. It was further noted that competition, the kind of growth in an industry where an enterprise operates, and government regulations are crucial factors that influence the adoption of technology by enterprises.

Fifth, it was established that technological, organizational, and technological contexts influence the adoption of social media by SMEs, and the adoption of social media influences the SME's performance. The three contexts are important as they determine the way SMEs identify the needs, search for and adopt new technologies.

Finally, empirical studies across the world have revealed that the adoption of social media has a positive influence on SMEs performance. However, it came out that whether SMEs adopt or reject a technology depends on its technological, organizational, and technological context but not their size. It was further established that while social media positively influence SME's performance positively, there is news for online business support, improved digital connectivity; infrastructure; and technological and digital skills among the SMEs to enhance their performance. Besides, the adoption of social media enhances SME's performance in terms of sales, market share, building brands, and creating awareness and through costs reduction.

Proposed Conceptual Framework

The proposed conceptual framework shows that the adoption of social media has an important role in enhancing the performance of SMEs in terms of increasing sales, market share, and profitability. It also shows that the adoption of social media by SMEs is determined by their technological, organizational, and environmental context. Besides, it shows that the role social media plays in the performance of SMEs is influenced by supports, digital connectivity, and technological skills.

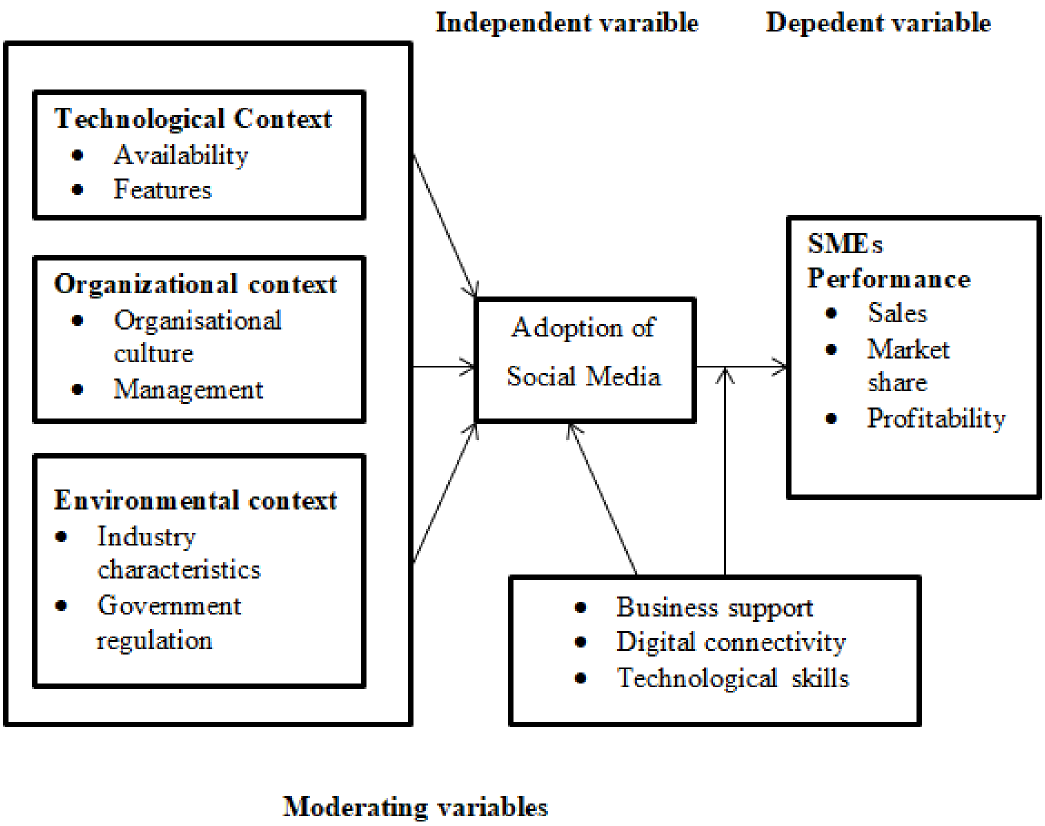

Figure 3: conceptual framework

Conclusions and Direction for Future Research

The adoption of social media by SMEs is important to their performance. However, the effectiveness of using social media to enhance SMEs ' performance is dependent on the role played by the SMEs management and the government. This is because the top management influences the decision-making process concerning the adoption of any technology in an organization sets the appropriate organizational culture and provides resources to encourage the adoption of new technologies in businesses. Besides, the government is responsible for making the availability of information technology infrastructure and providing regulations that make the adoption of technologies easier and cheaper for SMEs. In addition, the adoption of social media is dependent on the availability of relevant digital and technological skills. Therefore, the government should ensure that appropriate infrastructure is accessible to SMEs to enhance their adoption. The government should also ensure that relevant training in information technology to equip SMEs owners for the adoption of social media and other technological innovations. It was established that there are no conclusive empirical studies to support the relationship between the size of business and innovation. It is, thus suggested that future studies be conducted to examine the relationship between enterprise size and adoption of social media.

Limitation of the study

This study was based on secondary sources of information. The secondary sources were important since they provided the theoretical, conceptual, and empirical studies which helped to identify gaps in the literature. However, it is recommended that future studies be conducted using primary sources of information. This will help to add to the current body of knowledge on the role of social media on SMEs performance.

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