

LITERARY REVIEW OF SOCIAL MEDIA AND THE GROWTH OF SMALL AND MEDIUM ENTERPRISES IN YENAGOA BAYELSA STATE, NIGERIA.

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INTRODUCTION

Background to the Study

Research by Tsimonis and Dimitriadis (2014) indicates that SMEs that actively engage with their customers on social media experience higher customer satisfaction and loyalty. Social media offers businesses a cost-effective way to reach a large audience, engage with customers, and build brand loyalty. The interactive nature of these platforms allows for real-time feedback and customer service, enhancing customer satisfaction and trust (Kaplan & Haenlein, 2010). The rise of social media has transformed communication and information dissemination globally. Platforms such as Facebook, Twitter, Instagram, and LinkedIn have not only changed social interactions but have also become powerful tools for business promotion and engagement. For SMEs, social media provides an unparalleled opportunity to level the playing field with larger corporations. By leveraging social media, SMEs can create a strong online presence, engage with a broader audience, and promote their products and services effectively.

Studies have shown that SMEs using social media experience higher levels of customer engagement, increased sales, and improved brand awareness (Bulearca & Bulearca, 2010). Several case studies illustrate the impact of social media on SMEs in developing regions. A study by Oji et al. (2017) on Nigerian SMEs found that social media significantly enhances business performance by improving customer engagement and brand visibility. Similarly, a case study on SMEs in Kenya by Gichuki et al. (2014) showed that social media marketing leads to increased sales and customer loyalty. Social media also enables SMEs to gather customer insights and market trends, facilitating better decision-making and strategic planning (Durkin, McGowan, & McKeown, 2013). Yenagoa, the capital city of Bayelsa State, is a growing economic hub with a diverse range of SMEs. The adoption of social media among these businesses has seen a significant rise, driven by the need for cost-effective marketing solutions and the increasing penetration of internet access. Social media platforms have become crucial for SMEs in Yenagoa to reach potential customers, engage with their target audience, and compete in a dynamic market environment.

One of the most significant impacts of social media on SMEs in Yenagoa is in the area of marketing and brand awareness. Traditional marketing methods are often expensive and out of reach for many small businesses. Social media provides an affordable alternative, allowing SMEs to reach a wider audience with minimal costs. For instance, a local fashion retailer in Yenagoa can showcase its products on Instagram, engage with customers through comments and direct messages, and use targeted ads to reach potential buyers. This level of engagement and visibility was previously unattainable for many small businesses (Felix, Rauschnabel, & Hinsch, 2017). Customer engagement is another critical area where social media has made a significant impact. SMEs in Yenagoa can interact with their customers directly, respond to inquiries, and address complaints promptly. This direct line of communication helps build trust and loyalty, which are essential for long-term business success. For example, a local restaurant can use Facebook to post daily menus, respond to customer reviews, and share photos of special events.

This constant interaction helps keep the business top-of-mind for customers and fosters a sense of community (Malthouse, Haenlein, Skiera, Wege, & Zhang, 2013). Social media also offers SMEs in

Yenagoa the ability to gather market insights and innovate. By monitoring social media conversations and trends, businesses can gain valuable information about customer preferences, emerging market needs, and competitive activities. This information can inform product development, marketing strategies, and overall business planning. For example, a tech startup in Yenagoa can use Twitter analytics to track mentions of their product, understand user sentiment, and identify areas for improvement. This real-time feedback loop allows businesses to stay agile and responsive to market changes (Parveen, Jaafar, & Ainin, 2015). While numerous studies have been conducted regarding the impact of Social media on SME growth, there remains a gap in geographically defined studies, particularly, there is a dearth of such research focusing on Yenagoa, Bayelsa state. The concern of this study is therefore to ascertain the relationship between Social Media and the Growth of Small and Medium Enterprises. That is, to understand if social media significantly enhances SME growth specifically in Yenagoa, Bayelsa state.

Statement of the Research Problem

Whilst several studies have argued that social media does aid SME growth, there are others which argue that social media does not significantly impact the growth of small and medium enterprises (SMEs). This perspective calls for a critical examination of its actual efficacy within specific local contexts, particularly in a developing region like Yenagoa. The primary argument of this school of thought is that Social Media offers limited reach and engagement. The digital divide manifests not only in terms of access but also in digital literacy, where both entrepreneurs and potential customers may lack the skills needed to effectively utilise social media for business purposes. Also, algorithms that drive visibility on social media often favour content from established brands and individuals with a significant following, making it challenging for SMEs to gain traction (Kaplan & Haenlein, 2010). This issue is exacerbated by the saturation of content on these platforms, where small businesses find it difficult to stand out amidst the noise. The concern of this study is therefore to ascertain the relationship between Social Media and the Growth of Small and Medium Enterprises. That is, to understand if social media significantly enhances SME growth specifically in Yenagoa, Bayelsa state.

Objectives of the Study

In line with the above problematique, the general objective of the study will be to examine the effect of Social Media and the Growth of Small and Medium Enterprises in Yenagoa, Bayelsa. However, the specific objectives of the study will be;

- I. To determine whether the use of YouTube for engagement has a significant impact on sales growth.
- II. To determine whether the use of Facebook for engagement has a significant impact on profitability.
- III. To determine whether the use of Instagram for engagement has a significant impact on SME growth.

Research Questions

- I. Does the use of YouTube for engagement significantly impact sales growth?
- II. Does the use of Facebook for engagement significantly impact profitability?
- III. Does the use of Instagram for engagement significantly impact SME growth?

Statement of Hypotheses

HO¹: The use of YouTube for engagement significantly impacts on sales growth

HO²: The use of Facebook for engagement significantly impacts on profitability

HO³: The use of Instagram for engagement significantly impacts on SME growth

Scope of the Study

The study covers both Social Media and Small Medium Enterprises. It attempts to examine the relationship between Social Media and SME growth. The study domicilies on the use of Information and Communication Technology engagement in the literature review. The study limits its focus to Yenagoa metropolis, Bayelsa State. The level of analysis for this study will be at organizational level. In terms of the unit of analysis, this study will adopt macro study which involves eliciting responses from senior staff and the business owners of small and medium Enterprises.

Significance of the Study

Theoretically, the study will contribute to several theoretical frameworks and academic discussions within the fields of social media, business management, and entrepreneurship. This study will broaden the understanding of how social media platforms can influence business growth, particularly in Yenagoa. The research will also enhance the academic literature on the growth of SMEs by providing empirical evidence from Yenagoa, Bayelsa. It will explore the unique challenges and opportunities faced by SMEs in this region, thus filling a gap in the existing body of knowledge that is often dominated by studies from developed countries (Durkin, McGowan, & McKeown, 2013). Practically, the study will inform policy-making, business practices, and entrepreneurial strategies. The findings of the study offer actionable insights for SME owners and managers in Yenagoa on how to leverage social media to enhance their business growth. Practical recommendations on content creation, customer engagement, and digital marketing strategies will help these businesses optimise their social media use (Malthouse, Haenlein, Skiera, Wege, & Zhang, 2013).

Organization of the Project Report

This study will be made up of five chapters. Chapter one will contain a general overview of the research work while Chapter two will provide a comprehensive literature review divided into four (4) subsections. In Chapter three, the research methodology shall be outlined including sub items like the research design, sample and sampling technique, method of data collection, etc. Chapter four will be concerned basically with data analysis and presentation. Chapter five, the final chapter, will contain the summary, conclusion and recommendations based on findings of the study.

LITERATURE REVIEW

This chapter contains a review of the existing body of knowledge relevant to the subject matter of this study. It provides a comprehensive overview of the scholarly opinions surrounding the issue, drawing upon conceptual, theoretical, and empirical perspectives.

Conceptual Clarifications

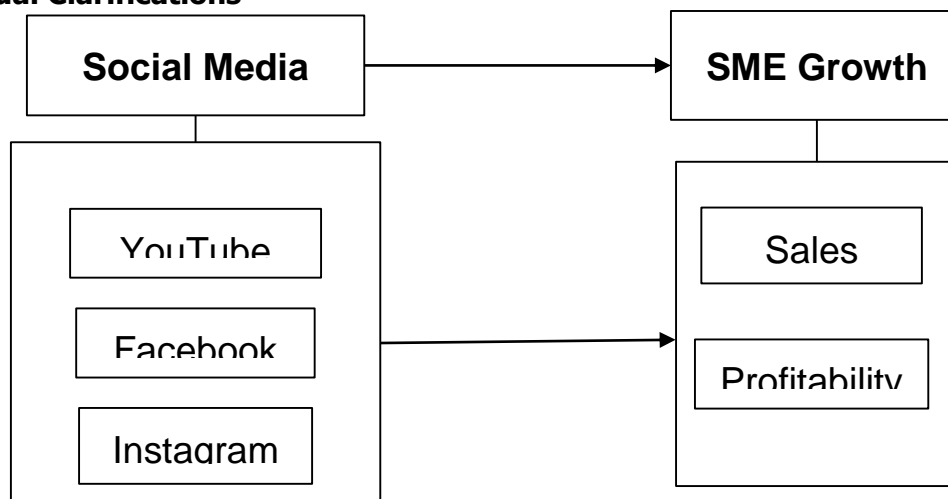


Fig2.1: Conceptual Framework of Social Media and SME growth

Adapted from: Lee, J.-W., Kim, J.-W., & Lee, S.-H. (2017), Singh, J., & Rani, N. (2020).

Social Media

Social media's evolution can be traced back to the early days of the internet with platforms like Six Degrees and Friendster (Boyd & Ellison, 2007). These early platforms laid the groundwork for later giants such as Facebook and Twitter, which have become integral to daily life (Kaplan & Haenlein, 2010). Social media's rapid evolution has been driven by technological advancements, increased internet access, and the proliferation of smartphones, allowing constant connectivity (Smith & Anderson, 2018). Social media has revolutionized communication, breaking down geographical barriers and enabling real-time interaction. Platforms like Twitter allow for instant dissemination of information, while Facebook facilitates maintaining personal connections (Ellison, Steinfield, & Lampe, 2007). Studies show that social media enhances social capital by enabling users to create and maintain relationships that would otherwise be difficult due to distance and time constraints (Valenzuela, Park, & Kee, 2009). However, concerns about information overload and the spread of misinformation have also been raised (Vosoughi, Roy, & Aral, 2018).

The business environment has been significantly impacted by social media, particularly in marketing and customer engagement. Social media marketing enables businesses to reach a global audience at a fraction of traditional advertising costs (Tuten & Solomon, 2017). Companies use social media for brand building, customer service, and market research (Hanna, Rohm, & Crittenden, 2011). However, the dynamic nature of social media requires businesses to be agile and responsive to maintain a positive online presence (Kaplan & Haenlein, 2010). Social media also plays a critical role in e-commerce. Platforms like Instagram and Pinterest facilitate direct shopping experiences through features like shoppable posts and buyable pins (Mason, Narcum, & Mason, 2020). This integration of social media and e-commerce, often referred to as social commerce, has reshaped consumer buying behavior and the retail industry. The societal implications of social media are profound and multifaceted. Social media platforms have become significant arenas for political discourse and activism. Movements like #BlackLivesMatter and #MeToo have leveraged social media to amplify their messages and mobilize supporters globally (Jackson, Bailey, & Welles, 2020).

Dimensions of Social Media

YouTube

YouTube has emerged as a dominant force in digital media, significantly influencing how content is created, distributed, and consumed. Launched in 2005, YouTube quickly became a platform for user-generated content, enabling individuals to share videos globally (Burgess & Green, 2018). Its ease of use and accessibility have democratized media production, allowing anyone with a camera and internet access to become a content creator (Chau, 2010). Educational content on YouTube has also gained prominence. Khan Academy and similar channels offer free access to educational resources, transforming traditional learning paradigms (Snelson, 2011). YouTube's recommendation algorithm plays a crucial role in content discovery, often criticized for creating echo chambers and promoting extreme viewpoints (Bärtil, 2018).

The platform's impact extends to marketing and branding, with influencers and brands leveraging YouTube for promotional activities (Kim, 2012). Influencer marketing has grown substantially, with personalities like PewDiePie and others gaining significant followings and influencing consumer behavior (De Veirman, Cauberghe, & Hudders, 2017). YouTube also provides a space for marginalized voices and communities, offering a platform for social and political movements (García-Rapp, 2017). However, it faces challenges such as content moderation and copyright issues, highlighting the need for balanced regulatory approaches (Zhou, Wellman, & Yu, 2011).

Facebook

Facebook, launched in 2004 by Mark Zuckerberg, has fundamentally transformed social networking and communication on a global scale. It is one of the most widely used social media platforms, with over 2.8 billion monthly active users as of 2021 (Statista, 2021). The platform has reshaped how

individuals connect, share information, and engage with content, creating new dynamics in personal and professional interactions (Ellison, Steinfield, & Lampe, 2007). Studies have shown that Facebook significantly impacts social capital, fostering bonding and bridging among users (Ellison et al., 2007). Its role in disseminating news and information has also been pivotal, although it has raised concerns about the spread of misinformation and echo chambers (Allcott & Gentzkow, 2017). The platform's algorithmic curation of content plays a crucial role in shaping user experiences and perceptions (DeVito, 2017).

Facebook's influence extends to political engagement and activism, providing a platform for mobilization and public discourse (Kwak, Lee, Park, & Moon, 2010). However, it faces scrutiny regarding privacy issues, data security, and the ethical implications of its data practices (Caers et al., 2013). In the realm of marketing, Facebook has become an indispensable tool for businesses, enabling targeted advertising and customer engagement (Tuten, 2008). Despite its benefits, the platform's user behavior, corporate interests, and societal impact continues to be a subject of extensive research and debate.

Instagram

Instagram, a photo and video-sharing social networking service launched in 2010, has grown to over 1 billion monthly active users by 2021 (Statista, 2021). Its emphasis on visual content differentiates it from other platforms and shapes how users engage with one another and with brands (Hu, Manikonda, & Kambhampati, 2014). The platform's features, including Stories, IGTV, and Reels, facilitate diverse content creation and sharing, enhancing user interaction and community building (Sheldon & Bryant, 2016). Research indicates that Instagram significantly influences consumer behavior and marketing strategies (Alalwan, 2018). Businesses leverage Instagram for brand promotion, capitalizing on influencers and targeted advertising to reach a broad audience (De Veirman, Cauberghe, & Hudders, 2017). The platform's visual nature aids in creating strong brand narratives and emotional connections with consumers (Khamis, Ang, & Welling, 2017).

Instagram also plays a crucial role in identity formation and self-presentation (Lee, Lee, Moon, & Sung, 2015). Users curate their profiles to reflect their personal aesthetics and lifestyles, often driven by the desire for social validation through likes and comments (Sheldon & Bryant, 2016). Despite its popularity, Instagram faces criticism for fostering unrealistic beauty standards and contributing to social comparison and anxiety among users (Fardouly, Willburger, & Vartanian, 2018).

Small and Medium Enterprises

Small and Medium Enterprises (SMEs) serve as critical drivers of economic growth, innovation, and job creation globally. The relevance of SMEs in both developed and developing economies cannot be overstated, as they often constitute the backbone of economic structures and foster entrepreneurial activities. Numerous case studies and success stories highlight the potential of SMEs to drive economic development. For instance, the garment industry in Bangladesh is dominated by SMEs and has significantly contributed to the country's economic growth and export earnings (Kabeer & Mahmud, 2004). In India, the IT sector's expansion has been driven by a large number of SMEs providing software development and IT-enabled services (Arora & Gambardella, 2005). In Africa, the agricultural sector has witnessed the rise of SMEs involved in agribusiness and agro-processing, enhancing food security and rural development (Haggblade, Hazell, & Reardon, 2010). These examples underscore the importance of a supportive ecosystem and targeted interventions to unlock the potential of SMEs.

Defining SMEs varies significantly across countries and institutions. According to the European Union, SMEs are businesses with fewer than 250 employees and an annual turnover not exceeding €50 million (European Commission, 2020). The World Bank categorizes SMEs based on three criteria: number of employees, total assets, and annual sales. Generally, SMEs are characterized by their limited scale of operations, personalized management styles, and a high degree of informality (Ayyagari, Beck, & Demirguc-Kunt, 2007). SMEs contribute substantially to economic development. In high-income countries, they represent over 90% of enterprises and account for 60-70% of

employment (OECD, 2017). In developing nations, SMEs are crucial for poverty alleviation and inclusive growth. They provide employment opportunities, particularly in rural and underdeveloped areas, thereby reducing income inequalities (Beck, Demirguc-Kunt, & Levine, 2005).

Furthermore, SMEs play a pivotal role in innovation and technological advancements. They often engage in creative activities and bring novel products and services to the market, which stimulates competition and drives overall industry innovation (Acs & Audretsch, 1990). The agility and flexibility of SMEs allow them to adapt quickly to market changes and consumer demands, which is vital for sustaining competitive advantages in dynamic business environments (Tambunan, 2008). SMEs face numerous challenges that hinder their growth and sustainability. Access to finance remains a primary obstacle. SMEs often struggle to secure funding due to perceived high risks and lack of collateral. Traditional financial institutions are typically reluctant to lend to SMEs, leading to a financing gap (Beck, Demirguc-Kunt, & Maksimovic, 2008). Alternative financing sources such as venture capital and crowdfunding have emerged, but their accessibility is still limited in many regions. Regulatory burdens and bureaucratic inefficiencies also pose significant hurdles for SMEs. Complex legal frameworks, cumbersome administrative processes, and high compliance costs can stifle entrepreneurial activities and discourage formalization (Djankov, McLiesh, & Ramalho, 2006). In many developing countries, the informal sector constitutes a large portion of the SME landscape, further complicating efforts to implement effective policy interventions (La Porta & Shleifer, 2014). Human capital constraints, including skill shortages and lack of managerial expertise, are additional barriers. SMEs often operate with limited resources and may not have the capacity to invest in employee training and development (Heneman, Tansky, & Camp, 2000). This limitation affects their productivity and ability to innovate.

The advent of digital technologies has brought both opportunities and challenges for SMEs. The internet and digital tools have revolutionized business operations, enabling SMEs to reach global markets and enhance their competitiveness (Bharadwaj, El Sawy, Pavlou, & Venkatraman, 2013). E-commerce platforms and social media have become essential channels for marketing and customer engagement (Tiago & Veríssimo, 2014). However, the digital divide remains a critical issue. Many SMEs, particularly in developing countries, lack access to the necessary technology infrastructure and digital skills to fully leverage these opportunities (Baller, Dutta, & Lanvin, 2016). Bridging this gap requires concerted efforts from governments, private sector, and international organizations to provide the needed support and resources (Qiang, Clarke, & Halewood, 2006).

Globalization presents both opportunities and threats to SMEs. On one hand, it offers access to larger markets, diversified customer bases, and potential partnerships (Wymenga, Spanikova, Barker, Konings, & Canton, 2012). SMEs can benefit from participating in global value chains and exporting their products and services. On the other hand, increased competition from multinational corporations and fluctuations in international trade policies can pose significant challenges (Lu & Beamish, 2001). SMEs need to adopt strategic approaches to navigate the complexities of globalization. Developing niche markets, focusing on quality and innovation, and forming strategic alliances can help SMEs compete effectively on a global scale (Knight, 2001). Additionally, supportive trade policies and international cooperation are crucial for creating an enabling environment for SME growth in the global market (UNCTAD, 2010).

Several factors influence the growth of SMEs, including access to finance, managerial capabilities, market access, and regulatory environment. Access to finance is a primary determinant of SME growth. Financial constraints can limit the ability of SMEs to invest in new technologies, expand operations, and hire skilled personnel (Beck, Demirguc-Kunt, & Maksimovic, 2008). Managerial capabilities, including strategic planning and operational efficiency, also play a crucial role in determining the success and growth of SMEs (Marlow, Taylor, & Thompson, 2010). Market access and the ability to penetrate new markets are vital for SME growth. Internationalization and participation in global value chains can provide SMEs with opportunities for growth and expansion (Knight & Cavusgil, 2004). However, the regulatory environment, including business regulations and the ease of doing business, significantly impacts SME growth. Simplified regulations and supportive

legal frameworks can encourage entrepreneurial activities and facilitate SME expansion (Djankov, McLiesh, & Ramalho, 2006).

The advent of digital technologies has revolutionized SME operations, offering new opportunities for growth and competitiveness. The internet and digital tools enable SMEs to reach global markets, enhance customer engagement, and improve operational efficiency (Bharadwaj, El Sawy, Pavlou, & Venkatraman, 2013). E-commerce platforms and social media have become essential channels for marketing and customer relationship management, allowing SMEs to compete with larger enterprises (Tiago & Veríssimo, 2014). However, the benefits of digitalization are not evenly distributed. SMEs in developing countries often face significant barriers to adopting digital technologies, including lack of infrastructure, high costs, and inadequate digital skills (Qiang, Clarke, & Halewood, 2006). Bridging the digital divide requires concerted efforts from governments, private sector, and international organizations to provide the necessary support and resources (Mittal, Khan, Romero, & Wuest, 2018).

Dimensions of SME Growth

Sales growth

Sales growth emerges as a seemingly straightforward metric, a barometer of a company's expanding reach and financial health (Wiklund & Shepherd, 2005). Sales growth refers to the increase in a company's revenue over a specific period. It is a key metric used to gauge a company's performance and track its progress towards achieving its financial goals. Sales growth essentially measures how much a company's sales have increased compared to a previous period. This can be expressed as a percentage or a raw number depending on the context. However, percentage change is the most common method. Calculated by getting the difference between the current period's sales and the previous period's sales, then dividing that difference by the previous period's sales and multiply by 100 to get a percentage.

Profitability

Profitability, reflects the efficiency with which a company converts sales into sustainable financial health (Covin & Slevin, 1991). A focus on profitability compels SMEs to optimize their cost structures, fostering innovation and a culture of fiscal responsibility (Collis & Rukstad, 2008). Profitability refers to a company's ability to generate profit, which is the difference between its total revenue and its total expenses over a specific period. In simpler terms, it is a measure of how much money a company keeps after accounting for all its costs.

Social Media in SME Growth

The proliferation of social media platforms has transformed how businesses operate globally, including in Yenagoa, Bayelsa. Small and medium enterprises (SMEs) leverage these platforms for marketing, customer engagement, and growth. Social media's allure for SMEs lies in its ability to democratize marketing. Social media platforms like Facebook, Twitter, and Instagram provide SMEs with tools to reach broader audiences. These platforms facilitate direct interaction with customers, offering opportunities for personalized marketing and real-time feedback (Kaplan & Haenlein, 2010). Social media also allows SMEs to create brand awareness at a lower cost compared to traditional advertising methods (Chaffey & Smith, 2017).

Unlike traditional advertising avenues, which can be prohibitively expensive for smaller businesses, social media platforms offer a level playing field (Constantinides & Loury, 2008). SMEs can establish a brand presence, connect directly with target audiences, and foster meaningful customer relationships – all at a relatively lower cost (Lee & Kim, 2014). For example, in Yenagoa, Bayelsa, where traditional marketing channels may be less accessible or more expensive, social media provides a cost-effective alternative for SMEs. Studies have shown that businesses in developing regions can significantly benefit from social media marketing due to its affordability and wide reach (Okazaki & Taylor, 2013).

Social media platforms provide a powerful tool for brand storytelling. By crafting compelling narratives and sharing engaging content, SMEs can cultivate brand awareness and establish themselves as thought leaders within their industry (Phelps et al., 2009). This fosters a sense of community and loyalty among customers, who become brand advocates, amplifying the reach of the SME organically (Muniz & O'Guinn, 2001). Effective customer engagement is crucial for the growth of SMEs. Social media platforms enable businesses to interact with customers, respond to inquiries, and promptly address complaints (Malthouse et al., 2013). This interaction helps build trust and loyalty, essential for customer retention and business growth.

Research by Tsimonis and Dimitriadis (2014) indicates that SMEs that actively engage with their customers on social media experience higher customer satisfaction and loyalty. In Yenagoa, SMEs can use social media to bridge the communication gap with their customers, fostering a sense of community and loyalty. Unlike traditional marketing channels, social media fosters a two-way dialogue between SMEs and their customers. Platforms like Twitter and Facebook allow for real-time interaction, enabling SMEs to address customer queries, respond to feedback, and build trust (McQuiston et al., 2019). This fosters a sense of personalization and strengthens customer relationships, leading to increased customer satisfaction and retention (Lee & Kim, 2014). Social media advertising offers a cost-effective alternative to traditional marketing methods. SMEs can leverage targeted advertising options to reach specific demographics and niche audiences, maximizing their return on investment (ROI) (Chaffey & Chadwick, 2014). Social media analytics tools further empower SMEs to track the performance of their campaigns, allowing them to optimize their strategies and allocate resources efficiently (Mangold & Faulds, 2009).

Creating brand awareness is a fundamental aspect of business growth. Social media platforms offer SMEs the ability to reach a large audience quickly and efficiently (Tuten & Solomon, 2017). Through consistent and engaging content, businesses can establish a strong online presence and attract potential customers. For SMEs in Yenagoa, social media campaigns can significantly enhance visibility and brand recognition. Studies have shown that businesses that actively promote their brands on social media experience higher levels of engagement and customer acquisition (Pentina & Koh, 2012). Social media platforms facilitate networking opportunities for SMEs. Businesses can connect with industry peers, potential partners, and influencers to expand their reach and explore new opportunities (Burtch et al., 2018). Networking is essential for knowledge sharing, collaboration, and accessing new markets. In Yenagoa, SMEs can leverage social media to build relationships with other businesses and stakeholders. This networking can lead to partnerships, joint ventures, and access to new customer segments, contributing to business growth.

Related Theories

Knowledge-Based View

The Knowledge-Based View, developed by scholars like Grant (1996) and Spender (1996), highlights the role of knowledge and information in creating competitive advantage. According to this theory, knowledge is a critical resource that enables firms to innovate, adapt, and differentiate themselves from competitors. Social media can provide SMEs with access to knowledge and information about customers, markets, and technologies. Social media can also facilitate knowledge sharing and collaboration among employees, customers, and partners. SMEs can use social media to develop and leverage their knowledge and expertise, creating a competitive advantage in their industry.

Dynamic Capability Theory

Dynamic Capability Theory, developed by scholars like Teece, Pisano, and Shuen (1997), focuses on the ability of firms to adapt, innovate, and reconfigure their resources and capabilities in response to changing environments. Social media can help SMEs develop dynamic capabilities by providing real-time feedback, market insights, and opportunities for experimentation and innovation. Social media can enable SMEs to reconfigure their resources and capabilities in response to changing market conditions and customer needs. SMEs can use social media to develop a culture of innovation

and experimentation, enabling them to stay ahead of the competition and achieve sustainable growth.

Social Capital Theory

Social Capital Theory, developed by scholars like Bourdieu (1986) and Coleman (1988), emphasizes the importance of social relationships and networks in accessing resources and opportunities. According to this theory, social capital refers to the benefits and advantages that arise from social connections and relationships. Social Capital Theory posits that social networks have value and that the relationships within these networks can facilitate access to resources, information, and support (Putnam, 2000). In the context of SMEs, social capital refers to the benefits derived from social media networks, including trust, reciprocity, and information sharing. There are three dimensions of the social capital theory;

Structural Social Capital: This dimension focuses on the overall network ties and connections that SMEs establish through social media. It includes the size and diversity of the network, which can influence the flow of information and resources (Nahapiet & Ghoshal, 1998).

Relational Social Capital: This dimension refers to the quality of relationships and the level of trust and reciprocity among network members. Strong relational ties on social media can lead to better customer loyalty and more robust business partnerships (Granovetter, 1985).

Cognitive Social Capital: This dimension involves shared norms, values, and understandings within the social network. A shared culture on social media platforms can enhance communication effectiveness and collaboration (Nahapiet & Ghoshal, 1998).

Empirical Review

Several studies highlight the positive impact of social media on brand awareness and customer engagement for SMEs. Gekombe et al. (2019) examined the role of social media in Zambia's clothing industry, finding a significant correlation between social media use and growth for SMEs. The study suggests that social media empowers SMEs to connect directly with customers, fostering a sense of community and brand loyalty (Muniz & O'Guinn, 2001). Similarly, Ainin et al. (2015) explored social media usage among Malaysian SMEs, revealing that perceived usefulness – the belief that social media helps achieve marketing goals – positively influenced firm performance. This aligns with Social Identity Theory (SIT), suggesting that engaging social media presence fosters a sense of shared identity between customers and the SME (Tajfel & Turner, 1979).

Furthermore, studies like Lee and Kim (2014)'s examination of social media marketing's impact on customer relationship management (CRM) in South Korea showcase the potential for fostering two-way communication. Their findings suggest that social media facilitates real-time interaction with customers, enabling SMEs to address queries, respond to feedback, and build trust (McQuiston et al., 2019). This aligns with Communication Accommodation Theory (CAT), which posits that effective communication fosters stronger relationships (Giles & Street, 1988).

While the aforementioned studies highlight the potential benefits of social media, measuring its true impact on growth remains a challenge. Nguyen et al. (2018) investigated the impact of social media marketing on the performance of Vietnamese SMEs. Their findings revealed a positive correlation between social media use and some performance metrics, but highlight the limitations of focusing solely on vanity metrics like follower count. Similarly, Freberg et al. (2014) emphasize the need for a robust measurement framework that goes beyond "likes" and comments, focusing on key indicators like website traffic, lead generation, and conversion rates.

Several studies illuminate the challenges SMEs face in leveraging social media effectively. Nguyen et al. (2018) highlight resource constraints as a significant hurdle. Maintaining a vibrant social media presence demands consistent effort, and SMEs often struggle to dedicate the necessary personnel and expertise (Constantinides & Lorry, 2008). This can lead to inconsistent or low-quality content, ultimately failing to capture user attention on these crowded platforms (Network Theory) (Watts &

Dodds, 2001). Phelps et al. (2009) echo this concern, suggesting that a lack of expertise in content marketing can hinder SMEs' ability to generate a steady stream of engaging content. The evolving nature of social media algorithms presents another challenge for SMEs. Marwick and boyd (2014) explore how social media platforms utilize complex algorithms to curate content for users, influencing the reach of SME content. A Call for Strategic Integration

METHODOLOGY

This study aims to test the business perspective to business-to-business social networks, which are opinions of individuals as decision makers in companies. One important attribute is trust. The descriptive survey approach will be chosen in order to verify trust from companies that utilize Facebook, YouTube, Instagram and other social media platforms as a means of marketing. The population of this study is comprised of 87 Small and Medium Scale Enterprises in Yenagoa and Environs, out of which 78 constituted a valid sample size. Yamane was used to derive the sample size. The Sampling Technique was adopted which is non-probability sampling. Sampling in other words 71 from the total 87 SMEs were randomly chosen. The survey tool employed Senior Staff of the various SMEs. The primary method was also adopted in data collection through published articles of both foreign and local journals. A Validity and Reliability test were consistently involved in this study. In terms of testing the study, a Spearman's Rank Order Correlation Coefficient will be used hence the study is relation-based study.

CONCLUSION

The research concludes that social media marketing had a long positive significant impact on businesses of both Small and Medium Scale Enterprises in Yenagoa, Bayelsa State, which indicated that the predictor variable had great impact on the sales and profitability in any business because it will help to increase business growth.

RECOMMENDATIONS

The researcher recommend that Small SMEs in Bayelsa State should encourage its members, as a matter of necessity, to pay more attention to the use of social media platforms as a means of marketing, and ensure regular update of their pages so that customers can have total understanding of their products and derivable benefits. All the SMEs in Yenagoa must pay keen attention to issue of trust. Any issue dropped on the social media, it should be informative and should be relied upon the customers' concern.

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