


# “Social media marketing and business competitiveness: evidence from South African tourism SMMEs”

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**Patient Rambe** (South Africa)

# SOCIAL MEDIA MARKETING AND BUSINESS COMPETTIVENESS: EVIDENCE FROM SOUTH AFRICAN TOURISM SMMES

## Abstract

The increasing prominence of social media marketing in advancing the global reach and visibility of products and services is ideal for the South African tourism industry, which depends on local and international visitors for leveraging its business activities and competitiveness. However, what remains under-explored in tourism literature is the depth of integration of social media marketing into the competitive strategies of emerging tourism small, micro and medium enterprises (SMMES). To address this grey area, this study explored the extent to which tourism SMMES utilize social media technologies (SMTs) to extend their market share and the implications thereof for the competitiveness of their business operations. Drawing on a quantitative approach, a survey was conducted on 234 tourism SMMES' owner/managers in the Free State province of South Africa to establish the impact of social media marketing on the competitiveness of their businesses. Evidence suggests that tourism SMMES employed social media marketing predominantly for online marketing of their products/services, promoting their products/services, attracting existing customers, and sometimes, for integrating it into their marketing strategies. Results of correlation analysis revealed that social media marketing is positively and significantly related to the competitiveness of tourism SMMES. The recommendations for leveraging the integration of social media marketing into the competitive strategy of the small business are provided.

## Keywords

social media marketing, social media technologies, business competitiveness

## JEL Classification

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## INTRODUCTION

The compelling evidence on the contribution of inbound tourism to the growth of the South African economy is uncontested. In spite of the sharp decline in foreign tourists from 9.5 million in 2014 to 8.9 million in 2015 (Statistics South Africa Tourism Report, 2015), the tourism industry contributed 32 186 new jobs in 2015, increasing the tourism workforce from 679 560 individuals in 2014 to 711 746 individuals (Statistics South Africa, 2016). The tourism industry, which comprises establishments and services such as game parks, camping grounds, caravan parks, holiday camps, hotels, motels, chalets, bed-and-breakfast establishments and guesthouses (Nieman & Nieuwenhizen, 2014) contributed 3.1% to GDP and increased spending of international tourists from R 241.2 billion in 2014 to R 249.7 billion in 2015 (Statistics South Africa, 2016). This impeccable picture is not without a silver lining and should be unravelled if the real impact of the tourist sector on the national economy is to be well deciphered.

The aforementioned phenomenal growth trends in both tourism arrivals, the contribution of tourism to GDP and employment creation seem to mask the subtle inconsistencies in the sector. For instance, Statistics South Africa (2016) cautions that the 1.9% growth in inbound tourism spending recorded in the 2014–2015 financial year was a significant decline from 13.3% rise recorded for the years 2013–2014. In the same vein, the 4.8% increase in domestic tourists' spending in the years 2014–2015 is lower than the 8.3% increase recorded for the years 2013–2014. Our inference is that the growth in total tourism spending may not be in real economic terms but rather reflects some inflationary pressures pushing tourism spending up in the face of a decline in domestic tourism figures thus masking the real impact of tourist visits on the economy. This complex dynamic invokes two fundamental questions about: (1) the actual contribution of small tourism firms to the sustained growth of the tourism sector, (2) the role of social media marketing in increasing the global reach of international tourists and heightening the visibility of local tourist attractions to local tourists.

Regrettably, the potentially profound contribution of tourism small, micro and medium enterprises (SMMEs) such as bed-and-breakfast, motels, guest lodges, caravans, and game parks to the growth of the tourism sector is often eclipsed by the dominance of large multi-national corporations in the country. In fact, there is compelling evidence to suggest the persistence of a three tier system of tourism players in South Africa, which contour around the first, second and third economies. For instance, large international corporations tend to dominate major travel and tour agencies, hotels, casinos and conference centres in the country's tourism sector (Rogerson, 2007). Small emerging, predominantly black-owned tourism enterprises tend to operate in the third tier and comprise restaurants, small hotels, self-catering resorts, game farms, bed-and-breakfasts or backpacking hostels (Rogerson, 2008; Small Enterprise Development Agency (SEDA), 2012; Mosweunyane, 2016). Although the tourism SMMEs tend to have a national footprint due to their sparse distribution across all geographical regions in the country, their overall economic impact remains overshadowed by the dominance of large players who command a large stake in the sector. Xasa (2011) warns that the South African tourism sector remains largely untransformed in respect of ownership and management of tourist facilities and establishments. She elaborates that increasing the numbers of historically marginalized tourism SMMEs remains a challenge due to limited facilitation of support for rural tourism development, access to markets and funding for tourism SMMEs.

In view of Frost's (2016) observation that previous attempts to link tourism SMMEs, especially those situated in rural areas and managed by previous disadvantaged groups, with the mainstream market have not been optimal, the contribution of emerging technologies such as social media technologies (SMTs) to the increased visibility and marketing of tourism SMMEs cannot be taken for granted. Social media technologies (SMTs) comprise a broad range of internet based applications including software designed principally to support collaborative communication, interaction and networking synchronously or asynchronously such as social networking sites, content repositories, video games and virtual reality. SMTs are hailed as vital conduits for promoting and marketing of [tourism] brands (Ananda, Hernández-García, & Lamberti, 2015) and electronically amplifying idea generation, new product development, co-innovation, customer service and reputation management for firms (Arca, 2012). SMTs constitute low-cost technologies inexpensively maintained and sustained through existing free platforms (Levinson & Gibson, 2010; Carson, Maxwell, Lyons, & Roy, 2016). They represent low threshold technologies (Gilbert, 2002) for tracking customers' brand loyalty and brand awareness through the analysis of web traffic, product trials and launches.

Despite these profound business benefits of SMTs, there is lack of compelling evidence to buttress SMMEs especially those in tourism sector's productive utilization of SMTs. SMMEs struggle to adapt and integrate SMTs and consumer generated content into their business strategy for various reasons ranging from: lack of technological knowledge (Carson, 2013; Burgess, Sellitto, Cox, & Buultjens, 2014), absence of a technology-informed competitive strategy (Boyles, 2011; eMarketer, 2012), lack of confidence and trust in such technologies (Hoffman & Fodor, 2010), incapability of small businesses to recognize social media marketing as a profitable business activity (Mosweunyane, 2016). Other challenges include small firms' inability to reconcile information disclosure demands with information privacy via SMTs.

## 1. RESEARCH QUESTIONS

In view of the acknowledged disjuncture between the espoused business opportunities that social media marketing strategy brings, on the one hand, and the tourism SMMEs' sub-optimal exploitation of these technologies, which potentially undermines their competitiveness, on the other hand, the current study addresses the following questions:

1. To what extent do tourism SMMEs utilize SMTs in extending the market share of their customers?
2. What impact does SMMEs' utilization of SMTs have on their competitiveness?

In defining social media marketing strategy, we identify with Ananda et al. (2015) who regard it as "an integrated means and set of actions by which a company or organization expects to achieve its marketing objectives and meet the requirements of its target market through the use of social media tools and capabilities" (p. 3).

## 2. RESEARCH BACKGROUND

### 2.1. Tourism SMMEs' dependence on visibility and accessibility of products/services

Given the sparse distribution of tourism SMMEs in South Africa, especially those located in peri-urban and remotely located rural areas, it undisputable that the visibility, accessibility and, ultimately, the consumption of tourism attractions and services depends on the visibility of these establishments. Therefore, the deployment of unconventional online marketing strategies called "gorilla marketing strategies" enabled by "social media technologies" (Arca, 2012) may increase the accessibility and visibility of rural and peri-urban tourism SMMEs plagued by underdeveloped physical infrastructure (roads, rail and telecommunications) and poor networks. Yet the visibility, accessibility and utilization of tourism SMMEs can be compromised by what Rogerson (2008) conceives as the aggressive competition for local

and international visitors and patrons that persists between large, well-established hotels and tourism SMMEs. As such, large tourism firms that aggressively market and promote their tourist activities through social media comments, read reviews, views, and photos and videos including corporate websites tend to secure a substantial share of local and international visitors market compared to small firms, which rarely exploit such platforms. Therefore, SMTs are indispensable to the online visibility and accessibility of small tourist firms.

### 2.2. Electronic word of mouth's global outreach

It is uncontested that for emerging tourism SMMEs, the establishment of exposure is paramount, while for established tourism SMMEs, the persistence of such exposure and outreach remains critical to their sustenance. As Arca (2012) affirms, exposure is a significant milestone to emerging businesses' launch of new brands, without which the launch fails. However, the persistent visibility and exposure of newly launched tourism brands depend on the continual aggressive marketing and promotion of such products and services through interactive platforms such as SMTs. Karami and Naghbi (2014) hail the communicative and transactive power of SMTs especially their capacity to reach new audiences and strengthen businesses' ties with existing customers. Therefore, SMTs' (such as Facebook, Twitter) affordances for conveying messages through electronic word-of-mouth to broader targeted and imagined audiences and various stakeholders cannot be taken for granted in the tourism industry, as local and international tourists significantly value the correct geographical location of tourist services for easy accessibility, reduction of unanticipated costs and personal safety.

### 2.3. Over-dependence on traditional marketing media

Despite the hype about large tourist operators in South Africa's usage of SMTs, Rambe, Mosweunyane, and Dzansi (2015) express discomfort in tourism SMMEs' underutilization of SMTs and their unsubstantiated faith in tradition-

al media such as newspapers, radio and television. Perhaps, these businesses' reluctance to exploit SMTs stems from the complexity of managing such platforms, the compulsion to track stakeholders' needs and competing routine operations over and above SMT marketing. Musa, Azmi, Rahim, Shibghatullah, and Othmana (2016) highlight that small businesses' effective deployment of social media marketing depends on the alignment of its use to their overall strategic objectives, these firms' ability to effectively communicate their messages to their target audience and their capacity to foster meaningful relationships with their consumers. In view of their limited communication and interaction capabilities, tourism SMMEs may be tempted to rely on traditional, conventional technologies (e.g., radio, television) rather than experiment with new network technologies.

### 3. LITERATURE REVIEW

#### 3.1. Glitz and glamour of social media marketing

The body of social media research foregrounding small businesses has emphasized: the effectiveness of social media marketing in SMMEs' growth (Musa et al., 2016), usage, barriers and measurement of social media marketing to promote business-to-business (B2B) brands (Michaelidou, Siamagka, & Christodoulides, 2011), social media strategies these businesses employ and their impact on firm performance (Karami & Naghibi, 2014; Öztamur & Karakadılar, 2014) and the capacity of small businesses to capitulate on social media affordances (Cesaroni & Consoli, 2015). Öztamur and Karakadılar (2014) investigated the contribution of social media to the marketing strategy of Turkish SMMEs to improve their performance. Their findings revealed that dynamic industries such as "fashion-retail chains" tended to strive more on social media to communicate to customers and provide information to ensure product differentiation than conventional industries such as "bakery-retail chains". Apart from the communicative affordances of SMTs, other researchers examined the factors influencing the adoption of social media marketing. Razak and Latip's (2016) investigation of Malaysian SMMEs' use of social

media revealed that perceived usefulness, ease of use and enjoyment influenced these firms' usage of SMTs.

#### 3.2. Social media marketing strategies

Kotler, Wong, Saunders, and Armstrong (2005) have advanced push marketing, which utilises sales force and trade promotion as a strategy to push products through distribution channels (i.e., wholesalers, retailers and consumers), as a method of increasing marketing. The manufacturers could employ SMTs to promote and market their products to wholesalers who, in turn, promote the products and services to retailers until brand awareness and loyalty are generated at the end of the value chain (i.e., customers) (Kotler et al., 2005; Wei & Kang, 2011). Wei and Kang (2011) interrogated large firms' integration of social media into their relationship marketing strategy and established four ways to realize such integration namely web construction, web promotion, traffic conversion and customer management and service. In terms of web construction, they recommend building practical websites which are powerful in generating users' experience and increasing communicative interaction. Web promotion would emphasize using the platform to gain more valuable customers through creating a global brand network and promoting the online brand image of the enterprise via portal advertisement, email marketing and wireless marketing. Traffic conversion emphasizes transforming customer traffic to their business websites into meaningful internet marketing, tracking the behavioral contact of customers and maintaining instant communication with them.

#### 3.3. Pitfalls of exploiting social media marketing

Cesaroni and Consoli's (2015) study on whether Italian SMMEs are exploiting the promises and possibilities of social media marketing reveals that although using SMTs is a common practice among these firms, these technologies are not being deployed in productive and value adding ways. They elaborate that these firms' reluctance to effec-

tively deploy these technologies stems from their perceptions of compulsion and the tacit pressure applied by their competitors to use such media. Language constraints may also be at the heart of such reluctance to use social media marketing. Öztamur and Karakadılar's (2014) study into Turkish SMMEs' use of social media for marketing revealed their challenges with the use of formal language during their communication with customers, the prevalence of unattractive, shallow content to attract their customers' attention to their business activities. While the perceived benefits of social media marketing transcend reaching target audiences, keeping track of such audience's purchase behavior and enabling relations management, SMMEs do not always realize these benefits. SMME marketing techniques tend to be informal, reactive and spontaneous (Gilmore et al., 2004), and there is a persistent gulf between SMMEs' marketing activities and the best practices advanced by marketing theory (Taiminen & Karjaluo, 2015).

### 3.4. Social media marketing and firm competitiveness

Although the impact of social media on business competitiveness has been investigated (see Michaelidou, Siamagka, & Christodoulides, 2011; Taneja & Toombs, 2014, Soininen, 2015), its exact impact remains widely contested. Taneja and Toombs (2014) examined how social media help in differentiating businesses from their competitors and reported that social media are critical in customer relationship management and building communities around brands. They elaborate that social media marketing transforms the business strategy from product orientation towards a customer centric approach that promotes customer loyalty and authenticity of business products, which positively impact business competitiveness.

While it is generally claimed that social media marketing renders opportunities for SMMEs to attract new customers and reach existing customers more efficiently in ways that positively impact business competitiveness, these benefits are not always obvious. Salminen (2015) claims that traditional and digital marketing are plagued by lack of brand legitimacy – one in which large corpora-

tions with front cover exposure in magazines tend to be conceived as more trustworthy than their counterparts who have social media presence, with implications for competitiveness. More so, the social media marketing by SMMEs has undermined competitiveness, as much of the information posted by such firms tends to be differentiated and irrelevant to customers (Soininen, 2015).

## 4. RESEARCH DESIGN

A quantitative descriptive research approach was adopted in this study. The Free State Department of Economic Development, Tourism and Environmental Affairs estimated that there were approximately 600 SMMEs in the Free State province. Using a sample size calculator, a target sample of 234 tourism SMMEs owner/managers was selected at a confidence interval of 95%. While the use of probability sampling ensures that elements selected for a sample accurately resemble the parameters of the population they were selected from (Singh & Nath, 2010), this is often difficult to apply when sample elements vary across cities, towns, peri-urban and rural areas (see next section). Only 123 questionnaires were correctly completed, representing a response rate of 53%.

### 4.1. Research instrument

The structured questionnaire comprised closed-ended, Likert scale-based questions which were developed based on literature covering social media marketing and competitiveness constructs as the focus of this investigation. The marketing construct had six items, while the competitiveness item had two items. The questionnaire consisted of four sections. Section A covered the SMME owner/managers' demographics and profiles of their businesses. Section B underscored the business' extent of use of SMTs. Section C dealt with marketing constructs, while Section D dealt with competitiveness. A pilot survey was conducted to establish the scientific clarity of research questions, eliminate vague questions and determine the average duration for completing the questionnaire. Minor amendments were made to the questionnaire based on respondent responses.

## 4.2. Data collection

Taking cognizance of research ethics (i.e., voluntary participation, informed disclosure, anonymity and confidentiality), two research assistants helped the researcher in administering the questionnaire. Since there were sharp variations in SMME numbers in the metropolitan city, towns, and small towns and peri-urban areas, the research team exercised their discretion in determining the numbers of questionnaires administered in these respective areas. The data collection took approximately two months. The survey was administered at times convenient to the SMMEs owner/managers to prevent disruptions of their routine business.

## 4.3. Data analysis

The researcher checked all questionnaires for completeness, accuracy and consistency with all the information gathered. After its cleaning, data were coded and entered in Excel, and exported to Statistical Package for the Social Sciences for detailed analysis. Descriptive statistics such as frequency tables and graphs were employed to pres-

ent demographic data, company profile, and the extent of use of SMTs for marketing. Inferential statistics mainly correlation analysis was conducted to determine the relationship between social media marketing and firm competitiveness constructs.

## 4.4. Reliability

The variables constructed for further analysis are marketing and competitiveness. These variables are constructed by summing up the responses of all the items relating to that specific variable. Given that the creation of these variables involves summing up responses of the relevant questions, Cronbach's alpha coefficients were calculated to determine whether or not the variables are reliable (see Table 1 below).

**Table 1.** Reliability testing using Cronbach's alpha

Constructed variables	Cronbach's alpha	Number of items
Marketing	0.956	6
Competitiveness	0.693	2
Business performance	0.879	4

**Table 2.** Sample demographics

Variables	Category	Frequency	Percent
Role in the business	Owner	21	17.1%
	Manager	59	48.0%
	Owner/manager	18	14.6%
	Other	25	20.3%
Age	21-30 years	39	32.0%
	31-40 years	38	31.1%
	41-50 years	32	26.2%
	Above 50	13	10.7%
Education	High school	42	34.4%
	Tertiary	60	49.2%
	Postgraduate	20	16.4%
Sub-sector of tourism	Accommodation	56	45.5%
	Hospitality & related services	55	44.7%
	Travel distribution services	11	8.9%
	Others	1	0.8%
Years business has been in operation	1-5 years	40	33.3%
	6-10 years	54	45.0%
	11-15 years	15	12.5%
	16-20 years	2	1.7%
	Over 20 years	9	7.5%

**Table 3.** Status and utilization of social media technologies

Variables	Categories	Frequency	Percentage
The business use social media technologies.	Yes	102	82.9%
	No	21	17.1%
Does the business have access to internet?	Yes	110	89.4%
	No	13	10.6%
How do you rate your social media knowledge?	No knowledge	21	17.1%
	Beginner/novice	19	15.4%
	Intermediary	55	44.7%
	Advanced	28	22.8%
Which social media technologies does your business use?	None	20	16.3%
	Blogs	2	1.6%
	Social networking site	76	61.8%
	Micro-blogging	11	8.9%
	Collaborative projects	4	3.3%
	Content communities	5	4.1%
How often does your business use social media technologies?	Others	5	4.1%
	Once/more a day	35	28.5%
	Once/more a week	28	22.8%
	Once/more every month	42	34.1%
How much time does your staff invest in work-related use of social media technologies?	Never	18	14.6%
	None	38	31.4%
	Less than 30 min	30	24.8%
	30 min – 1 hour	30	24.8%
	1-3 hours	20	16.5%
Who handles the social media technologies in your business?	Over 3 hours	3	2.5%
	None	22	18.0%
	Manager/owner	73	59.8%
	Employees	17	13.9%
	Social media technology specialist	10	8.2%

A Cronbach's alpha value above 0.6 indicates a reliable variable. Table 1 illustrates that the constructed variables have a Cronbach's alpha coefficient that is above 0.6, which means that these variables are reliable and are usable for further statistical analysis.

## 5. PRESENTATION AND DISCUSSION OF FINDINGS

### 5.1. Sample demographics

Table 2 illustrates that a considerable percentage (48%) of the respondents were managers, whilst 17% were owners. Therefore, many tour-

ism SMMEs rely more on hired management rather than the competence of the business owners. About of a third (32%) of the respondents were aged between 21 and 30 years old, whilst 31% were aged between 31 and 40 years old. The dominance of the young adult population could be attributed to the labor intensive nature of the tourism industry (e.g. accommodation, hospitality and travel), which demands an energetic, young adult management and workforce.

Table 2 further illustrates that many respondents were from the accommodation (45%) and hospitality and related services (44.7%), while those from travel distribution services businesses were only 8.9%. Since travel distribution services render supportive services to the accommodation and



hospitality SMMEs, the former businesses' limited representation can be attributed to their dependence on the thriving of latter businesses (SEDA, 2012, p. 78).

### 5.2. Utilization of the social media technologies

Table 3 demonstrates that 82.9% of the hospitality SMMEs surveyed employed social media technologies in their business operations expect for only 17.1% of businesses that do not use social media technologies. The prevalence of social media use could be attributed to: the general technological literacy of tourism SMME owner/managers, the increasing prevalence of online tourism transac-

tions, which require businesses to have increased social media presence (Moeti, 2016; Mosweunyane, 2016).

A majority of businesses (89.4%) reported that they had access to internet, while only 10.6% had no access. Although this finding is surprising in view of the purportedly low internet penetration (i.e. 52.6%) in South Africa in 2016 (see Internet World User, 2016), it signifies the value of business connectivity for business competitiveness.

Most tourism business owner/managers (61.8%) utilized social networking site (e.g., Facebook), followed by micro-blogging (e.g., Twitter) (8.9%) (see Table 3). The dominance of Facebook is somehow inconsistent with Ananda's (2015) study into

**Table 4.** Utilization of social media technologies

Variables	Categories	Frequency	Percentage
For how many years have you used social media technologies?	0-1 year	46	37.4%
	1-3 years	35	28.5%
	3-5 years	22	17.9%
	More than 5 years	20	16.3%
What are the reasons for your business' use of social media technologies?	Do not use social media	19	15.6%
	Marketing products/service	21	17.2%
	Building credibility	12	9.8%
	Attracting new customers	57	46.7%
	Network	6	4.9%
	Listening to customers	4	3.3%
	Providing feedback	3	2.5%
To what extent does your business consider social media technologies important for its operations?	Not at all	15	12.2%
	To a little extent	18	14.6%
	Neutral	53	43.1%
	Moderate extent	37	30.1%
How do you rate your staff's knowledge of social media technologies?	Novice	35	28.5%
	Beginner	20	16.3%
	Intermediary	56	45.5%
	Advanced	12	9.8%
Who are your business trying to reach through social media technologies?	Existing customers	81	71.1%
	Prospective customers	21	18.4%
	Suppliers	11	9.6%
	Competitors	1	0.9%
Which methods do the business use to communicate with stakeholders?	None	8	6.5%
	Telephone	22	17.9%
	E-mail	70	56.9%
	Letter	4	3.3%
	Social media technologies	19	15.4%

fashion companies' use of Facebook brand pages and Twitter where both SMTs were extensively used for the promotion, marketing and sales notwithstanding the differences in specific actions which brands employed via these platforms.

### 5.3. Duration and differentiated usage of SMTs

Table 4 illustrates that 37.4% of the tourism owner/managers used SMTs for less than a year, while 28.5% had harnessed it for between 1-3 years. Only 16.3% of businesses had exploited SMTs for more than 5 years. Our inference is that most tourism SMMEs in the Free State province were relatively new adopters of social media technologies.

Collectively, 46.7% of the respondents employed SMTs to attract new customers, while 17.2% used it to market their products and services. It is clear that a sizeable number of SMMEs in the Free State province had a customer-oriented strategy to social media adoption compared to a product-oriented perspective. This is somewhat a deviation from Wei and Kang's (2011) diversified approach to small businesses' social media marketing strategies, where relationship management strategy is conceived one of many social media marketing strategies.

About 30.1% of surveyed businesses considered SMTs to be moderately important, whereas 14.6% considered social media as of little importance for their operations. It can be deciphered that although a majority of tourism businesses employ SMTs, most owner/managers may not fully comprehend their importance for business operations. This somehow buttresses Carson et al.'s (2016) claim that despite small businesses' attempts to purposefully adopt social media marketing, their lack of knowledge and skills to effect such purposeful exploits often constrain them.

In terms of their target audience, 71.1% of tourism SMME owner/managers highlighted that their businesses strive to reach existing customers through SMTs, while 18.4% of them employed it to reach out to prospective customers. Few businesses employed SMTs to access their suppliers (9.6%) and competitors (0.9%). The main insight is that most tourism SMMEs surveyed considered a minimalist approach to technology-enabled stakeholder management, which emphasizes meeting customers' needs and expectations while marginally recognizing other stakeholders. This narrow approach, somehow, buttresses Cesaroni and Consoli's (2015) claim that the prevalence of social media use among SMMEs uncomfortably co-exists with their failure to employ such technologies productively.

**Table 5. Marketing**

Marketing		Frequency distribution					% Agree/ Strongly agree	Descriptive		Latent factor - Factor loading
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree		Mean	Standard deviation	
The business markets its product/ services through social media technologies	n	7	26	9	48	33	65.9%	3.57	1.27	0.90
	%	5.7%	21.1%	7.3%	39.0%	26.8%				
The business conducts product/ services promotions via social media technologies	n	11	18	18	47	25	60.5%	3.45	1.24	0.91
	%	9.2%	15.1%	15.1%	39.5%	21.0%				
The business extends its market share through social media campaigns	n	8	23	26	43	23	53.7%	3.42	1.18	0.92
	%	6.5%	18.7%	21.1%	35.0%	18.7%				
The business attracts customers through advertising on social media technologies	n	7	19	20	40	37	62.6%	3.64	1.25	0.92
	%	5.7%	15.4%	16.3%	32.5%	30.1%				
Social media technologies have an effect when marketing business brands/services	n	6	24	18	38	35	60.3%	3.61	1.25	0.91
	%	5.0%	19.8%	14.9%	31.4%	28.9%				
Social media technologies play an important role in business marketing efforts	n	6	26	16	30	45	61.0%	3.68	1.31	0.88
	%	4.9%	21.1%	13.0%	24.4%	36.6%				

**Table 6.** Competitiveness of tourism businesses

Competitiveness		Frequency distribution					Descriptive		
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	% Agree/strongly agree	Mean	Standard deviation
The business has a competitive advantage over other businesses	n	1	8	63	41	10	41.5%	3.42	0.77
	%	0.8%	6.5%	51.2%	33.3%	8.1%			
The business regularly meets its targets	n	1	9	22	61	30	74.0%	3.89	0.89
	%	0.8%	7.3%	17.9%	49.6%	24.4%			

#### 5.4. Marketing strategies employed by tourism SMMEs

Most tourism SMMEs employed SMTs for product marketing, advertising to attract new customers, and promote new products. Table 5 shows that 65.9% of the businesses market their products/services through SMTs, while 62.6% of the businesses attract customers through advertising on social media technologies. Based on these findings, marketing of products/services on social media seems to prevail among tourism SMMEs in the Free State province.

About 60.5% of the businesses conduct products/services promotions via social media technologies, whilst 53.7% of the businesses extend their market share through their social media campaigns. These findings partially support Tiago and Verissimo’s (2014) research into digital marketing and social media in Portugal where a sizeable number (41%) of respondents defined the promotion of business activities as the primary driver for their use of SMTs. The dominant usage of SMTs by customers and prospective customers might be the reason for this assertion. Contrary to these findings, Lekhanya’s (2013) study on the use of SMTs as the promotional tool for rural SMMEs in KwaZulu-Natal found that SMMEs lag behind in leveraging these technologies to promote their products and services and for interacting with potential customers.

About 60.3% of the businesses agree that SMTs have impact when marketing business brands/services and 61% agree that SMTs play an important role in the businesses’ marketing efforts. Perhaps this emanates from the SMTs’ increasing importance in consumers’ purchasing decisions (see Arca, 2012). These findings resonate with those of Kimani (2015) who argues that marketing via

SMTs allows businesses to generate new connections with customers and interact with them, promoting one-way communication.

#### 5.5. Competitive business advantage

The study also explored tourism business’ competitiveness, which comprised two main items, namely competitive edge over business rivals and meeting business targets. Table 6 presents frequencies and descriptive statistics for statements related to business competitiveness.

The frequency distribution shows that 41.5% of the businesses have competitive advantage over other businesses and 74% regularly meet their targets. The surprising discrepancy is that while the majority of tourism SMMEs regularly meet their targets, only fewer businesses have competitive advantage over their competitors.

It is plausible that most tourism SMMEs set unambitious targets due to the survivalist nature of these businesses. This interpretation coheres with findings from Moeti’s (2016) study which reports that Free State’s hospitality SMMEs’ pursuit of business social responsibility is severely constrained by their survivalist orientation, resource constraints and paucity of sophisticated business skills.

#### 5.6. Relationship between social media marketing and firm competitiveness

To explore the impact of tourism SMMEs’ utilization of SMTs for marketing on business competitiveness, correlation tests were done for marketing and competitiveness variables. Since the

Kolmogorov-Smirnov (KS) test, the normality test which determines whether or not the constructed variables are normally distributed or not demonstrated that the variables are not normally distributed, the Spearman's rho correlation coefficient test was used. If there is a positive relationship between two variables, the correlation coefficient will be positive and its value will range between 0 and 1. The closer the value is to 1, the stronger the relationship between the two variables. Contrary, if there is a negative relationship, the correlation coefficient will be negative and its value will range from -1 to 0. The closer the value is to -1, the stronger the negative relationship between the two variables.

For interpretations and conclusions on whether the two variables are correlated, the p-value is used. The p-value is compared to a significance level of 0.1 (one can use 0.05 or 0.01). If the p-value is less than 0.1, we conclude that a significant relationship exists between the variables, whereas if it is greater than 0.1, there is no significant relationship between the variables.

The results in Table 7 show that the correlation coefficient between competitiveness and marketing is 0.491 and the p-value is 0.000 (i.e., the correlation coefficient is less than 0.1). This indicates that there is a significant positive relationship between competitiveness and marketing. It can be inferred that small tourism businesses' use of SMTs for marketing is associated with improved competitiveness of their businesses. As these businesses market their products more aggressively and counter the marketing strategies of their competitors, they are better able to improve their volume of sales or service provision in ways that improve the competitiveness of their businesses.

**Table 7.** Correlations (competitiveness vs business activity's variables)

Variables	Competitiveness	
	Correlation coefficient	p-value
Branding	0.346	0.000
Marketing	0.491	0.000

This finding resonates with Michaelidou, Siamagka and Christodoulides' (2011) claim that business-to-business SMMEs regard SMTs as critical tools for communicating their brands online and reaching wide audiences to achieve a stronger competitive advantage. Therefore, small tourism firms that engage in aggressive marketing via social media platforms stand a better chance of outcompeting their rivals.

## 6. STUDY RECOMMENDATIONS

Tourism SMMEs owner/managers' knowledge of social media technologies were deeply fragmented between those without knowledge and novices (32.5%) and those with intermediary knowledge (44.7%). This phenomenon combined with the reported intermittent use of SMTs and the centralisation of SMT use in the owner/managers (see Table 3) was a recipe for business disaster. Therefore, rather than just intensify the appropriation of social media, tourism SMMEs are encouraged to develop a coherent SMT-mediated competitive strategy, that make social media application and tools, social media training, and targeted use of social media integral components of business operations.

In spite of the subtle variations in duration of SMT use, tourism SMMEs employed SMTs for attracting new customers rather than building brand reputation, marketing their products and conversing with their targeted audiences (see Table 4). The aforementioned integrated SMT-mediated competitive strategy should exploit the communicative, interactive and collaborative aspects of SMTs to ensure that product launch and marketing, brand reputation and interactions with targeted and imagined audiences (suppliers, regulators, competitors) are strategically considered and optimized. Stakeholder management, products and services, and processes should be skilfully considered in this strategy.

Although tourism businesses met their business targets, less than half of the businesses owner/managers believed that they had competitive advantage over their rivals (Table 6). More so, while all the businesses addressed all the mar-

keting dimensions affirmatively (see Table 5), the extension of the market share was least considered in their strategies. If market extension encompasses outwitting competitors' marketing strategies, then, tourism SMMEs should develop

guerrilla marketing strategies that will ensure proactive defensive and 'offensive' actions to overcome competition rather than rely on reactive responses competitors' actions for improved competitiveness.

## CONCLUSION AND IMPLICATIONS FOR FUTURE RESEARCH

The study investigated the relationship between social media marketing and the competitiveness of tourism SMMEs. Although there is a strong and statistically significant relationship between social media marketing and business competitiveness, tourism businesses differentially adopted SMMEs, with a heavy concentration around customer orientation. Future studies may need to investigate the impact of the proposed integrated social media mediated marketing approach (covering brand-focused marketing, brand reputation, stakeholder management), on business competitiveness. Future studies may also compare the impact of reactive (currently in use) and proactive competitive marketing strategies (covering defensive and offensive actions) on the business strategies.

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