ACCEPTANCE AND IMPACT OF SOCIAL NETWORKS MARKETING USING EXTENDED TECHNOLOGY ACCEPTANCE MODEL

by

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DECLARATION

I, Sekinat Olumayowa Mulero, declare that the contents of this dissertation/thesis represent my own unaided work, and that the dissertation/thesis has not previously been submitted for academic examination towards any qualification. Furthermore, it represents my own opinions and not necessarily those of the Cape Peninsula University of Technology.

January 31, 2012

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Signed   **Date**

ABSTRACT

In rapid advances in marketing strategies, Social Networks Marketing (SNM) is dramatically becoming an important aspect in promoting businesses. Social networks marketing has been found as one of the most effective tool used in businesses today, by most business owners in South Africa, to expand, and flourish their businesses. The explosion of Internet usage has drawn the attention of researchers towards social networks marketing. Research has shown that potential Internet users are doubtful, and indecisive to use, and accept SNM system in spite of their availability. Therefore, there is a need for researchers to identify some of the factors that determine user's unwillingness to accept and use the system. According to the Technology Acceptance Model (TAM), Perceived Ease of Use (PEOU), and Perceived Usefulness (PU) are the two major constructs in determining the use and acceptance of various information systems. These beliefs may not fully explain the user's behaviour towards newly introduced system, such as social networks marketing. Hence, this study had successfully implemented TAM to the newly proposed information system (social networks marketing system). Using TAM as a theoretical framework, the study added two new constructs "perceived credibility" and "awareness" as part of the factors influencing user's acceptance of social networks marketing.

The purpose of the study was to explore the impact of social networks marketing system by SMEs in South Africa, and perception of consumers. In addition, this research investigated factors that influence users' acceptance of social networks marketing using TAM as the basis for the theoretical framework. Questionnaire-based study done in 2 groups; consumers and small and medium-scale enterprises (SMEs), in this work, represent the major users of social networks marketing in South Africa. The research model was tested using data collected from 143 questionnaires and analysed using linear regression. The results show that user's intentions to use SNM are strongly and positively correlated with user acceptance. The empirical results confirmed that perceived credibility and perceived usefulness are the strongest determinant in predicting user's intention to use SNM. In addition, many of the South African SMEs using SNM, have presumed that SNM has positively and negatively impacted their businesses.

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DEDICATION

I dedicate this thesis to my daughter, Princess Oluwabukunmi Fiyinfoluwa Oyindamola.

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1. Mulero, M. and Adeyeye M. 2011. "Usage of Social Networks Marketing by Small and Medium-Scale Enterprises in South Africa: A Review of some SMEs in Cape Town," in: Proceedings of the IST-Africa 2011, Gaborone, Botswana, May 11 – 13, 2011.

2. Mulero M., Adeyeye M. and Sobiyi K. 2011. "Adoption Of Online Social Networks Marketing In South Africa," in: Proceedings of the ICT for Development-Sustaining the Momentum; Extending The Reach (ICT4D 2011), Sango-Ota, Nigeria, March 23 – 26, 2011.

GLOSSARY

Acronyms	Definition
SNs	Social Networks
SNSs	Social Network Sites
SNM	Social Network Marketing
SM	Social Media
B2C	Business-to-Consumer
e-Commerce	Electronic Commerce
IT	Information technology
IS	Information System
ICT	Information and Communication Technology
CRM	Customer Relationship Management
SMEs	Small and Medium Scale-Enterprises
CEO	Chief Executive Officer
CSE	Computer Self-Efficacy
PEOU	Perceived Ease of Use
PU	Perceived Usefulness
PC	Perceived Credibility
AWN	Awareness
BI	Behavioural Intention
TRA	Theory of Reasoned Action
TPB	Theory of Planned Behaviour
TAM	Technology Acceptance Model

CHAPTER ONE

1.1 INTRODUCTION

The advent of Web 2.0 technologies has opened up so many ways of connecting, communicating and marketing online through the use of social network sites (SNSs) (Enders et al., 2008).In recent years, the expansion of Web 2.0 and the recognition of online social networks marketing (SNM) have tremendously impacted the way companies conduct marketing. The developments in social networks marketing have created vast potentials by reducing the costs of product and service delivery, increasing production volume, improving product and service qualities, and extending geographical boundaries in bringing consumers and business owners together (Legris et al., 2003; Thompson, 2005).

Social networks are no longer entirely new, but have been rapidly evolving in their number, form and complexity. They are new and also different to "offline network" (Drucker, 1993; Achrol and Kotler, 1999). Drucker (1991) described the economy of the future (or new economy) as a "network society". The new economyis a term that came into use at the end of the 90's, when the economy became global. This development was as a result of the Internet revolution. Economic experts use the term "new economy"to describe the contemporary development in marketing. The term Network society was coined in Dutch in a book called "De Netwerk-maatschappiij", which describes network society as a society where the key social structures and activities are organized around electronically-processed information. Currently, social networking is not just about old form of Social Networks (SNs), but SNs which process and manage information using micro-electronic based technologies. Online social networks are gradually replacing and complementing the offline social networks. A growing number of businesses are gradually changing from offline social networks into online social networks, due to the significant potentials marketing opportunities derive from online social networks (Boyd and Ellison, 2007; Mulero and Adeyeye, 2011).

Social network sites are web-based services that allow individuals to construct a public profile within a bounded system, articulate a list of other users that share, and connect together (Boyd & Ellison, 2007).Burke (2006) defines social network sites as a free relationship of people who interact through websites. The web enables users to build a vast number of relationships with others, regardless of geographical distance. Social

network sites are instruments for building virtual communities among individuals with similar education, lifestyles, interests, and activities (Bolotaeva and Cata, 2010).

Online social media is a new world of networking, where people can exchange ideas, experiences, and contacts. In this thesis, the words social networks and social media are used interchangeably. Websites are commonly used as a medium for online social networks, which provides significant potentials for business owners and consumers(Kevin, 2009). Early research done by Lampe et al., (2006); Lenhart& Madden, (2007) on online communities (social network sites) assumed that users using this system would be able to connect with other users outside their pre-existing social group. Although, this early work acknowledged the ways in which offline and online networks flow into one another. The existing research suggests that most social network sites primarily support pre-existing social relations. Online social network sites support both the maintenance and solidification of existing offline social relationship and facilitate the creation of new ones (Boyd and Ellison, 2007).

Primarily, online social networks provide benefit for the users by creating a medium to communicate and connect with friends, colleagues and family. Recently, online social networks have found application in e-commerce, especially for advertisements and other business transactions. Examples of social networks applications are *MySpace*, *Facebook,Twitter,Hi5, Flixster, Bebo, LinkedIn*, *Ning*, Myyearbook, *and Classmate.* There are fascinating tools on SNSs which provide platform for *information sharing, picture/video-sharing, discussion boards, wall-postings,weblog*, *wikis*, *podcasts*, *e-mailing, instant messaging, music-sharing, and Voice Over Internet Protocol (VoIP),* to mention a few (Zheng et al., 2008).

In addition, marketing is becoming more significant for consumers and organisations that are actively involved in all kind of e-commerce activities. The use of social networks marketing does not only help to manage customer relationships, but also   attracts valuable employees and investors into a business (Pelemo, 2008). Online social networks marketing has overhauled the traditional forms of marketing in such a way that millions of prospective buyers can be reached globally within a minute. Online SNM also allows small companies to market and advertise in a difficult market (Chippand Ismail, 2004). Many companies adopt online social networks marketing because they found it faster and cheaper compared to traditional marketing. This outstanding potential compared with traditional way of marketing is always exploited and explored by

consumers and organisations to the fullest, in enhancing business transactions (Fors, 2008).

Unfortunately, with the vast growth in the use of social networks marketing, consumers and SMEs in South Africa have not maximized the usage of the technology in their business transactions, compared to their counterparts in developed countries. Some factors, such as perceived usefulness, perceived ease of use, perceived credibility and lack of awareness could be the limiting factors in the usage of SNM.

1.2 OBJECTIVES

In the light of the aforementioned suggested limitations, this thesis will explore the impact of social networks marketing by SMEs in South Africa, and perception of consumers. In addition, this research will investigate factors that influence users' acceptance of social networks marketing using the Technology Acceptance Model as the basis for the theoretical framework. An extended technology acceptance model and hypotheses constructed to test for users' acceptance of social networks marketing is discussed in the subsequent chapters.

1.3 HISTORY OF SOCIAL NETWORK SITES

Social networking (SN) has been in existence since the creation of man. Human beings are by nature social creatures, and the evolution of knowledge and advancements in modern life would not exist if not for social networking (Boyd and Ellison, 2007). The transfer of knowledge from one person to another is the basic fundamental of social networking (Kevin, 2009). At present, when people talk about social networking in this 21st century they think of Facebook, Myspace and Twitter as the creators of SN, but the fact is that social networking did not start with Facebook and Myspace. According to Nickson (2009), social networks started from a Bulletin Board System (BBS) at Friendster. A BBS is an online meeting place for people of the same interest. BBS became popular in the '90s, when the Internet kicked into gear. SixDegree was the first web-based social network site, and it was launched in 1997 (Dick Stroud, 2008). SixDegree.com site allows users to create profiles, invite friends, organize groups and, search for other users (Boyd and Ellison, 2007; Dick Stroud, 2008).

From 1997 to 2001, a number of community tools began supporting various combinations of profiles and publicity articulated friends. QQ started as a Chinese instant

messaging service, LunarStorm as a community site, Cyworld as a Korean discussion forum tool, and Skyrock (formerly Skyblog) was a French blogging service before adding some SN features (Boyd and Ellison, 2007). Classmates.com was launched in 1995 to support articulated list of friends. Classmates.com allowed users to connect with their high school or college, and search for lost classmates and others, who were also connected to the network. AsianAvenue, MiGente, and BlackPlanet were early popular community sites with few users connecting to their networks until after they were re-launched in 2005-2006 with SNSs features and structure, which now allow users to create personal profiles without seeking approval for connections (Boyd and Ellison, 2007).

Friendster was launched in 2002 as a social complement to Ryze. LinkedIn was introduced in 2003. LinkedIn is a networking resource for business people, who want to connect to professionals (Nickson, 2009). MySpace was launched in Califonia in 2003 to promote independent music and the socialite scene across the globe. MySpace is a fun and artistic site where users can create unique profiles and share their favourite videos with other users. In addition, many users have started using MySpace for business networking, creating business profiles and pages, posting resumeand uploading work samples to showcase their portfolios (Ellison et al., 2007). Another social site is Facebook. Facebook began in 2004 as Harvard-only SNSs (Cassidy, 2006). Facebook became one of the most leading social network sites in 2006. One of the features that make Facebook stand out is the ability of developers to build "Applications," which allow users to personalize their profile and perform other tasks.

The trend of social networking on the web began with people that really want to reconnect with lost school friends and classmates, but later extended to sharing messages, photos, videos, and music with people of the same culture and life interests (Ellison et al., 2007). This trend had grown beyond school to some business and trade professionals, who recognized the benefit of social networks marketing to their business. Some of these business professionals are seeking niche networks to communicate with others in their field of work and outside their business organizations. Some of the advantages of implementing social networks to business activities are the faster way of marketing, because of the ability to present pictures, videos, and information for potential clients to access (Ellison et al., 2007).

1.4 STATEMENT OF RESEARCH PROBLEM

Various studies that have been conducted on Internet technology includes e-Business (Mahajan and Venkatesh, 2000; Zhenga et al., 2004; Cazier et al., 2006), e-Commerce (Okoli and Mbarika, 2003; Tarafdar and Vaidya, 2006; Kshetri, 2007), social networks application (Leu et al., 2005; Preibusch et al., 2007), Internet banking (Suh and Han, 2002; Wang et al., 2003; Eriksson et al., 2004).The literature suggests that there is limited research in developing economy such as South Africa. For several years, SMEs in South Africa have tried to introduce Internet-based e-marketing systems to improve their operations and to reduce costs of advertisement. Despite all their efforts aimed at developing better and easier marketing systems, these systems remained largely unnoticed by consumers, and certainly were seriously underused in spite of their availability.

As a result, there is a need to understand users' acceptance of social networks marketing, and a need to identify factors that can affect their intention to use social networks marketing. This is important because the outcomes will help the SMEs companies and other business organization to formulate their marketing strategies to improve their operations at present and in the future.

To understand and know the hurdles limiting social networks marketing, this study addressed the following research problem and research question:

- **Research Problem**: Users' acceptability of online social networks marketing in South Africa is yet to be critically examined.
- **Research Question**: What factors determine user's acceptance of social networks marketing in South Africa? To solve this question, the research sub-questions to be investigated are as follows:
- **Sub questions:**
  - o Which factors have the most significant effect on the user's acceptance of social networks marketing?
  - o What are the challenges of SNM adoption by both the consumers and SMEs in South Africa?

1.5 SCOPE OF THE RESEARCH STUDY

The study was conducted in Stellenbosch and Cape Town, South Africa. The respondents were social networks users, small and medium-sized enterprise, and other Internet consumers which are based within the regions of the study.

1.6 STRUCTURE OF THE THESIS

This study is organized into five chapters with appendices.

Chapter 1 begins with an introduction to social networks and marketing, showing the relationship between offline and online social networks, research objectives, history of social networks sites, followed by the statement of research problem, and lastly research questions to the study are also outlined.

In Chapter 2, the background and literature review are discussed first, this is followed by the evolution from web 1.0 to web 2.0 environments. Then the concept of business-to-consumer is introduced to show previous research done on SNM. Internet advertisement, online advertising avoidance, information disclosure and implication, social networks marketing tools, advantage and disadvantage are also discussed. Finally, the chapter explains the history and development of Technology Acceptance Model, and how it is used in various contexts.

Chapter 3 begins with an overview of the research methods, scope and procedure of questionnaire survey. Hence,the chapter discusses the method for collecting data used to test the hypothesis, data screening techniques used to ensure the validity and reliability of data sampled. Finally, construction of research model and hypothesis based on the previous research presented in chapter 2 are also highlighted.

Chapter 4 represents the empirical results of the survey, hypothesis testing, and overall analysis of the research. The results of statistical analysis, which contains regression and correlation analysis, and t-tests, are also presented in this chapter.

Chapter 5 presents the conclusion and research summary. Empirical findings are summarized along with limitations and contributions of the study, followed by future research and recommendation for further research on the topic area.
References and appendixes are provided at the end of the thesis.

CHAPTER TWO

2.1 LITERATURE REVIEW

Presently, online social networks are creating consumer-driven direct marketing with the Internet being an important medium of connection and communication (Kevin, 2009). When it comes to business-to- consumer e-Commerce, social networks marketing plays a vital role (Achrol, 1991). The presence of Internet facilities makes it possible for SMEs to harness the benefits of Information and Communication Technologies (ICTs) in an affordable and simple way through which both old and new consumers and producers are reached (Zhenga et al., 2004). Several research works have been conducted extensively over the last few decades. Most of the early works focused on mapping the pattern of interpersonal ties within, and between organizations. These networks consisted of informal social ties than formal networks. Researchers have emphasized the importance of Internet-based linkages for the formation of weak ties, which serve as the foundation of bridging social capital. SNSs could greatly increase the weak ties one could form and maintain, because the technology is well-suited to easily maintain social ties (Anderson et al., 1994; Achrol, 1991; Achrol and Kotler, 1999).

In recent years, what has significantly changed in the field is the emergence of large-scale managed networks. The basis of the paradigm, changed from studying networks as informal social structures, to studying them as formal (Achrol and Kotler, 1999). Marketing programs, such as MCI's friends & family campaign, pyramid scheme, and buying centres, were developed and implemented to mobilize members of the social networks ties (Arabie and Wind, 1994).

Boyd and Ellison (2007) described social network sites as a web-based service that allows individuals to "(1) construct a public or semi-public profile within a bounded system, (2) articulate a list of other users that share and connect together, and (3) view and traverse their list of connections and those made by others within the system". Many of these social networks sites are primarily used to articulate existing social networks rather than expand networks.

This chapter presents the evolution of web 1.0 to 2.0 environments; the concept of business-to-consumer is introduced to show previous research done on SNM. Internet advertisement, online advertising avoidance, information disclosure and implication, social networks marketing tools advantages and disadvantages are discussed. Finally, the history and development of the Technology Acceptance Model are also highlighted.

2.2 EVOLUTION FROM WEB 1.0 TO WEB 2.0

The term "Web 1.0", refers to the dissemination of information (Mortimer, 2007) where communication is one way and in a read-only format (O' Reilly, 2005). On web 1.0, a user could visit websites to acquire information, interact with Web content, or make a purchase but was unable to modify information. With the emergence of Web 2.0 technologies, users have been given the ability to create, and modify content through the use of social networking applications (Enders, et al., 2008; Dietrich et al., 2008). The idea of "Web 2.0" began with a conference-brainstorming session between O'Reilly and MediaLive International. Though, the term suggests a new version of the World Wide Web (WWW). It does not refer to an update to any technical specifications, but rather to cumulative changes in the ways software developers and end-users use the Web (O'Reilly, 2005).

Web 2.0 is commonly associated with web applications that facilitate interactive communication and information sharing (Enders, et al., 2008). A web 2.0 site creates a two way communication channel between the website and the user, allowing visitors not only to search and read content, but also modify the website to add their own information. It creates a sense of community on the Web where users facilitate the development of online content and online interaction. Examples of Web 2.0 include social-networking sites, blogs, wikis, video-sharing sites, hosted services, web applications, mashups and folksonomies, to mention but a few.

O'Reilly (2005)gives an outline comparing the differences between Web 1.0 and Web 2.0 environment; however, many websites that incorporate characteristics defined as Web 2.0, also demonstrate Web 1.0 characteristics. This indicates that there is an overlap between Web 1.0, and Web 2.0 technologies in many websites, which adds to the confusion of trying to define exactly what Web 2.0 is. It is proposed here that a pure web 2.0 website is one, where content on the website is completely constructed and modified by the users. Web 2.0 websites allow users to do more than just retrieve information. By increasing what was already possible in "Web 1.0", they provide user with more user-interface, software and storage facilities, all through their browser. The difference between web 1.0 and 2.0 is shown in Figure 1. This has been called "Network as a platform" computing. Users can provide the data that is on a Web 2.0 site and exercise some controls over that data.
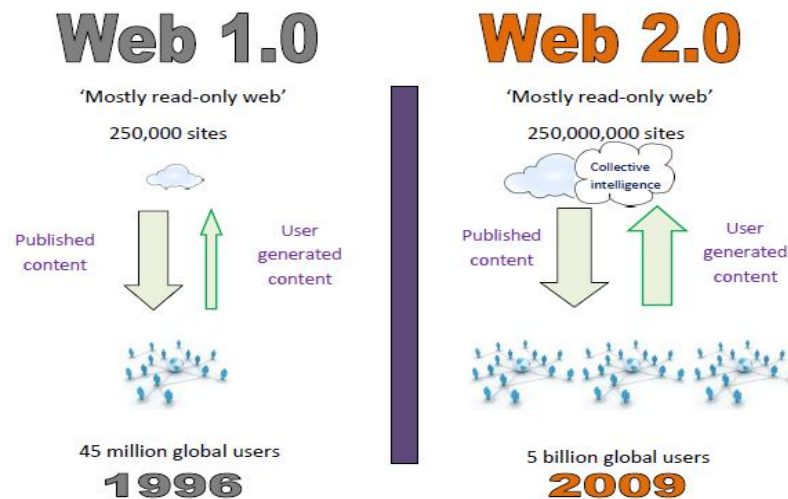
Figure 1 Web 1.0 Vs Web 2.0 (Adapted from Kimberly, 2009)

2.3 SOCIAL NETWORKS MARKETING AND BUSINESS TO CONSUMER

Internet marketing is a branch of e-Commerce that deals with online advertisement and marketing. e-Commerce covers all Internet business activities encompassing Customer Relationship Management (CRM), e-tailing, search engine, portals, hubs, and online auctions (Chippand Ismail, 2004). The primary goal of any e-Commerce site is for business transactions. At times, it may be difficult to promote e-Commerce activities (products and brands) without involving social activities. It is obvious that the marketing techniques for business networking exist on the Internet, but most business owners do not understand how companies will make use of marketing techniques to improve their businesses (Glen, 2010). Glen (2010) advises that before a company opens an account and becomes active on the website, it is important to consider what each site offers and how the company can benefit from their resources.

Further, companies need to take time to analyze what existing social media strategy recommends, and how their companies can improve on existing strategies, or introduce new marketing strategies. If a company exploits the right business marketing strategy, then such company will be at the forefront. But a company that does not understand the need for social networks marketing to its business, may end up meandering through the site, without accomplishing its purpose (Glen, 2010).

Marketers today are making efforts in creating an initiative for their customers in an attempt to distinguish their products and services from other competitors. It is difficult to

do so with the traditional media that tend to be one-way communications from the seller to the buyer. As a result, marketers are looking for ways to interact more with their customers as well as to get feedback on their interaction. Some research had been carried out in pharmaceutical, restaurant and construction companies on the use of social network marketing as a way of integrating business to consumer (Kevin, 2009; Gupta and Udupa, 2011).

Globally, pharmaceutical companies are now exploring the use of social networks marketing for their product, which has really helped them to reduce money spent on traditional marketing strategies. This opportunity has opened up ways for many other pharmaceutical companies to promote their products and services, using social networks applications (Gupta and Udupa, 2011). One of the first pharmaceutical companies to adopt social networks marketing in the United States, in 2008, was Merck. Merck set up a page on Facebook to promote its Gardasil vaccine followed by GlaxoSmithKline, which also made use of video sharing site (YouTube) to launch a promotional campaign for their products and services (Gupta and Udupa, 2011).

Currently, medical practitioners and patients involve themselves in the use of SNs and general health sites such as HealthCentral, WebMD, Revolution Health, and specialty platforms such as CureTogether, PatientsLikeMe, as a means of interaction. As a result, patients are now building relationships with other online users discussing medications, therapies and symptoms (Gupta and Udupa, 2011).

Kevin (2009) carried out a study on how SMEs can make use of social network sites, such as Facebook to generate revenue. He carefully analyzed how Facebook can be a valuable marketing tool for generating business revenue and direct sales. Online SNs also provide advertisers the opportunity to reach their target consumers. Kevin (2009) cited examples of a small construction company, and a popular restaurant called "Breakfast Club" both in Houston, Texas. The two SMEs advertised their products online via social network sites. Both firms were able to secure clients at minimal cost, improve their sales figures and maintain a good relationship with their customers. Based on these benefits, Kevin (2009) concluded that social networks marketing are profitable, viable, and should be an integral part of any business marketing strategy. Some South Africa SMEs, such as Cinnamon & Silk, Mzoli Meat, KTM Automotive Dealer, Jade Jewellery & Design Exclusive, are all making use of social networks sites to market their products

and service. These companies have a lot of fans and followers on their social network sites.

2.4 INTERNET ADVERTISEMENT

TheInternet advertisement is of two types, namely **intrusive advertisement** and **non-intrusive advertisement** (Winer, 2009)**.**

2.4.1 **Intrusive advertisement:** is a kind of advertisement where consumers are being interrupted. Examples includes: advertising through *pop-up, banners, and spam mail or message.*

o **Pop-up** is an online advertisement that appears on the screen without the user's permission or requesting for them. This method of advertising may be regarded as irritating and are not always effective unless when a user has personal interest in the company or in a particular product that is being advertised (Chipp and Ismail, 2004).

o **Banners:** Banners are small box-like icon on the web pages that display information or messages. If an Internet user click on the banner, then such user will be directed to a website where more information will be displayed for the user to view, and probably make a necessary purchase. Banner is one of the best ways of online marketing because most of the messages displayed entice a user to visit the website (Chipp and Ismail, 2004).

o **Spam message** is defined as an unsolicited message sent in form of email to users of a website (Hutchison, 2010). In some cases, users get irritated by spam messages and often ignore or delete such a message without even going through it. Chipp and Ismail (2004) advised companies to always seek for consumers' permission before sending e-mail to them.A research conducted by Ducoffe (1996) found that consumers perceived Internet advertising with scepticism. Many consumers may find spam, banners and pop-ups irritating and could invoke negative perceptions to online advertising. Due to negativity and problems associated with spam, successful marketers in the United State have adopted a code of conduct with the U.S. government, and several foreign countries have passed legislation regulating, and banning the act of spamming (Hutchison, 2010). Hutchison (2010) assumes thatInternet marketing should not be a total substitute for traditional promotion.

These three intrusive Internet advertisements could work together to achieve the purpose, and effectiveness of marketing. For example, Spam and pop-up advertisement could be supported with offline communication such as word of mouth.

2.4.2   **Non-intrusive advertisement:** is another Internet advertising in which a consumer has to activate his/her account before participating in such a communication. In non-intrusive advertisement, a consumer chooses to receive the communications/information. Non-intrusive marketing can take many forms, but this study will only discuss the most common ones, namely; Internet presence sites, e-mail, and social network applications.

o   **Internet presence sites:** Most organizations or companies have a presence on the Internet in other to provide information that will assist consumers to utilize the products and services of the online provider. Most of the information has to be available all the time in other to facilitate effective sales. In countries, such as South Africa, where Internet access is limited, most companies still prefer to use offline marketing communication methods to online social networks marketing.

o   **E-mail:** companies use e-mail to send information to their customers most especially when a product or services is newly introduced or a kind of special offer is available on the website. Companies are advised to make sure that e-mail is sent only when there is something new to offer customers, or there is an update. Proper and accurate e-mail could be sent to entice the reader to visit, and re-visit the website (Hutchison, 2010). Examples of companies that use this type of online marketing are Studentflights, South Africa T.O. These two companies are South African-based online travel brokers that always send e-mails to customers to inform them of special offers, and low-priced flights.

o   **Social network applications:** Of all the new media, social network sites, such as Facebook, Myspace, Second Life, and Youtubes appear to be widely-known. In fact, the growth of these sites has led to the conception that the world is now in the Web 2.0 era, where user-generated content and discussions can create powerful communities that facilitate the interaction of people with common interests. Many companies found this application useful for connecting, communicating, and marketing (Enderset al., 2008; Kevin, 2009; Gupta and Udupa, 2011).

2.5 ONLINE ADVERTISEMENT AVOIDANCE

Online Advertisement Avoidance is a well-researched topic that has been studied in the online environment (Cho and Cheon, 2004; Grant, 2005). Very few studies have been conducted on online social network sites. Attitude towards advertising has been an important issue (Homer, 2006). Many studies have reported consumer mistrust of online advertisement,   and   strong   preferences   toward   online   advertisement   avoidance

(Shavitt et al., 1998). Some consumers presume that advertisement contributes to the cost of purchase, and believe that products that are not advertised are of better value. They also believe that, most of the advertised products are more captivating than being informative (Homer, 2006).

Online advertising avoidance can be defined as all actions by online users that differentially diminish their exposure to advertisement content (Speck and Elliott, 1997). It usually occurs by cognitive, behavioural and mechanical means. Examples of advertisement avoidance include ignoring a newspaper/magazine advertisement (cognitive method), going out of a room during an advertisement break (behavioural method), ignoring pop-ups on the Internet and using a digital video recorder (DVR) to cancel advertisement (mechanical means) (Kelly et al., 2010).

This study only discusses mechanical means of avoiding advertisement, which involves deleting/ignoring advert from pop-ups, banner on social network sites. Mechanical means makes it easier for consumers to avoid advertisement from SNSs. Previously, consumers have been able to disregard advertisement mentally, or avoid it physically by going out of a room, changing channel while the advertisement is commencing on media such as TV and radio, and turning the pages of a newspaper each time they come across an advert. Currently, new technologies have increased the level of advertisement avoidance by providing devices, such as remote controls, DVR, and ad blocks for web browsers, so as to block it automatically (Kelly et al., 2010).

Consumers sometimes decide when to receive a message, and whether not to receive the message at all (Schultz, 2006b). Internet advertising is a push-pull-interact strategy, that is, an advertiser makes an advert available on the Internet (push), the user selects the advert (pull), and if the user is further interested, an e-mail could be sent to the advertiser (interact) (Schultz, 2006b). Schultz (2008) on Push-Pull model of marketing communication suggests that consumers can set up a protection device to avoid the "push" of the advertisement from marketers. By doing so, consumers would be free to "pull" the advertisement they wish to receive from the Internet. The push-pull model of communication is shown in Figure 2.
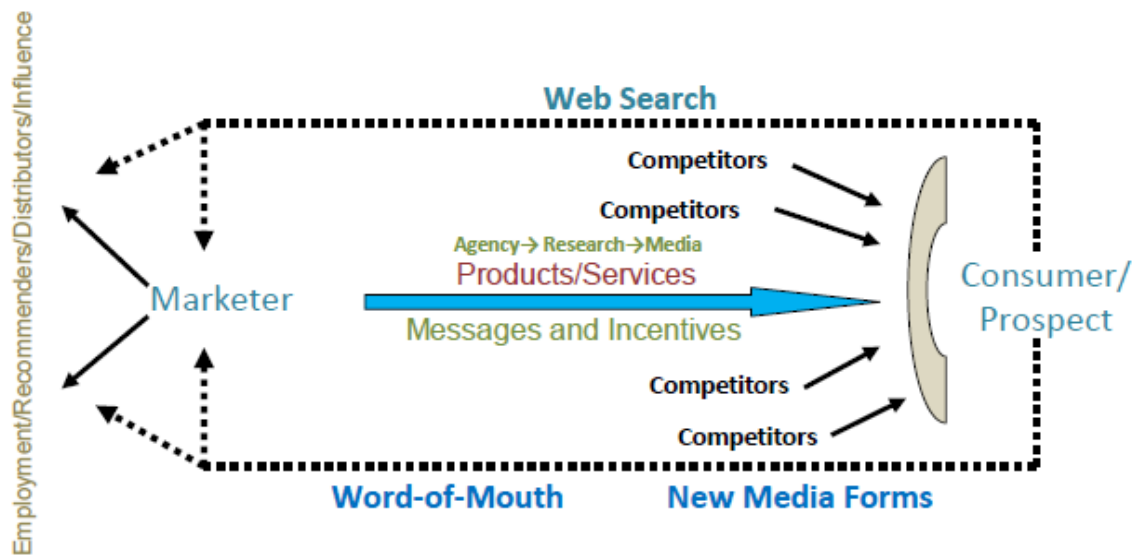
Figure 2 Push-Pull Model of Marketing Communication (Adapted from Schultz, 2008)

The push-pull model of marketing communication shows that consumers do control the flow of information, by making their attitude towards advertisement a significant factor in determining whether or not to set up a protection device to avoid such an advertisement (Schultz, 2008).

Besides, if consumers do not trust the media, they are less likely to pay attention to the advertisement posted on the site (Johnson and Kaye, 1998). Several studies have been conducted on credibility of information on the Internet including social network sites (Johnson and Barbara, 1998; Kiousis, 2001; Moore and Rodgers, 2005). Johnson and Barbara (1998) research showed that online and traditional media source of information both appear to be realistic, but teenagers are more likely to see online information as reliable, and credible than other users. The Internet has been considered a more reliable source of information than traditional media. On the other hand, Kiousis (2001) recognizes newspaper as considered the most reliable source of information, though the Internet is more reliable than television. Moore and Rodgers (2005) argue that a number of consumers regard newspapers as the most reliable means of advertising, followed by radio, television, and magazines. Despite positive results regarding online information and advertisement, studies indicate that consumer still regard online advertisement uncertain, and the least credible medium in advertising.

Users do not feel secure searching online advertisements, and college students (the most demographic users of social networks) have not found Internet advertising dependable enough. The Users articulate uncertainty about giving credit card details and

their personal information. Most time, users of social network sites can only purchase from sites if they have self-confidence (Moore and Rodgers, 2005). Company inclinations also support the lack of credibility of Internet as an advertising medium. Newspaper articles propose that revenues derived from online social network sites, such as Facebook, are not as much as expected, and many marketers using this advertising medium perceive it as trial (Vascellaro, 2008).

2.6 ANTECEDENTS OF ONLINE ADVERTISING AVOIDANCE

According to Cho and Cheon (2004) model on online advertising avoidance, three antecedents of online advertising avoidance by the users were suggested. The three antecedents are: interruption of task, perceived clutter on Internet sites, and negative past experiences with Internet advertisement. These antecedents are important because the Internet is considered more goal and task oriented than traditional media. If there is an advertisement interruption on the site, consumers may react negatively towards such an advertisement (Cho and Cheon, 2004).

The first antecedent of online advertising avoidance is interruption of task, which is a type of advertisement, such as pop-up advertisements, which disturb advertisements, and advertisements that require consumer attention before they can continue their online activity. This manner of advertisement may encourage consumers to disregard such information or avoid it completely.

The second antecedent of online advertising avoidance is perceived advertising clutter. Perceived advertising clutter can also attract distractions, motivatingusers to avoid advertisements which they consider as not useful to them (Ingram, 2006). If perceived advertising clutter is abused, users may find it difficult to screen messages, and could eventually disregard all the messages (Cho and Cheon, 2004).

The third antecedent of online advertising avoidance is known as negative experience that users have against Internet advertisements. Most of the Internet users presume that, Internet advertisements are deceiving, unreliable, and misleading users to wrong sites (Cho and Cheon, 2004). Such negative experiences have made users to believe that all Internet marketing including Social Networks Marketing, are sceptical medium (Grant, 2005). According to the research conducted by Kelly et al., (2010) on teenagers' attitude towards advertisement in an online social networking environment, some of the participants were afraid of being infected bya computer virus by clicking on an

advertisement. Even though, most participants had a strong distrust of the advertisements, majority of the participants never had bad experience with online advertisement. Their beliefs were based on what has been told by their parents and teachers. Kelly et al., (2010) concluded that, previous negative experience by the users had a lot of impact on online advertising avoidance.

The potential to reach consumers directly in an online social networking environment has made marketers to adopt a new medium of advertisement (Boyd and Ellison, 2007). Globally, advertisement on social network sites was expected to be $1.2 billion in 2008, with an increase of 155% from the previous year (Sinclair 2008). With this vast growth, many researchers on social network sites have been observing advertising avoidance by Internet users (Boyd and Ellison, 2007; Krishnamurthy and Dou, 2008).

2.7 CONSUMERS' ATTITUDE TOWARDS ONLINE SOCIAL NETWORKS MARKETING

The communication services available on the Internet affect consumer reaction to a particular product. A consumer who is happy, and satisfied with a service, and a product has many ways of expressing his thought. For example, such a customer could contact the company concerned, or broadcasts his feeling to others via discussion fora and bulletin boards. Also, users of a product encourage friends and family of the same site to patronize the company concerned. Consumers are mostly interested in this kind of marketing since messages are conveyed via friends or other source (Chipp and Ismail, 2004**).**

Some of the reasons why online advertisement is mostly avoided by consumers are**;** relevance of product, lack of credibility and trust. The relevance of the product being advertised is very important to users. Since, not all products/service could be advertised on social network sites. Displaying an advertisement that is not relevant and useful to some certain age group could make them believe that all other advertisements on the site would not be relevant and useful to them. Many of social networks users are reluctant to give out their personal details to companies on the site due to mistrust (Wang et al., 2003; Gross and Acquisti, 2005; Krasnova et al., 2010).

Research findings by McNamara (2007) showed that almost 30 percent of frequent online social networks users trust their peers' opinions when making a major business transaction decision online, while merely 10 percent trust advertisements. These findings show that online social networks are good tool to enhance consumers' insight and

perception about online business transactions. Another research conducted by Fors (2008) on an Information Technology (IT) company, revealed that the company encouraged its employees to use Facebook, as one of the social networks applications, to enhance communication within the company, and to attract more customers. To ensure adequate compliance with this, the Chief Executive Officer (CEO) of the company declared every Friday as a Facebook day. Further interview with the CEO of the IT firm revealed that the CEO believed that emailing is too personal, and hence hinders good communication and interaction. To explore the golden opportunity inherent in SNSs, the CEO went further by creating a blog which makes conversations among the employees of the company more interesting. All the steps taken by the CEO proved fruitful because the company recorded more sales.

Furthermore, another group of consumers are found to prefer offline shopping to online because they perceive it to be a social experience, where they can meet friends, family, and share a lot of things together. Example of some shopping malls in south Africa, where shoppers can stay longer to enjoy their experience are; Somerset mall and Cape Town Waterfront, and Century city, which provide a harbour feel, which could not be available online(Chipp and Ismail, 2004). Finally, consumer's behaviour may either have positive or negative impacts on both the consumers and business organisations on issue of social networks marketing.

2.8   SOUTH AFRICAN CONTEXT ON INTERNET USE

According to Chip and Ismail (2004) consumers go online based on different interest. South African Internet users go online for a number of activities, not just for shopping alone. The Internet provides opportunity to gather information, communicate with other users, and also for shopping. Many of the South Africans use Internet to acquire information, such as searching a particular products, services, special offers, and sometime news about the world. Another group of people use the Internet for communicating with others whether for business or social reasons. Examples of Internet tools use for communication include e-mail, chat-rooms, discussion lists and discussion forums, among others. In addition, some users of the Internet use it just for surfing purpose. Surfing is when a user travels round the cyberspace with no particular goal in mind, or without any web exploration. For example, young individuals, or users who have less income, are more likely to use the Internet for surfing purpose, while adult users above 50 years of age, and are able to spend more time for communication, surfing, and

gathering information on the Internet. Although, shopping for this category of users is lower since, most shoppers would prefer the offline shopping environment than online. Lastly, the other set of users, use the Internet mainly for shopping. Shopping on the Internet involves whole, or part purchase of products, and services through online medium.

2.9 INFORMATION DISCLOSURE ON ONLINE SOCIAL NETWORKS

In online social network sites, such as Facebook, Twitter, and Myspace, information disclosure by users of these sites has attracted the attention of many companies and policymakers worldwide. Various parties may benefit from users who publish or disclose personal information about themselves on online SNSs. The willingly updated and highly identifiable user profile offers outstanding benefits and opportunities for both the customers, and business owners. Commercial agents such as marketers of insurance companies, manufacturing companies and mining companies can gather information on user's data. For instance, if a company is looking for an employee to fill a particular vacant post, such a company can use online information to gain insights into the psychology of potential employees who is best fit for the post (Krasnova et al., 2010).

According to Wheeless and Grotz (1976) information disclosure is defined as any message about oneself that users communicate to one another. The relationship between information disclosure and a person's social network are complicated. In some cases, users disclose information about themselves only to small networks of close friends, and not to strangers. In contrast, some other users are willing to reveal personal information to anonymous strangers and not to those who know them (Gross and Acquisti, 2005). Apart from providing personal identifiable information, online SNs users reveal other private information, such as hobbies, sex, favourite music, favourite books & movies, relationship status and sexual preferences on their profiles. In addition, it is easy to upload photos and communicate news on the wall by posting comments online.

It is a bit complicated and difficult to know why users engage in information disclosure on social network sites. Gross and Acquisti (2005) provide a number of significant factors behind individual information disclosure. It was discovered that different factors are likely to contribute to information disclosure in online social networks environment. Some of these factors are peer pressure & friend's behavior, lack of secrecy, relaxed attitudes towards personal privacy, public availability of personal information, myopic privacy

attitudes, and lastly, trust in the networks service providermay all influence the way online SNs users disclose personal information. Gross and Acquisti (2005) concluded that, online social networks are faster than offline. It is possible for a user's profile to be connected and exposed to hundreds of peers directly, and thousands of others through the network ties. Many individuals in a person's online extended network would hardly be defined as actual friends by that person; in fact many may be complete strangers. Yet, personal and sensitive information is freely and publicly disclosed to them.

In the context of e-Commerce, users' willingness to participate in an online transaction is shown to be negatively related to their perception of privacy and risks. In addition, companies can induce users' information disclosures expressed mainly by revealed personal information. This is due to the fact that users trust online SNs providers, and network members, and rely on their ability to control access to personal information. Studies conducted in the context of e-Commerce by (Pavlou, 2003) and online communities by (Ridings et al., 2002) stressed the role of trust in alleviating privacy and risks. Despite the impressive scope of this phenomenon, another study carried out by Krasnova et al., (2010) on factors motivating users to disclose their personal information on online SNSs, shows that users are mostly motivated in disclosing personal information because of the convenience of maintaining, and developing relationships. Moreover, the benefits user achieve from engaging in intensive communication on online SNSs can overshadow the risks and encourage them to reveal more information about themselves. Krasnova et al., (2010) concluded that, perceived privacy risk has a negative impact, but the risk is lower than what users benefit from the site.

2.9.1   Implication of Information Disclosure

Privacy implications associated with online social networks depend on the level of the information actually provided, which may in many cases, be very extensive and intimate. Some social network sites that do not openly expose their users' identities may provide enough information to identify the owner's profile which could be through face re-identification. For example, since users often re-use the same or similar photos and name across different sites, an identified face can be used to identify a pseudonym profile with the same or similar face on another site.

Risks range from identity theft to online and physical pestering, embarrassment to price discrimination and blackmailing. Yet, there are some users who believed that social

network sites can also offer the solution to online privacy problems (Gross and Acquisti, 2005).

Sometimes, disclosed information can be abused by online crooks, fraudster, scammers, and one's own friends that know details of one's information (Hogben, 2007). Despite these existing threats and risks, users continue to reveal massive amounts of personal information on online SNSs, and do not perceive anything wrong in this issue of information disclosure (Acquisti& Gross, 2006; Hogben, 2007; Krasnova et al., 2010).

In South African context, due to the large number of possible cybercrimes, consumer online behaviour is hampered by online privacy, security and confidentiality of transaction, supplier authenticity, and trust in suppliers. Most South Africans are not as concerned about privacy issues as much as consumers overseas, since they do not fully understand the implication many data collection tools could have on their daily lives (Chipp and Ismail, 2004). According to a recent survey done in South Africa on the issues of privacy, about 44 percent of individuals disclosed that the privacy of their personal information was the main restriction to regular online shopping, while a greater number of about 75 percent agreed that providing credit card information is one of the major reason that could not make them to participate in online shopping. Other barriers to consumer adoption of Internet shopping was traditional shopping habit, limitations in bandwidth technology, long download times, lack of awareness, lack of e-tailer profitability and distribution problems. The problem of Internet access is due to Telkom (telecommunication service provider) monopoly which makes the service to be too expensive for users to afford. Deregulation of telecommunication in other countries has shown that the competition among telecommunication companies has forced down the price of international and local calls. For example, Portugal which has less population than South Africa has almost 12 telecommunication companies which has led to competitively low prices in their services (Chipp and Ismail, 2004).

2.10 BENEFITS OF SOCIAL NETWORKS MARKETING

Social networks marketing can be incredibly advantageous for business owners. Weston (2008) suggests that if social networks marketing are approached properly, business owners could find talent, build brand awareness, save costs, connect new customers, and conduct brand intelligence. Weston (2008) further states that, advertising on online social network sites could be done through list features or "tell-a-friend" applications.

2.10.1 Brand Intelligence

Business owners have an opportunity of conducting brand intelligence on social network sites. Social networks marketing helps business owners to get feedback from consumers, establish a brand presence, and also to examine the way their products are discussed on the site. In addition, it serves as a medium of communication and building a strong relationship with customers by direct interaction via Web 2.0 features.

2.10.2 Reducing cost

Skul (2008a) perceives social networks marketing as "the wave of the future." An estimated sum of $900 million was spent in 2008 on social networks advertisement, an increase to $2.5 billion by 2011, is estimated. A social network is an inexpensive way of promoting companies rather than setting up an expensive marketing team. For example, as at 2009 MySpace offers a minimum of $25 to users that want to start advertising on their network, and an additional $0.25 fee per advertisement. Facebook is cheaper, it offers a minimum of $5 daily budget, meanwhile, LinkedIn offers $25 per thousand clicks (Skul, 2008b). It was suggested that, business owners should explore the use of social networks marketing, since; using this marketing technique will help business owners to reach potential customers, and reduces money spent on advertisement. Skul, 2008b also believes that, all business owners can benefit from social networks marketing, "as the effectiveness of traditional advertising and marketing techniques fade".

2.10.3 Build Connections

Social networks marketing gives companies opportunities to develop their business networks and information sites, where customers could connect to share information, and exchange business ideas (Weston, 2008).

2.10.4 Brand Awareness

Social networks marketing authorize brand awareness and widgets. Widgets are one of the excellent ways to establish presence on social network sites. The use of widgets by business owners has a lot of opportunities such that companies could market themselves online, and create values to their overall business networks (Weston, 2008).Fors (2008) and Weston (2008) suggest that, in order for companies to improve brand awareness on social sites, employers should encourage their employees to be involved in, and stay connected to social sites.

In summary, Internet has given an opportunity to transact business and to be reached globally, (since there is no geographical barrier). Every user can access, sell and market on the Internet regardless of time, distance, and location. Marketing is relatively efficient and large customers could be captured. For instance, a company in South Africa can market to the whole world without having a physical presence. Online marketing is faster and cheaper compared to traditional marketing. Internet provides consumers with access to information around the clock on websites, and more information is communicated and transmitted better and faster than through traditional media (Chipp and Ismail, 2004; Fors, 2008; Pelemo, 2008).

According to a research conducted by Fors (2008), it was discovered that about 88 percent of the respondents agreed that SNM had a positive impact on their businesses in terms of business connection and better understanding of consumers need and complaints.

2.11 DISADVANTAGES OF SOCIAL NETWORKS MARKETING

Beside all the benefits of SNM, there are few disadvantages when marketing on social network sites. Some of the problems are: aggressive advertising, lack of e-Commerce abilities, lack of brand control, and intrusion of user privacy. These could be major interference to social networks advertisement.

2.11.1 Aggressive Advertising

If marketers bore consumers too aggressively with advertisement of products and services, then consumers might ignore such an advertisement. Furthermore, some consumers might not want to stay long on the network if there is pressure to buy a product other than engaging in some other social activities. As Pettey (2008) suggests, business owners should establish their networking presence based on information provided by their members, and develop strong applications that will encourage users to stay long on their sites.

2.11.2 Lack of e-Commerce Abilities

It is widely believed that social network sites are not yet ready to conduct direct e-Commerce. Pettey (2008) advises that businesses should not become early adopters of buying and selling on social network sites, instead they should be more involved in social activities. Furthermore, consumers may not re-visit a site that is too commercialized.

2.11.3 Lack of Brand Control

Marketing on social network sites attracts lot of risks to product brands. Social networks are user generated content where end users discuss about their prior experience on products and services. Some of the information spread across the networks may be critical to the product, and companies have less control on what end users discuss and spread on their social network sites (Slavin, 2009). According to an investigation done by Winer (2009) with 50 marketing managers, some issues frustrating online social networks marketers today are a lack of brand control, due to the fact that consumers control their information flow. Blogs, social network sites, and word-of-mouth marketing (WOM), etc., are completely out of control of marketers both in terms of the message being delivered about their brand/services, and what is being said in online conversations.   Traditional media such as TV, print, outdoor, and radio which are typically one-way communication.

Another difficulty facing marketers is how to distinguish the actual budget spending on TV media advertisement, and the amount spent on social networks advertisement.In this new era of marketing, a lack of understanding consumer's behaviour is also an ongoing problem facing social networks marketers. The behavioural impact of the new media is also less well-understood by the marketers. A lot of research have been conducted on consumer behaviour on the Internet, providing some implications on how information are gathered and used (Hoffman et al., 1999; Fors, 2008; Winer, 2009).

2.12 SOCIAL NETWORKS MARKETING TOOLS

There are many SNM tools, such as blogging, micro-blogging, picture/video promotion, wall posting, social bookmarking, social networks, and rating/recommendation (Rocon, 2010).

1. **Blogs:** Blog are also knownasweblogs. Blogs have become a popular advertising medium. A blog is where an individual or user establishes and expresses his or her opinions about a theme, and invites others to comment. Hence, creating a dialogue around the theme. In some cases, the blog is just a set of postings from the enthusiast community. For example, www.autoblog.com is a blog for automobile enthusiasts. Marketers post products/brands and other advertisings on blogs that are targeted towards the user of social network sites. Blog is an excellent way to put a company's story across to the investment community. The comments on each post provide an incomparable channel for getting feedbacks from users on the company's strategy and

performance. Blogging platforms, such as Wordpress, also allow bloggers to enhance visitors' total experience with widgets and plug-ins (Winer, 2009; Fors, 2008).

2. **Micro-blogging:** The trend of sending brief updates to interested consumers is enhanced by micro-blogging. Companies can use sites such as SocialCast, Twitter and Yammer, to keep followers up-to-date on events within the company. Micro-blogging is just picking up in many developing countries (Hutchison, 2010).

3. **Picture and video promotion:** Another tool that can be used for marketing is picture and video promotion. Pictures and Videos are great tools for marketing. Business owners or companies can create their branded channels or Vlog on video sharing sites. Here, they can upload pictures and videos of their products and services rendered. The power of picture and video on the web is even more amplified, when the picture and video is embedded within sites (Onyeaso, 2009). Consumers can now interact with brands through streaming video and also have an opportunity to see the brand/product through the posted video on the site. For example, the phenomenon of YouTube has significantly changed the communications world (Winer, 2009). In most cases, consumers prefer to see what they want to buy before purchasing it. For example, Zappot Company has witnessed a huge increase in its sales by including video clips of the products on its site (Winer, 2009). Getting people to share your products on social network sites is a great way to inform and attract new customers (Glen, 2010). Doniers Wines, Stellenbosch Hills Wines, Taj Hotels, and Jade Jewellery are some of the companies in South Africa that make use of video on social network sites to display different kinds of wine they produced.

4. **Wall-posting:** is also social networks marketing tool on SNSs, which gives users the opportunity to advertise to friends through their own profiles. Pelemo (2008) stated that social media marketing puts companies in the forefront, and also gives companies the ability to address certain loopholes in their business structure and decisions that might have caused dissatisfaction in customers with their products or services. The earlier companies adopt this channel, the more prepared they are for the next generation of consumers. On social network sites, users of the product encourage their friends and family to use the product. Consumers are often interested in this form of communication and marketing (Chippand Ismail, 2004; McNamara, 2007).

5. **Social bookmarking:** By providing links to relevant research, reports and news about the company and its sector on social bookmarking sites, such as Delicious, a company can give shareholders and analysts objective information to support its own narrative (Hutchison, 2010).

6. **Social networks:** Companies can create their own analyst or shareholder groups on social networking sites, such as Facebook and Ning, where business strategy and performance can be discussed. This gives the company the chance to participate in these conversations, as well as providing informed responses to questions in a transparent, participatory environment.

7. **Ratings/recommendations:** Another form of user-generated content is postings of product ratings and recommendations on websites. Many popular e-Commerce sites, such as Amazon and eBay, rely on users to rate products and vendors that consumers use to evaluate prospective purchases (Winer, 2009). FaceBook recently launched FaceBook Ads system; Facebook Ads system is a new feature on FaceBook where users can recommend products to their friends.It is estimated that an individual is three to five times more likely to buy a product if a friend uses and recommends it.

Many companies today are using some or all of the above social networks marketing tools to develop their business marketing strategies in other to engage their customers to a much greater extent than traditional media encompass. In South Africa for example, companies such as Jade Jewellery & Design Exclusive the luxury fragrance products has used a number of the media noted above for its Jewellery & Design marketing. Taj Hotel, Mystic Boer, City-Sightseeing, and Stellenbosch Hills Wine all make use of the above mentioned tool for their businesses.

2.13 TECHNOLOGY ACCEPTANCE MODEL

According to the Theory of Reasoned Action (TRA) model (Ajzen and Fishbein 1975), an individual's performance is determined by his or her behavioural intentions, which are jointly determined by the individual attitudes and subjective norms. In Information System (IS) an attitude is defined by Shih (2004a) as either positive or negative feelings of an individual towards a system use, and it is influenced by the individual beliefs. Davis (1993) defines "attitude towards using a system as the degree of evaluative affect that an individual associates with using the target system in his or her job". TRA is an extended model of Theory of Planned Behaviour (TPB), TRB was derived by including

perceived behavioural control as a determinant of behaviour (Shih, 2004a). TRA and TPB have been extensively studied in social psychology. The two models are generally

used for predicting individual behaviour using construct, such as belief, attitude, intention, and behaviour relationship. Building upon TRA, Davis (1989) proposed the Technology Acceptance Model (TAM) to predict user's adoption of information systems. TAM hypothesize that user adoption of a new information system is determined by the users' intention to use the system, which in turn is determined by the user beliefs about the system. The original TAM is constructed from external variables, perceived usefulness and perceived ease of use, attitude towards using behavioural intention and actual usage. The original idea of the theory is that perceived usefulness and perceived ease of use directly influence the users' intention to use Information Technology (IT). The description of the original TAM by Davis, (1989) is shown in Figure 3.
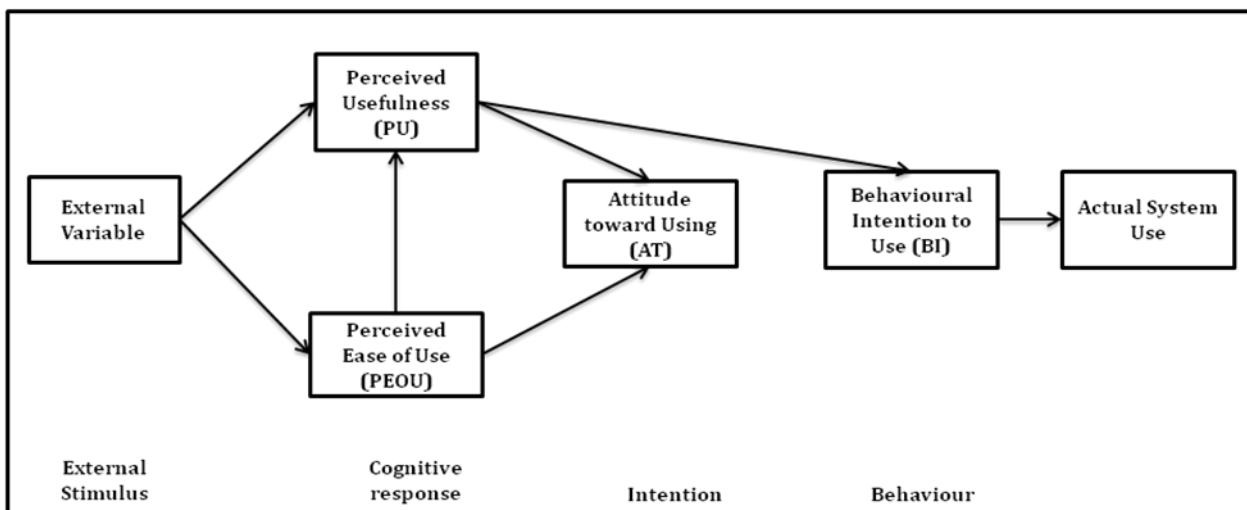
Figure 3 Original Technology Acceptance Model (Davis, 1989)

The model explains the reasons why users either accept or reject particular information technology. TAM suggests that when users come across new IS technologies, there are factors that determine whether they will accept or reject the use of the system. TAM proposes two particular belief or constructs that are primarily significant to both IS/IT adoptions. The two beliefs are; Perceived Usefulness (PU) and Perceived Ease of Use (PEOU). PU and PEOU are both significant in determining user's intention and influence user's attitude towards using an information system. The original TAM was later modified by Davis and Venkatesh (1996). Davis and Venkatesh (1996) removed attitude from the model; the TAM model demonstrated that intention to use is only partly mediated by attitude. The construct of the model involved external variables (external stimulus),

perceived usefulness and perceived ease of use (cognitive response), behavioural intention to use (intention), and actual system use (behaviour). This is shown in Figure 4.
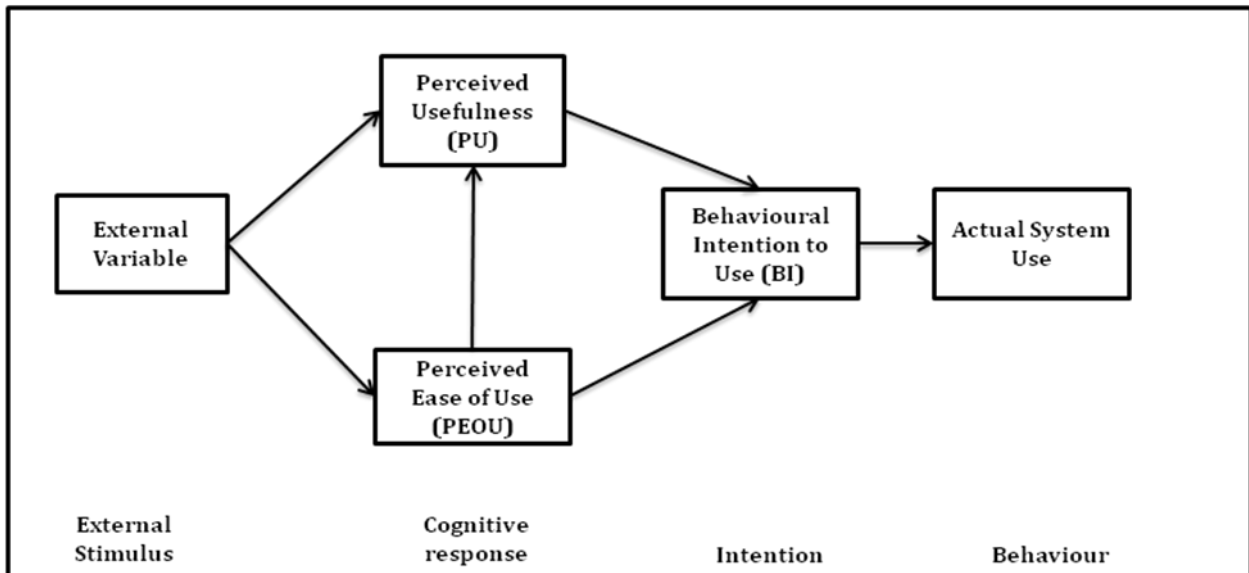
Figure 4 Revised Technology Acceptance Model (Davis and Venkatesh, 1996)

Davis (1989) defined perceived usefulness as the degree to which a person believes that using a particular system would enhance his or her job performance, and defined perceived ease of use as the degree to which a person believes that using a particular system would be free from physical and mental efforts. Quite a lot of studies have demonstrated that only perceived usefulness has positive effect on system usage and behavioural intentions to use a system. On the other hand, some studies proved that both perceived usefulness and perceived ease of use have positive effects on system usage and behavioural intentions to use a system (Shih, 2004b). As a result, PU is the major factor of individual intentions to use a system, while perceived ease of use is the secondary factor in determining system usage.

Davis (1989) studies suggested that PEOU is hypothesized to be a major predictor of PU, which has a positive indirect effect on computer self-efficacy through PU. Observed studies of TAM have shown that usage of information system is determined by user's behavioural intentions, which are jointly determined by user PU, and attitudes toward using the system. Attitude towards using the system is also determined by PU and PEOU. PU and PEOU both have positive indirect effects on attitude.

Furthermore, the two beliefs mentioned are influenced by another factor called external variables such as individual differences. Previous research on TAM has found that individual differences are important external variables. Individual difference variables play a vital role in the implementation of any technological innovation in various disciplines, including information systems, production, and marketing (Wang et al., 2003). It is now easy to explain how individual differences affect users' acceptance of social networks marketing via intervening TAM variables. Several individual difference variables, such as gender, age, level of education, and computer self-efficacy, may have a significant effect on users' acceptance of social networks marketing.

Out of all the external variables, only computer self-efficacy can be manipulated by practitioners through promotion and training approaches (Wang et al., 2003). The main objective of social networks marketing is to reach different demographic groups and to see the effects of gender, age, and level of education on TAM variables. As a result, these demographic groups have less implication on the adoption of social networks marketing by users. Hence, this study chooses computer self-efficacy as the only individual difference variable that influences the constructs of TAM used. There is a growing body of academic research investigating factors that determine the acceptance of computer technology and utilization, among users. TAM framework has been practically used to a wide range of IT researches, such as Internet banking (Suh and Han, 2002; Wang et al., 2003; Eriksson et al., 2004; Lassar et al., 2005) user's acceptance of e-shopping (Shih, 2004a), Internet utilization behaviour (Shih, 2004b). Overall, TAM is superior to both TRA and TPB in predicting information system user's behaviour (Davis et al., 1989; Shih, 2004b).

2.13.1 Research on Technology Acceptance Model in Other Context

There are many similarities in users' intention and attitude of adopting all e-Commerce activities including social networks marketing as part of e-Commerce activities. Eastin (2002) observed four different e-Commerce activities namely e-shopping, banking, investing and online service. The result showed that self-efficacy, level of Internet use, perceived ease, perceived economic advantage, and adoption of similar innovation have positive influence on users' adoption of any kind of e-Commerce. Eastin (2002) suggested that since perceived risk has a negative impact; it should also be considered as a barrier to adoption of any form of e-Commerce.

Yi and Hwang (2003) studied TAM using self-efficacy, enjoyment and learning goal orientation as an additional construct to their model. The study showed that self-efficacy has a direct influence on the use of a system, whereas enjoyment, and learning goal orientation mediated through self-efficacy, perceive usefulness, and perceive ease of use. Perceive usefulness and perceive ease of use in turn influenced the decision to accept through behavioural intention. An extended technology acceptance model was done by Igbaria and Iivari (1995) about the effect of self-efficacy on computer usage. Igbaria and Iivari's (1995) extended TAM shows that self-efficacy, computer experience, and organizational support were confirmed to have positive direct effect on perceived ease of use. They claim that perceived ease of use is a crucial factor in determining the acceptability of a particular system.

Over the years, quite a lot of research has been done on user's acceptance of Internet banking using TAM. Another study on the use of both TRA and TAM showed that previous computer experience, previous technology experience, individual banking experience, reference group, and computer behaviour strongly affect user's attitude and behavioural intention towards the use of online banking (Karjaluoto et al., 2002). The study done by Lassar et al., (2005) on user's acceptance of Internet banking using TAM as a framework, showed that the intensity of Internet usage has a significant effect on users' acceptance of Internet banking. They concluded that, the more consumers have skills in using both computer and the Internet, the easier for them to accept the use of Internet banking

Suh and Han (2002); Wang et al. (2003); Eriksson et al. (2004) included trust to their TAM constructs, they ascertained trust to be a strong significant factor in predicting the intention to use Internet banking. Wang et al., (2003) also added perceived credibility as a new factor to TAM constructs, and attitude construct was also merged with behavioural intention. Wang et al., (2003) confirmed perceived ease of use, and perceived credibility as the most significant constructs, than perceived usefulness in determining behavioural intention to use Internet banking.

In summary, technology acceptance model was chosen as a basis for this study. The reason for choosing the model is that the model had been successfully used in many of the previous research related to users' acceptance of information system.

CHAPTER THREE

3.1 RESEARCH METHODOLOGY

This chapter presents the researchmodel Extended Technology Acceptance Model and hypotheses used in this study. The chapter begins with an overview of the extended TAM, scope and procedure of the survey. Then, the population and sample being used for the current study were discussed. In addition, the constructs selected for the extended TAM were also discussed.

3.2 SCOPE OF SURVEY AND PROCEDURE

The quantitative and qualitative data for this study were obtained through a structured questionnaire survey. Data were also received through direct correspondence with some SME companies.

3.2.1   Questionnaire design

The structured questionnaire used for this study was designed in-line with guidelines for questionnaire design recommended by Babbie and Mouton (2008). The questionnaire was structured to contain only closed-ended questions. The questions asked were clear and simple and void of double meanings. The reason why a closed-ended question was used in this survey is because closed-ended question is widely used in survey research and it provides a greater uniformity of responses. Closed-ended questions are easier to answer by respondent, and the data gathered are easier for researcher to analyze and interpret .

Two separate sample surveys were designed. The first sample of the questionnaires was meant for only consumers to answer and it was designed in order to investigate user's perspective on the adoption of SNM and to explore the factors that influence users' acceptance of social networks marketing.

The second sample survey was designed only for SMEs companies, in order to identify if the use of SNM has positively or negatively impacted their businesses. The two parts were developed and designed in order to determine the relationship between the SMEs and their customers of SNM. A copy of the two questionnaires is included in Appendix A and B.

3.2.2   Pre-testing

After constructing the survey questions, the questionnaire was pre-tested within a small group of people before administering it on the study population. A small sample group of people were asked to complete the questionnaire. Answers from this sample group of people were examined and observed to see if respondents understood the questions and whether the respondents were also reluctant to answer some of the questions (De Vaus, 2002 cited in Ham 2007). Proper revisions of the questions were made and a final questionnaire was administered for the study. Those involved in the pre-test were no longer eligible for inclusion in the final survey sample (Ruane, 2005).

3.2.3   Survey process

This study is an exploratory research, which is made of quantitative approach data collected through means of closed-ended questionnaires in an anonymous online survey. Exploratory studies are mostly done for the following reasons: (1) to satisfy the researcher's curiosity and desire for better understanding, (2) to test the feasibility of undertaking a more extensive study, and (3) to develop the methods to be employed in any subsequently study (Babbie, 2004).

3.3   UNIT OF ANALYSIS

If a researcher is interested in exploring, describing, and explaining how different groups of people behave as individual, the unit of analysis is an individual not a group of people. Units of analysis are those things we examine in order to summarize the description of all units and to explain differences among them.

In social science research, unit of analysis is what or whom being studied. In this study, the unit of analysis is assumed to be users of social networks marketing, which are consumers and SMEs.

3.4   SAMPLING STRUCTURE

The sampling structures conducted for this study were of two separate data and they were collected for the two stages of the research (study 1 and 2). The sample data collected for study 1 (consumers), consisted of a group of students in Stellenbosch University, and the Cape Town municipality. In this work, they represent the major users of social network sites. The second data collected for study 2 (SMEs) consisted of a group of companies in Stellenbosch, and Cape Town municipality that are currently

marketing their products and services on social network sites. In this study, SNSs were used for the sampling frame because they contain all the elements required to make assumptions about general purpose of SNSs.

3.4.1   Consumers consultation

An Internet survey link was sent to a random sample of students. The questionnaire (in the survey) was posted to an online community web page and it had a direct link to the online survey site. A convenience snowball sampling method was used, where university students (high users of social networks) were initially approached to participate in the study. The students were also requested to forward the URL link of the survey to their friends, in order to participate in the survey. The questionnaire was designed by using standard software to ensure easy-to-access and easy-to-navigate survey. The survey was kept online for four weeks so as to ensure that less frequent Internet users also participate.

The raw data collected was cleaned and formatted using Microsoft Excel. Some printed copies of the questionnaires were also distributed to some other South African indigenes who were not students but also, users of social network sites A total number of two hundred and fifty five (255) responses comprising of mixed gender, different ethnicity, cultural, and educational background were captured. From the returned questionnaire only 143 (56% response rate) were useful.

A letter introducing the study and its purpose was printed on the front cover of the questionnaire booklet. The letter explained why the study was being conducted, the importance of each respondent's response, and the procedure for returning the questionnaire. The respondents were invited to voluntarily participate in the study. Respondents were also assured that their responses to the survey were anonymous. The telephone number and email address of the researcher were provided for those who might want more information about the study (Babbie, 2004).

Each of the questionnaires consisted of two parts; section A and section B. Section A focused on respondents' demographic information and the usage of the system, while section B was designed using a five point Likert scale. A five point Likert scale was used to present a series of statements in order to determine the attitudes of the respondents towards the implementation of SNM. Section B was designed for testing the research hypothesis, and examining the extent to which respondents perceived the ease of use and usefulness of SNM system. Likert scale usually asks respondents the degree to

which they agree or disagree with statements. Similarly, a five point Likert scale looks attractive and efficient in conserving space, and also allows researcher to ask several questions that have the same set of answers. The Likert response categories, such as strongly agree (1), agree (2), neutral (3), disagree (4), and strongly disagree (5) were used for the study (Babbie, 2004; Ruane, 2005).

3.4.2   Small and Medium-Scale enterprises consultation

The second data which was collected from SMEs was used to justify the first data which were (consumers) responses of users of those participated in the survey. SMEs consulted for this study were aimed to identify potential users of SNM as a business marketing strategy. Part of the reasons for including SMEs in this study was to investigate what really motivates SMEs in adopting SNM into their business strategy, and to also identify if the use of SNM had positively, or negatively impacted their businesses.

The number of SMEs involved in this study was 18. Approaches used for the SMEs consultation included website visit and personal interview. SMEs consulted were hotels/restaurants, wine companies, bookshops companies, fashion outlets, and antique/art gallery stores.

Observations were made by inspecting the companies' social network sites along with e-mail correspondence with some of the SMEs within the period of two weeks. The website investigation was done in order to know what type of social network sites these companies were making use of, if they have link from their company website to some of the social network sites, the total numbers of fans/followers they have on their sites, the kind of social networks marketing tools they implore, and finally, the purpose of implementing SNM in their businesses. It was discovered that each company had at least a web presence, where customer could find information about companies' products and services. All respondents from these companies used at least one of the most popular social network sites to market and advertise their products and services.

Company's e-mail addresses and phone numbers were gotten from their websites for proper correspondence. The Marketing Managers/CEOs of the companies were later phoned and asked if they would like to participate in the survey. Before the commencements of the survey process, the SMEs companies involved were informed about the purpose of the research study, the aims and objectives of the study, and how they could benefit from the research study. This approach was used successfully by Ham and Theron (2001), and was thus adopted for this study. The sampling procedure for this

study was by means of face-to-face interview, and administration of questionnaire forms for companies to fill and return. The survey was concluded over a period of two weeks.

3.5 FOLLOW-UP MAILS AND MONITORING RETURNS

3.5.1 Follow-up mails: Follow-up mails were sent to non-respondents in form of letter of encouragement to participate in the study. New URL link along with the follow-up letter was sent as a reminder to participate in the research study. Babbie (2004) suggests that follow-up mails provide an effective method to increase response rates in mail surveys and this method was thus adopted for this study.

3.5.2 Monitoring returns: As soon as the completed questionnaires were returned, a return rate table was designed in order to monitor each questionnaire returned every day. The researcher's e-mail address was activated along with the online survey; so that as the completed questionnaires were returned, an alert message was sent to the researcher's mailbox showing that one questionnaire has been completed and submitted. Each of the returned questionnaires was opened and assigned an identification number for ease of coding and analysis.

3.6 DATA SCREENING

Systematic error has been reported by several researchers (Cronbach, 1946, 1950) as part of the errors that could affect response analysis and final results. Some of the returned questionnaires that provide biased responses were removed so as to get accurate result for the study. Biased response occurs when a respondent participating in the survey responds logically to items on the questionnaire. Some of these biased responses involved extreme response; where respondents may likely respond to the most extreme values, or respond in the middle of the scale category regardless of the content.

Reliability and validity assessments of the study were considered in order to check if the study is reliable and valid for future predictions. Reliability measures evaluate the accuracy of the measurement instrument in order to ensure consistent results that are free from errors (Churchill, 1979). Reliability is also concerned with the degree to which the observed variables are able to measure the true value yielding the same results on repeated trials.

Internal and external validities also check if a study is valid or not. This study has high internal and external validities, because there is high causality between the empirical data and the theory. Internal validity is often used to see if there are logical links between the theory and the empirical data (Arbnor and Bjerke, 1994) while external validity helps ensure that the study is made in a specific context and the results can be generalized (Bryman, 2007).

To check for biased responses, additional questions were included to establish sincerity. The questions ranging from "1 – Strongly disagree" to "5 – Strongly agree" were added to make sure respondents understand the questions. Survey responses that were not answered properly or filled out completely were assumed to contain biased responses and thus, were eliminated from the sample population. Other reasons for conducting data screening and pre-data analysis include missing data and ensuring accuracy of the data collected. Complete survey response, were required in the study in order to ensure accurate statistical analysis of the data.

3.7 EXTENDED TAM AND HYPOTHESES

Considering the uniqueness and simplicity of the Technology Acceptance Model (TAM), the study used extended TAM as a theoretical framework to examine the effects of computer self-efficacy (CSE) on user's acceptance of social networks marketing system through four constructs:

(1) Perceived usefulness; (PU)
(2) Perceived ease of use; (PEOU)
(3) Perceived credibility; (PC) and
(4) Awareness; (AWN)

The extended TAM for this study is developed based on the findings derived from the literature. The constructs measured has been used successfully in different information system contexts, and, thus, adopted for this study. The constructs with their descriptions and supporting references are presented in Table 1.

Table 1 Model constructs and prior studies supporting the use of the constructs

Constructs	Descriptions	Supporting references
Computer Self-efficacy	Defined as the judgment of one's ability and confidence to use a computer system.	(Compeau and Higgins, 1995; Wang et al. 2003; Vainio, 2006)
Perceived Usefulness	The degree to which a user believes that using a particular system would enhance his or her job performance.	(Davis, 1989; Davis and Venkatesh, 1996)
Perceived ease of use	The degree to which a user believes that using a particular system would be free of physical and mental efforts.	(Davis, 1989; Davis and Venkatesh, 1996)
Perceived Credibility	The degree to which user perceived the credibility of using information system.	Wang et al. 2003;
Awareness	Extensive information on SNM provided on online social sites that explain the use of SNM to the customers.	(Sathye, 1999; Pikkarainen et al. 2004; Vainio, 2006).

A related construct called computer self-efficacy has been examined in the Information System (IS) literature and is defined as the judgment of one's ability to use a computer system (Compeau and Higgins, 1995). Computer self-efficacy is also referred to as the level of confidence a person has in using a particular system (Vainio, 2006).

The present research uses the TAM to address why users accept or reject a newly introduced information system and how user's acceptance is influenced by computer self-efficacy. The proposed research model tested in this study is shown in Figure 5 . The extended TAM like many other studies (e.g., Adams et al., 1992; Lu and Gustafson, 1994; Chau, 1996; Hong et al., 2001) used attitude as a separate construct, but in this study "attitudes" construct has been merged with behavioural intention (BI) so as to simplify the model.

The proposed research model shown in Figure 5 includes one individual differences variable (computer self-efficacy) and four belief variables (perceived ease of use, perceived usefulness, perceived credibility, and awareness). The selections are supported by previous studies in the information systems literature. Behavioural intention in using a system is determined by two major beliefs: Perceived Usefulness (PU) and Perceived Ease of Use (PEOU). PEOU has a casual effect on PU. CSE has a direct influence on PU and PEOU, while CSE has an indirect influence on PC, AWN and BI through direct effect on PU and PEOU (Davis, 1993).
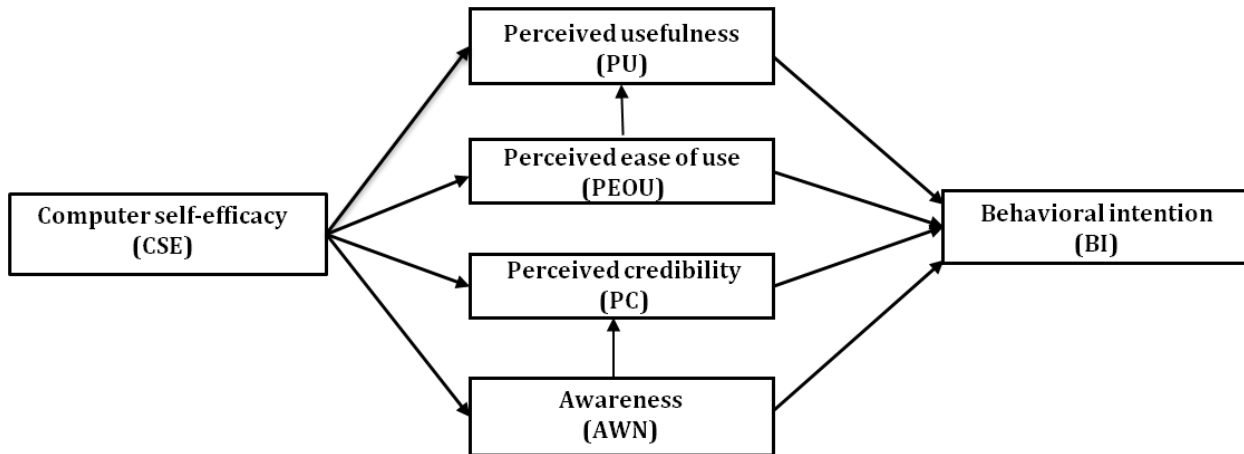
Figure 5 Extended TAM to predict SNM behaviour

3.7.1   Computer Self-Efficacy

Generally, previous research suggests a positive relationship between experience with computer technology and a variety of outcomes, such as, an affect towards computer usage (Levin and Gordon, 1989; Harrison and Rainer, 1992; Agarwal and Prasad, 1999). Ongoing research efforts on computer self-efficacy can be observed in recent IS studies (Agarwal et al., 2000; Johnson and Marakas, 2000; Hong et al., 2001; Chau, 2001), which confirm the critical role that computer self-efficacy plays in understanding individual responses to information technology. The proposed relationship between computer self-efficacy and PEOU is based on the theoretical argument by Davis (1989).

The research model (Figure 5) shows a positive link between computer self-efficacy and all the four constructs (PU, PEOU, PC, and Awareness) However, computer experience might be positively related to the existence of concerns regarding the trust, privacy and security of online exchanges. The positive link shows that computer self-efficacy will have a positive effect on perceived credibility and awareness of social networks marketing. Therefore, based on the theoretical and empirical support from the information system literature, this study tests for the following hypotheses onComputer self-efficacy:

H1. Computer self-efficacy will have a positive effect on PU of SNM.

H2. Computer self-efficacy will have a positive effect on PEOU of SNM.

H3. Computer self-efficacy will have a positive effect on PC of SNM.

H4. Computer self-efficacy will have a positive effect on awareness of SNM.

Among all the variables that may influence system use, previous research suggests two determinants that are significant. The two determinants are PU, and PEOU, and have been identified as important factors in user's acceptance of a new system. First of all, users are likely to use or not to use an application to the extent they believe it will help them perform their job better. The first variable is referred to as PU. Even if potential users believe that a given application is useful, they might also believe that the systems are too hard to use or not easy for them to adopt and that the performance benefits of usage are outweighed by the effort of using the application. This study refers to the second variable as PEOU. In addition, PU is theorized to be influenced by PEOU (Davis 1989 and 1993).

3.7.2   Perceived Usefulness

Perceived usefulness(PU) is defined here as "the degree to which a user believes that using a particular system would enhance his or her job performance" (Davis, 1989). This follows from the definition of the word useful: "capable of being used advantageously. According to TAM, PU is one of the factors that have a significant effect on user's acceptance of a particular information system (Davis, 1989; Davis et al., 1989). Several research provide evidence of significant effect of PU on IS acceptance and usage (Davis, 1989; Pikkarainen et al., 2003; Wang et al., 2003). Hence, Internet marketing is a type of marketing system that users presume to be useful and are more likely to be accepted by the users. Therefore, in the context of social networks marketing; this study tests for this hypothesis on Perceived usefulness:

H5. PU will have a positive effect on behavioural intention to use SNM.

3.7.3   Perceived Ease of Use

Perceived ease of use (PEOU), refers to "the degree to which a user believes that using a particular system would be free of physical and mental effort" (Davis, 1989). This follows from the definition of ease, "freedom from difficulty". Effort is a finite resource that a person may allocate to the various activities to which he or she is responsible (Davis, 1989). The two factors reported by Davis (1989) suggested that PEOU and PU are statistically distinct constructs. PEOU is hypothesized to have a direct significant effect on PU. Among two systems that perform the same function and serve the same purpose, users will find the one that is easier to be more useful than the difficult ones.

Hence, any application perceived to be easier to use is more likely to be accepted by users. PU is not hypothesized to have a direct significant effect on PEOU. PU specifically concerns with the expected overall effect of system use on job performance (process and outcome), while PEOU concerns only those performance impacts related to the process of using a system. As a result, PEOU influence PU but PU does not influence PEOU (Davis, 1993).

If SNM are easy to use, then SNM is more likely to be accepted by intended users. Therefore, this study tests for the following hypotheses on PEOU:

H6. PEOU will have a positive effect on perceived usefulness of SNM.
H7. PEOU will have a positive effect on behavioural intention to use SNM.

3.7.4   Perceived Credibility

Apart from perceived ease of use and perceived usefulness beliefs, the usage intention of SNM could also be affected by users' perceptions on credibility regarding trust, security and privacy. Most of Internet user's behaviours are based on the level of security a system could provide. Internet threatens user information privacy in different ways. This threat has forced many users to opt out of various forms of Internet activities including Internet marketing (Hoffman et al., 1999) by not providing personal/sensitive information to Web sites for any business transaction. The lack of perceived credibility is manifested in people's mind that Internet marketing via social network sites could transfer their personal information to third parties without their permission. Therefore, perceived trust, security, and privacy lead to fears of revealing personal information and bringing about a sense of insecurity on the Internet. These three reasons provide a great challenge to Internet marketing in general.

Internet users are more concerned about the level of security available when disclosing sensitive information about themselves (Warrington et al., 2000), and willing to perform transactions only when they develop a certain level of trust on both the service providers and companies marketing on social network sites. In this study, perceived credibility refers to the three important dimensions trust, security and privacy that are identified across many studies as affecting user's intention to adopt or accept the Internet-based transaction systems.

3.7.5   Trust

Trust is a multidimensional construct that plays a vital role in many financial transactions. Users exhibit fear to give sensitive information such as financial details on the Internet (Suh and Han 2002). In a research conducted on consumer's adoption of Internet banking, Sathye (1999) showed that 70% of consumers expressed their concerns on trust and security. Cheng et al., (2005) found that web security was significant determinant of consumers' intentions to use Internet transaction. According to Rotchanakitumnuai and Speece (2003) consumers do not trust Internet technology for three reasons: security of the system, distrust of service providers, and worries about the reliability of the service. The more users are confident about the companies and technology required, the more they will be willing to use SNM. Companies could increase users' confidence by assuring of any losses incurred through unauthorized use (Sathye, 1999). Such an assurance can build users' trust on the Internet.

3.7.6   Security

Securityrefers to the protection of information or systems from intrusion. Lack of security is one of the major factors that have been identified in many studies as affecting the growth and development of e-Commerce (Gross and Acquisti, 2005; Hogben, 2007). Users' perception to the use of social networks marketing is stronger if companies ensure that their transactions are conducted without any breach of security. Security is a crucial factor that may affect SNM use.

3.7.7   Privacy

Privacy on the other hand, refers to the protection of various types of data that are collected (with or without the knowledge of the users) during users' interactions with the Internet. Generally, perceived credibility that is used within the system is an indication of secured transactions and also maintains the privacy of personal information which affects their voluntary acceptance of social networks marketing (Wang et al., 2003). Therefore, perceived credibility is used as a new construct to reflect the trust, security and privacy concerns in the acceptance of Internet marketing via social network sites. Hence, the study suggests thishypothesis onPerceived credibility**:**

H8. Perceived credibility (PC) will have a positive effect on behavioural intention to use social networks marketing system.

3.7.8 Awareness

Awareness has been used as a construct in many research conducted on iInternet banking (Sathye, 1999; Chandio, Year; Pikkarainen et al. (2004). Banks are information intensive by their nature; banks use various channels to inform customers of their services. Pikkarainen et al. (2004) conducted research in Finland to investigate consumers' acceptance of online banking. Pikkarainen et al. (2004) found that extensive information provided on online banking was very influential factor that explained the use of online banking service to the customers.

Sathye (1999) found that lack of awareness on a proposed new system could be a major barrier to the adoption of Internet banking. Sathye (1999) explained further that information on various aspects including security could help ease customers' concerns on security and could as well build their confidence in accepting and using a particular system. This study found that this same constructs (awareness) could also influence user's acceptance on Internet marketing via social network sites. Hence, in the context of social networks marketing, this study tests for the following hypotheses on Awareness**:**
H9. Awareness will have positive effect on perceived credibility of SNM.
H10. Awareness will have positive effect on behavioural intention to use SNM system.

The survey questions for measuring hypotheses are presented in Table 2.

Table 2 Questions for measuring hypothesis

Constructs	Hypothesis	Number of items	Items measured
Computer Self-efficacy	H1, H2, H3, and H4	4	I can use Internet marketing, including social networks marketing…… 1. …if I had access to computer system. 2. …if I had access to Internet. 3. …if I had seen someone else using it before 4. …if I could get someone to help if I got stuck.
Perceived Usefulness	H5	4	1. Using SNM would help me to transact business globally. 2. Using SNM would help me to communicate and get feedback from business owners. 3. Using SNM would reduce time wasting and cost of going to stores. 4. I can use SNM, if I found products to buy on the site. 5. Using SNM would connect me to other customers.
Perceived ease of use	H6 and H7	5	1. My interaction with SNM is clear and understandable. 2. Learning to use SNM would be easy for me. 3. I would find SNM flexible to interact with. 4. I would find it easy to use SNM to accomplish all my tasks. 5. Overall, I would find the proposed system easy to use.
Perceived Credibility	H8	3	1. Using SNM would not disclose my personal information. 2. I would find SNM secure in conducting my business transactions. 3. I can use SNM, if I have trust in companies marketing on the site.
Awareness	H9 and H10	3	1. I can use SNM, if business owners can create more awareness on the site. 2. I can useSNM, if I see the advert on my wall profile. 3. I would found SNM more valuable if a friend tells me about it.

CHAPTER FOUR

4.1 RESULTS AND DISCUSSIONS

This chapter presents the method for analyzing the empirical results. The technique that was used to analyse study 1 and 2 are introduced, and the demographics of the respondents were compared with the original sample in other to generalize the research results. The statistical result of the extended TAM, and the hypotheses constructed in chapter 3 were tested. The moderating effects of the demographics were tested to identify which of the relationships in the Technology Acceptance Model is found to have the highest moderating influence.

STUDY 1

4.2 METHOD OF ANALYSIS

The analysis was performed with a system designed for statistical analyses (SPSS). The descriptive statistics presented shows an overview of the current use of social networks marketing among the consumers. The degree of SNM usage is compared with demographical questions such as gender, age categories, educational level, and the status of respondents. In addition, the extent to which the respondents perceive ease of use and usefulness of SNM was compared with demographical questions. Regression analysis and Pearson product-moment correlation analysis were selected as the methods for interpreting and analysing the empirical data. With the use of these statistical methods, the validity of the extended TAM and hypotheses are tested.

Regression analysis was chosen since it is more appropriate for hypotheses testing and analysing how independent variables can be used to predict a dependent variable. Linear regression was used to determine the correlation between the variables, and Pearson product-moment correlation was used to justify the interrelationship of the variables. Stockburger (1998) defines Regression model "as a powerful tool for predicting scores based on some other score. They involve a linear transformation of the predictor variable into the predicted variable. The parameters of the linear transformation are selected such that the least squares criterion is met, resulting in an "optimal" model. The model can later be used in the future to predict either exact scores (point estimates), or intervals of scores (interval estimates)" (Burns, 2000).

The Pearson correlation coefficient was included to justify and conclude the regression analysis. The idea for the use of this correlation measure is to find out how the dependent variables selected (CSE_1, CSE_2, CSE_3, CSE_4, PU, PEOU_1, PEOU_2, PC, AWN_1, AWN_2) correlate with BI to use SNM system, and their relationships. In addition to 2-tailed significance indicator selected for the analysis, the rules for determining the direction of relationship and the strength is shown in Table 3.

Table 3 Strength of relationship based on Pearson correlation coefficient

0.90 to 1.00 or -0.90 to -1.00	Very high correlation	Very strong relationship
0.70 to 0.90 or -0.70 to -0.90	High correlation	Marked relationship
0.40 to 0.70 or -0.40 to -0.70	Moderate correlation	Substantial relationship
0.20 to 0.40 or -0.20 to -0.40	Low correlation	Weak relationship
Less than 0.20 or Less than -0.20	Slightly correlation	Negligible Relationship

The direction of the relationship is indicated by the sign (+ or -), and the strength of the relationship is represented by the absolute size of the coefficient (+1.00 or - 1.00). Note that the negative sign only refers to the direction of the relationship, and not the strength of the relationship.

Table 4 Descriptive Information of the sample

Variable		Frequency	Percent (%)	Valid Percent (%)	Cumulative Percent (%)
Gender	Male	90	62.9	62.9	62.9
	Female	53	37.1	37.1	100.0
	Total	143	100.0	100.0	
Age	<20 years	25	17.5	17.5	17.5
	20 – 29 years	83	58.0	58.0	75.5
	30 – 39 years	26	18.2	18.2	93.7
	40 – 49 years	6	6.3	6.3	100.0
	Total	143	100.0	100.0	
Educational Background	Undergraduate	80	55.9	55.9	55.9
	University graduate	30	21.0	21.0	76.9
	Masters'	27	18.9	18.9	95.8
	PhD	6	4.2	4.2	100.0
	Total	143	100.0	100.0	
Status	Student	112	78.3	78.3	78.3
	Member of business org.	18	12.6	12.6	90.9
	Member of government org.	4	2.8	2.8	93.7
	Member of organizational setup	9	6.3	6.3	100.0
	Total	143	100.0	100.0	
Ethnicity	White	49	34.3	34.3	34.3
	Black	69	48.3	48.3	82.5
	Coloured	23	16.1	16.1	98.6
	Indian	2	1.4	1.4	100.0
	Total	143	100.0	100.0	
SNM use	Use	31	21.7	21.7	21.7
	Don't Use	90	62.9	62.9	84.6
	Use in future	22	15.4	15.4	100.0
	Total	143	100.0	100.0	

4.3 RESPONDENTS BACKGROUND

The demographics considered in study 1 (see Table 4) are gender, age, educational background, status, ethnicity, and SNM use. The effect of these demographics to the extended TAM variables are independently analysed in the results. The analysis of the respondents demographics are discussed in more details in the following sections.

Figure 6 shows the distribution of gender ratio of the respondents of the research. The majority of the respondents were male 62.9%, while female respondents were 37.1%.
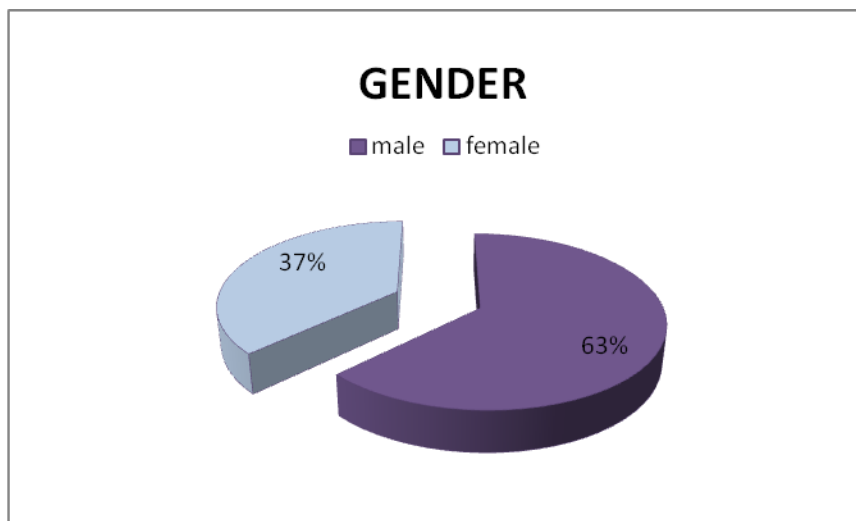
Figure 6 Gender Ratio of Respondents

The age category varied from less than 20 years to above 40 years as shown in Figure 7. The largest age group category is the 20-29 years with about 58% of the respondents, and the smallest age group falls within the ages of above 40 years with a percentage of 4.2%. Less than 20 years and 30-39 years category were found to have almost the same numbers of respondents of 17.5% and 18.2% respectively.
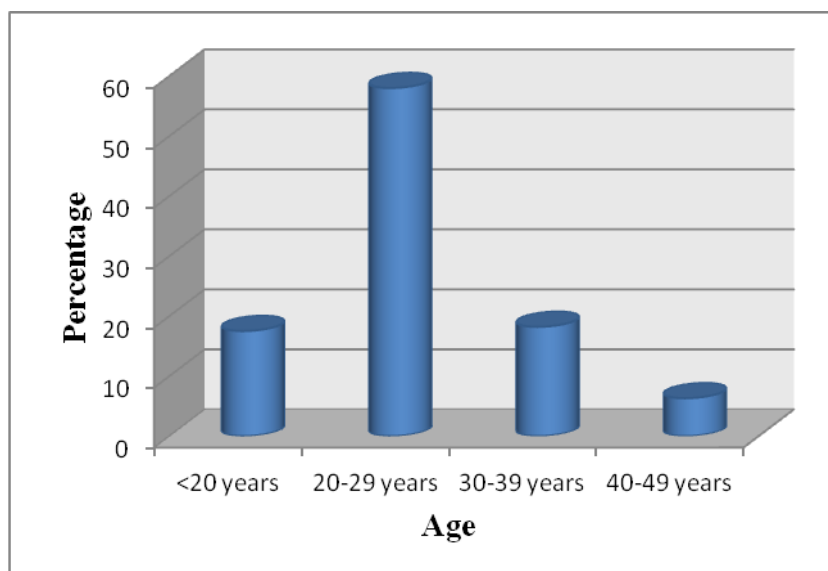
Figure 7 Age category of respondents

The educational background of the respondents varied from undergraduate to PhD. The largest group is the undergraduate students (about 56%) and the smallest group is the PhD with 6.3%. University graduate and masters groups have almost the same numbers of respondents of 21 and 18.9 percentages respectively as shown in Figure 8.
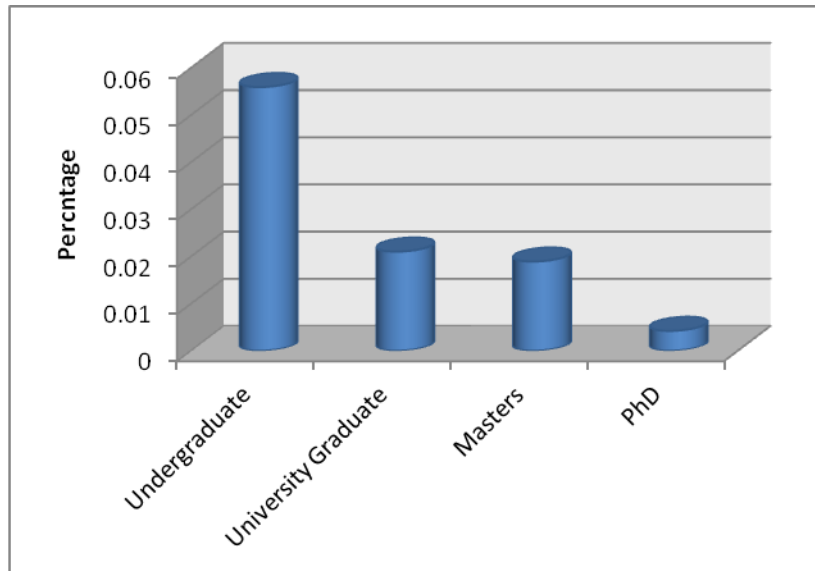
Figure 8 Percentages of Educational background of respondents

The majority of the respondents were students (SD) of 78.3% (see Figure 9) followed by Members of Business organizations (MB) having 12.6% respondents. The least respondents were Members of Government organization (MG) and Members of Educational set up (ME) with 2.8% and 6.3% respectively.
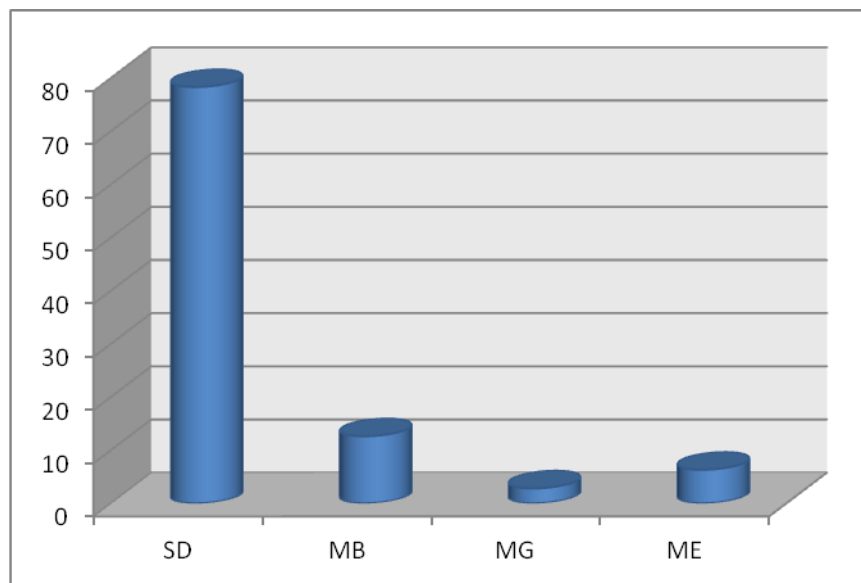
Figure 9 Respondents status category

The respondents' ethnicity varied from white, black, coloured and Indian as shown in Figure 10. The largest ethnicity group were blacks with a percentage of 48.3% followed by white respondents of 34.3%. Coloured respondents were almost 16.1% and Indian was found to be the smallest group of just 1.4% respondents.
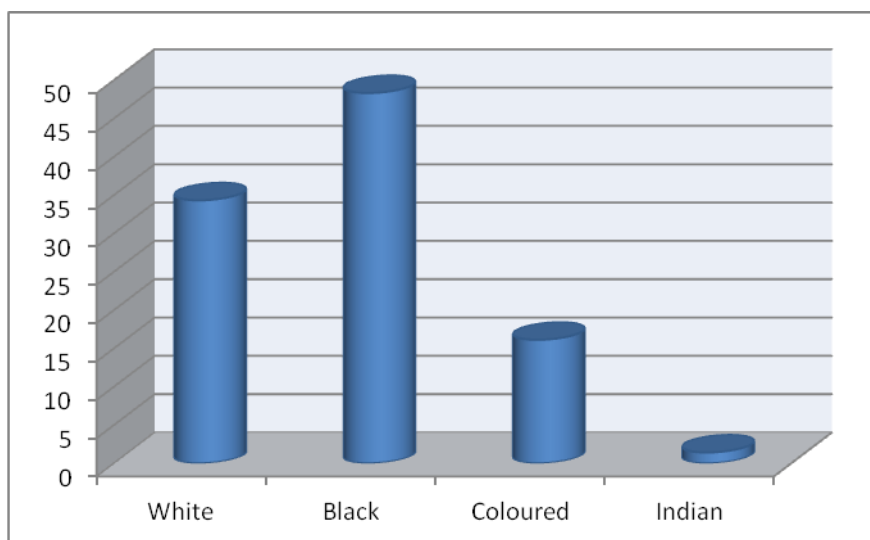
Figure 10 Respondents Ethnicity

Finally, most of the responses came from non-users of SNM system with almost 62.9% while only 21.7% were users of the system. Respondents who do not currently use the system, but intend to use in future were found to be 15.4% as shown in Figure 11.
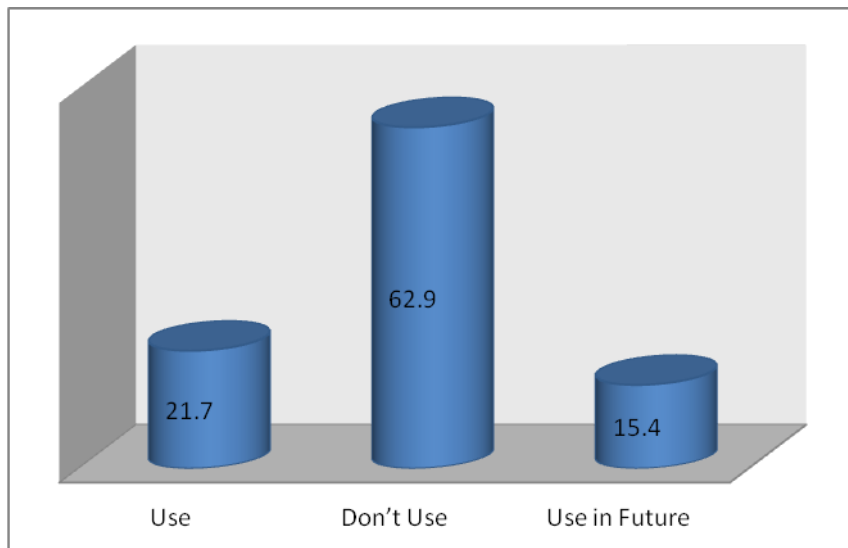
Figure 11 Percentages of respondents that make use of SNM

4.4 CORRESPONDENCE ANALYSIS

The correspondence analysis presents the extent of use of social networks marketing (SNM) and the average minute spent on social network sites (SNSs). Table 5 and Figure 12 demonstrate the relationship between age and the question "how often do you use social networks marketing".The result shows that majority of the respondents chose the "never" option, and very few of the respondents chose the "always" option in the questionnaire. Respondents that chose the "often", "occasionally", and "seldom" options, were close. From correspondence graph, 20-29 years age category was found close to "never" and "seldom" followed by <20years. 40-49 years age category was found far from both the "always" and "never" options, but a bit closer to "often".

Table 5 Correspondence Table between age and how often

AGE	HOW OFTEN					
	Always	**Often**	**Occasionally**	**Seldom**	**Never**	**Active Margin**
<20 years	2	1	0	4	18	25
20-29 years	3	7	12	9	50	81
30-39 years	0	3	4	5	14	26
40-49years	1	4	3	0	1	9
Active Margin	6	15	19	18	83	141
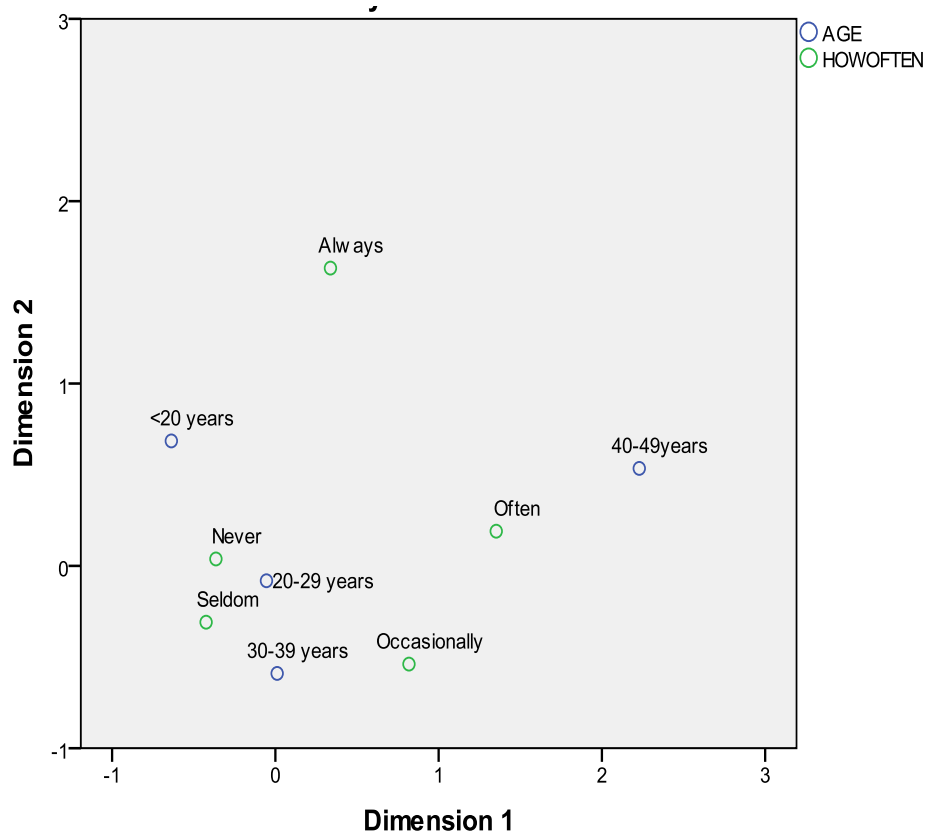
Figure 12 Frequency of use of SNM and age category

Correspondence analysis in Table 6 showed the relationship between age and the question "how many minute spend on the social network site?"The result showed that

more than one third (1/3) of the respondents spent less than 30 minutes on SNSs. In Figure 8, it was observed that the higher the time spent, the lower the frequency. 20-29 years age category was found very close to all the time spent, while 40-49 years age group was found far to most of the time spent on the SNS except between 2-4hours.

Table 6 Correspondence Table between Age and time spent

AGE	MINUTE					
	<30 minute	**30-1hour**	**1-2hours**	**2-4hours**	**>4hours**	**Active Margin**
<20 years	10	8	4	3	0	25
20-29 years	34	19	21	8	1	83
30-39 years	8	13	4	0	1	26
40-49years	0	4	1	4	0	9
Active Margin	52	44	30	15	2	143
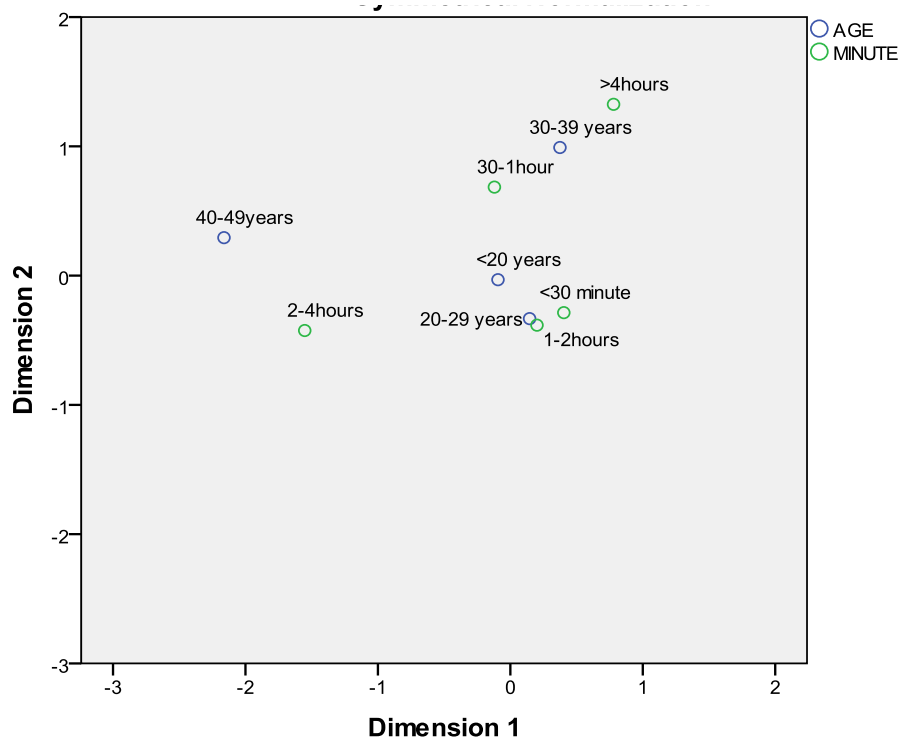
Figure 13 Time spent by different age groups on Social Network Sites

4.5 DESCRIPTIVE STATISTICS

In order to give an overview of the current use of social networks marketing by consumers, the degree of SNM use is compared with gender, different age groups, and educational background. The information of the users of SNM are presented in this section. In addition, perceptions of SNM are also described and the extents to which respondents consider SNM to be useful to them and how easy they found the system to use. Finally, the frequency of SNM use, and the distribution of the perceptions are also compared with different demographic groups.

4.5.1   Social Networks Marketing Usage

The degree of SNM usage between male and female respondents (gender) is observed. The total percentage of both male and female respondents that use SNM was found to be 21.7%, while about 63% of the respondents do not use SNM. Both male and female respondents who do not currently use the system, but intend to use in future were found to be 15.4%. From the male respondents, more than two third of the respondents were found not using SNM, which is found to be much higher than that observed with the female respondents. Almost half of the female respondents were reported not using the system. From all the respondents that use SNM, female respondents have the highest percentage. The frequency and the percentage in both gender groups are cross-tabulated in Table 7.

Table 7 Cross-tabulation: GENDER and USE of SNM

			USE of SNM			
			Use	Don't use	Use in future	Total
Gender	MALE	Count	14	63	13	90
		% within SEX	15.6%	70.0%	14.4%	100.0%
		% of Total	9.8%	44.1%	9.1%	62.9%
	FEMALE	Count	17	27	9	53
		% within SEX	32.1%	50.9%	17.0%	100.0%
		% of Total	11.9%	18.9%	6.3%	37.1%
Total		Count	31	90	22	143
		% of Total	21.7%	62.9%	15.4%	100.0%

The Chi-Square test showed a contingency coefficient of 0.205 with a p-value of 0.044, indicating a weak significant relationship between SNM use and gender

The difference in the degree of SNM use between different age categories was also observed from the table. The respondents that fall between the ages of 20-29 years category were observed to either use SNM or intend to use it in the future. The percentage of these age category (20-29 years) is more than any other age category. However, the youngest age group (<20 years) has the lowest percentage among the users of SNM. Consequently, the ages 20-29 years were found to be the most active users of the system. The 40 years above respondents were found not to use SNM. It was either they use SNM or intend to use SNM in the future. The frequency and the percentage of each age group against SNM use is sown in Table 8.

Table 8 AGE and USE of SNM Cross-tabulation

			USE of SNM			
			Use	**Don't use**	**Use in future**	**Total**
AGE	**<20 years**	Count	3	20	2	25
		% within AGE	12.0%	80.0%	8.0%	100.0%
		% of Total	2.1%	14.0%	1.4%	17.5%
	20-29 years	Count	13	57	13	83
		% within AGE	15.7%	68.7%	15.7%	100.0%
		% of Total	9.1%	39.9%	9.1%	58.0%
	30-39 years	Count	8	13	5	26
		% within AGE	30.8%	50.0%	19.2%	100.0%
		% of Total	5.6%	9.1%	3.5%	18.2%
	40 years above	Count	7	0	2	9
		% within AGE	77.8%	.0%	22.2%	100.0%
		% of Total	4.9%	.0%	1.4%	6.3%
	Total	Count	31	90	22	143
		% of Total	21.7%	62.9%	15.4%	100.0%

The Chi-Square test revealed a contingency coefficient of 0.391 and a p-value of 0.001, thus indicating that age category and degree of SNM use are statistically related at significant level.

The degree of SNM use varies across different educational background, and is presented in Table 9. The frequency and the percentage at each educational level are indicated.

Table 9 EDUCATION and USE of SNM Cross-tabulation

			USE of SNM			
			Use	**Don't use**	**Use in future**	**Total**
EDUCATION	**Undergraduate**	Count	12	59	9	80
		% within EDUCATION	15.0%	73.8%	11.3%	100.0%
		% of Total	8.4%	41.3%	6.3%	55.9%
	University Graduate	Count	11	15	4	30
		% within EDUCATION	36.7%	50.0%	13.3%	100.0%
		% of Total	7.7%	10.5%	2.8%	21.0%
	Master	Count	9	13	5	27
		% within EDUCATION	33.3%	48.1%	18.5%	100.0%
		% of Total	6.3%	9.1%	3.5%	18.9%
	PhD	Count	1	2	3	6
		% within EDUCATION	16.7%	33.3%	50.0%	100.0%
		% of Total	.7%	1.4%	2.1%	4.2%
Total		Count	33	89	21	143
		% of Total	23.1%	62.2%	14.7%	100.0%

The Chi-Square test shows a contingency coefficient of 0.318 and a p-value of 0.013, indicating that educational level and degree of SNM use are statistically related at significant level. Undergraduate respondents were the most users of SNM while, university graduate respondents have the highest number of non-user of the system. It appears that the higher the level of education, the lesser the use of the system. However, the frequency in the last educational background (PhD) has the least frequency, and percentage in all the response scale ranges from (uses, don't use, and use in future). This signifies that the respondents with the least education use SNM more than other higher educational levels.

4.6 PERCEIVED EASE OF USE

To measure the Perceived Ease of Use (PEOU), respondents were asked six different questions on how easy they perceived the use of SNM. These questions were measured on a five-point Likert scale. The options provided were coded into three groups: responses from both "strongly agree" and "agree" with the ease of the system were merged together and classified as ''easy to use'', responses that falls in the "neutral" option are classified as ''undecided'', the last responses range from "disagree" and "strongly disagree" with the ease of the system were also merged together as classified as 'hard to use'.

In order to give an overview on the extents to which respondents perceived the use of SNM (easy or hard), the degree of PEOU is compared with different demographic groups (gender, age, and educational background). More than three quarter (3/4) of the whole respondents perceived SNM to be easy to use, while about one quarter (1/4) of the remaining respondents considered it either too hard for them to use or were undecided about the question.

The PEOU is observed to vary slightly by gender. The cross-tabulation in Table 10 showed that female respondents consider SNM to be easier to use than male respondents. Despite that the frequency of female respondents is smaller than male, the female respondents that perceived SNM to be easy is higher in percentage than male. The total percentage of male and female respondents that perceived SNM system to be easy to use was almost 80% from the overall total.

Table 10 Cross-tabulation: GENDER and PEOU

			PEOU			
			Easy to use	Undecided	Hard to use	Total
GENDER	**Male**	Count	70	16	4	90
		% within GENDER	77.8%	17.8%	4.4%	100.0%
	Female	Count	45	7	1	53
		% within GENDER	84.9%	13.2%	1.9%	100.0%
Total		Count	115	23	5	143
		% within GENDER	80.4%	16.1%	3.5%	100.0%

The result from Chi-Square test shows a contingency coefficient of 0.094 and a p-value of 0.530 indicating a moderate statistically significant.

The degree of PEOU varies across the age categories (see Table 11). A higher significant frequency of respondents between the ages of 20-29 years considers SNM to be easy to use than other age categories. Similarly, the percentage of the respondents that considers SNM to be easy to use is higher as age increases. In addition, respondents under the ages of 20 years and above 40 years were found having zero percent on 'hard to use' indicating that they consider SNM easy to use and not hard. The result shows that 100% of older respondents (40 years above) consider SNM to be easier to use compared to other age categories, even though the frequency from this group is smaller than other age groups.

Table 11Cross-tabulation: AGE and PEOU

			PEOU			
			Easy to use	Undecided	Hard to use	Total
AGE	**<20years**	Count	22	3	0	25
		% within AGE	88.0%	12.0%	.0%	100.0%
	20-29years	Count	61	18	4	83
		% within AGE	73.5%	21.7%	4.8%	100.0%
	30-39years	Count	23	2	1	26
		% within AGE	88.5%	7.7%	3.8%	100.0%
	40years above	Count	9	0	0	9
		% within AGE	100.0%	.0%	.0%	100.0%
Total		Count	115	23	5	143
		% within AGE	80.4%	16.1%	3.5%	100.0%

A Chi-Square test was conducted to discover if these differences (age) are statistically significant or not. The result from a Chi-Square test shows a contingency coefficient of 0.222 and a p-value of 0.286 indicating a weak statistically significant relationship between PEOU and age.

The degree of PEOU differed across respondents with different educational background. The result showed that the percentage of those that perceived SNM easy to use is higher among the most highly educated respondents. The higher the educational level, the less they found SNM hard to use. The cross-tabulation result shows that all the respondents with PhD perceive SNM to be easier to use than other educational background. Even though, the frequency from this group is smaller than other age groups. The respondents with Masters and PhD were found having zero percent on 'hard to use' indicating that they considered SNM easy to use and not hard. Table 12 presents the frequency and percentage of each educational background.

Table 12 Cross-tabulation: Education and PEOU

			PEOU			
			Easy to use	Undecided	Hard to use	Total
EDU	**Undergraduate**	Count	63	14	3	80
		% within Education	78.8%	17.5%	3.8%	100.0%
	University Graduate	Count	24	4	2	30
		% within Education	80.0%	13.3%	6.7%	100.0%
	Master	Count	22	5	0	27
		% within Education	81.5%	18.5%	.0%	100.0%
	PhD	Count	6	0	0	6
		% within Education	100.0%	.0%	.0%	100.0%
Total		Count	115	23	5	143
		% within Education	80.4%	16.1%	3.5%	100.0%

The result from a Chi-Square test shows a contingency coefficient of 0.158 and a p-value of 0.723 indicating a high statistically significant relationship between PEOU and education.

4.7 PERCEIVED USEFULNESS

Perceived usefulness (PU) is similar to perceived ease of use (PEOU). To measure perceived usefulness, respondents were asked six different questions on how useful they perceived the use of SNM system. These questions were measured on a five-point Likert scale. Similar to perceived ease of use, the options provided were also coded into three groups: responses from both "strongly agree" and "agree" with the ease of the system, are merged together and classified as ''useful'', responses that fall in the "neutral" option are classified as 'undecided', the last responses range from "disagree" to "strongly disagree" with ease of the system were also merged together and classified as ''not useful''.

In order to give an overview on the extents to which respondents perceived the usefulness of SNM, the degree of PU is also compared with three different demographic groups (gender, categories, and educational background). More than two-third (2/3) of the whole respondents perceived SNM to be useful, or relatively useful in their business transactions, while about one-third (1/3) of the remaining respondents considered it either not useful to them or were undecided.

Perceived usefulness varied slightly by gender. The cross-tabulation in Table 13 showed that female respondents could consider SNM to be useful to them than male respondents. Although, the frequency of female respondents is smaller than male, female respondents that considered SNM useful are slightly higher in percentage than male. The total male and female respondents that perceive SNM as useful were almost 71.3% of the overall total. It was also observed that exactly one third of the female respondents were undecided.

Table 13 Cross-tabulation: GENDER and PU

			PU			
			Useful	**Undecided**	**Not useful**	**Total**
GENDER	**Male**	Count	63	17	10	90
		% within GENDER	70.0%	18.9%	11.1%	100.0%
	Female	Count	39	13	1	53
		% within GENDER	73.6%	24.5%	1.9%	100.0%
Total		Count	102	30	11	143
		% within GENDER	71.3%	21.0%	7.7%	100.0%

The result from Chi-Square test confirms a contingency coefficient of 0.170 and a p-value of 0.119 suggesting a weak significant relationship.

The degree of PU also varies across age categories. A higher significant frequency of respondents between the ages of 20-29 years consider SNM to be useful than other age

categories. Similarly, the percentage of the respondents that consider SNM to be useful is higher by increase in age. Also, almost one third (1/3) of the respondents between the ages of 20-29 years could not decide if the use of SNM is appropriate to them or not. Furthermore, the result shows that 100% of older respondents (40 years above) consider SNM useful for them than other age groups, even though the frequency from this group is smaller than other age groups. It was discovered that the same number of respondents (40 years above) who perceive SNM to be easy to use also found the system useful. The result of the cross-tabulation between the age groups and PU is shown in Table 14.

Table 14 Cross-tabulation: AGE and PU

			PU			
			Useful	**Undecided**	**Not useful**	**Total**
AGE	**<20years**	Count	19	2	4	25
		% within AGE	76.0%	8.0%	16.0%	100.0%
	20-29years	Count	53	24	6	83
		% within AGE	63.9%	28.9%	7.2%	100.0%
	30-39years	Count	21	4	1	26
		% within AGE	80.8%	15.4%	3.8%	100.0%
	40-49years	Count	9	0	0	9
		% within AGE	100.0%	.0%	.0%	100.0%
Total		Count	102	30	11	143
		% within AGE	71.3%	21.0%	7.7%	100.0%

The result from Chi-Square test result shows a contingency coefficient of 0.282 with a p-value of 0.055 indicating a weak statistically significant relationship between PU and age.

The extent of PU varied across different educational background. The result showed that the percentage of those that perceived SNM useful to them is higher among the most highly educated respondents while, the frequency is higher among the less educated

respondents. The higher the level of education the lesser they found SNM useful and vice versa.

In addition, the cross-tabulation result suggests that only respondents with PhD were found having zero percent on 'not useful' indicating that they either considered the system useful or were undecided. Table 15 presents the frequency and percentage of each educational background.

Table 15 Cross-tabulation: EDUCATION and PU

| | | | PU | | | |
			Useful	Undecided	Not useful	Total
EDU	**Undergraduate**	Count	55	18	7	80
		% within Education	68.8%	22.5%	8.8%	100.0%
	University Graduate	Count	23	4	3	30
		% within Education	76.7%	13.3%	10.0%	100.0%
	Master	Count	19	7	1	27
		% within Education	70.4%	25.9%	3.7%	100.0%
	PhD	Count	5	1	0	6
		% within Education	83.3%	16.7%	.0%	100.0%
Total		Count	102	30	11	143
		% within Education	71.3%	21.0%	7.7%	100.0%

The result from Chi-Square test shows a contingency coefficient of 0.142 and a p-value of 0.814 indicating a high significant relationship between PU and education.

Each of the hypotheses test and their statistical significance in the use of social networks marketing system are tested and analysed in more details in the next section.

4.8 REGRESSION AND PEARSON PRODUCT-MOMENT CORRELATION ANALYSIS

The linear regression analysis of the research model confirms that the R-square value of the model is 0.468. This means the model explains 46.8% of the actual use of the system which indicates that the fitness of the model in explaining use of the system is moderate. Regression analysis was conducted to test for each of the hypothesis and analyse how independent variables predict a dependent variable. Linear regression is used to determine the correlation between the variables. Pearson product-moment correlation is used to justify the interrelationship of the variables. Regression analysis and Pearson correlation analysis were conducted on each of the variables in order to examine the relationships in more detail. Each of the variables with their importance in the system are analysed and discussed in more detailed in the following sub-sections in relationship with the hypothesis tests. In addition to regression and correlation analysis, differences between genders, ages, and educational levels are analysed using linear regression.

4.8.1   Test of hypothesis 1

The first hypothesis is to determine if ***computer self-efficacy will have a positive effect on perceived usefulness of social networks marketing.*** This hypothesis(H1)is based on the assumption that, the more users have access to both computer system and Internet services, the more likely they find the proposed system useful for them. Regression analysis and Pearson correlation analysis were conducted in order to examine the relationships in details. The results show that Hypothesis 1 is supported, confirming a positive significant relationship and correlation between CSE and PU.

The regression and Pearson correlation results between computer self-efficacy and perceived usefulness are presented in Table 16 and 17respectively.

Table 16 Regression analysis of CSE and PU

R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Sig. F Change
0.941	0.914	0.913	0.742	0.914	0.156

Table 17CSE and PU Correlations, Mean and Standard Deviation

Pearson Correlation	0.941[**]
Sig. (2-tailed)	0.000
N	143
Mean	8.13
Std. Deviation	3.115

** Correlation is significant at the 0.01 level (2-tailed).

4.8.2 Test of hypothesis 2

The second hypothesis is to determine if ***computer self-efficacy will have a positive effect on Perceived Ease of Use (PEOU) of social networks marketing.*** This hypothesis(H2)is based on the assumption that, the more users have access to both computer system and Internet services, the more likely they find it easy to use the proposed system. Following the rules for measuring the strength of a relationship, Hypothesis 2 is supported by both regression and Pearson correlation. Test of hypothesis 2shows a positive statistical significant relationship and correlation between CSE and PEOU.

Table 18 and 19 show the regression and Pearson correlation results between computer self-efficacy and PEOU.

Table 18 Regression analysis of CSE and PEOU

R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Sig. F Change
0.939	0.905	0.904	0.588	0.905	0.130

Table 19CSE and PEOU Correlations, Mean and Standard Deviation

Pearson Correlation	0.939[**]
Sig. (2-tailed)	0.000
N	143
Mean	13.06
Std. Deviation	4.716

** Correlation is significant at the 0.01 level (2-tailed).

4.8.3   Test of hypothesis 3

The third hypothesis is to determine if ***computer self-efficacy will have a positive effect on perceived credibility social networks marketing.*** This hypothesis(H3) is based on the assumption that, the more users confidently access both computer system and Internet services, the more likely they find the proposed system credible and secure to use. The assumption here is not supported, though there was a moderate statistically significant relationship and correlation between computer self-efficacy and perceived credibility, yet the direction of the relationship shows a negative relationship. The results indicated that even if users have access to both computer and Internet services they will still find the system not credible and secure enough to use. Hypothesis 3 ispresented in Table 20 and 21 respectively showing a negative statistical significant relationship and correlation between computer self-efficacy and perceived credibility.

Table 20 Regression analysis of CSE and PC

R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Sig. F Change
-0.340	-0.283	-0.282	3.070	-0.283	0.053

Table 21CSE and PC Correlations, Mean and Standard Deviation

Pearson Correlation	-0.340[**]
Sig. (2-tailed)	0.000
N	143
Mean	8.64
Std. Deviation	3.153

** Correlation is significant at the 0.01 level (2-tailed).

4.8.4   Test of hypothesis 4

The fourth hypothesis is to determine if ***computer self-efficacy will have a positive effect on awareness of social networks marketing.*** This hypothesis(H4) is based on the assumption that the more users get access to both computer system and Internet services, the more they will frequently consider the awareness of the newly proposed system. Regression analysis and Pearson correlation analysis was conducted in order to observe the relationships in details. The results show that Hypothesis 4 is supported, confirming a positive significant relationship and correlation between computer self-

efficacy and awareness.The regression and Pearson correlation results between the two variables are presented in Table 22 and 23respectively.

Table 22 Regression analysis of CSE and BI

R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Sig. F Change
0.899	0.808	0.807	1.369	0.808	0.095

Table 23 CSE and BI Correlations, Mean and Standard Deviation

Pearson Correlation	0.899[**]
Sig. (2-tailed)	0.000
N	143
Mean	8.42
Std. Deviation	2.976

** Correlation is significant at the 0.01 level (2-tailed).

4.8.5 Test of hypothesis 5

The fifth hypothesis states ***perceived usefulness will have a positive effect on behavioural intention to use social networks marketing.***The hypothesisis based on the theory that, the more users perceive the usefulness of any introduced system, the more likely to increase the intention to accept the system. PU has been found as one of the factors that have a strong significant effect on user's acceptance of any information system (Davis, 1989; Davis et al., 1989). Regression analysis and Pearson correlation analysis was conducted in order to examine the relationships in details. The results supportedHypothesis 5, confirming a positive significant relationship and correlation between PU and user's intention. The regression and Pearson correlation are presented in Table 24 and 25 respectively.

Table 24 Regression analysis of PU and BI

R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Sig. F Change
0.946	0.894	0.893	1.599	0.894	0.145

Table 25PU and BI Correlations, Mean and Standard Deviation

Pearson Correlation	0.946[**]
Sig. (2-tailed)	0.000
N	143
Mean	13.47
Std. Deviation	4.896

**. Correlation is significant at the 0.01 level (2-tailed).

4.4.6   Test of hypothesis 6

The hypothesis six is *perceived ease of use will have a positive effect on perceived usefulness of social networks marketing.* Even if potential users believe that a particular system is useful, they might also believe that the system is too hard to be useful. Hence, any application perceived to be easier to use is more likely that user's will find it useful. Based on the rules for measuring the strength of a relationship, Hypothesis 6 is supported by both regression and Pearson correlation. Test of hypothesis 6shows a positive statistically significant relationship and correlation between PEOU and PU.

Table 26 and 27show the regression and Pearson correlation results between perceived ease of use and perceived usefulness.

Table 26 Regression analysis of PEOU and PU

R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Sig. F Change
0.976	0.959	0.958	0.962	0.959	0.336

Table 27 PEOU and PUCorrelations, Mean and Standard Deviation

Pearson Correlation	0.976[**]
Sig. (2-tailed)	0.000
N	143
Mean	13.06
Std. Deviation	4.716

** Correlation is significant at the 0.01 level (2-tailed).

4.8.6   Test of hypothesis 7

Hypothesis 7 is similar tohypothesis 6**,** which assumesthat*PEOU will have a positive effect on behavioural intention (BI) to use social networks marketing.* Based on the

assumption that any system that is found to be easy to use will increase users' intention to accept and use such a system. Hence, any system or application perceived to be easier to use is more likely to be accepted by intending users. Based on the rules for measuring the strength of a relationship, Hypothesis 7 is supported by both regression and Pearson correlation. The results of hypothesis 7 arepresented in Table 28 and 29respectively indicate a positive statistically significant relationship and correlation between perceived ease of use and behavioural intention.

Table 28 Regression analysis of PEOU and BI

R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Sig. F Change
0.942	0.887	0.886	1.594	0.887	0.132

Table 29 PEOU and BICorrelations, Mean and Standard Deviation

Pearson Correlation	0.942[**]
Sig. (2-tailed)	0.000
N	143
Mean	8.42
Std. Deviation	2.976

** Correlation is significant at the 0.01 level (2-tailed).

4.8.7   Test of hypothesis 8

The eight hypothesis states that, ***perceived credibility will have a positive effect on behavioural intention to use social networks marketing.*** Apart from PEOU and PU constructs, the usage intention of accepting a system could also be affected by users' perceptions on credibility regarding (trust*, security and privacy)*. Perceived credibility has been identified in many studies as one of the factors affecting users' intention to adopt or accept Internet-based transaction systems (Hoffman et al., 1999; Warrington et al., 2000). Hypothesis8is based on the assumption that, any system found to be credible enough, is most likely to increase users' intention to use such a system. Following the rules for measuring the strength of a relationship, Hypothesis 8 is supported by both regression and Pearson correlation. Test of hypothesis 8confirms a positive statistically significant relationship and correlation betweenperceived credibility and behavioural intention. The results are shown inTable 28 and 29 respectively.

Table 30 Regression analysis of PC and BI

R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Sig. F Change
0.953	0.909	0.908	0.965	0.909	0.172

Table 31PC and BI Correlations, Mean and Standard Deviation

Pearson Correlation	0.953[**]
Sig. (2-tailed)	0.000
N	143
Mean	8.64
Std. Deviation	3.183

** Correlation is significant at the 0.01 level (2-tailed).

4.8.8   Test of hypothesis 9

Previous studies have used awareness as a construct that could influence perceived credibility of a system (Pikkarainen et al. 2004). Awareness is also used as part of the hypothesis in this study, which states that ***awareness will have positive effect on perceived credibility of social networks marketing.***

The empirical results of this hypothesis do not support the assumption. Although, there was a moderate statistically significant relationship and correlation between awareness and perceived credibility, the direction of the relationship indicates a negative relationship. The results indicate that even if there is persistent awareness on SNM, users will still find the system not credible enough to use. Hypothesis 9 ispresented in Table 32 and 33 respectivelyindicating a negative statistically significant relationship and correlation between awareness and perceived credibility.

Table 32 Regression analysis ofAWN and PC

R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Sig. F Change
-0.707	-0.6 97	-0.696	2.085	-0.697	0.013

Table 33 AWN and PC Correlations, Mean and Standard Deviation

Pearson Correlation	-0.707[**]
Sig. (2-tailed)	0.000
N	143
Mean	6.96
Std. Deviation	2.748

** Correlation is significant at the 0.01 level (2-tailed).

4.8.9   Test of hypothesis 10

Hypothesis 10 is similar to hypothesis 9. Awareness has been identified as part of constructs that could also influence users' intention to accept a proposed system. This hypothesis states that, ***awareness will have positive effect on behavioural intention to use social networks marketing.*** Based on the rules for measuring the strength of a relationship, Hypothesis 10 is also supported by both regression and Pearson correlation. The empirical results of hypothesis 10 arepresented in Table 34 and35respectively indicating a positive statistically significant relationship and correlation between awareness and behavioural intention.

Table 34 Regression analysis of AWN and BI

R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Sig. F Change
0.943	0.889	0.888	0.919	0.889	0.164

Table 35 AWN and BI Correlations, Mean and Standard Deviation

Pearson Correlation	0.943[**]
Sig. (2-tailed)	0.000
N	143
Mean	8.42
Std. Deviation	2.96

** Correlation is significant at the 0.01 level (2-tailed).

The standardized regression of the extended TAM is shown in Figure 14. The results show the direction and the relationship of the hypotheses used in the extended TAM, along with the R-squared result.
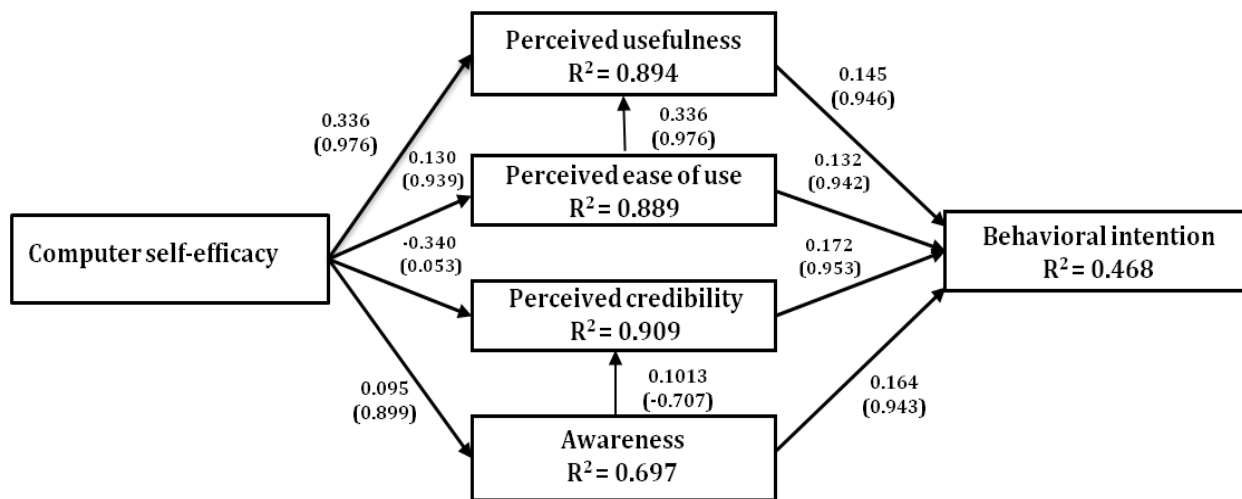
Figure 14 Standardized regression results of the Extended TAM

4.9 MODERATING EFFECT OF DEMOGRAPHICS ON TECHNOLOGY ACCEPTANCE

Moderating effects on demographic (gender, age, and educational background) were tested within all the relationships in the research model that were found having direct significant effects on behavioural intention to use social networks marketing. The results of the stepwise regression and coefficients analysis for the moderators were presented in the next section. From the research model, perceived usefulness was found to be the first major construct that has a direct influence on behavioural intention to use social networks marketing.

4.9.1   Moderating effects between PU and BI

The relationship between perceived usefulness (PU) and behavioural intention (BI) was moderated by gender, age and education. The result of the stepwise regression is presented in Table 34. The result shows a significant change in R-square as variables were added to the model row at a statistical significant level of ($p<0.05$). The first variable (gender) is presented in the first column and then added to the subsequent variables. R-square change is the change caused by adding the previous variable to the existing variables.

Table 36 shows the changes in R square, which indicate an adjusted R square change from 0.893 to 0.895. Gender and age have the same value and were found to be the strongest moderator than education.

Table 36Regression analysis between PU and BI

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Sig. F Change
PU	0.946^a	0.894	0.893	0.972	0.894	0.000
PU Gender	0.946^b	0.895	0.894	0.970	0.001	0.187
PU Gender Age	0.947^c	0.896	0.894	0.969	0.001	0.272
PU Gender Age Education	0.947^d	0.896	0.895	0.972	0.000	0.859

a. Predictors: (Constant), PU

b. Predictors: (Constant), PU, Gender

c. Predictors: (Constant), PU, Gender, Age

d. Predictors: (Constant), PU, Gender, Age, Education

e. Dependent Variable: BI

Table 37 presents the coefficient results used to discover the direction of the moderators. Gender, age, and education all had negative coefficient relationships with dependent variable (BI). The negative coefficient of gender with dependent variable indicates that, female users of SNM are more likely to have stronger impact on PU and BI than male users. The negative coefficient of age with dependent variable suggests that, older users are more likely to have stronger impact on PU and BI than younger users. Education also had negative coefficient with dependent variable. This shows that less educated users are more likely to have stronger impact on PU and BI than more educated users.

Table 37 Coefficients of PU and BI

Dependent Variable: BI	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
Variable	B	Std. Error	Beta		
(Constant)	0.673	0.240		2.809	.006
(Constant)					
PU	0.575	0.017	0.946	34.366	0.000
(Constant)					
PU					
Gender	-0.232	0.175	-0.038	-1.328	.187
(Constant)					
PU					
Gender					
Age	-0.120	0.108	-0.030	-1.103	0.272
(Constant)					
PU					
Gender					
Age					
Education	-0.019	0.107	-0.006	-0.178	0.859

Dependent Variable: BI

4.9.2   Moderating effects between PEOU and PU

From the extended TAM, Perceived Ease of Use (PEOU) was found to be the second major construct that has a direct influence on perceived usefulness. The relationship between PEOU and PU was moderated by gender, age and education. The results of the stepwise regression are presented in Table 36. The adjusted R square changed from 0.958 to 0.959, age and education were therefore found to be the strongest moderator than gender.

Table 38Regression analysis between PEOU and PU

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Sig. F Change
PEOU	0.979[a]	0.959	0.958	0.998	0.959	0.000
PEOU **Gender**	0.979[b]	0.959	0.958	0.999	0.000	0.423
PEOU **Gender** **Age**	0.980[c]	0.960	0.959	0.993	0.001	0.092
PEOU **Gender** **Age** **Education**	0.980[d]	0.961	0.959	0.987	0.001	0.110

a. Predictors: (Constant), PEOU

b. Predictors: (Constant), PEOU, Gender

c. Predictors: (Constant), PEOU, Gender, Age

d. Predictors: (Constant), PEOU L, Gender, Age, Education

e. Dependent Variable: PU

The coefficient result in Table 39 shows that PU is the dependent variable, and gender has a positive coefficient with dependent variable (PU) and indicates that, female users of SNM are less likely to have stronger impact on PEOU and PU than male users. Age has a positive coefficient with dependent variable, which indicates that older users are less likely to have stronger impact on PEOU and PU than younger users. Education also has a positive coefficient with dependent variable, showing that more educated users are less likely to have stronger impact on PEOU and PU than more educated users.

Table 39 Coefficients of PEOU and PU

Dependent Variable: PU	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
Variable	B	Std. Error	Beta		
(Constant)	0.195	0.247		0.787	0.433
(Constant) PEOU	1.016	0.018	0.979	57.028	.000
(Constant) PEOU Gender	0.144	0.180	0.014	0.804	0.423
(Constant) PEOU Gender Age	0.188	0.111	0.029	1.696	0.092
(Constant) PEOU Gender Age Education	0.177	0.110	0.036	1.608	0.110

Dependent Variable: PU

4.9.3   Moderating effects between PEOU and BI

Perceived ease of use was found to have a direct influence on behavioural intention. The relationship between perceived ease of use and behavioural intention was moderated by gender, age and education. The results of the stepwise regression are presented in Table 40. The adjusted R square changed from 0.886 to 0.885. Hence, gender and education were found to be the most influencing moderators with the same value than age.

Table 40 Regression analysis between PEOU and BI

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Sig. F Change
PEOU	0.942[a]	0.887	0.886	1.006	0.887	0.000
PEOU **Gender**	0.942[b]	0.887	0.886	1.006	0.001	0.340
PEOU **Gender** **Age**	0.942[c]	0.887	0.885	1.010	0.000	0.930
PEOU **Gender** **Age** **Education**	0.942[d]	0.888	0.885	1.010	0.001	0.363

a. Predictors: (Constant), PEOU

b. Predictors: (Constant), PEOU, Gender

c. Predictors: (Constant), PEOU, Gender, Age

d. Predictors: (Constant), PEOU, Gender, Age, Education

e. Dependent Variable: BI

The coefficients for the three moderators (gender, age, and education) are listed in Table 41. Gender and age have negative coefficients with the dependent variable (BI) specifying that female users of SNM are more likely to have stronger impact on PEOU and BI than male users. Age had a negative coefficient with the dependent variable thus, indicating that older users are more likely to have stronger impact on PEOU and BI than younger users. Education was found to be the only positive moderator, which shows that less educated users are less likely to have stronger impact on PEOU and PU than more educated users.

Table 41Coefficients ofPEOU and BI

Dependent Variable: BI	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
Variable	B	Std. Error	Beta		
(Constant)	0.655	0.249		2.627	0.010
(Constant)					
PEOU	0.594	0.018	0.942	33.084	0.000
(Constant)					
PEOU					
Gender	-0.173	0.181	-0.028	-0.958	0.340
(Constant)					
PEOU					
Gender					
Age	-0.010	0.113	-0.003	-0.088	0.930
(Constant)					
PEOU					
Gender					
Age					
Education	0.103	0.113	0.034	0.913	0.363

Dependent Variable: BI

4.9.4   Moderating effects between PC and BI

Perceived credibility was found to have a direct influence on behavioural intention. The relationship between perceived credibility and behavioural intention was moderated by gender, age and education. The results of the stepwise regression are illustrated in Table 42. The adjusted R-square changed from 0.908 to 0.912. Gender, age, and education were all found moderating with the same value.

Table 42Regression analysis between PC and BI

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Sig. F Change
PC	0.953[a]	0.909	0.908	0.902	0.909	0.000
PC Gender	00.954[b]	0.911	0.910	0.894	0.002	0.068
PC Gender Age	0.956[c]	0.913	0.911	0.886	0.002	0.064
PC Gender Age Education	0.956[d]	0.915	0.912	0.881	0.002	0.104

a. Predictors: (Constant), PC

b. Predictors: (Constant), PC, Gender

c. Predictors: (Constant), PC, Gender, Age

d. Predictors: (Constant), PC, Gender, Age, Education

e. Dependent Variable: BI

The coefficients of the moderators are provided in Table 43, which signifies BI as the dependent variable. Only gender had a negative coefficient with dependent variable BI thereby specifying that female users of SNM are more likely to have stronger impact on PC and BI than male users. Age has a positive coefficient with dependent variable indicating that older users are less likely to have stronger impact on PC and BI than younger users. Education was also found to be a positive moderator, which shows that less educated users are less likely to have stronger impact on PC and BI than more educated users.

Table 43 Coefficients of PC and BI

Dependent Variable: BI	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
Variable	B	Std. Error	Beta		
(Constant)	0.715	0.220		3.256	0.001
(Constant)					
PC	0.891	0.024	0.953	37.350	0.000
(Constant)					
PC					
Gender	-0.297	0.161	-0.048	-1.839	0.068
(Constant)					
PC Total					
Gender					
Age	0.185	0.099	0.047	1.867	0.064
(Constant)					
PC					
Gender					
Age					
Education	0.162	0.099	0.053	1.639	0.104

Dependent Variable: BI

4.9.5 Moderating effects between AWN and BI

Finally, the last moderator (awareness) was found to have a direct influence on behavioural intention. The relationship between awareness and behavioural intention was moderated by gender, age and education. The results of the stepwise regression are illustrated in Table 44, and the adjusted R square changed from 0.888 to 0.900. Out of the three moderators, age was found to be the most influencing moderator followed by gender and education.

Table 44Regression analysis between AWN and BI

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Sig. F Change
AWN I	0.943[a]	0.889	0.888	0.995	0.889	0.000
AWN Gender	0.944[b]	0.891	0.889	0.990	0.002	0.126
AWN Gender Age	0.949[c]	0.901	0.899	0.945	0.011	0.000
AWN Gender Age Education	0.950[d]	0.903	0.900	0.942	0.001	0.204

a. Predictors: (Constant), AWN

b. Predictors: (Constant), AWN, Gender

c. Predictors: (Constant), AWN, Gender, Age

d. Predictors: (Constant), AWN, Gender, Age, Education

e. Dependent Variable: BI

The coeffcient results of the three moderators were found to be negative. Table 45 shows the coefficient tabulated against the dependent variable (BI). The negative coefficients of gender suggest that, female users of SNM are more likely to have stronger impact on AWN and BI than male users. Age has a negative coefficient with dependent variable and signifies that, older users are more likely to have stronger impact on AWN and BI than younger users. Education was found as a negative moderator, which shows that less educated users are more likely to have stronger impact on AWN and BI than more educated users.

Table 45 Coefficients of AWN and BI

Dependent Variable: BI	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
Variable	B	Std. Error	Beta		
(Constant)	1.305	0.228		5.718	0.000
(Constant)					
AWN	1.021	0.031	0.943	33.471	0.000
(Constant)					
AWN					
Gender	-0.275	0.179	-0.045	-1.541	0.126
(Constant)					
AWN					
Gender					
Age	-0.409	0.106	-0.104	-3.854	0.000
(Constant)					
AWN					
Gender					
Age					
Education	-.0132	0.103	-0.043	-1.276	0.204

Dependent Variable: BI

STUDY 2

This section presents the analysis of some companies that have successfully leveraged social networks marketing in their business. The results from the analysis indicate the type of business they operate, company web presence, choice of social networks marketing tool adopted by these companies, reasons for using SNM, and challenges facing the adoption of SNM system.
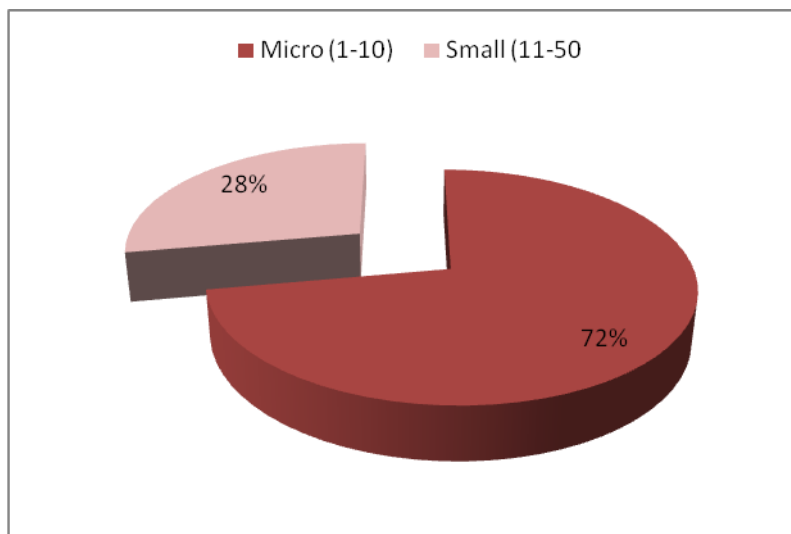
Figure 15 SMEs Category

Out of the SMEs who regularly use SNM as a marketing strategy, almost 72% micro companies (companies with employees fewer than 10), while 28% were small companies (companies with fewer than 50 employees). The percentages of SMEs category are presented in Figure 15.
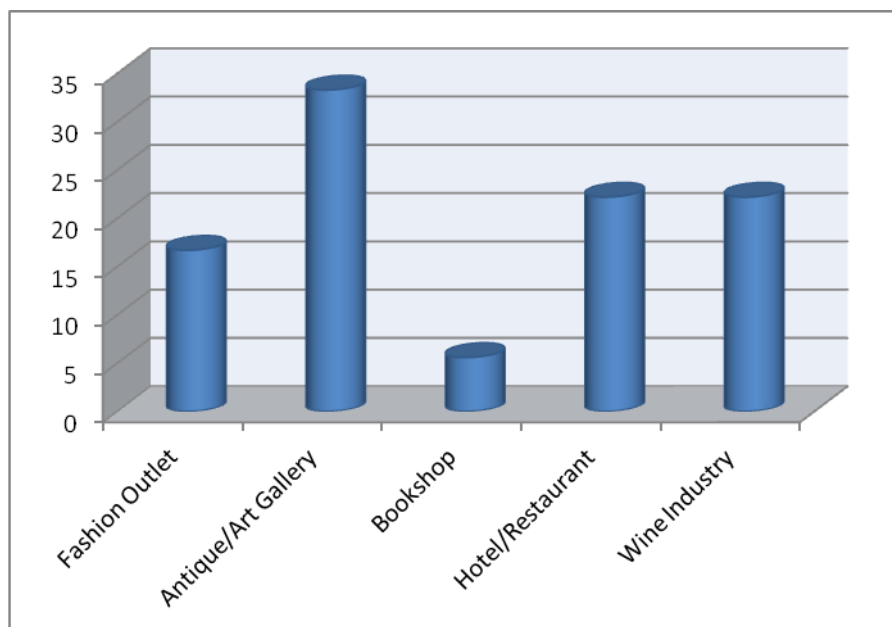
Figure 16 Respondents nature of business

As shown in Figure 16, the companies used for this study were fashion outlets, antique/art gallery, bookshops, Hotels/restaurants, and wine companies.

SMEs, organization, group, or famous person can create a page on social network sites such as; Facebook, Myspace, and Twitter to mention but a few. The page created allows other members of the site to register as a fan of their social web page. Whenever the company posts an update on the page, it definitely goes to everyone who has registered as a fan of the Page. Marketers can proactively engage customers on social network sites via strategies such as; placing advertisement of their products/services using photos and videos, posting special comments on both wall-posting and blog, creating discussion forums, and creating a link from their social network sites to the company website. Some examples of companies that successfully leverage their marketing communications via social network sites are showcased in Table 46. The table indicates type of business, company web presence, choice of SNSs, average number of fans, the social network marketing tools adopted by the companies and purpose of using SNSs for their business activities.

Most of the companies examined in this study were in testing phase but some companies such as City Sightseeing, The Taj Hotels, and Jade Jewellery & Design have grown beyond the test phase and are making use of SNSs for marketing with constant updates on their wall profile to keep customers informed on the new products and special offers they have.

Out of the SMEs investigated within Cape Town it was observed that all the companies have a website of their own and they all have a direct web link from their company's site to the SNSs except Cinnamon & Silk Trading Company. All the SMEs use Facebook, popular SNSs which is common in South Africa (Johnston et al., 2010). while more than 50% of the SMEs uses Facebook along with other SNSs. Majority of the SMEs investigated make use of blog, wall-posting, picture, and video as the common marketing tools to reach their customers while few of the SMEs uses other tools such as; micro-blogging, social-bookmarking, and discussion forum for engaging customers on their site.

As social networks provide platform to interact with one another, SMEs marketers in South Africa are using this website interactive opportunity to promote their products and services to a potential larger and target customers. With the help of the SNM tools on their SNSs it was observed that most of the companies add discussion forums and blogs on their social network website with the aid of creating and establishing direct interaction with target customers. It also creates an opportunity for the companies to build a strong relationship with their customers and to better understanding their customers need and complains.

Social bookmaking like reports, news, games, and special offers help companies like Cinnamon & Silk and City sightseeing to engage their customers more on interesting activities on their social website.

Marketing on social network sites allow most of the companies like Stellenbosch hills wine to communicate regarding environmental and social issues to their customers. This has really helped them in establishes day-to-day online interactive with customers.
Most of the companies such as, KTM, Jordan wines, and Jade Jewellery & Design use of social network sites in advertising both their old and new products on the site which has help them to increase customer loyalty with the company products/brand.

Marketing on social network sites also allows all the companies to reach a broad range of consumers: since distance is not a barrier, increase brand awareness and improve consumer perceptions majorly on the new products/brand. All these companies except Cinnamon & Silk have a link on the website page that leads customers directly to their social website page shown in Figure 17 (a) and 2(b).

Table 46 Some SMEs using Social Network Sites for marketing

SMEs Companies	Type of business	Company web presence	Choice of SNS(s)	Is there a link from website to SNS(s)?	SNM Tools	Purpose of SNS(s)	Average No of fans
City Sight-Seeing Cape Town	Tourism	Yes	Twitter Facebook YouTube Flickr	Yes	-Blog -Video -Wall posting -Micro-blogging	- Feedback -Event Notification/ -Brand awareness	Facebook 2,403 Twitter 1,015
KTM Cape Town	Online Store (for Bikes, accessories & spares)	Yes	Facebook	Yes	-Blog -Video -Wall posting -Social-bookmarking -Micro-blogging	- Advertise products -Weekly news letter -Special offers	Facebook 1,134
Dornier Wines	Wine Products	Yes	Facebook Twitter	Yes	-Video showcase -Blog -Wall posting -Micro-blogging	-Special offers -Advertise products -Feedback	Facebook 905 Twitter 378
Jordan Wines	Wine products	Yes	Facebook	Yes	-Video showcase -Blog -Wall posting -Micro-blogging	- Advertise products - Feedback -Brand awareness	Facebook 630
Jade	Jewellery design	Yes	Facebook Twitter	Yes	-Video -Blog -Micro-blogging -Photo shot -Wall posting	-Increase brand awareness - Advertise products	Facebook 414 Twitter 35
The Taj Hotels	Hotel	Yes	Facebook Twitter	Yes	-Wall posting -Video -Blog	-Feedback -Improve customer relation	Facebook 1,416 Twitter 1,128
Stellenbosch hills wine	Wine products	Yes	Facebook Twitter	Yes	-Photo -Micro-blogging -Wall posting	-Promote issues on social events - Advertise products	Facebook 311 Twitter 259
Cinnamon & Silk Trading company	Décor & gift gallery	Yes	Facebook	No	-Photos -Discussion forum -Wall posting	-Engaged customer in discussion forum -Improve customer relation	Facebook 312
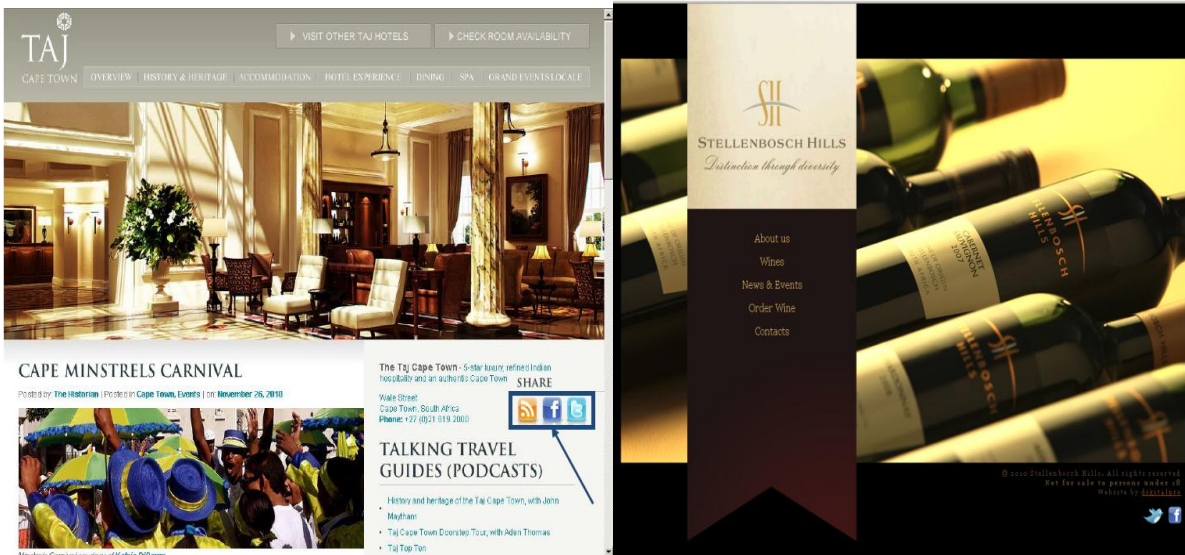
Figure 17 Web link on home page of business site to social network sites, (a) Taj, (b) Stellenbosch hill wines
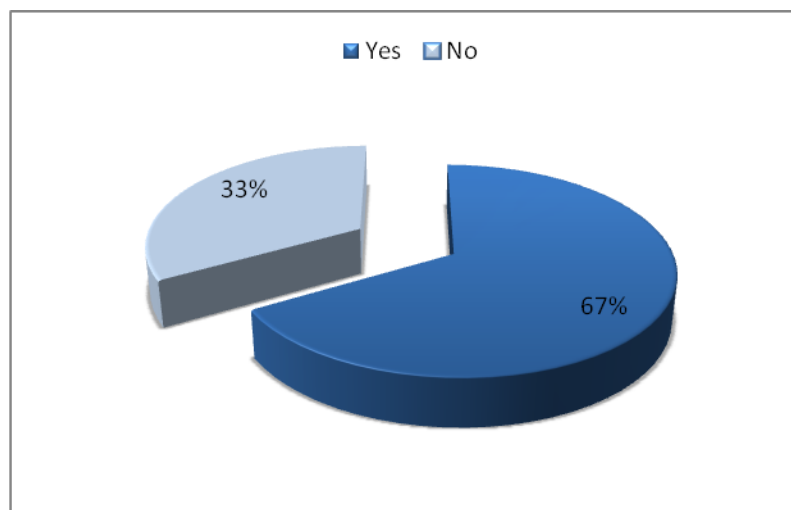
Figure 18 Respondents social networks marketing purpose

Figure 18 shows that almost 67% of the SMEs investigated indicate that they only used SNM strictly for business purpose, and 33% used it for both business and social purposes.
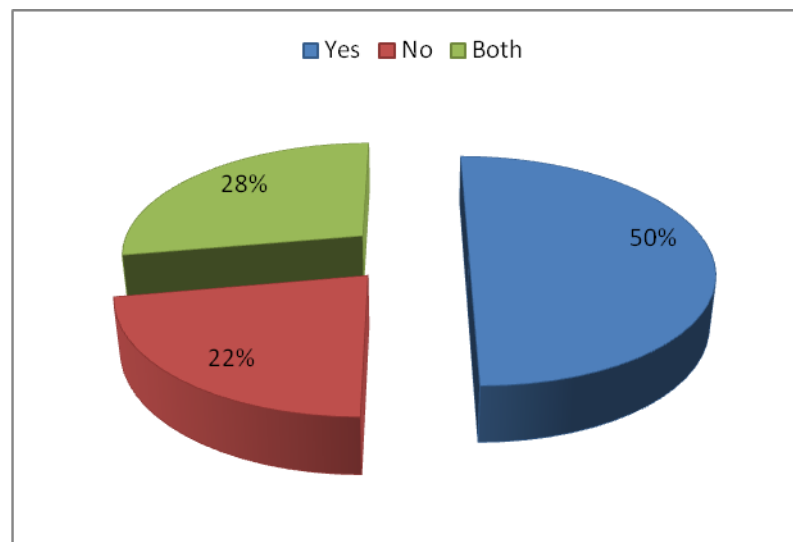
Figure 19 Percentage of Respondents that prefer SNM to traditional marketing

Out of all the SMEs investigated, only 22% of the respondent assumed they still prefer traditional marketing to SNM. Approximately, almost half of the respondents prefer to use both SNM and traditional marketing, and about 28% argued that they prefer only SNM. The results are shown in Figure 19.
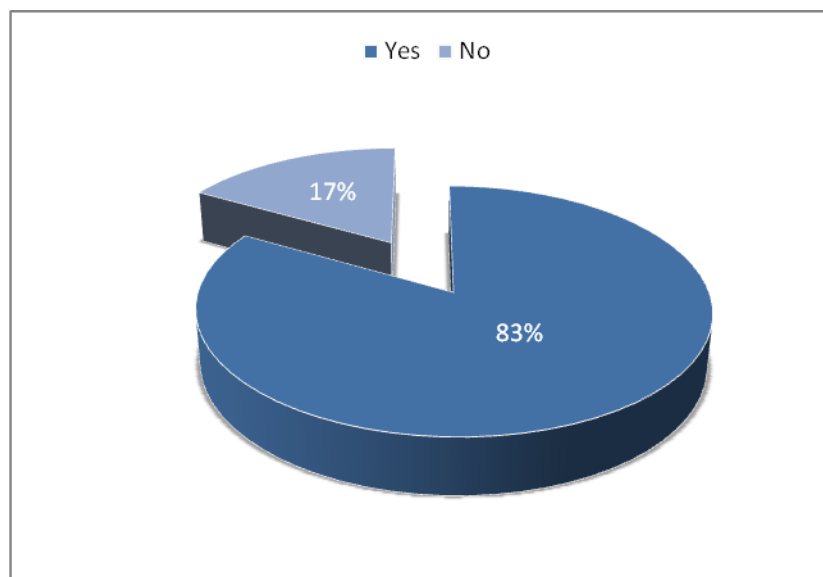
Figure 20 Increment in company sales figure

As observed from Figure 20, majority of the respondents (SMEs) using SNM observed an increase in their companies' sale figures, as a result of the use of the system (SNM), while, few of the respondents did notice any increase in their sale figures.
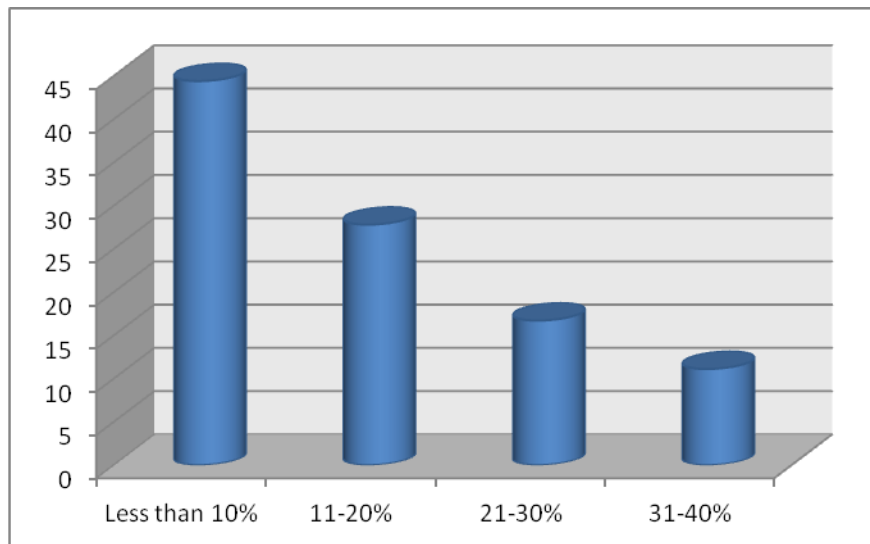
Figure 21 Percentage of the company sales increment

Nearly half of the respondents estimate the percentage increase in their sales to be less than 10% as a result of SNM adoption. About 28% estimated between 11-20%. It was observed that few of the respondents found the percentage increment to be between 31-40%. The percentage of the company sales increment is presented in Figure 21.

Table 47 Social networks marketing tools used by SMEs

	N= 18
Wall-posting	18 (100%)
Blog	12 (66.7%)
Video /photo gallery	15 (83.3%)
Pop-up	9 (50%)
Social-bookmarking	6 (33.3%)
Micro-blogging	0 (0%)
Discussion group	6 (33.3%)

Table 47 illustrates the most social networks marketing tool mostly used by the respondent. The result shows that out of all the SNM tools used by the SMEs, video/photo gallery and wall-posting were found to be the most effective tools recognized by the respondents, followed by blogs and pop-ups, which were averagely used. Surprisingly, all the SMEs made use of wall-posting as one of the best and the most universal marketing tools identified by them. Both social-bookmarking and discussion

groups have the same low percentage users of (33.3%), and these two marketing tools were not as much used as wall-posting and video/photo gallery. Lastly, none of the respondents investigated has ever used micro-blogging as part of their marketing tools.

Table 48Reason for Implementing SNM as marketing strategy

	N= 18
Build more business connection	18 (100%)
Large customers is captured	18 (100%)
Reduce cost of advertisement	15 (83.3%)
Know more of customers needs and complains	12 (66.7%)
Better awareness on product/service	18 (100%)
Ability to transact business globally	15 (83.3%)

Table 48 shows that all the SMEs examined were able to use SNM successfully for building business connection, capturing more customers, and also to update customers about their companies' products/services. The analysis demonstrate that with the use of social networks marketing, more than two third (2/3) of the respondents presumed that SNM has helped them to reduce the money spent on advertisement, and were able to transact business globally. In addition, more than half of the respondents assumed that through the implementation of SNM, they were able to understand their customers' needs and complains.

Table 49 Challenges for implementing SNM

	N= 18
Less control of information spread about the company	9 (50%)
Expose companies to threat and insults	6 (33.3%)
SNM takes lot of time from core activities	9 (50%)
Afraid of the acceptability of SNM	0 (0%)
Cost of Internet access	12 (66.7%)
Problem of integrating business and web activities	15 (83.3%)

Table 49 indicates that almost half of the respondents presumed that SNM takes lot of time from their core activities, and were unable to control most of the information spread about their companies. Moreover, problem of integrating business and web activities together was found to be the major difficulty of adoption of SNM by the SMEs. In addition, another challenge of the use of SNM by the SMEs is the high cost of Internet facilities which most of companies found difficult to afford. Very few of the respondents claimed that the use of SNM exposes their companies to threat and insults, and none of the respondent complained about the acceptability of SNM to their business.
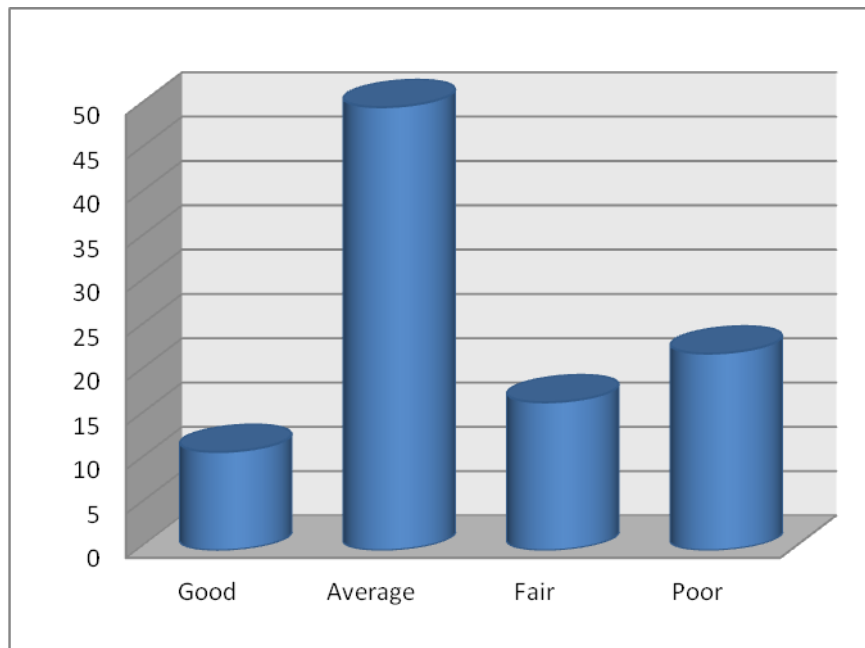
Figure 22 SNM status in South Africa

Figure 22 displays the present states of SNM use in South Africa. From my findings, the status of SNM in South Africa as averagely rated. Very few of the respondents (11%) rate as good, 17% rate as fair, and almost 22% rated SNM as poor.

The summary of all the analysis of both study 1 and 2 are presented in the next section.

The summary result of the moderating effects of demographics on the extended TAM is presented in Table 50. The table displays demographics variable that was found to be the strongest moderator (the significant relationship are marked X).

Table 50 Summary of the moderators of the extended TAM

Moderating variable	PU & BI	PEOU & PU	PEOU & BI	PC & BI	AWN & BI
Gender	X		X	X	X
Age	X	X		X	
Education		X	X	X	

Gender was found moderating four relationships, between PU & BI, PEOU & BI, PC & BI, and AWN & BI. Age and education were found moderating three relationships. Age has a moderating effect on PU & BI, PEOU & PU, and PC & BI. The last moderator (education) was found having a moderating effect relationship between PEOU & PU,

PEOU & BI, and PC & BI. Out of all the moderators; gender was found to be most common moderator, moderating all the relationships except PEOU. The summary of the hypotheses testing results are presented in Table 51.

Table 51 Summary of hypotheses testing

Hypothesis	Results		Remarks
	Regression analysis	**Pearson correlation**	
H1: computer self-efficacy will have a positive effect on **PU** of social networks marketing	Supported	Supported	Very strong relationship
H2: computer self-efficacy will have a positive effect on **PEOU** of social networks marketing	Supported	Supported	The relationship was relatively strong
H3: computer self-efficacy will have a positive effect on **PC of** social networks marketing	Rejected	Rejected	Weak and negative relationship
H4: computer self-efficacy will have a positive effect on **AWN** of social networks marketing	Supported	Supported	Marked relationship
H5: PU will have a positive effect on BI to use social networks marketing	Supported	Supported	The relationship was relatively strong
H6: PEOU will have a positive effect on perceived usefulness of social networks marketing	Supported	Supported	The relationship was relatively strong
H7: PEOU will have a positive effect on behavioural intentionto use social networks marketing	Supported	Supported	Very strong relationship
H8: PC will have a positive effect on behavioural intention to use social networks marketing	Supported	Supported	The relationship was relatively strong
H9: AWN will have positive effect on perceived credibility of social networks marketing	Rejected	Rejected	Moderate and negative relationship
H10: AWN will have positive effect on behavioural intention to use social networks marketing.	Supported	Supported	Very strong relationship

4.10 Summary of the Hypotheses Testing

In order to find out factors that influence users' intention to use social networks marketing, Regression and Pearson correlation analysis were conducted on each of the hypothesis. As indicated earlier, Pearson correlation was used to justify the interrelationship of the independent variables or constructs. The extended TAM involved 10 hypotheses, which were used to determine if the use of the SNM system is statistically significant or not. The results presented in Table 51 shows that, 8 out of the 10 hypotheses were found statistically significant and two were statistically insignificant.

Only hypothesis 3 and 9 were rejected. That is they did not conform to the original hypothesis suggested for this study) while others were supported due to their weak and negative relationships.

Hypothesis 3 (**H3):** computer self-efficacy will have a positive effect on credibility of social networks marketing but, the result shows a weak and negative relationship.

Hypothesis 9 (**H9):** awarenesswhich was supposed to have positive effect on perceived credibility of social networks marketing was in contrast to the results obtained, which suggest a moderate and negative relationship. The results suggest both Hypothesis 3 and 9 to be statistically insignificant. All other hypotheses were found to be statistically significant since the results met the original hypothesis suggested for this study.

The empirical results observed from study 1 show that computer self-efficacy has positive significant effects on behavioural intention to use SNM through perceived usefulness, perceived ease of use, and awareness. Only perceived credibility was found to have a negative effect through computer self-efficacy. However, both computer self-efficacy and awareness have negative significant effects on perceived credibility. The observation is similar to Eastin (2002) that perceived risk should be considered as a barrier to any form of e-Commerce adoption.

The extended TAM shows that computer self-efficacy strongly influence PU and PEOU, which indicates that the more users have skills in using both computer and the Internet, the more likely for them to find the SNM system useful and easy to use. This finding is supported by previous research that the more experience consumers have in using the computers and the Internet, the more likely for them to use Internet banking (Lassar et al. 2005). Studies by Igbaria and Iivari, (1995); Venkatesh and Davis, (1996) found a significant relationship between computer self-efficacy, PU and PEOU.

This study also found that PEOU strongly influence PU, which is supported by most of the TAM studies found in the literature and PEOU is hypothesized to have a direct significant effect on PU (Raitoharju, 2007; Davis, 1989). Hence, the extended TAM suggests that the more users perceived SNM system to be easier to use, the more likely they perceived the system to be useful. Both perceived credibility and PU have the strongest influence on behavioural intension to use SNM

The results from this study also found one of the new TAM constructs perceived credibility and one of the old construct (perceived usefulness) to have the strongest influence in predicting user's intention to use SNM. This result is supported by

Wang et al. (2003) which discovered that perceived credibility and perceived ease of use have the strongest significant effects on behavioural intention to use Internet banking than perceived usefulness. Pikkarainen et al (2004) also identified perceived usefulness and awareness as the two major constructs affecting the use of online banking system.

Finally, study 2 demonstrated the level of SNM adoption among the SMEs in South Africa. The study shows that majority of the SMEs using this method of marketing have witnessed a lot of increment in their sales figures. Despite l the sales increment, almost half of the respondents still prefer both SNM and traditional marketing, while few of the respondents still prefer using traditional marketing to SNM. Furthermore, different marketing tools such as wall-posting, blogs, video/photo and pop-ups have been identified to improve online marketing in South Africa. Despite the benefits from using SNM, most of the SMEs still face lot of challenges such as cost of Internet access, problem of integrating business and web activities, and lack of information control.

CHAPTER FIVE

5.1   CONCLUSIONS AND RECOMMENDATIONS

This study had successfully used TAM to investigate a newly proposed information system (social networks marketing system), which recently become popular in Internet marketing. Using the TAM as a theoretical framework, this study has added two new constructs "perceived credibility" and "awareness" as part of the factors affecting user's acceptance of social networks marketing. In addition, this study presents the extent usage of SNM by the consumers, the degree of SNM usage is compared with different demographic groups (gender, different age groups, and educational background).

The first study presents an overview of the current use of social networks marketing among the consumers in South Africa. The result from the first study shows that the female respondents use SNM more than the male counterparts. More than two third (2/3) of the male respondents were found not using SNM, while almost half (1/2) of the female respondents were reported not using the system. Furthermore, 20-29 years of age were found to be the most active users of the SNM. It appears that the higher the level of education, the lesser the use of the system, and vice versa. Majority of the respondents were all students (SD), and most of the responses came from non-users of SNM system with almost 63%, while only 22% were users of the system. Respondents who do not currently use the system, but intend to use in future were found to be about 15%.

In order to give an account on the extent to which respondents PEOU and PU of their system, the degree of PEOU and PU were both compared with different demographic groups. More than three quarter (3/4) of the whole respondents (consumers) perceived SNM to be easy to use, and about one quarter (1/4) of the remaining respondents consider it either too hard for them to use, or were undecided about the question. Two-third (2/3) of the whole respondents perceived SNM to be useful or relatively useful for their business transactions, while about one-third (1/3) of the remaining respondents consider SNM either not useful to them or were undecided about question.

The extended TAM used in this study involved ten hypotheses, which were used to determine if the use of the SNM system is statistically significant or not. Each of the hypotheses was tested and the findings show that eight out of the ten hypotheses were

statistically significant with the hypotheses suggested, and two of the hypotheses (hypothesis three and nine) were statistically insignificant. Moderating effects of demographic groups were also tested within all the relationships in the extended TAM that were found having direct significant effect on behavioural intention to use social networks marketing. Moreover, from all the three moderators used in the study, gender was found to be the strongest moderator, moderating four of the relationships while, age and education only moderate three of the relationships.

As hypothesized, the significant effects of PU, PEOU, PC, and Awareness on behavioural intention to use SNM were all statistically significant. There is a growing distrust in the field about the ability to recognize the actual measure that strongly determines user acceptance, and the observation in this research showed that both perceived credibility and perceived usefulness have the greater influence on user's intention to use SNM. Although, user reactions to computer and Internet are complex and complicated, this study discovered that respondents to this survey answer according to their perception about SNM. In comparison to other studies on information system that have successfully used perceived credibility as part of their extended TAM construct, this study successfully exploit perceived credibility and awareness as part of the constructs that determine users acceptance of SNM. PEOU was also found to strongly influence PU as observed by many TAM studies.

Furthermore, the findings showed that the younger respondents (most active users of SNM) make use of SNM as a powerful marketing tool, which can be explored by many small and medium-sized enterprises. In order to ensure optimum use of this new medium of marketing by the consumers, it is important that factors such as security, credibility, and awareness need to be taken into consideration by SMEs. The study suggests that consumer with secured Internet environment will increase their perceptions of the ease of use, and usefulness of SNM. Generally, high credibility of iInternet system will support consumers' willingness to use Internet marketing (SNM). The empirical findings presented in this study also provide useful marketing strategies that SMEs can adopt to enhance consumer willingness to use SNM.

The second study presents the investigation of the impact of social networks marketing by SMEs in South Africa. It was discovered that with the aid of Web 2.0 technologies,

social networks marketing has been widely used in promoting and improving business marketing by SMEs in South Africa. Social networks marketing also provide an exclusive opportunity for SMEs to increase their sales and income. Most of the SMEs examined were able to use SNM successfully for building business connection, to capture more customers, and update customers about their company products/services. Despite these benefits in the use of social networks marketing, many of the SMEs in South Africa that are currently using SNM for their businesses still face some challenges such as, problem of integrating business with web activities, lack of awareness, lack of information control, and cost of accessing Internet.

5.2 LIMITATIONS

The investigation of social networks marketing acceptance in South Africa is relatively new to information system research, which could contribute to the empirical study limitations. The first limitation from the two studies is that, the result findings were obtained from one single study and the sample size used for the two studies were small for explaining regression results. Hence, caution need to be exercised when generalizing the result findings to a bigger samples or groups. Limitation in the area of sampling and non response biased, as some of the respondents from both studies (consumers and SMEs) did not attempt to fill the questionnaire, and those that filled have little understanding on the significant SNM.

In addition, the result should be carefully interpreted when predicting SNM behaviour of both experienced and inexperienced Internet users, since the findings from study 1 shows that only 22.7% of the respondents had SNM experience. This may affect the extent of PU and PEOU of SNM between the experienced respondents and inexperienced respondents. Linear regression rather than the structural equation model was used to test for the relationship among the constructs used in the extended TAM. Another limitation is that, the use of SNM measures were self reported, as it is a bit complex to determine how accurately self-reports scale reflect actual usage of the proposed system.

5.3 RECOMMENDATION

Future research is required to address how different demographic groups correlate to other constructs in the extended TAM (perceived credibility and awareness). In addition,

some additional constructs such as computer and Internet experience, computer anxiety, and some social factors could also be added to the extended TAM so as to give better explanation on SNM use. The Technology Acceptance Model did not explain the actual usage of SNM, therefore, future research should re-examined whether SNM use give a useful dependent variable for determining SNM acceptance. Another suggestion is that, future research could explore a larger sample with other research methods different from survey, and the use of both objective and subjective measures could also be considered.

Business owners should make their websites easy to use, useful, reliable, and interactive enough for the customers to visit. There is a need to educate users more on the use and importance of SNM which could increase the general computer self-efficacy of the consumers. The higher computer self-efficacy they have, the better for them to start using social networks marketing. To further improve on the use of social networks marketing, the South Africa government also has a significant role to play by providing adequate Internet facilities, and reducing cost of accessing Internet within the country.

Finally, the acceptance of this new technology can also be developed by visiting other developed countries that have successfully explored SNM system. SMEs could learn from their cultural and social systems that have contributed to the success of using social networks marketing. With these involvements, there will be better changes and users will be able to spend more time on social network sites in order to find out what exactly companies are` marketing on their sites.

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APPENDIX A: QUESTIONNAIRE FOR CONSUMERS

Thank you for being willing to complete this questionnaire.

The purpose of this questionnaire is to explore the impact of online social networks marketing (SNM) by SMEs and perception of consumers. SNM is a means of marketing on online social networks sites such as Facebook, MySpace, and Twitter to mention but a few.It is important that you answer all the questions as honest as possible.

All your answers to this questionnaire will be treated confidentially.

STUDY 1 SECTION A

1. **Sex**
    (a) Male
    (b) Female

2. **Age**
    (a) Less than 20 years
    (b) 20-29 years
    (c) 30-39 years
    (d) 40-49 years
    (e) 50 years and above

3. **Education background**
    (a) High school
    (b) undergraduate
    (c) University graduate
    (d) Masters
    (e) Ph.D
    (f) Others please
         specify…………………………………………………………………………………………………

4. **For the purpose of this study, I am primarily**
    (a) A student
    (b) Member of business/corporate organization
    (c) Member of government organization
    (d) Member of educational set up
    (e) Others please specify
        ……………………………………………………………………………………………………

5. **Ethnicity**
    (a) White
    (b) Black
    (c) Couloured
    (d) Indian

6. **Have you heard of online social networks?**
    (a) Yes
    (b) No

If your answer is Yes,Which of the online social network sites (SNSs) are you a member of?

    (a) Bebo
    (b) Facebook
    (c) Flixster

    (d) Hi5
    (e) Linkedin
    (f) Myclassmate
    (g) Myyearbook
    (h) MySpace
    (i) Ning
    (j) Twitter

7. How many social network sites do you belong to?

....

8. How many minute per day do you spend on the social network site?
    (a) Less than 30 minutes
    (b) 30 minutes- 1hour
    (c) 1 hour-2hours
    (d) 2hours-4hours
    (e) Above 4hours

9. **You are a fan of how many firms on different social network sites?**

....

10. Have you ever use social networks marketing before?
    (a) Yes
    (b) No

    If your answer is Yes,How long (months) have you been using social networks marketing?

....

11. How often do you make use of social networks marketing?
    (a) Always
    (b) Often
    (c) Occasionally
    (d) Seldom
    (e) Never

12. Do you encourage people to use social networks marketing?
    (a) Yes
    (b) No
    If "NO", why not?

13. Have you ever patronize companies that market on social network site?
    (a) Yes
    (b) No

14. How did you get to know this company?
    (a) By word-of-mouth
    (b) Through friends
    (c) Through their company website
    (d) Internet surfing
    (e) Cannot say

15. How did you get to know most of their products/services on the site?
    (a) Wall-posting
    (b) Through friends
    (c) Blog
    (d) Video

(e) Photo gallery
(f) Pop-up
(g) Social-bookmarking
(h) Micro-blogging

16. Which of these social networks marketing tools mention in question 15, do you feel is most effective?
……

17. Would you prefer advertising/marketing on social network site to traditional marketing?

Note: traditional marketing such as, TV, Radio, word-of mouth, banners, newspapers e.t.c

    (a) Yes
    (b) No

18. How would you rate the present use of social networks marketing by SMEs in South Africa?
    (a) Excellent
    (b) Good
    (c) Average
    (d) Fair
    (e) Poor

19. What category of SMEs do you think make use of social networks marketing around you?
    (a) Agriculture
    (b) Manufacturing/ Construction
    (c)   Wholesale/Retail
    (d) Hotel/Restaurant
    (e) Financial services
    (f) Education
    (g) Health
    (h) Estate agent
    (i) Others please specify
      …………………………………………………………………………………………………..

STUDY 1 SECTION B

In this section, Please put an "X" or circle the option which best fit how you feel about each statement. There are five choices: strongly agree (SA); agree (A); neutral (DK); disagree (D); strongly disagree (SD). Please rate the following question according to how strong you agree or disagree to the questions.

Note: that there is no right or wrong answer. We just want to know your perception on social networks marketing.

20. Question for Computer self-efficacy

	[SA]	[A]	[N]	[D]	[SD]
I can use Internet marketing, including social networks marketing……					
…if I had access to computer system.	[5]	[4]	[3]	[2]	[1]
…if I had access to Internet.	[5]	[4]	[3]	[2]	[1]

…if I had seen someone else using it before   [5]   [4]   [3]   [2]   [1]

…if I could get someone to help if I got stuck.   [5]   [4]   [3]   [2]   [1]

21. Questions for Perceived ease of use

	[SA]	[A]	[N]	[D]	[SD]
My interaction with SNM is clear and understandable.	[5]	[4]	[3]	[2]	[1]
Learning to use SNM would be easy for me.	[5]	[4]	[3]	[2]	[1]
I would find SNM flexible to interact with.	[5]	[4]	[3]	[2]	[1]
I would find it easy to use SNM to accomplish all my tasks.	[5]	[4]	[3]	[2]	[1]
Overall, I would find the proposed system easy to use.	[5]	[4]	[3]	[2]	[1]

22. Questions for Perceived usefulness

	[SA]	[A]	[N]	[D]	[SD]
Using the SNM would help me to transact business globally.	[5]	[4]	[3]	[2]	[1]
Using SNM would help me to communicate and get feedback from business owners.	[5]	[4]	[3]	[2]	[1]
Using SNM would reduce time wasting and cost of going to stores.	[5]	[4]	[3]	[2]	[1]
I can use SNM, if I found a product to buy.	[5]	[4]	[3]	[2]	[1]
Using SNM would connect me to other customers.	[5]	[4]	[3]	[2]	[1]

23. Question for Perceived credibility

	[SA]	[A]	[N]	[D]	[SD]
Using SNM would not disclose my personal information.	[5]	[4]	[3]	[2]	[1]
I would find SNM secure in conducting my business transactions.	[5]	[4]	[3]	[2]	[1]
I can use SNM, if I have trust in companies marketing on the site.	[5]	[4]	[3]	[2]	[1]

24. Question for Awareness

	[SA]	[A]	[N]	[D]	[SD]

I can use SNM, if business owners can create awareness
on the site.   [5]   [4]   [3]   [2]   [1]
I can useSNM, if I see the advert on my wall profile.   [5]   [4]   [3]   [2]   [1]

I would found SNM more valuable if a friend tells me about it. [5]   [4]   [3]   [2]   [1]

APPENDIX B: QUESTIONNAIRE FOR SOUTH AFRICAN SMEs

STUDY 2 SECTION A

Questionnaire for South African Small and Medium-Scale Enterprises (SMEs) Business Managers

Thank you for being willing to complete this questionnaire. All your answers to this questionnaire will be treated confidentially.

1. **What is the name of your company?**

   ………………………………………………………………………

2. **What is the nature of your business?**

   (a) Agriculture

   (b) Manufacturing/ Construction

   (c) Wholesale/Retail

   (d) Hotel/Restaurant

   (e) Business services

   (f) Others please specify

   ……………………………………………………………………………………………

3. **What category of SMEs company size do you operate?**

   (a) Micro (1-10)

   (b) Small (11-50)

   (c) Medium (51-100)

4. **Does your company have a website?**

   (a) Yes

   (b) No

5. **If your answer to question 4 is Yes, what are the features on your company website?**

   (a) Direct link from the website to social network sites

   (b) Information about the company

   (c) Information about the company's products/services

   (d) Facilities for conventional purchasing e.g. (fax, post and email)

   (e) Price information of products & services

   (f) All of the above

(g) Others please specify

…………………………………………………………………………………………………

6. **Have you heard of online Social Networks (SNs)?**

   (a) Yes

   (b) No

7. **If your answer to question 6 is Yes, Which of the online Social Network Sites (SNSs) does your company use?**

   (a) Bebo

   (b) Facebook

   (c) Flixster

   (d) Hi5

   (e) Linkedin

   (f) Myclassmate

   (g) Myyearbook

   (h) MySpace

   (i) Ning

   (j) Twitter

   (k) Others please specify………………………………………..………………………………………….

8. **How many social network sites does your company belong to?**

   (a) One

   (b) Two

   (c) Three

   (d) Four

   (e) More than four

9. **Does your company actually encourage their staff to make use of SNSs?**

   (a) Yes

   (b) No **If your answer to question 9 is "No", why not?**

……

10. How would you categorize your company Social Networks Marketing status?

    (a) In the process of implementing

    (b) Implemented

    (c) Plan to implement

    (d) Considering

    (e) No plans

    (f) Tried & abandoned

11. Does your company use Social Network Sites for business marketing strategy?

    (a) Always

    (b) Often

    (c) Occasionally

    (d) Rarely or seldom

    (e) Not at all

12. What motivated your company in implementing SNM to their business?

 (a) Supplier driven

 (b) Customer driven

 (c) Sales and income driven

 (d) Own marketing strategy

 (e) Improving marketing/business strategy

 (f) Reduces cost of marketing

 (g) Others please
    specify……………………………………………………………………………………………

13. Which of these social networks marketing tools does your company make use of?

    (a) Wall-posting

    (b) Blog

    (c) Video

    (d) Photo gallery

    (e) Pop-up

    (f) Social-bookmarking

(g) Micro-blogging

(h) Discussion group

14. Which of these social networks marketing tools mentioned in question 13, do you think is most effective for your business?

………

15. How many of these tools do your company use?

(a) One

(b) Two

(c) Three

(d) Four

(e) Five

(f) Five and above

16. Have you ever received any comment from your customer/fans on the site that has improved your business?

(a) Always

(b) Sometimes

(c) Never

17. What kind of comment have you received?

………

18. Does your company use social networks marketing strictly for business purpose?

(a) Yes

(b) No

If your answer to question 18 is "NO", why not?

………

Would your company prefer marketing via Social Network Sites to traditional marketing?

Note: traditional marketing such as, TV, Radio, word-of mouth, newspapers, banners e.t.c

(a) Yes

(b) No

19. Has the use of social networks marketing increased your company sale figure

(a) Yes

(b) No

(c) Both

20. Estimate in percent what increment does it have on your business sales/income figure

    (a) Less than 10%

    (b) 11-20%

    (c) 21-30%

    (d) 31-40%

    (e) 41-50%

    (f) Above 50%

21. How would you rate the present use of SNM by SMEs in South Africa?

    (a) Excellent

    (b) Good

    (c) Average

    (d) Fair

    (e) Poor

22. What category of people do you think make use of social networks marketing around you?

………

STUDY 2 SECTION B

In this section, Please put an "X" or circle the option which best fit how you feel about each statement. There are five choices: strongly agree (SA); agree (A); neutral (DK); disagree (D); strongly disagree (SD). Please rate the following question according to how strong you agree or disagree to the questions.

Note: that there is no right or wrong answer. We just want to know your perception on social networks marketing.

23. What do you perceive as the benefits to the companies marketing on social network sites?

	[SA]	[A]	[N]	[D]	[SD]
Build more business connection	[5]	[4]	[3]	[2]	[1]
Marketing is relatively efficient	[5]	[4]	[3]	[2]	[1]
Large audience is captured	[5]	[4]	[3]	[2]	[1]
Reduces money spend on advertisement	[5]	[4]	[3]	[2]	[1]

Improve customer relation	[5]	[4]	[3]	[2]	[1]
Know more of customers needs & complains	[5]	[4]	[3]	[2]	[1]
Create product/service awareness	[5]	[4]	[3]	[2]	[1]
Ability to transact business globally	[5]	[4]	[3]	[2]	[1]
Serve as a medium of communication between business owners and consumers	[5]	[4]	[3]	[2]	[1]

24. What do you perceive are the major challenges affecting the growth of marketing on social network sites by SMEs in South Africa?

	[SA]	[A]	[N]	[D]	[SD]
Less control of information spread about the company	[1]	[2]	[3]	[4]	[5]
Expose companies to threat & insults	[1]	[2]	[3]	[4]	[5]
Too many fans/follower to manage	[1]	[2]	[3]	[4]	[5]
SNM takes lot of time from core activities	[1]	[2]	[3]	[4]	[5]
Afraid of the acceptability of SNM	[1]	[2]	[3]	[4]	[5]
Cost of hardware and Internet facilities	[1]	[2]	[3]	[4]	[5]
Nature of business	[1]	[2]	[3]	[4]	[5]
Problem of integrating business and web activities	[1]	[2]	[3]	[4]	[5]

25. Finally, what do you think can be the solution to these challenges?

....
....
....
....