An investigation of the use of social media for e-commerce amongst small businesses in Saudi Arabia

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Abbreviations

B2B	Business to Business
B2C	Business to Customer
C2C	Customer to Customer
CITC	Communication and Information Technology Commission
COD	Cash On Delivery
DSL	Digital Subscriber Line
E-business	Electronic Business
E-commerce	Electronic Commerce
E-mail	Electronic Mail
EWOM	Electronic Word Of Mouth
FTTx	Fibre to the x (Fibre optics Internet broadband)
GCC	Gulf Cooperation Council
GPS	Global Positioning System
IT	Information Technology
MCI	Ministry of Commerce and Industry
MCIT	Ministry of Communication and Information Technology
MENA	Middle East and North Africa Region
SAGIA	Saudi Arabian General Investment Authority
SAMA	Saudi Arabian Monetary Agency
SC-SC Model	Social Capital – Social Commerce Model
SMEs	Small and Medium Enterprises
SMS	Short Message Service
SR	Saudi Arabian Riyals (Currency)
WiMAX	Worldwide Interoperability for Microwave Access
WOM	Word Of Mouth
US	United States of America

Key Definitions

E-commerce

The overall process of selling and buying products and services over the Internet. This includes pre-sales activities such as marketing and brand awareness, the transaction process such as inventory control, pricing and delivery, processing the payment, and finally post-sales activities such as warranty registration and customer service (Cater-Steel & Grist, 2008).

Web 2.0

The second generation of Internet-based services, tools and applications that allow users to create, publish, share and reproduce many types of information on different types of social media platforms (Turban *et al.*, 2015; Laudon & Traver, 2015).

Social Media

"A group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content" (Kaplan & Haenlein, 2010, p.60).

Social Commerce

Social commerce is considered to be a type of e-commerce and is defined as *"the use of Internet-based media that allow people to participate in the marketing, selling, comparing, curating, buying, and sharing of products and services in both online and offline marketplaces"* (Zhou *et al.*, 2013, p.61).

Trust

"The willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party" (Mayer *et al.*, 1995, p.712).

Word of Mouth (WOM)

"Any positive or negative statements made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet" (Henning-Thurau *et al.*, 2004, p.39).

Social Capital

"*Refers to connections among individuals – social networks and the norms of reciprocity and trustworthiness that arise from them*" (Putnam, 2000, p.19).

Presented Work

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ABSTRACT

While the literature on e-commerce in Saudi Arabia covers the limitations of its adoption in the country, it does not identify and discuss the business phenomenon witnessed in recent times in Saudi Arabia. As businesses around the world have taken advantage of the power of social media by adopting the best strategies to incorporate it into their business models, small businesses in Saudi Arabia have been using social media platforms to conduct most of their e-commerce activities. This research contributes to knowledge by exploring a new business phenomenon that investigates the use of social media to overcome the limitations of e-commerce amongst small businesses in Saudi Arabia. The research adopts a qualitative, interpretive philosophical perspective using a multiple case study strategy. Using four small businesses in Saudi Arabia to investigate the phenomenon, it was found that traditional e-commerce has many inhibiters constraining its adoption and diffusion in Saudi Arabia. It was also found that social media provided these small businesses with many social commerce benefits that contributed in overcoming most of the e-commerce inhibiters. Such benefits enabled small business to build trustworthy relationships with customers that proved to be the key factor for the success of the social media shopping phenomenon. In addition, it was found that customers perceived the use of social media platforms for purchasing purposes as a more enjoyable and social alternative to traditional e-commerce. Through the lens of Social Capital Theory, the findings were analysed and a conceptual model was developed, '*The SC-SC Model*'. The conceptual model illustrates the impact of social capital on social commerce for small businesses in Saudi Arabia that used social media as their trading platform. The model suggests that there is a direct relationship between social capital, word of mouth and trust in the context of small businesses in Saudi Arabia. The concept is capable of providing small businesses in Saudi Arabia with an understanding of the importance of the relationship between word of mouth, trust and social capital. This research also contributes to knowledge by developing a methodological technique for extracting data from online social media platforms. Such technique would be beneficial to researchers that wish to examine and study social media platforms.

1 Introduction

1.1 Chapter Introduction

This chapter is devoted to providing the reader with the necessary introduction for this research. The research background is first presented followed by the research context. This includes briefing the reader with the context of the country that this research took place in, the size of businesses involved, the business phenomenon under study, and the social media platform that was used. The research aim and research questions are then provided. This is followed by a brief discussion of the research method, which includes the research process used to conduct the research. Subsequently, the research contributions are highlighted. Finally, the structure of the thesis is presented.

1.2 Research Background

As the Internet evolved and matured, it brought with it new forms of communication technologies where users can almost instantly exchange messages amongst one another. It also created pools of knowledge sharing and trading online. Trading over the Internet or what is usually referred to as Electronic Commerce (e-commerce) involves making financial transactions over the Internet, the Web and/or mobile applications in exchange for products or services (Qin *et al.*, 2014; Jackson, 2015). In the context of this research e-commerce is used in its broadest sense where it includes the overall process of selling and buying products and services over the Internet. This includes pre-sales activities such as marketing and brand awareness, the transaction process such as inventory control, pricing and delivery, and finally post-sales activities such as warranty registration and customer service (Cater-Steel & Grist, 2008).

New technologies have paved the way for businesses to introduce alternative sales channels in the form of e-commerce websites (Rose *et al.*, 2011). This resulted in

benefits to businesses and customers alike (Olatokun & Kebonye, 2010). Customers have benefited from e-commerce in many ways such as the convenience of shopping without any time or location restrictions (Delafrooz *et al.*, 2010; Rose *et al.*, 2011), extensive product information (Jiang *et al.*, 2015; Fang, 2011), product versatility and availability (Soscia *et al.*, 2010), and the advantage of easily comparing prices from different websites (Aydemir, 2013; Kacen *et al.*, 2013).

Businesses have also benefited from e-commerce in many aspects. Some of these benefits include new worldwide accessible sales channels (Aydemir, 2013; Sullivan, 2010), acquiring direct savings from the reduction of costs throughout the business (White *et al.*, 2014), improved customer service (Tan *et al.*, 2010; Osmonbekov, 2010), gaining competitive advantage by reducing the time between production and selling (Olatokun & Kebonye, 2010), and popularising the business brand or corporate image (Wanyoike *et al.*, 2012).

Although there has been substantial global growth in e-commerce, the adoption of e-commerce in Saudi Arabia has been limited (Makki & Chang, 2014). Research has demonstrated a low adoption rate of e-commerce from businesses and customers alike (Bahaddad *et al.*, 2014). Even though the number of Internet users in Saudi Arabia has been growing substantially, the majority of businesses in Saudi Arabia have not adopted e-commerce into their business strategies (Orlov, 2014). This has been due to many barriers which include the absence of Internet and e-commerce laws and regulations (Bahaddad *et al.*, 2014; Ahmed & Agrawal, 2012), the lack of privacy and security (Alghamdi *et al.*, 2014; Brdesee *et al.,* 2012), poor logistics operations (Makki & Chang, 2014; Bahaddad *et al.*, 2014), and the widespread fear of credit card fraud (Abed *et al.*, 2015; Alghamdi *et al.*, 2015).

The low e-commerce adoption rate in Saudi Arabia is inconsistent with the country's economic growth rate and Internet penetration (Makki & Chang, 2015a). It is also inconsistent with the country's social media usage as the young population of users in Saudi Arabia embraced the use of social media in many aspects of their daily lives (Orlov, 2014). In the year 2015, Saudi Arabia was ranked at tenth place worldwide with an average daily social media usage of 3 hours per user (Statista, 2015a).

Regardless of the low adoption rate of e-commerce in the country, the evolution of social media has facilitated new opportunities for small businesses in Saudi Arabia to overcome the barriers and limitations of e-commerce. As businesses around the world have taken advantage of the power of social media and started to investigate and adopt the best strategies to incorporate it into their business models (Coelho *et al.*, 2016; Enginkaya & Yilmaz, 2014; Rathore *et al.*, 2016), small businesses in Saudi Arabia have been using social media platforms to conduct most of their e-commerce activities. Rather than having social media act as just one of the channels of communicating with customers, recently a new business phenomenon has been witnessed where small businesses in Saudi Arabia have been using social media platforms as the main platform to conduct their e-commerce activities.

1.3   Research Context

This research is concerned with small businesses in Saudi Arabia that have utilised social media platforms for trading purposes. Therefore, it is essential to provide the context of this research in terms of the country it took place in, the size of businesses involved, the business phenomenon under study, and the social media platform used.

1.3.1   Saudi Arabia

Saudi Arabia controls one of the largest lands in the Middle East as it spreads out in an area of around 2.25 million square kilometres (World Bank, 2016). It has a total population of 32 million, where 47% are under the age of 25 (SAGIA, 2016). Its population is a mixture of tribal and diversified immigrant communities, who have jointly created a common indigenous culture (Alsomali *et al.*, 2015). This culture is deeply rooted in Islamic and traditional values of the region (Alghamdi *et al.*, 2015). Saudi Arabia is a member of the G20 countries as well as a member of the Gulf Corporation Council (GCC) (Alsomali *et al.*, 2015). It is ranked amongst the top 20 largest economies in the world and is considered to be a rapidly developing country (StatisticsTimes, 2016; World Bank, 2016).

Saudi Arabia is rich in natural resources, which consist of petroleum, natural gas, gold, copper and iron (CIA, 2015). The economy of Saudi Arabia depends mainly on four major sectors; oil, banking, telecommunication and retail. However, the oil sector is by far its largest exporting sector as Saudi Arabia is one of the largest oil exporting countries in the world (Alsomali *et al.*, 2015). The revenue generated from oil exports has situated the country in a reliable financial position to invest heavily in its information technology (IT) infrastructure.

1.3.2 Small and Medium Sized Enterprises (SMEs)

The definition of small and medium sized enterprises (SMEs) differs from one country to another. In the Saudi Arabian context, there is not a unified authority that deals with SME related affairs and therefore a clear-cut definition of the term SME has not been established (Al-Saleh, 2012). Different institutions in the country have their own definition of what constitutes an SME. There are three main criteria used by institutions to classify SMEs: the number of employees, the size of annual turnover and the business assets (Hertog, 2010). This research adopts the SME definition identified by The Saudi Ministry of Commerce and Investment, which is based on the number of employees. Businesses with less than 50 employees are classified as small-sized enterprises whereas businesses with less than 200 employees are classified as medium-sized enterprises (JCCI, 2015).

The economy of a country is largely dependent on the development and the growth of SMEs. SMEs directly contribute to improving employment rates and the generation of income for a specific economy (Ates *et al.*, 2013). SMEs in Saudi Arabia are key contributors to the country's economy as they occupy 99% of establishments and 62% of the employment rate (SAGIA, 2015). According to SAGIA (2015), SMEs in Saudi Arabia also contribute to enhancing some of the major national economic objectives such as: 1) their role of diversifying the national economy through the inclusion of the private sector in shaping the economy, 2) their role of promoting locally sourced innovative products or services by championing global competition, and 3) their inclusion provides a more balanced economy growth.

In line with these national economic objectives, the government of Saudi Arabia has implemented several programmes to encourage and support SMEs financially and logistically. One of those programmes is called the Kafalah programme, which is aimed to provide financial support to SMEs (Bokhari, 2013). With regards to this research, small businesses were the main concern as the research investigated small businesses in Saudi Arabia that used social media as their main trading platform.

1.3.3 Social Media Shopping Phenomenon

In Saudi Arabia, there has been a growth in a new way of conducting business over the Internet. E-commerce has taken a new form whereby small businesses have been using social media as their only platform for conducting business. This process begins by setting up an account on one or more social media platforms such as Instagram and Twitter. Business owners provide their name, mobile number and any relevant information on their account page. They then advertise for products by uploading a post, which contains a photo of the product along with the product description. When customers are interested in purchasing a product, they contact the business owner through the direct messages embedded in the social media platform, or through mobile instant messaging services such as WhatsApp (a widely used mobile instant messaging application in Saudi Arabia).

Potential customers would then contact the business to either ask questions or to express their desire to make a purchase. Upon agreement of a sale, the business owner would then provide the customer with their bank account details asking them to make a bank transfer of the total amount required for completing the sale. Upon receipt of payment and the delivery address, the business owner ships out the products using independent reliable courier services such as DHL and FedEx. Sometimes, customers go back to the social media platform and write satisfaction or dissatisfaction comments and reviews. By doing so, other potential customers have the chance to read and trust the business.

1.3.4   Instagram

As this research sampled small businesses that used Instagram as their main trading platform, it is necessary to provide the reader with an overview of this specific social media platform. Instagram was developed in 2010 as a mobile photo and short video capturing and sharing platform (Coelho *et al.*, 2016). It enables its users to instantly capture, edit, post and share photos and short videos with friends on its platform as well as on other similar social media platforms such as Facebook and Twitter (Hu *et al.*, 2014). Instagram shares similar social features to Facebook and Twitter in the form of liking, commenting and following other users (Jarvinen *et al.*, 2016; Bakhshi *et al.*, 2014). However, Instagram has been recognised as a simpler social media platform to use in comparison to Facebook as its users are satisfied with only sharing images and/or short videos with short descriptions, whereas Facebook includes many other social features that require intensive participation from its users (Miles, 2013).

In addition, Instagram enables its users to use the 'hashtag' feature which allows users to describe or name an image or photo with a tag by adding the '#' symbol before the tag (ex. #example). The 'hashtag' feature enables users to use Instagram not only for sharing images and videos, but also to search for their desired relevant content (Costill, 2013). Users could also use the 'mention' feature by using the '@' symbol before a user's name which automatically sends a link of the post to the other user's account (ex. @username) (Hu *et al.*, 2014).

Previous scholars have called for more extensive research to be carried out in the context of Instagram, as businesses of all sizes have been utilising its benefits (Hu *et al.*, 2014; Coelho *et al.*, 2016). They believe that there is a gap of knowledge worth addressing, due to the already extensive research that has been conducted on the use of other social media platforms such as Twitter and Facebook. In addition, they argued that research should take into consideration the trend of small businesses that utilised Instagram for the purpose of low cost advertising and selling (Coelho *et al.*, 2016).

1.4   Research Aim

While the literature covers the limitations of e-commerce in Saudi Arabia, it does not identify and cover the new business phenomenon witnessed in recent times in Saudi Arabia. Therefore, the aim of this research is to investigate the use of social media to overcome the limitations of e-commerce for small businesses in Saudi Arabia.

1.5   Research Questions

Four research questions were formed to collectively contribute to achieving the aim of this research. These questions are as follows:

1)   What are the limitations of e-commerce in Saudi Arabia?

2)   Why do small businesses in Saudi Arabia use social media platforms as their main trading platform?

3)   How do the customers involved perceive using social media for purchasing purposes?

4)   How does social capital help small businesses in Saudi Arabia, which use social media as their trading platform, to improve their business?

1.6   Research Method

This research adopted a qualitative, interpretive research perspective that had been approached inductively. In order to fully understand the new business phenomenon witnessed in small businesses in Saudi Arabia, multiple case studies were used as the research strategy. This is because case studies are best used when a deep investigation of a phenomenon within its real context is needed, especially when it is hard to distinguish between the boundaries of the phenomenon and the context (Yin, 2014; Symon & Cassell, 2012). In addition, multiple case studies allow the researcher to discover and explore similarities and differences between and within cases, where facts are collected from numerous sources to draw conclusions (Darke *et al.*, 1998; Yin, 2014).

The data collection was carried out in two stages. First, 20 in-depth interviews were conducted with business owners and customers in order to fully understand why and

how this businesses phenomenon was achieved from the perspective of both the business owners and the customers. Second, online observations were carried out in order to examine the platform where the business owners communicated with customers and performed most of their business activities. This was done to strengthen and triangulate the data as evidence was being collected from three different sources: the business owners, the customers, and the online social media platform. Finding a repetition in the findings demonstrated that each case study was corroborating the other. Therefore, as a result of using four case studies and a combination of data collection methods, the researcher was able to gain a clear in-depth understanding of the phenomenon under study.

The data was analysed through the lens of Social Capital Theory. Using Putnam's (2000) bonding and bridging forms of social capital, this research was able to develop a conceptual model, *'The SC-SC Model'*, which illustrates the impact of social capital on social commerce for small businesses that used social media as their trading platform. This model suggests that there is a direct relationship between social capital, word of mouth and trust in the context of small businesses in Saudi Arabia.

1.7   Research Contributions

The research aim and questions have led this research to make three significant contributions to knowledge, which are explained throughout the thesis but outlined briefly below. These contributions are classified under contributions to knowledge, theory and method.

1.7.1   Contribution to Knowledge

The first contribution of this research was to investigate how small businesses in Saudi Arabia utilised social media platforms to conduct most of their e-commerce activities.

This research was able to address a gap in knowledge. While the literature on e-commerce in Saudi Arabia covers the limitations of its adoption in the country (Abed *et al.*, 2015; Makki & Chang, 2014; Alghamdi *et al.*, 2015; Bahaddad *et al.*, 2014;

Alghamdi *et al.*, 2014), it does not identify and discuss the business phenomenon witnessed in recent times in Saudi Arabia. As businesses around the world have taken advantage of the power of social media and started to investigate and adopt the best strategies to incorporate it into their business models (Coelho *et al.*, 2016; Enginkaya & Yilmaz, 2014; Rathore *et al.*, 2016; Enginkaya & Yilmaz, 2014), small businesses in Saudi Arabia have been using social media platforms to conduct most of their e-commerce activities. Therefore, the first contribution of this research was to provide a deep understanding of this new business phenomenon.

1.7.2 Contribution to Theory

The second contribution of this research was developing a conceptual model, 'The SC-SC Model', which illustrates the impact of social capital on social commerce for small businesses in Saudi Arabia that used social media as their trading platform.

As an outcome of analysing the findings through the lens of Social Capital Theory, the researcher was able to develop a conceptual model, *'The SC-SC Model'*, that illustrates the impact of social capital on social commerce for small businesses that used social media as their trading platform. The conceptual model draws on the importance of two major influencing factors that initially caused the evolvement of the social media shopping phenomenon witnessed in Saudi Arabia. These two influencing factors are: 1) the drawbacks of traditional e-commerce in Saudi Arabia and 2) the benefits of using social media as an e-commerce platform. This model also illustrates that there is a direct relationship between social capital, word of mouth and trust in the context of small businesses in Saudi Arabia.

1.7.3 Contribution to Method

The third contribution of this research was the development of a methodological technique for extracting data from the social media platform.

This research used two methods to collect data; interviews and online observation. The process of collecting data from the online social media accounts required the researcher to develop a new methodological technique. While there are computer programmes to electronically scrape, extract and store data from Twitter and

Facebook, this was not the case for Instagram. The researcher observed the online social media accounts of the small businesses in order to examine and find evidence that would either confirm or contradict the data collected from the interviews. This led the researcher to develop a manual method for extracting and saving the relevant data. Due to the on-going development of different social media platforms, the researcher argues that the new methodological technique would be beneficial to researchers that wish to examine and study social media platforms.

1.8   Thesis Structure

This section provides the reader with an outline of the thesis structure.

Chapter 1 Introduction: This chapter introduced the reader to the research background. This included laying out the context of the research in terms of the country in took place in, the size of businesses involved, the business phenomenon under study, and the social media platform that was used. Subsequently, the research aim and research questions were presented. This was followed by a brief discussion on the research method and the research contributions. Finally, a summary of the thesis structure was presented.

Chapter 2 Literature Review: This chapter draws on existing research concerning the research area and is influenced by the research questions. It provides previous work conducted on e-commerce, social media, social commerce, word of mouth and trust.

Chapter 3 Theoretical Framework: This chapter discusses Social Capital Theory as it was the lens used to analyse the findings of this research. This includes the work of Pierre Bourdieu, James Coleman and Robert Putnam. Much attention was given to Robert Putnam's work as his work was used to guide the analysis process. It also includes the work of others who followed on the footsteps of Putnam to advance Social Capital Theory. In addition, it draws on existing research concerned with social capital in the context of information systems, social commerce, word of mouth and trust.

Chapter 4 Research Methodology: This chapter provides the research method used to conduct the research. It includes an overview of the different theoretical perspectives, research approaches and research strategies. A justification of the chosen research strategy is provided along with a detailed discussion of the data collection methods used to collect the data. The process of the thematic analysis is presented along with the emergence of the themes. Finally it provides the details of the ethical considerations made and the details of the case studies used in this research.

Chapter 5 Data Analysis and Findings: This chapter provides a detailed presentation of the eleven themes that emerged from the collected data. Evidence from the interviews and online observations are discussed through all the themes. The chapter concludes by providing the four main findings of this research.

Chapter 6 Discussion: This chapter discusses the research findings in two stages. First, the outcomes of each finding are discussed along with the relevant literature for the purpose of finding similarities and contradictions. Second, the findings are analysed through the lens of Social Capital Theory. As a result, a new conceptual model is formed, ***'The SC-SC Model'***, which illustrates the impact of social capital on social commerce for small businesses in Saudi Arabia that used social media as their trading platform.

Chapter 7 Conclusion: This chapter discusses the achievement of the research aim and research questions. It then highlights the research contributions made by this research and classifies them as contributions to knowledge, theory and method. It also provides a discussion regarding the evaluation of the research philosophy using Klein and Myers' (1999) principles for evaluating interpretive research. An evaluation of the research method is also presented followed by the research limitations and recommendations for future work.

1.9 Chapter Summary

This chapter aimed to introduce the current research to the reader. The research background was first introduced followed by the research context. This included presenting the context of the country that this research took place in, the size of businesses, the business phenomenon under study, and the social media platform that was used. The research aim and research questions were then provided. This was followed by the research method, which included the research process used to conduct the research. Finally, the contributions to knowledge were highlighted followed by an outline of the structure of the thesis.

2   Literature Review

2.1   Chapter Introduction

The previous chapter introduced the research problem area that this research attempted to investigate. It included the research background, research context, and the research aim and questions. This was followed by an overview of the research method and research contributions. Finally, an outline of the thesis structure was provided.

Influenced by the research aim and questions, this chapter provides a review of the relevant literature. A literature review of e-commerce is first presented which includes its definition, business benefits as well as the risks and limitations associated with it. This is followed by a review of the current state of e-commerce in Saudi Arabia along with the limitations and barriers found in the literature. Social media is then discussed which includes a review of its evolution, definition, and platforms as well as the current state of social media in Saudi Arabia. Furthermore, social commerce is reviewed along with its definition, and business benefits. The concept of trust is then introduced in the context of e-commerce and social commerce. This includes defining trust as well as a review of previous research that discussed trust in the context of e-commerce and social commerce. Finally, the concept of word of mouth is examined which includes its relationship and effect on e-commerce and social commerce.

2.2   Electronic Commerce

2.2.1   Defining Electronic Commerce

As the Internet evolved and matured, it brought with it new forms of communication technologies where users can almost instantly exchange messages amongst one another. It also created pools of knowledge sharing and trading online. Trading over the Internet or what is usually referred to as Electronic Commerce (e-commerce)

involves making financial transactions through the Internet, the Web and/or mobile applications in exchange for products or services (Qin *et al.*, 2014; Jackson, 2015). Researchers have agreed there has not been a universal definition of e-commerce regardless of their efforts (Piris, 2004). While they all agree on the basic notion that e-commerce is about conducting various business activities electronically, they defer on what it exactly includes.

In addition, some researchers use the words e-commerce and e-business interchangeably and some argue that they mean different things. For example, Jackson (2015) defines e-commerce as *"the type of business that delivers services and products over electronic based systems through marketing, distribution, buying, and selling"* (p.6). Alternatively, Qin *et al.* (2014) define e-commerce as *"the process whereby traditional trade is carried out by electronic methods. The electronic methods refer to electronic technologies, tools, equipment and systems, including telephone, telegram, television, facsimile, e-mail, electronic data interchange, computer, the communication network, credit card, electronic money and the Internet etc."* (p.3).

Poon and Swantman (1999) adopted Zwass's (1996) definition of e-commerce but modified it to incorporate the new technologies of the Internet. They defined e-commerce as *"the sharing of business information, maintaining business relationships, and conducting business transactions by means of Internet-based technology"* (Poon & Swantman, 1999, p.9). Since then, this definition has been used and adopted by many scholars (Murphy *et al.*, 2011; Hultman & Eriksson, 2008).

For the purpose of this research, e-commerce is used in its broadest sense and is defined as the overall process of selling and buying products and services over the Internet. This includes pre-sales activities such as marketing and brand awareness, the transaction process such as inventory control, pricing and delivery, and finally post-sales activities such as warranty registration and customer service (Cater-Steel & Grist, 2008).

E-commerce has been classified into many categories. First, there is the business-to-customer (B2C) category where online consumers shop on the Web. Second, there is

the business-to-business (B2B) category where transactions are conducted online on the Web between different businesses. The third category, customer-to-customer (C2C), includes transactions between customers such as in auction websites (Schneider, 2014). As e-commerce evolved, new types of e-commerce emerged such as social commerce (discussed in detail in section 2.4) and mobile commerce (m-commerce). Social commerce is enabled through social media and relationships between customers while m-commerce is where mobile devices are used to carry out the transactions (Laudon & Traver, 2015). This research is concerned with business-to-customer e-commerce (B2C) and social commerce, which are discussed throughout this thesis.

2.2.2   E-commerce Business Benefits

New technologies paved the way for businesses to introduce alternative sales channels in the form of e-commerce websites (Rose *et al.*, 2011). This resulted in benefits to businesses and customers alike. From the customer perceptive, it facilitated less time consuming shopping experiences, where customers have the option of purchasing their desired products in the comfort of their home without any time or location restrictions (Rose *et al.*, 2011; Delafrooz *et al.,* 2010; Zhou *et al.*, 2007; Shiu & Dawson, 2004). Previous research on e-commerce demonstrated the positive impact of customers' perceived convenience on their online shopping intentions (Fang, 2011; Jiang *et al.*, 2015). Customers also benefited from extensive product information available on e-commerce websites (To *et al.*, 2007). Access to this wide range of product information on various websites provided customers with a new dimension of power where it enabled customers to easily compare offers on particular products without the need to physically visit stores (Soscia *et al.,* 2010; Olatokun & Kebonye, 2010). That is by comparing prices on different e-commerce websites, which in return saves time and effort as well as reducing costs (Mimouni-Chaabane & Volle, 2010; Kacen *et al.*, 2013; Aydemir, 2013).

On the other hand, prior research has indicated that e-commerce provided significant value to businesses. One of the widely cited business benefits gained from e-commerce was having new, innovative and better ways for product promotion. E-commerce provided businesses with new marketing and sales channels with a

worldwide customer base (Aydemir, 2013). Being available online and exposing the business to customers in a new platform is in itself a huge business benefit because it increases sales opportunities. Selling products and services online provided new mediums of interaction with customers and that had an immediate impact on revenue (Sullivan, 2010; Dubelaar, 2005).

E-commerce also benefited business by acquiring direct savings. By having an electronic shared medium to generate sales, which could be used by everyone, businesses were able to reduce their costs in all aspects of the business (White *et al.*, 2014; Wanyoike *et al.*, 2012; Dubelaar, 2005). For example, the cost of creating, managing, distributing and retrieving paper-based information has been reduced by electronic procurement systems, which have been proved to be more efficient. This has also reduced telecommunication and administrative costs. Furthermore, businesses were able to save on high costs of traditional advertising and marketing by using digital marketing techniques (Beynon-Davies, 2004).

Another business benefit offered by e-commerce was its ability to cut the time between creating and selling. In some businesses, the time between creation and distribution is crucial to gain competitive advantage (Olatokun & Kebonye, 2010; Beynon-Davies, 2004). E-commerce systems enabled businesses to speed the time-to-market as it improved the internal and external supply chain of a business, which in return gives a business a competitive advantage over others (Turban *et al.*, 2015). Furthermore, e-commerce offered businesses the advantage of providing more efficient customer service. Customer service levels have been increased dramatically through e-commerce systems as the interaction time between customers and businesses is reduced. Online support and maintenance helped businesses resolve many requests and queries much faster and more efficiently (Osmonbekov, 2010; Tan *et al.*, 2010; Dubelaar, 2005).

Popularising the business brand or corporate image is another business benefit achieved by e-commerce. Aside from providing products and information online, e-commerce systems also helped in establishing and maintaining a web presence for businesses to affirm their corporate identity and brand image. Increasing customer

awareness of products increases sales, which eventually increases profits (Turban *et al.*, 2015; Senn, 2004).

Another business benefit obtained by e-commerce is the advantage of getting better technological and organisational learning. The efficiency of the business as a whole improves by using e-commerce. In order to succeed in implementing and maintaining an e-commerce system, the business is forced to progress faster. This, in return, gives the business the opportunity to implement new processes, which is vital for gaining competitive advantage (Wanyoike *et al.*, 2012; Zhuang & Lederer, 2003; Piris *et al.*, 2004). As mentioned earlier, reduced paperwork and centralising information leads to cutting costs but can also significantly increase productivity. In order to adopt e-commerce systems, businesses were equipped with the opportunity to create better and more efficient business models and strategies. For example, supply chain delays and problems were reduced and replaced. This led to more effective and efficient business processes (Laudon & Traver, 2015; Beynon-Davies, 2004).

All the mentioned business benefits of e-commerce discussed above have been reported by Bloch *et al.* (1996). However, in their early work Bloch *et al.* (1996) also predicted two additional business benefits to e-commerce. They stated that e-commerce systems could enhance communication with customers by responding to customers' needs and building new relationships with customers. They also predicted that e-commerce systems would be able to offer businesses the ability to enhance the innovation process in terms of new product development. However, the researcher argues that these two business benefits were not accomplished by e-commerce systems, but could rather be achieved through social commerce. This is discussed in detail in section 2.4.3 and illustrated in Table 2.1.

2.2.3   E-commerce Risks and Limitations

Although research has shown that e-commerce has benefited both businesses and customers alike, e-commerce has also been associated with risks and limitations. The Internet in general, and e-commerce in particular, created new and innovative ways to commit crime. E-commerce risks have been categorised as financial risks, product risks, and time and convenience risks (Forsythe *et al.*, 2006). First, financial risks,

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which are considered the highest and most vital risks, have been associated with customers not trusting businesses with their credit card and personal data as they have security and privacy concerns. Salisbury *et al.* (2001) defined e-commerce security perception as *"the extent to which one believes that the Web is secure for transmitting sensitive information"* (p.166). Although both security and privacy concerns are top issues addressed by businesses, there have been many fraud instances where security policies have been breached (Luhach *et al.*, 2016). Cybercrimes are costly for both customers and businesses. Second, product risks include issues to do with receiving the wrong products and having to deal with high delivery charges. Finally, time and convenience risks include unexpected long delivery delays and dealing with unreliable websites (Forsythe *et al.*, 2006).

Aside from the risks, e-commerce also has limitations. One of the most widely cited limitations of e-commerce in the literature was its inability to offer customers the capability to touch, smell and sometimes taste products (Park *et al.*, 2012). Customers may therefore be unable to judge the product quality and value, which increases their perceived risk of making an online purchase (Becerra & Korgaonkar, 2011). Even though businesses try their best to offer customers with extensive product information, some products require critical evaluation (Schneider, 2014). Another limitation associated with e-commerce is the lack of human and social interactions between customers and businesses, which sometimes results to a negative shopping experience with dissatisfied customers (Issa, 2014). In addition, e-commerce has caused businesses problems integrating their legacy databases and systems with the adopted e-commerce system (Luhach *et al.*, 2016; Ngia & Wat, 2005). Furthermore, some customers simply resist and distrust e-commerce and prefer purchasing in person where they can see and feel the product (Kim & Park, 2013; Hajli *et al.*, 2014).

2.2.4   E-commerce in Saudi Arabia

According to the Internet World Stats (2016), the number of overall Internet users in Saudi Arabia was 200,000 in the year 2000. This number has increased significantly reaching 13 million Internet users by the year 2012. A recent report from Saudi Arabia's Communication and Information Technology Commission (CITC) reported

that out of the country's overall population of 32 million, there were 21 million Internet users by the end of 2015 (CITC, 2015). This indicates a dramatic increase in Internet users over population where it accounted for 1% in the year 2000 (Internet World Stats, 2016) and 67.3% in end of 2015 (CITC, 2015).

Even though the number of Internet users in Saudi Arabia has been growing through the years, the majority of businesses in Saudi Arabia have not adopted e-commerce into their business strategies (Orlov, 2014). As a response to the rapid development of e-commerce worldwide, the Saudi government introduced e-commerce activities to the country in 2001. As reported by Alghamdi *et al.* (2014), all e-commerce related responsibilities were first assigned to the Ministry of Commerce and Industry where a committee was specifically established to initiate and deal with the development of e-commerce in the country. However, in 2006, all e-commerce responsibilities were transferred and taken over by the Saudi Communication and Information Technology Commission (CITC) under the Ministry of Communication and Information Technology (MCIT).

Regardless of the increase in the number of Internet users in Saudi Arabia, the overall growth rate and adoption of e-commerce in the country is lagging behind when compared to the global e-commerce growth worldwide (Makki & Chang, 2014; Ahmad & Agrawal, 2012; Bahaddad *et al.*, 2014; Brdesee *et al.*, 2012). This is inconsistent with the country's economic growth rate, Internet penetration, and social media and mobile usage (Makki & Chang, 2015a).

On the other hand, e-commerce in more developed countries has matured significantly in the past few years. Consumers nowadays can purchase products and services from the comfort of their homes while having the advantages of comparing prices and reading customer reviews. This is possible due to many reasons including the reliable postal services and well-established legal rights and regulations. However, in Saudi Arabia the situation is different where the majority of businesses have yet to use e-commerce (Orlov, 2014).

2.2.5 Limitations of E-commerce in Saudi Arabia

Many scholars have investigated the limitations of e-commerce in Saudi Arabia. According to several studies (Bahaddad *et al.*, 2014; Ahmed & Agrawal, 2012, Alghamdi & Drew, 2011; Aleid *et al.*, 2009) one of the most important barriers of e-commerce in Saudi Arabia was the absence of Internet and e-commerce laws and regulations. Clear regulations, rules, and procedures to protect both seller and buyer were not established until 2015 (MCI, 2015). Customers purchased products and services at their own risk. In 2008, the government of Saudi Arabia released an anti-cyber crime law for Internet crimes in general (Alghamdi *et al.,* 2011; Tago, 2009). These included punishments for hackers and fraudsters. This was only a first step that needed to progress until a clear published set of rules and regulations concerning e-commerce were put in place.

This was in accordance with CITC's report published in 2010, which stated that even though there were some set laws for e-crimes, there was still a clear gap in protecting consumers in electronic transactions. Having an explicit and clear law regarding online payments for all parties involved is considered a vital element for e-commerce, where its absence will cause many problems (Alghamdi *et al.*, 2011). This is because online transactions could raise many legal chaotic situations. This includes problems facing both the seller and the buyer where they become unaware of which laws are applicable in disputes as well as which language to adopt when dealing with international websites (Bahaddad *et al.*, 2014).

In the year 2015, the government of Saudi Arabia, precisely the Ministry of Commerce and Industry (MCI), finally proposed and drafted the first e-commerce law to govern online transactions and protect both sellers and consumers alike (MCI, 2015). Under this new e-commerce law consumers will be protected in many aspects where strict rules are to be enforced on businesses. This includes enforcing businesses to display their location, name, contact information, and the ID number of their commercial registration. Businesses must also provide clear terms and conditions, accurate pricing, accurate product information, as well as Arabic invoices for all orders. The law has also addressed many other aspects such as data security issues and advertisement and delivery regulations. In addition, this law proposed penalties for business that do not comply with it such as warnings, fines of 1 million

Saudi Riyals, and Internet access restraints. To date, this law has still not been finalised and/or publicised to the public. When visiting the Ministry's website, the e-commerce law was listed under the regulations that were still being studied to finalise soon.

Logistics also play a major role in the slow development of e-commerce in Saudi Arabia. One of the most important factors that generally affect the adoption of e-commerce was having a reliable delivery system (Al-Maghrabi *et al.*, 2010). As opposed to developed countries, the delivery system in Saudi Arabia was far from being well established and reliable. Up until 2005, homes and offices did not have identifiable addresses. Citizens were required to pick up their mail at the post office (Alfuraih, 2008). In general, the country lacked a single unified addressing system. This led some private firms to create their own grids and zones, which resulted in creating different addressing systems for the same location. This has caused confusion and delay for the delivery of mail and packages as well as causing lack of trust in the postal system as a whole (Alghamdi & Drew, 2011).

The Saudi Post introduced a wide nation project named 'Wasel', which aimed to install mailboxes in every home. Their mission was to deliver mail promptly with the use of smart satellite mailboxes and GPS technologies. However, by the year 2010, this project was still not reliable as reported by the Communication and Information Technology Commission (CITC, 2010).

By 2014, the delivery system in Saudi Arabia was still considered at its infancy stage compared to developed countries (Orlov, 2014). Customers were still unsatisfied and reported it as one of the major obstacles to adopting e-commerce in the country (Bahaddad *et al.*, 2014). As a result, and throughout the years, several worldwide commercial companies, which offer delivery services, have established themselves in Saudi Arabia such as UPS, DHL, and FedEx. However, unlike the efficient business process they have setup in developed countries, these companies were forced to change their way of delivery. As homes in Saudi Arabia still do not have clear street addresses, these companies depend largely on customers' phone numbers in order to contact them to arrange a pickup or delivery (Makki & Chang, 2014).

The Internet infrastructure has also played a role in the delay of the adoption of e-commerce in Saudi Arabia. Until the year 2004, broadband usage in Saudi Arabia was not widely available and dial-up connectivity was the dominant Internet access medium for most individuals (Sait *et al.*, 2004). It was only in 2009 that the country saw much improvement in the Internet infrastructure and most Saudi cities became connected to broadband (Aleid *et al.*, 2009).

According to CITC's 2014 Annual Report, there has been a significant high demand for broadband services as a result of the high Internet penetration rate in the country. *"Fixed broadband subscriptions including Digital Subscriber Line (DSL), fixed wireless (WiMAX), fiber optics (FTTx) and other fixed lines have grown to about 3 million at the end of 2014. The fixed broadband household penetration rate was about 43.2%"* (CITC Annual Report, 2014, p.58). However, Internet costs were still considered to be high and Internet speeds relatively slow compared to developing countries, which has a direct effect on the overall adoption of e-commerce in the county (Al-Somali *et al.*, 2015).

Privacy and security also play a major role in the acceptance and adoption of e-commerce. As Warren and Brandeis (1890) explained, privacy is the person's right to be left alone as well as to have control over the flow and disclosure of their information. Salisbury *et al.* (2001) defined e-commerce security perception as "*the extent to which one believes that the Web is secure for transmitting sensitive information*" (p.166). Even though privacy and security policies are well known and documented in developed counties, many fraud incidents are occurring. The situation is more sensitive and severe in developing countries.

In a recent study conducted by Bahaddad *et al.* (2014), website security was one of the significant factors influencing e-commerce adoption in Saudi Arabia. This is in accordance with other studies that emphasised the lack of security and privacy levels in e-payment systems in Saudi Arabia, which has subsequently caused the lack of e-commerce adoption in the country (Alghamdi *et al.*, 2011; Alshehri & Drew, 2010). Brdesee *et al.* (2012), have also confirmed that security and privacy have indeed concerned the potential e-commerce user in Saudi Arabia.

It has been reported that online shoppers from the Middle East generally do not trust making purchases from online local businesses, where only 10% of online shoppers purchase from businesses in the region (Paypal, 2013). Furthermore, 35% of all online purchases in the Middle East are made from businesses located in the United States (Paypal, 2013). This is in accordance with a study conducted in Saudi Arabia, as the authors reported the same issue where online shoppers did not trust purchasing from local businesses because they had privacy and security concerns (Alghamdi *et al.*, 2014).

Another limitation of e-commerce development in Saudi Arabia has been the widespread fear of credit card fraud (Abed *et al.*, 2015; Makki & Chang, 2014; Alghamdi *et al.*, 2015; Brdesee *et al.*, 2012; Alfuraih, 2008). Using credit cards as a method of online payment is not widely used or accepted in Saudi Arabia. Alfuraih (2008) links this to credit card interest rates. Islam, which is the dominant religion of the country, prohibits the use of interest based financial transactions. In addition, debit cards are the most widely obtained bankcards, which eliminates the need for credit cards (Alfuraih, 2008). However, unlike debit cards worldwide, in Saudi Arabia debit cards cannot be used for online payments and are designed to either withdraw cash from cash machines or make payments at sale points such as shops and restaurants (Alghamdi *et al.*, 2015).

In addition, credit cards are very hard to obtain, as banks demand a set of requirements to be met in order to issue a client with a credit card. These include the need of an initial high bank balance and a regular high monthly salary (Makki & Chang, 2014). Furthermore, obtaining a credit card is associated with many high fees starting with an annual fee for the card itself, service charges and interest rates (Bahaddad *et al.*, 2014). All these factors led to the low adoption rate of credit cards in the country, which has also been reported by the Saudi CITC's IT report (2010).

Almosa (2011) investigated the profiles of online Internet users who have adopted e-commerce in Saudi Arabia. He found that the majority of them were residents aged 18-35 and were either dependents or students. With the tough requirements for obtaining credit cards set by banks, this only clarifies the low penetration of e-commerce in the country where it is very hard for the appealing segment of residents

to obtain a credit card to make an online purchase (Makki & Chang, 2014). In an attempt to tackle this problem, banks have introduced prepaid credit cards as the best solution for users who wanted credit cards but were not eligible for them. However, these prepaid credit cards have proved to have poor customer service and were not offered by all banks (Makki & Chang, 2014).

In 2004, the Saudi Arabian Monetary Agency (SAMA) introduced a national electronic bill presentment and service provider named 'SADAD' to increase digital payments (SAMA, 2015). SADAD is a *"central system for paying out bills and other payments electronically through all banking channels in the Kingdom (bank branches, ATMs, phone banking and online banking). The number of billers of the various sectors (such as electricity, water, communications, airline companies, insurance, credit cards, etc.) connected to SADAD stood at 139 at the end of 2014, while the number of banks linked to SADAD reached 16"* (SAMA, 2015, p.68).

According to SAMA's 2015 Annual Report the total number of transactions in 2014 was 154.6 million transactions with a total value of 187.4 billion SR. In 2016, SAMA announced a new phase for SADAD to be implemented in the near future as a continuation to transforming Saudi into an e-transaction and cashless society. It was reported that the new phase will be providing innovative e-commerce solutions. *"SADAD Account will be the main local channel for payment of online purchases and a flexible platform to offer various ideas in the future. This account can be opened easily at any member bank through their electronic services. Upon registration, the user will be provided with a user name and password to be used when shopping at member stores"* (SAMA, 2016, p.2).

However, it has been reported that the growth of SADAD has not been fulfilling the demands for the growth of e-commerce, and most importantly, the high fees of SADAD are not feasible to many businesses; especially for SMEs (Makki & Chang, 2014). In addition, SADAD only offers payment transactions in Saudi Arabia, which obviously excludes all potential international transactions (Bahaddah *et al.*, 2014). Regardless of SADAD's limitations and high fees, it was the second preferred online payment method for local transactions after cash on delivery (COD) (Alghamdi *et al.*, 2014).

On the other hand, PayPal, a digital payment service, has also been introduced in Saudi Arabia. PayPal acts as an intermediary e-payment system, which offers a secure option for online users to pay or get paid (PayPal, 2016). It is reported that users feel safer when they use PayPal as they do not need to share their private financial information with businesses (Alghamdi *et al.*, 2014). However, Paypal in Saudi Arabia has been criticised for not being able to connect directly to local bank accounts, but rather require users to first add sufficient funds into their PayPal accounts through credit cards or wired transactions and only then will they be able to pay the beneficiary (Makki & Chang, 2014). In addition, and similar to SADAD, PayPal requires high fees from businesses for each transaction being made which is not feasible to many businesses, especially SMEs (Makki & Chang, 2014).

It has been reported that in Saudi Arabia cash on delivery (COD) had been the preferred payment method with a 70% share of all Internet purchases, followed by credit cards with 15%, then SADAD with 10%, and finally PayPal account for only 5% (PayPal, 2013). This was in accordance to another report, which stated that in 2014, cash on delivery (COD) accounted for 80% of all online purchases followed by credit cards (Orlov, 2014). In addition, Alghamdi *et al.* (2014) reported from their study that some customers preferred to pay over the phone or by transferring the amount through a bank transfer. Other customers also preferred to revert to friends or relatives that have prior expertise in e-commerce and asked them to make an online purchase for them (Alghamdi *et al.*, 2015).

Even though the inhibiters of e-commerce in Saudi Arabia have been limiting its adoption in the country, it must be noted that the overall state of e-commerce in general has been moving slowly forward. This includes Internet and e-commerce laws, the addressing system as well as the quality of the content published on the websites of large businesses (Orlov, 2014).

After discussing the limitations of e-commerce in Saudi Arabia, the researcher argues that trust was a notion apparent in most of these limitations. Therefore, the concept of trust will be discussed in section 2.5. After providing the current state of e-commerce in Saudi Arabia along with its limitations and inhibiters, a research review of social media is now presented.

2.3   Social Media

Social media has revolutionised many aspects of life as it integrated itself into the personal and professional lives of people (Kaul, 2012). It has changed the way people communicate, create, and collaborate with one another. Social media has been considered to have the most impact on information technology for businesses, transforming many aspects of their business strategies including marketing promotions and establishing trust relationships with customers (Aral *et al.*, 2013). However, before discussing the potential business impact of social media, a background of its evolution, definition and platforms is first discussed.

2.3.1   Evolution of Web 2.0 and Social Media

According to the latest statistics (Internet World Stats, 2016), the number of worldwide Internet users in June 2016 was 3.6 billion users, compared to 2.4 billion in June 2012 and 3.6 million in December 2000. As the Internet evolved, a new generation of the World Wide Web emerged, often referred to as Web 2.0 or the Read/Write Web. The term Web 2.0 gives the impression that there is a new version of the Web in the same way software has different versions and releases. However, it is only a metaphor for the phenomenon of the new combination of innovations witnessed on the Internet (Cormode & Krishnamurthy, 2008).

The term Web 2.0 was formed when Tim O'Reilly (2005) chaired a brainstorming session with MediaLive International about how the dot com bubble burst made the Internet much more valuable and important than ever before. Defining the term Web 2.0 has proven to be a hard task as there has been a debate on what it comprises. Initially, O'Reilly (2005) suggested that Web 2.0 should be seen as a platform, rather than a network, of which everything is built on and users control all aspects of their data. He described it as *"a set of principles and practices that tie together a veritable solar system of sites that demonstrate some or all of those principles, at a varying distance from that core"* (O'Reilly, 2005).

Originally, the web had been developed to get all information available flowing in one direction. Content was published online for consumers to read, consume and benefit from in different ways. Such flow of publication was a revolution in its own

right. Web 2.0, on the other hand, changed this flow and allowed information to flow in two directions rather than one. It became a Read/Write Web rather than a Read Only Web. Some have also named it participative web or user created content web (Fuchs, 2014; Mandiberg, 2012; Vickery & Wunsch-Vincent, 2007).

2.3.2 Defining Web 2.0 and Social Media

In general, the terms Web 2.0, user created/generated web and social media are often used interchangeably. Kaplan and Haenlein (2010) stated that the term Web 2.0 related to a term that was first used in 2004 to explain an evolution of the World Wide Web where software developers and users were able to start using the web in a new form. They defined Web 2.0 as a platform where content and applications are collectively created and constantly modified amongst a number of users rather than being created and published in an individual fashion. For the purpose of this research, Web 2.0 is defined as the second generation of Internet-based services, tools and applications that allow users to create, publish, share and reproduce many types of information on different types of social media platforms (Turban *et al.*, 2015; Laudon & Traver, 2015).

Kaplan and Haenlein (2010) considered content to be categorised as user generated content only if it complied with three requirements. Firstly, content must be publically published and accessible to everyone or to specific people that belong to a specific network. This excludes content being sent through email or instant messages for instance. Secondly, content must be crafted by the user and not simply replicating other content. Finally, the content must not be created by businesses for marketing purposes.

When it comes to defining social media though, it has been hard to find a unified definition that was agreed upon amongst scholars (Weller, 2015). However, all definitions shared a similar feature, which was the blending of new technologies for the purpose of co-creating valued content through social interactions (Turban *et al.*, 2015). For instance, Safko and Brake (2009) defined social media as the *"activities, practices, and behaviours among communities of people who gather online to share information, knowledge, and opinions using conversational media"* (p.6). Other

scholars viewed social media as a tool, which enables the generation of content, online reviews and current feedback, as well as a tool for online relationship and community building (Rodriguez *et al.*, 2012).

However, Kaplan and Haenlein (2010) enriched the body of knowledge and differentiated between Web 2.0, user generated content and social media. Their definition of social media provided a clear explanation of the relationship between all three concepts. They viewed social media as *"a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content"* (Kaplan & Haenlein, 2010, p.60). For the purpose of this research, the latter definition is used.

2.3.3   Social Media Platforms

User generated content can be in many forms such as text, video, audio and photos. Social media has many types of platforms for different needs and roles such as for maintaining and creating relationships, information sharing, photo sharing, video sharing, gaming etc. (Hoadley *et al.*, 2010). For example, there are blogs, social networking sites, peer-to-peer networks, media sharing platforms, social bookmarking, referencing platforms and virtual worlds. For the purpose of this research, both social networking sites and media sharing platforms are discussed in more detail.

Social Networking Sites

The development of social media has had a dramatic effect on social networking sites. Social networking sites first emerged through a website called SixDegrees.com. However, with the mass diffusion and development of the Internet they changed into a significant cultural phenomenon when Friendster started to attract the media's attention in 2003 (Ellison & Boyd, 2013). Within a short period of time, social networking sites have attracted millions of users around the world who have incorporated these sites into their daily lives (Li & Bernoff, 2008).

It has been noted that the words social networking sites, social networks and online social networks have been used interchangeably to describe a set of websites with

certain social features (Ellison & Boyd, 2013). In 2007, Boyd and Ellison attempted to define social networking sites as *"web-based services that allow individuals to 1) construct a public or semi-public profile within a bounded system, 2) articulate a list of other users with whom they share a connection, and 3) view and traverse their list of connections and those made by others within the system"* (2007, p.211).

However, as this field is evolving in terms of technical and social changes, Ellison and Boyd decided to update their definition. In 2013, they defined social networking sites as *"a networked communication platform in which participants 1) have uniquely identifiable profiles that consist of user-supplied content, content provided by other users, and/or system provided data; 2) can publicly articulate connections that can be viewed and traversed by others; and 3) can consume, produce, and/or interact with streams of user-generated content provided by their connections on the site"* (Ellison & Boyd, 2013, p.157).

Each year many new social networking sites are developed. Some are used for social and leisure purposes and some for professional use. For example, Facebook has become the leading social networking site, which reached more than 1.65 billion active users in 2016 (Facebook, 2016). LinkedIn, however, was developed for the more professional audience. It enabled business professionals to create their profiles and invite other professionals, which created a whole network of linked professionals (Kietzmann *et al.*, 2011). Parameswaran and Whinston (2007) stated that communities such as Facebook and MySpace succeed and thrive on rapid growth, whereas LinkedIn might succeed and last longer by controlled growth. Other well-known examples are Twitter, Foursquare Snapchat, Google+, Pinterest, and Tumbler.

Media Sharing Platforms
Media sharing is another type of social media platform where users upload and share videos, images and photos taken by their cameras and/or smartphones. A user is required to register first to gain access to the service. Services are usually free for basic usage and can be extended to unlimited space for a small fee. Users can usually add titles, tags and brief descriptions about each video, image or photo being uploaded. This content can be shared with other Internet users (Wally & Koshy, 2014). There is also a feedback and ranking system where users can rate the content,

and feedback accumulates to give a certain video, photo or image a popularity rate (Parameswaran & Whinston, 2007).

The most popular website for video sharing is YouTube.com, which was launched in 2005 and acquired by Google one year later. More than 6 billion hours of video had been watched each month on YouTube, with 100 hours uploaded every minute (YouTube, 2016). Similarly, Instagram is the leading website for photo sharing with 600 million users, of which more than 300 million use it each day (Instagram, 2016).

Categorising social media platforms into distinct categorise has been proved to be difficult as some platforms combine features of more than one category (Wu *et al.*, 2013; Weller, 2015). For example, Instagram and Twitter have been categorised differently. While Twitter is considered to be a micro-blogging platform and Instagram is a photo sharing application, both are also considered to be social networking sites as they hold social features enabling them to connect users around the world with various types of content (Kietzmann *et al.*, 2011).

As this research investigated a new business phenomenon occurring specifically on Instagram in Saudi Arabia, it is worth discussing this social media platform further. Instagram was developed in 2010 as a mobile photo and short video capturing and sharing platform (Coelho *et al.*, 2016). It enables its users to instantly capture, edit, post and share photos and short videos with friends on its platform as well as on other similar social media platforms such as Facebook and Twitter (Hu *et al.*, 2014). Instagram shares similar social features to Facebook and Twitter in the form of liking, commenting and following other users (Jarvinen *et al.*, 2016; Bakhshi *et al.*, 2014). However, Instagram has been recognised as a simpler social media platform to use in comparison to Facebook as its users are satisfied with only sharing images and/or short videos with short descriptions, whereas Facebook includes many other social features that require intensive participation from its users (Miles, 2013).

In addition, Instagram enables its users to use the 'hashtag' feature, which allows users to describe or name an image or photo with a tag by adding the '#' symbol before the tag (ex. #example). The 'hashtag' feature enables users to use Instagram not only for sharing images and videos, but also to search for their desired relevant

content (Costill, 2013). Users could also use the 'mention' feature by using the '@' symbol before a user's name which automatically sends a link of the post to the other user's account (ex. @username) (Hu *et al.*, 2014).

As with other social media platforms, large businesses incorporated Instagram into their business strategies in order to gain many advantages. Likewise, small businesses and non-profit organisations found alterative cost effective mechanisms to advertise and sell their products (Coelho *et al.*, 2016; Enginkaya & Yilmaz, 2014). This matter is discussed briefly in the next section (section 2.3.4) and is discussed in detail in section 2.4.3.

2.3.4   Social Media Business Impact

It has been reported that out of the 3.6 billion Internet users worldwide (Internet World Stats, 2016), approximately 2 billion use social media platforms (Statista, 2016a). Social media has witnessed significant developments through the years, which enabled its users to connect to each other using a wide range of platforms (Colliander & Dahlen, 2011). Not only has social media benefited and changed the communication of its users, but have also revolutionised the ways of generating money, building reputation, and seeking employability (Ngai *et al.*, 2015). It also introduced new possibilities for organisations of any size to incorporate new models and strategies in order to succeed and gain competitive advantage (Aral *et al.*, 2013; Hanna *et al.*, 2011).

The role of social media has evolved through the years and expanded from just being a social communicating medium, to being a part of the whole business strategy. Platforms such as Twitter, Facebook and Instagram were first designed to express opinions, share knowledge and connect users either known to each other in real life or build new relationships online based on shared interests. However, as these platforms have become widely used by many customers, organisations have realised their business potential and incorporated them into their business strategies (Coelho *et al.*, 2016; Wu *et al.*, 2013).

Many scholars have reported the potential business benefits of social media for organisations. These range from simple new customer communicating channels to marketing, operations, finance and human resource management (Aral *et al.*, 2013). Perhaps the most significant effect of social media on businesses has been its ability to integrate customers in many aspects of the business. This ranges from customer service activities, identifying target audiences, creating engaged brand communities and extracting new product ideas (Rathore *et al.*, 2016; Enginkaya & Yilmaz, 2014; Bartl *et al.*, 2012).

In addition, scholars investigated the effect of social media on enterprises and found many benefits such as enhanced intra and inter - organisational communications amongst peers, customers and business partners (Lenher & Fteimi, 2013; Ngai *et al.*, 2015). These include projects such as knowledge sharing communities, collaborative learning and creativity, and collaborative product production and development (Ngai *et al.*, 2015; Paquette, 2011; Peppler & Solomou, 2011). However, there are many other business benefits linked to social media, which are discussed in detail in section 2.4.3.

2.3.5   The State of Social Media in Saudi Arabia

Just as social media has thrived worldwide with users of all ages engaging in these platforms, the usage of social media in Saudi Arabia has also been very high. The young population of users in Saudi Arabia embraced the use of social media in many aspects of their daily lives (Orlov, 2014). To demonstrate the high penetration of social media in Saudi Arabia, an overview of the number of users for the popular social media platforms follows.

According to The Social Clinic Annual Report (2015) on the usage of social media, Facebook in Saudi Arabia has the highest user rate in the GCC (Gulf Cooperation Council) countries with over 8.4 million active users. It has also been reported that Facebook.com and Facebook Messenger are the second and third most used social media platforms in Saudi Arabia respectively after WhatsApp, an instant messaging mobile application, which is ranked as the highest social media platform (Statista, 2015b). In addition, as of 2015 Twitter had 5.4 million active users in Saudi Arabia,

who tweeted more than 210 million tweets each month (The Social Clinic, 2015). This made Saudi Arabia hold the second highest penetration of Twitter users worldwide (Statista, 2015c). The number of tweets from Saudi Arabia makes up 40% of the Middle East and North Africa (MENA) region (The Social Clinic, 2015).

YouTube was also reported as a popular social media platform in Saudi Arabia with 15 million users and 100 million videos watched daily. In addition, it had been reported that around 7 million users have uploaded videos at least once in their lifetime (The Social Clinic, 2015). Furthermore, the report had also indicated that the number of LinkedIn active users in Saudi Arabia in 2013 was 840,000 and increased to 1.4 million in 2015 (The Social Clinic, 2015). These are only a few examples that exemplify the significant increase of social media engagement in Saudi Arabia.

According to Statista.com (2015a), Saudi Arabia was ranked at tenth place worldwide with an average daily usage of social media of 3 hours per user. This is opposed to the US, which was ranked in at number 13 and the UK at number 18, with an average daily usage of 2.7 and 2.2 hours per user respectively. This indicated the vast amount of social media penetration amongst users of social media in Saudi Arabia. This also suggested that social media users in Saudi Arabia are more intense users than those in the US and UK.

Research pointed out that such findings regarding the state of social media in Saudi Arabia created a potential new setting in the country for business owners of all sizes to reach their customers (Abed *et al.*, 2015). Research conducted in the Arabian Gulf region reported achieving similar business benefits of social media as in Western countries (as indicated above in section 2.3.4). Such organisations in the Arabian Gulf who have adopted social media into their business reported benefits such as more efficient and lower cost marketing strategies. In addition, organisations experienced better communication with customers and reached their target market, which in turn allowed them to succeed in their overall performance (Indrupati & Henari, 2012).

This section provided the relevant literature on social media. This included its evolution, definition, platforms and its current state in Saudi Arabia. The next section provides a literature review on social commerce.

2.4   Social Commerce

It has been reported that one of the major limitations associated with e-commerce is the lack of human and social interactions between customers and businesses (Issa, 2014). However, more people have chosen to communicate and collaborate together on a daily basis to create, generate, share and link information together. The outcome of this has been collective intelligence, which could be harnessed and used in many beneficial ways such as the use of social commerce.

Social commerce has been viewed as a new stream and an evolution of e-commerce where users are able to socially communicate with others regarding their purchase intentions (Lu *et al.*, 2016; Hajli, 2014; Huang & Benyoucef, 2013). The technological advances of Web 2.0, which created many new design and social features on social media platforms, enabled users to share their thoughts through recommendations, ratings and comments. This in turn enhanced the user's experience with rich insightful information, which resulted in a more trustworthy shopping experience (Lu *et al.*, 2016). The following is a discussion on social commerce where the evolution of social commerce is first discussed, followed by the definition of social commerce, the potential business benefits of social commerce, and finally the state of social commerce in Saudi Arabia.

2.4.1   The Evolution of Social Commerce

According to Laudon and Traver (2015), the history of e-commerce can be segmented into three developmental periods. First, there was the invention period, which dates back to 1995 up to the year 2000. In this period, e-commerce went through its first use of the Web, mainly as an advertising channel. Most businesses that embarked on e-commerce created websites to sell basic retail products through simple static advertisements. At that time, search engines and bandwidths were not technologically

advanced. However, in the year 2000, the valuation for dot com websites peaked to its highest and then it began to crash and collapse.

By 2001, e-commerce entered a new consolidation period that lasted up to the year 2006. Businesses shifted their business models from being technology driven models to business driven models. E-commerce evolved from websites that were only selling retail goods to selling and providing sophisticated services such as financial and travel services. This was due to the advances of the Internet and the availability of broadband. Online marketing and advertisement shifted from being static on the business website to more sophisticated strategies. For example, the introduction of search engine advertising that targeted users' words and queries was introduced (Laudon & Traver, 2015).

However, by the year 2007 the adoption of online social networks, along with the technological advances witnessed through the Internet, geared e-commerce into yet another period. The wide use of smartphones and tablets, Web 2.0 and social media enabled e-commerce to evolve to the reinvention period (Laudon & Traver, 2015). This period, which is being witnessed to date, enabled social commerce because it combined the technological and social phenomena. It shifted businesses from a Web 1.0 passive model to a Web 2.0 social interactive model where information and content has been socially produced by customers (Hanna *et al.*, 2011).

Some scholars date the beginnings of social commerce to the late 1990s when Amazon and eBay introduced new features which enabled users to write reviews and comments on products as well as rate the seller's overall performance (Friedrich, 2015; Lu *et al.*, 2016; Curty & Zhang, 2011). Others argue that the term social commerce was first coined by Yahoo in 2005, where it introduced a new social collaborative shopping feature to its shopping platform (Wang & Zhang, 2012; Mardsen, 2010). Yahoo enabled its users to share their experiences, receive advice from others and search for goods to purchase on its shopping platform.

However, with the emergence and advancements of Web 2.0 and social media, the scope of social commerce expanded to include many other social features, tools and opportunities (Wang & Zhang, 2012). These include *"peer recommendations, shared*

shopping lists, product referrals, coupon sharing, team-buying (i.e., a group of customers gathering together in order to bargain with merchants), deal-of-the-day websites (i.e., e-commerce websites where a minimum number of purchases should be reached in order for an offer to be activated), and company-controlled online communities" (Adamopoulos & Todri, 2015, p.1641).

2.4.2   Defining Social Commerce

Social commerce has been characterised with three major attributes; social technologies, community interactions and commercial activities (Lu *et al.*, 2016). The advances of social commerce created far-reaching outcomes and sparked research in many disciplines including marketing, economics, computer science, sociology and psychology (Baghdadi, 2016; Aral *et al.*, 2013). This indicated the comprehensive research area that spans around social commerce research and resulted in the accumulation of many definitions (Lin *et al.*, 2016). However, almost all definitions capture the same characteristics, which are the use of Web 2.0 and social media features to assist the e-commerce process.

For instance, and in a broad sense, social commerce is defined as a new way of conducting commerce, which involves collaboration between all actors in the value chain (Baghdadi, 2016). Dennison *et al.* (2009) used IBM's definition, which stated that *"social commerce is the concept of word of mouth applied to e-commerce, and it is the combination of a retailer's products, online content and shoppers' interaction with that content"* (p.2).

For the purpose of this research, social commerce is considered to be a type of e-commerce and is defined as *"the use of Internet-based media that allow people to participate in the marketing, selling, comparing, curating, buying, and sharing of products and services in both online and offline marketplaces"* (Zhou *et al.*, 2013, p.61).

Liang and Turban (2011) explained that social commerce websites have two major configurations. The first configuration is when social networking sites, such as Facebook, integrate commercial features that encompass financial transactions and

advertisements. According to Bansal *et al.* (2011), one of the first formal businesses that used social commerce was flower.com, which launched its store on Facebook in the year 2009. In addition, American Express recently founded its social commerce venture on Twitter, where customers are able to complete a purchase of a product or claim a discount by simply tweeting a certain hashtag, which would also be visible to everyone who is following them. American Express was able to utilise the 'hashtag' feature to transform Twitter into a social commerce platform where customers could complete the whole transaction on the same platform with a simple tweet, which is automatically visible to other followers and helps in spreading the word (Adamopoulos & Todri, 2015).

The second configuration of social commerce is where traditional e-commerce websites add social networking features to their website to exploit the power of social networks. These businesses utilised the new technologies of Web 2.0 and social media and incorporated them on their websites to offer customers with a more interactive and social shopping experience (Busalim & Hussin, 2016; Friedrich, 2015).

Even though social commerce is derived from e-commerce, the two have differences in many aspects. Social commerce has proved to be much more complicated such as in its motives, business models, challenges and design features (Huang & Benyoucef, 2013). E-commerce, for example, was designed using one directional Web 1.0 technologies, which dealt with customers as individuals. Social commerce, on the other hand, was designed and enabled by Web 2.0 technologies, which enabled bidirectional interactions between the business and customers (Baghdadi, 2016).

In addition, static one-to-many marketing strategies have been replaced by dynamic one-to-one customised marketing interactions between businesses and customers (Ngai *et al.*, 2015). In the context of social commerce, the aim of the customer is to socialise and gather as much product information as possible to make the right decision with regards to a product or service, where as the aim of the business is not only to convert the user into a customer but to also convert the customer into becoming a brand supporter (Ng, 2013).

Accordingly, the customer has become the centre of focus for businesses (Busalim & Hussin, 2016). Social commerce enabled a power shift from businesses to customers, where customers have become the dominant holders of the bargaining power (Kim, 2012; Hajli & Sims, 2015). Social commerce has also shifted e-commerce from a product-oriented platform to a customer-oriented interactive environment (Huang & Benyoucef, 2013). As Griffiths and McLean (2015) noted, customers were only able to communicate with businesses through their static contact channels such as email addresses and 'contact us' forms. The response from businesses was also restricted and was usually from scripted business lines and rarely addressed individual concerns. However, as social media emerged and advanced, and as customers were enabled to voice their opinions and concerns, a shift of power from businesses to customers was witnessed. Customers have become dissatisfied with their relationships with businesses, and demanded an active role through their feedback, rather than simply being an audience to a business marketing campaign (Diffley *et al.*, 2011; Ng, 2013).

2.4.3   Social Commerce Business Benefits

The business benefits of e-commerce that were found throughout the literature and discussed in some detail in section 2.2.2 are examined once again here. As mentioned earlier, Bloch *et al.* (1996) predicted ten business benefits for using e-commerce. However, the researcher argues that these business benefits have been enhanced by social media and fully achieved through social commerce. The following is a discussion of these business benefits, where the technological advances of Web 2.0 and social features of social media became powerful tools that enhanced the business benefits of e-commerce further more. The business benefits discussed below are not distinct but are rather very much connected to one another and overlap. These social commerce business benefits are used extensively to discuss the findings of this research in the Discussion Chapter (section 6.2).

As discussed previously, social commerce enabled businesses to adopt many features of social media and transform their static e-commerce websites into interactive dynamic shopping environments (Ngai *et al.*, 2015). One of the business benefits of social commerce has been witnessed through product promotion (Kang & Park,

2009). Businesses have been trying to utilise the features of social media and move from traditional forms of media towards digital and online media. This has been done in various ways such as linking their websites to online forums, blogs, customer reviews, video mash-ups, viral marketing and many other forms of user generated content (Rathore *et al.*, 2016; Hutton & Fosdick, 2011). Customers have been playing an active role in marketing products and services. All this has generated massive word of mouth, which in return acted as new marketing and advertisement tools (Li *et al.*, 2010; Canhoto & Clark, 2013).

As was the case in e-commerce, online customer reviews proved to be more genuine and have more effects on purchase intentions over any business generated content (Goh *et al.*, 2013). This has been witnessed more through social commerce, where the opinions of others who have experienced the service or product have been seen to be more objective than any marketing and advertising campaign generated by the business, regardless of how much the business spent on it (Enginkaya & Yilmaz, 2014). Small businesses have utilised this benefit of social media to overcome their limited marketing resources (Lacka, 2014).

Social commerce also facilitated new sales channels. As discussed earlier, one of the configurations of social commerce is where businesses integrate commercial features on social media platforms, which includes financial transactions and advertisements (Liang & Turban, 2011). Businesses, especially small and new businesses, have utilised social media platforms as storefronts to sell and advertise their products on platforms that are already used and visited by millions, such as Facebook and Twitter (Adamopoulos & Todri, 2015). By doing so, businesses took advantage of the low cost of social media platforms and their high level of customer-oriented structures (Ng, 2013). Businesses also benefited from customers who wrote positive reviews about their brands, products and/or services and subsequently posted and linked them to other social media platforms, which acts as another form of advertisement for the business (Enginkaya & Yilmaz, 2014; Kang & Park, 2009).

Achieving direct savings from social commerce was another business benefit (Enginkaya & Yilmaz, 2014). As was mentioned briefly through the above two business benefits of social commerce, businesses that adopted social commerce were

able to lower their costs. The shift from traditional methods of marketing towards online and digital marketing enabled businesses to significantly lower their costs (Lacka, 2014). For example, when Ford launched their new Fiesta car into the market, they chose to use social media platforms (YouTube, Facebook, Twitter and Flickr) to advertise and market their product. The result revealed that a huge amount of buzz was created and the awareness of potential customers was higher than the previous launched Fusion car, which used traditional advertising costing them millions of dollars (Bullas, 2010). As such, acquiring direct savings from social media has been beneficial to all sizes of enterprises, especially for small and medium sized companies (Enginkaya & Yilmaz, 2014).

Another business benefit of e-commerce that was discussed earlier was gaining the competitive advantage of reducing the time between creating the product and selling it. The use of social media enhanced this feature further by reducing the supply chain, enabling businesses to link their websites to blogs, forums and various social media platforms. This enabled businesses to extract innovation ideas from user generated content and therefore gain competitive advantage (Enginkaya & Yilmaz, 2014).

Improved customer service was a further business benefit gained through social commerce (Stephen & Toubia, 2010). Having a business account on social media networks such as Facebook, Twitter and Instagram has proved to maximise the level of service directed to the customer. Using e-commerce websites, customers were only able to communicate with businesses through their static contact channels such as email addresses and 'contact us' forms (Griffiths & McLean, 2015). Social commerce enabled businesses to significantly enhance their interactions with their customers in terms of speed, volume, and ease of contact (Chung *et al.*, 2015; Culnan *et al.*, 2010). This presented businesses with the opportunity to directly interact with their customers in many aspects such as answering queries and receiving feedback (Kaplan & Haenlein, 2009).

This also enabled businesses to reach out to where customers were already talking about the business either positively or negatively, and subsequently provide help and address any problems (Lacka, 2014). Even if comments were negative, research has argued that businesses need to respond to show their commitment to improving their

products or services (Kucukemiroglu & Kara, 2015). It has been reported that customers actually expected businesses to interact and support them in various social media platforms such as providing support and answers to their questions on Twitter or Facebook (Canhoto & Clark, 2013). Therefore, social commerce facilitated the interaction between users and businesses to continue from the physical world on to the virtual world (Rathore *et al.*, 2016).

A different business benefit gained through social commerce was enhanced brand or corporate image. With the number of social media users increasing yearly, businesses have been trying to seek novel ways to communicate and engage with their customers for the purpose of building their brand image (Adamopoulos & Todri, 2015; Wu *et al.*, 2013). Creating a business page on Facebook and Twitter, posting advertisements on YouTube, posting pictures on Instagram, and posting information on Wikipedia about the business has been linked to drive traffic and also benefits the bottom line of the business (Chung *et al.*, 2015; Wang, 2011; Ng, 2013).

Social commerce has also enhanced the technological and organisational learning of a business. Through the use of social media within organisations, businesses have been equipped with transforming the exchange of knowledge and expertise (Aral *et al.*, 2013). As stated earlier in section 2.3.4, scholars investigated the effect of social media on enterprises and found many benefits such as enhanced intra and inter-organisational communications amongst peers, customers and business partners (Lenher & Fteimi, 2013; Ngai *et al.*, 2015). These include projects such as knowledge sharing communities, collaborative learning and creativity, and collaborative product production and development (Ngai *et al.*, 2015; Yates & Paquette, 2011; Peppler & Solomou, 2011). Therefore, businesses have embraced social media features and platforms for the purpose of improving knowledge sharing internally amongst peers as well as externally with customers and suppliers (Yates & Paquette, 2011).

Another business benefit gained through social commerce was creating new business models. E-commerce systems forced businesses to improve their whole business model in order to successfully implement e-commerce. Accordingly, social commerce once again forced businesses to change their business models and equipped

them with better business processes. The many challenges of social media urged businesses of all sizes to reshuffle their overall traditional business strategies in order to survive and thrive in a social media dominated era (Ngai *et al.*, 2015; Canhoto & Clark, 2013; Hanna *et al.*, 2011).

As stated in section 2.2.2, creating new relationships with customers and predicting new products were two of the business benefit propositions discussed in Bloch's *et al.* (1996) work. However, throughout the literature, it was difficult to find evidence relating these two business benefits to e-commerce, and therefore achieving them through e-commerce has been very limited. Nonetheless, both these business benefits were found to be apparent through the use of social commerce.

With regards to creating new business-to-customer relationships, social media was able to achieve this to a great extent. Customers have been socialising in their social media communities about their desires, needs and expectations of businesses and products. Therefore, businesses have been trying to further utilise and increase this engagement to build stronger relationships (Adamopoulos & Todri, 2015). Social commerce holds unique features that provide businesses with opportunities to gain competitive advantage by forming strong relationships with customers (Hajli & Sims, 2015; Lin *et al.*, 2016). Communicating with customers on various social media platforms has become popular with businesses as it formulates and improves the relationship between the business and customer (Lacka, 2014).

Similarly, the business benefit proposition of creating new products was very limited with traditional e-commerce. However, through social commerce this has been widely achieved. Brand communities on social media platforms, such as on Facebook and Twitter, have equipped businesses with a tremendous amount of user generated content which holds important data for businesses (Griffiths & McLean, 2015). Customers have been openly and voluntarily giving out vital information regarding their feedback and future desires on products and services. Businesses that use and act upon such information gain competitive advantage over other businesses (Hajli, 2014). Table 2.1 below provides a summary comparison between business benefits achieved by e-commerce and how they have been enhanced further through the use of social media in social commerce.

Business Benefit	Traditional E-commerce	Social Commerce
Product promotion	- New marketing channels. - Worldwide customer base.	-New advertising channels on various social media platforms. -Utilising word-of-mouth.
New sales channels	-Around the clock selling channels.	-Selling where customers are already located on social media platforms.
Direct savings	-Lowering telecommunication and administrative costs.	-Substantially lowering costs of traditional advertising.
Time to market	-Reduce the time between creating and distribution.	- Further reduce the time between creating and distribution.
Customer service	-Online support and maintenance.	-Join the conversation where customers are already talking. -Improve the speed and volume of customer services.
Brand image building	-Establish and maintain a web presence.	-Wider mediums to popularise the brand and corporate image.
Technological and organisational learning	-Improve efficiency of business by learning and adapting faster. -Increase productivity.	-Improve knowledge sharing internally amongst peers.
New business models	-Improve business processes.	-Further development of new business models and strategies.
New business-to-customer relationships	-Very limited through statistical calculations which impose what customers want.	-Build strong relationships with customers.
New products	-Very rare and limited.	- Gain competitive advantage by extracting valuable customers' needs, desires and expectations.

Table 2.1:   Comparing business benefits between traditional e-commerce and social commerce (Extracted from literature, created by the researcher).

As it was demonstrated, Bloch's business benefit propositions for e-commerce were once again re-examined for social commerce. Through the review of the literature, the researcher found that these business benefits were enhanced and fully achieved through social commerce. These business benefits are explored in the data collection process and used once again in the Discussion Chapter (Chapter 6, section 6.2).

2.4.4 Social Commerce in Saudi Arabia

As indicated earlier, the number of Internet, social media and mobile users in Saudi Arabia has significantly increased through the years. However, prior research has suggested that businesses in the country, regardless of their size, have not fully exploited the many benefits of social commerce (Abed *et al.*, 2016; Makki & Chang, 2015b).

For instance, recently both Makki and Chang (2015a) and Abed *et al.* (2016) conducted research on social commerce in Saudi Arabia. While both papers point to interesting details regarding social commerce in the country, they concluded that businesses in Saudi Arabia generally have not understood the full potential of social commerce for the success of their businesses. Abed *et al.* (2016) examined 60 SMEs in Saudi Arabia from the lens of social commerce. They reported that businesses in Saudi Arabia generally have not understood the potential of social commerce for the success of their business. Only 14 of the 60 SMEs under investigation have created accounts on all of the following social media platforms; Facebook, Twitter, YouTube, Instagram and LinkedIn.

It was also witnessed that as businesses generated more content on their various social media accounts, more customers commented, tagged and referred each other to these accounts. In addition, it was reported that businesses that provide high quality information on their social media accounts attracted more users. Abed *et al.* (2016) reported that the aim of the 14 businesses that used these platforms was to build relationships with customers to enhance their level of trust with them. However, an overall low level of social commerce penetration was reported.

Makki and Chang (2015a) examined 163 Saudi e-stores and surveyed 1021 individuals living in Saudi Arabia. They reported that social media had a significant effect on the purchase decision-making process. In contrast, emails and Short Message Services (SMS) had a very low impact on users. Even though they were used extensively by businesses as an advertising channel, both emails and short messages had a low impact in attracting customers as they were sent randomly to users. Not only were they not effective, but Makki & Chang (2015a) suggested they were hurting the overall reputation of the business as these emails and short messages were sometimes viewed by users as unwelcomed spam messages.

The authors concluded by advising businesses to use more than one social media platform to reach out to as many users as they can, generating more word of mouth and building trust. This finding accords with the research conducted by Abed *et al.* (2016). However, Makki and Chang (2015a) gave much importance to a specific social media platform. They reported that social media, especially Instagram, was found to be a very influential social media tool, which has been effective in marketing as well as increasing product awareness.

This research investigated the use of Instagram from a different perspective where small businesses in Saudi Arabia have utilised the platform in a different way. Rather than having social media act as just one of the channels for communicating with customers, a new business phenomenon has been witnessed where small businesses in Saudi Arabia have utilised Instagram as the main platform to conduct their trading activities. As indicated in section 2.3.3, Instagram is a smartphone social media platform (Coelho *et al.*, 2016). It enables its users to instantly capture, edit, post and share photos and short videos with friends on its platform as well as on other similar social media platforms such as Facebook and Twitter (Hu *et al.*, 2014).

According to Statista.com (2016b), Saudi Arabia has a high number of smartphone users, with 22 million smartphone users in 2016 over a population of 32 million (SAGIA, 2016). However, small businesses in Saudi Arabia have used Instagram not only as an advertising and communicating channel, but also as their main platform for conducting business. Although Instagram lacks the social shopping features needed to conduct business, it has been widely used by small businesses in Saudi Arabia.

In their paper, Hagiu and Rothman (2016) discussed how online marketplaces such as eBay and Etsy have been using ratings systems to build trust. According to them, such systems have not been adequately successful in building sufficient trust between businesses and customers. This indicates that on one hand, research suggests that online marketplaces are struggling to provide users with sufficient trust systems. On the other hand, the new business phenomenon witnessed in Saudi Arabia seems to provide its users an alternative and perhaps more reliable trust system. Therefore, the aim of this research was to investigate this online social media business phenomenon.

This section provided the reader with the literature concerning social commerce. It included the evolution of social commerce as well as its definition, business benefits and the state of social commerce in Saudi Arabia. The next section provides the relevant literature on trust in the context of e-commerce and social commerce.

2.5 Trust

Many have suggested that trust is one of the most important factors affecting the adoption of both e-commerce (Shin, 2010; Yang *et al.*, 2009) and social commerce (Brdesee *et al.*, 2012; Hajli, 2013; Ng, 2013). Therefore, it is vital to review the literature on trust; more specifically trust in e-commerce and social commerce.

2.5.1 Defining Trust

The literature demonstrates a wide range of studies concerned with trust in different disciplines such as in psychology, sociology, and economics. For example, researchers from psychology and sociology were concerned with different aspects of trust. In psychology, they were concerned with individual's characteristics of trust whereas in sociology they were concerned with the interpersonal aspects of trust (Kim & Park, 2013). In economics however, researchers were focused on trust as an expectation of an individual's interactions or as a result of a weakness in terms of acceptance and exposure (Beldad *et al.,* 2010).

As a result of trust being researched extensively in different fields of study, it has acquired a wide range of definitions. However, some researchers believe that trust is indefinable because it is too vague and others simply do not attempt to define it

(McKnight *et al.*, 2002). Regardless, there are many researchers across varying disciplines that did define trust. For example, Deutsch (1958) defined trust as a range of expectations that guide an individual to other individual's intentions, which are out of his/her control. Robinson (1996) stated that trust is *"one's expectations, assumptions, or beliefs about the likelihood that another's future actions will be beneficial, favourable, or at least not detrimental to one's interests"* (p.576).

Similarly, in e-commerce research, there have been many attempts to define trust. McKnight *et al.* (2002) discussed the need to have a unified definition as some researchers consider trust to be the willingness to believe (Fung & Lee, 1999) or the characteristics and beliefs of another party (Menon *et al.*, 1999; Stewart, 1999). Examples of these characteristics could be honesty, fairness, strength, predictability, integrity, ability and/or benevolence (Mcknight *et al.*, 2002). In the context of this research, trust is defined as *"the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party"* (Mayer *et al.*, 1995, p.712).

2.5.2   Trust in E-commerce and Social Commerce

There have been many studies confirming the affect that trust has on user acceptance and adoption of e-commerce (Brdesee *et al.*, 2012; Ng, 2013; Shin, 2010; Yang *et al.*, 2009; Kim *et al.*, 2008). Many scholars concluded that trust is not one dimensional but rather multi-dimensional with ability, integrity, and benevolence as the most three widely cited dimensions (Giffen, 1967; Rotter, 1971; Mayer *et al.*, 1995; Jarvenpaa *et al.*, 1998; Gefen & Silver, 1999; Ridings & Gefen, 2001; Gefen *et al.*, 2003). *"Ability is the skills or competencies that allow a trustee to be perceived competent in a specific area. Integrity is the expectation that the trustee will act in accordance with social norms or principles that the trustor accepts. Benevolence is that the trustee will care about and do good to the trustor"* (Lu *et al.*, 2010, p.348). However, Gefen and Straub (2004) state that there are other scholars who allocate different dimensions to trust specific to their research context.

Within the online customer context, some scholars have modelled a typology for trust where they identified different levels of trust (McKnight *et al.*, 2002; Ridings *et al.*, 2002). For instance, interpersonal trust has been referred to as an implicit set of beliefs where a person feels that another will not carry out opportunistic actions against him or her. When a person is dealing with an institution rather than a single person or if they are dealing with the Web, than that has been referred to as institutional trust (Rose *et al.*, 2011).

As trust is important for any form of business, trust in e-commerce is even more vital. Trust is considered to be an important factor for e-commerce in order to expand the economic growth and competitive advantage gained from it (Morid & Shajari, 2012). In traditional commerce, customers spend their time verifying their desired goods or services as well as socialising with sellers and forming their own opinion and level of trust. However, in e-commerce the relationship between the customer and business is faceless, automated and impersonal without any human interaction (Lu *et al.*, 2016; Hassanein *et al.*, 2009). It becomes a very hard task for online businesses to convey a form of trust with their customers (Kumar *et al.*, 2010).

Indeed, research has confirmed that lack of trust is one of the major factors causing users to abandon e-commerce, and many firms fail to build a trustworthy relationship with their customers (Kim & Park, 2013). This is more apparent when businesses are selling new products or services, as customers are uncertain of what they will receive in return (Hajli *et al.*, 2014). However, it has been reported that when businesses incorporate a social presence on their websites, customers generally feel secure and are therefore more likely to trust the business and make an online purchase (Ng, 2013; Weisberg *et al.*, 2011).

As was discussed previously in section 2.4, the widespread use of social media and Web 2.0 technologies have extended e-commerce into a new form of trading called social commerce. In the context of this research, social commerce is considered to be a type of e-commerce and is defined as *"the use of Internet-based media that allow people to participate in the marketing, selling, comparing, curating, buying, and sharing of products and services in both online and offline marketplaces"* (Zhou *et al.*, 2013, p.61). Researchers argue that trust issues regarding e-commerce could

perhaps be resolved by social commerce. This is because social interactions found in social commerce can increase the level of trust in customers and reduce perceived risks, which consequently could increase the chances of making a purchase (Hajli, 2013; Lu *et al.*, 2010). When individuals interact and participate in social networking sites, blogs, forums, and virtual communities and choose to share their personal experiences, their social perception will change.

Interestingly, researchers reported that customers are more interested in the recommendations and reviews written by other customers as opposed to product information provided by the business itself (Hajli *et al.*, 2014; Goh *et al.*, 2013). This is understandable as customer reviews carry real experiences of using certain products or services and hence hold true value for other customers. It has been suggested, as early as 2008, that businesses could benefit massively from social networking sites as interactions between the business and customer or between the customers themselves, would help in brand awareness and therefore increase consumer trust (Li & Bernoff, 2008). Users of social commerce appreciate and value other users' opinions, as they themselves cannot physically examine the product before the payment and delivery process. Correspondingly, Chang and Chen (2008) argued that whether in e-commerce or social commerce, building trust enables further interactions between online businesses and customers, which consequently achieves the desired aims of the business. Therefore, social commerce could be of benefit for both the business and customer by addressing trust concerns (Noorian *et al.*, 2014).

There have been several studies examining the relationship of social commerce and trust. For example, Hsiao *et al.* (2010) conducted a study in the context of social commerce where they empirically examined customer referrals and trust. In terms of social networks, they found that perceived ability, perceived benevolence/integrity, and perceived critical mass have an effect on trust in association to product referrals. Moreover, they found factors that had an effect on trust, which were the perceived quality, the reputation of the website and perceived assurance (Hsiao *et al.*, 2010). A comparative analysis of social commerce research (Weijun & Lin, 2011) has revealed key characteristics of social commerce such as participation, intercommunication, convergence, user segmentation and connectivity. Another study of the relationship of social commerce and trust concluded that certain factors affect the users trust in

social commerce. These factors are reputation, size, information quality, transaction safety, communication and word of mouth (Kim & Park, 2013).

Furthermore, Lu *et al.* (2016) reported from their research that the social presence transmitted to a potential customer through the web content, such as pictures and videos, as well as the social presence transmitted through interacting with the seller, have a significant impact in increasing the customer's trust. They also pointed out that the positive information provided by other customers, who have actually experienced the product and transaction process, increased users' trust. Therefore, incorporating social factors (social technological features) is as important as structural factors (secure and robust IT enabled mechanisms) for online businesses (Lu *et al.*, 2016).

It is apparent from the literature that social interactions between family and friends and between total strangers on social media platforms are valuable sources of information for customers in building trust in online businesses as well as making a purchase (Hajli *et al.*, 2014; Ng, 2013; Liang *et al.*, 2011). With regards to this research, the aim was not to measure trust. The concept of trust was explored to form an understanding of it in the context of e-commerce and social commerce. Trust was used as one concept, along other concepts, embodied in the whole phenomenon being investigated. Therefore, the concept of trust will be used once again in the Discussion Chapter (Chapter 6). The next section provides the relevant literature on the concept of word of mouth.

2.6   Word of Mouth

As the aim of this research was to investigate the use of social media to overcome the limitations of e-commerce in Saudi Arabia, it is essential to review the literature on the concept of word of mouth (WOM). When writing about word of mouth, Silverman (2005) described it as *"the oldest, newest marketing term"*. By these two opposite characteristics he emphasised two points. Firstly, word of mouth has been part of everyday communication between people ever since they had conversations with each other. Secondly, although word of mouth has always been around, it has

expanded and transformed with the many advances of technology and social media (Kimmel & Kitchen, 2014). It has also expanded as a result of the development of e-commerce and social commerce.

The concept of word of mouth was discussed by Whyte in 1954, where he reported on an observation of a phenomenon he observed. At the time when air conditioners were first introduced in the US, one could observe a pattern happening. As air conditioners were normally fixed through the window at the front of the house, it was obvious to the passer by that neighbouring houses were buying the new product whereas other neighbouring houses were not. He concluded that neighbours acquired products through the influence of their neighbours through interpersonal communications, which he termed as word of mouth.

Another early study by Katz and Lazarsfeld (1955) offered a model of communication where they claimed that word of mouth is the most influential source when individuals want to purchase household goods, giving it more importance than marketing information. Even though these were early studies, they still acknowledged the power of word of mouth and how individuals influenced one another in their purchasing behaviours (Kimmel & Kitchen, 2014).

Since then, much work has been conducted on word of mouth and the power it possesses. A widely used definition of word of mouth, which has been used for this research, defined it as *"a person-to-person communication between a receiver and a communicator whom the receiver perceives as non-commercial, concerning a brand, a product or a service"* (Arndt, 1967, p.3). Research has shown that word of mouth has been the most important source for influencing purchase decisions and forming customer expectations (Kimmel & Kitchen, 2014). As stated earlier, researchers reported that customers were more interested in others' opinions as opposed to product information provided by the business itself (Hajli *et al.*, 2014; Ridings & Goh *et al.*, 2013). With the advances of technology and the Internet, word of mouth has been extended to electronic word of mouth (eWOM) in the online world, where users communicate with each other and discuss products and services through social media.

For the purpose of this research, electronic word of mouth is defined as *"any positive or negative statements made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet"* (Henning-Thurau *et al.*, 2004, p.39).

While word of mouth has the advantage of interacting with trusted friends and family members, electronic word of mouth has a much wider reach as the number of potential readers gets magnified (Adamopouloos & Todri, 2015) with more specialised users being experts in their field (Kimmel & Kitchen, 2014). Electronic word of mouth also has the advantage of being speedy, permanent and available for anyone searching for it at a very low cost. In addition, it has the ability to form one to many interactions as well as many to many interactions (Luo & Zhong, 2015; Kim & Kim, 2010).

Although some researchers like to distinguish between WOM and eWOM (Toder-Alon *et al.*, 2014), others argue that both offline and online word of mouth overlap (Groeger & Buttle, 2014). *"Word of mouth is better understood as a fluid communication that evolves and is transformed via the web and flow of conversations that shift from online to offline to online contexts, and jump from one social media platform to others"* (Kimmel & Kitchen, 2014, p.14). For the purpose of this research, word of mouth has been used in this sense, where offline and online word of mouth overlap and shift between face-to-face and online virtual conversations.

In the context of social commerce, customers are not only purchasing online but are rather sharing their thoughts and experiences with other users. On social commerce platforms, information obtained through word of mouth has a positive influence on customers' trust towards the business (Kim & Park, 2013). Word of mouth in the form of product or service reviews on a website or on social media platforms has become a very important form of communication between users prior to their decision to purchase (Kucukemiroglu & Kara, 2015; Lin *et al.*, 2016). Therefore, word of mouth is more crucial in social commerce than in e-commerce. It has been reported that customers' perceived risk was lowered when they acquired knowledge through word of mouth from others who have previously purchased or dealt with a certain business that they perceived as trustworthy (Palmer & Huo, 2013; Lu *et al.*, 2010).

Furthermore, social commerce is the result of word of mouth interactions, which transforms into purchases that are a result of customers participating and exchanging experiences, which will result in driving business results (Shin, 2013). In order to enhance their trust relationship with their customers, businesses have been engaging in social media and social commerce, and have been using word of mouth as a supplement, which adds on to the product information they provide (Lu *et al.*, 2010).

Not only have customers been creating word of mouth by expressing their thoughts and opinions on products and services, but they have also been spreading and forwarding content created by businesses in various forms. These could be in the form of retweeting tweets on Twitter or mentioning and tagging friends on Facebook and Instagram for instance. This process helps in building the brand of a business as users expose the brand message to a wider audience (Araujo *et al.*, 2016). Research argues that social media has become an important marketing tool as it changed the communication between customers, enabling them to share their thoughts regarding products and businesses without any limits (Chu & Kim, 2011). Therefore, utilising such positive consumer engagement, in the form of creating effective word of mouth communication strategies, is key for the success of the business (Kucukemiroglu & Kara, 2015).

The concept of word of mouth was explored to form an understanding of it in the context of e-commerce and social commerce. Given the fact that word of mouth has an affect on social commerce, it was explored further in the data collection process and is used once again in the Discussion Chapter (Chapter 6).

2.7   Chapter Summary

Influenced by the research aim and questions, this chapter provided a review of the relevant literature. First, a literature review on e-commerce was presented which included its definition, business benefits as well as the risks and limitations associated with it. This was followed by a review of the current state of e-commerce in Saudi Arabia along with the limitations and inhibiters found in the literature. Social media

was then discussed which included a review of its evolution, definition, and platforms as well as the current state of social media in Saudi Arabia.

Furthermore, social commerce was reviewed along with its definition, and business benefits. In the context of this research, social commerce was considered to be a type of e-commerce. The concept of trust was then introduced in the context of e-commerce and social commerce. This included defining trust as well as a review of previous research that discussed trust in the IS context, which included e-commerce and social commerce. Finally, the concept of word of mouth was examined, which included its relationship and affect on e-commerce and social commerce.

Although the literature review provided the researcher with many insightful details, there were key issues that influenced the direction of this research. A summary of these key issues is presented in Table 2.2 along with the corresponding research questions. After reviewing the relevant literature the researcher needed to revisit and reform the research questions as it has become apparent to the researcher that trust and word of mouth are two important factors that influence e-commerce and social commerce. The fourth and final research question is discussed in the next chapter as it is concerned with the theoretical lens used for this research, which is Social Capital Theory.

	Research Questions	Key Issues Arising from the Literature	Key References
1	What are the limitations of e-commerce in Saudi Arabia?	E-commerce has many business benefits.	Bloch *et al.* (1996); Rose *et al.* (2011); Aydemir (2013); White *et al.* (2014); Turban *et al.* (2015); Wanyoike *et al.* (2012).
		E-commerce has risks and limitations.	Luhach *et al.* (2016); Kim & Park (2013); Hajli *et al.* (2014).
		The adoption of e-commerce in Saudi Arabia has been limited.	Makki & Chang (2015a); Bahaddad *et al.* (2014); Orlov (2014).
		Saudi Arabia has many inhibiters constraining its diffusion.	Brdesee *et al.* (2012); Makki & Chang (2014); Ahmad & Agrawal (2012); Alghamdi *et al.* (2014); Abed *et al.* (2015).
2	Why do small businesses in Saudi Arabia use social media platforms as their main trading platform?	The development of social media was able to enhance the benefits of e-commerce further, which resulted in the development of social commerce.	Rathore *et al.* (2016); Goh *et al.* (2013); Li *et al.* (2010); Adamopoulos & Tordi (2015); Lacka (2014); Chung *et al.* (2015); Hanna *et al.* (2011).
		Social media and social commerce have had a major impact on the ways users communicate together, as well as the ways organisations conduct business.	Coelho *et al.* (2016); Ngai *et al.* (2015); Arla *et al.* (2013); Rathore *et al.* (2016); Enginkaya & Yilmaz (2014); Wu *et al.* (2013).
		Much research focused on examining the different ways business are using and benefiting from social media and social commerce.	Rathore *et al.* (2016); Coelho *et al.* (2016); Ngai *et al.* (2015); Arla *et al.* (2013); Enginkaya & Yilmaz (2014); Hajli & Sims (2015); Lin *et al.* (2016).
		Saudi Arabia has a high Internet, social media, and smartphone usage penetration rate.	CITC (2015); Internet World Stats (2016); Makki & Chang (2015a); Statista (2016b).

	Research Questions	Key Issues Arising from the Literature	Key References
3	How do the customers involved perceive using social media for purchasing purposes?	Trust is crucial for the success of e-commerce and social commerce.	Lu *et al.* (2016); Hajli (2013); Ng (2013); Kim & Park (2013); Noorian *et al.* (2014); Hsiao *et al.* (2010); Liang *et al.* (2011).
		Word of mouth has a major impact on the success of social commerce.	Kimmel & Kitchen (2014); Adamopoulos & Tordi (2015); Luo & Zhong (2015); Palmer & Huo (2013); Kucukemiroglu & Kara (2015); Araujo *et al.* (2016).
4	How does social capital help small businesses in Saudi Arabia, which use social media as their trading platform, to improve their business?	*This research question is addressed in the next chapter, 'Theoretical Framework'.*	

Table 2.2:   Key issues arising from the literature review mapped to the research questions.

3 Theoretical Framework

3.1 Chapter Introduction

The previous chapter provided previous literature relevant to this research. It started by discussing e-commerce, which included its definition, business benefits, risks and limitations, and state of e-commerce in Saudi Arabia. Social media was then discussed, which included a review of its evolution, definition, and platforms as well as the current state of social media in Saudi Arabia. Subsequently, relevant literature concerning social commerce was provided such as its evolution, definition, business benefits and its state in Saudi Arabia. The concept of trust was then discussed which included its definition in the context of e-commerce and social commerce. Finally, the concept of word of mouth was examined, which included its relationship and affect on e-commerce and social commerce.

As this research adopted Social Capital Theory for analysing the findings, this chapter provides a review of its relevant literature. First, a justification for the use of Social Capital Theory is presented, which explains its suitability for this research. Second, a review of the evolution of the theory is provided, which includes the work of the three most influential theorists of Social Capital Theory; Pierre Bourdieu, James Coleman and Robert Putnam. This is followed by a discussion of other scholars that made an attempt to advance the theory according to their discipline by applying new configurations to it. Next, a critique of these social capital configurations is given along with a justification of the use of Putnam's (2000) forms of social capital. Subsequently, a review of Social Capital Theory in the context of information systems and the Internet is presented. Finally, Social Capital Theory is discussed in the context of social media, social commerce and word of mouth.

3.2   Social Capital Theory

The literature on Social Capital Theory reports that it is a suitable lens for understanding and analysing the social relationships between individuals and organisations in online environments. This is due to its capability to sufficiently analyse how individuals could possibly benefit from their relationships with businesses in the online context (Canhoto & Clark, 2013; Wasko & Faraj, 2005). Social capital is deeply rooted in the social relationships among individuals and between individuals and their societies (Huang *et al.*, 2015; Putnam, 2000). In addition, social capital is important because it is concerned with the value owned or gained from individuals participating in their communities as opposed to being isolated (Gauntlett, 2011). As this research aimed to investigate and understand the relationship between small businesses and their customers in an online social media context, Social Capital Theory provided a suitable analysing lens.

3.2.1   The Evolution of Social Capital Theory

John Field (2008) simplified the concept of social capital by asserting the notion that creating relationships between individuals living with one another matters. This means that building networks of relationships is considered to be a valuable asset for individuals in a particular community because it compensates the shortfalls that come from other assets (Field, 2005). Such individuals have got the option of increasing their social worthiness by getting involved in a set of activities within their community (Portes, 1998).   Hence, building social relationships is capable of equipping individuals with the necessary tools to achieve certain goals that were either not possible to achieve or difficult to achieve without these relationships (Field, 2008).

Social capital is a multidisciplinary concept that has been studied in a variety of perspectives including the fields of sociology, economy and politics. Three of the most influential social capital theorists are Pierre Bourdieu, James Coleman and Robert Putnam. Their collective, but different, work on social capital developed different perspectives of Social Capital Theory.

3.2.2 Pierre Bourdieu:

Bourdieu (1986) has focused his approach of social capital on economies and the upper class of communities. He defined social capital as *"the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition – or in other words, to membership in a group – which provides each of its members with the backing of the collectivity-owned capital, a 'credential' which entitles them to credit, in the various senses of the word"* (Bourdieu, 1986, p.248). He argued that members of such a class tend to form a group that look out for each other to ensure they remain in an exclusive circle. In order to satisfy the required exclusivity, members block any inclusions from members of lower classes of communities as well as securing exclusivity from other subgroups that share the same class level (Field, 2008). His work was focused on how the upper class maintains its social position and reproduces it through generations (Gauntlett, 2011).

Bourdieu was in agreement with other scholars that society should be explained beyond economics and that it should involve cultural and social dimensions (Gauntlett, 2011). In Bourdieu's 1986 work, he developed his concept of social capital by arguing that capital exists in three forms: economic capital, cultural capital and social capital. Economic capital refers to the individual's monetary worthiness, whereas cultural capital refers to the individual's educational and intellectual capabilities. Social capital according to Bourdieu is *"the sum of the resources, actual or virtual, that accrue to an individual or a group by virtue of processing a durable network of more or less institutionalised relationships of mutual acquaintance and recognition"* (Bourdieu & Wacquant, 1992, p.119).

Even though Bourdieu contributed to the body of knowledge by transforming social capital from being a metaphor to becoming a concept, he has been widely criticised. This was due to forming his argument based on the notion that social capital is an asset that belonged only to the privileged individuals or groups for guarding their superiority. He dismissed the fact that less privileged individuals or groups could also benefit from their social relationships (Field, 2008). His work was widely inspired by Marxist sociology, which in return demonstrated his social capital concept as focusing merely on the social reality of inequality within a specific society. Rather than using

social capital as a network of social bondage used to link individuals within a society, it focused on viewing it as an exclusionary tool to serve the elite for protecting their exclusive network (Gauntlett, 2011).

Bourdieu's social capital concept had also been criticised for the fact that his view of the world where *"things happen to people, rather than a world in which they can intervene in their individual and collective destines"* (Jenkins 2002, p.12). Moreover, he believed ultimately that *"economic capital is at the root of all other types of capital"* (Bourdieu, 1986, p.252). As a consequence, this makes his concept of social capital one-dimensional, where the social capital for the less privileged individuals or groups remains largely undetermined (Field, 2008). According to Gauntlett (2011), Bourdieu's view of social capital is restrictive and deterministic. It does not enable researchers across disciplines to use the concept of social capital in a productive manner. Therefore, Bourdieu's view of social capital was not adopted for this research.

3.2.3 James Coleman:

James Coleman, an American sociologist, focused his development of social capital not only on the exclusivity of the privileged upper class but considered all classes of communities including the less privileged individuals in the lower class (Field, 2008; Gauntlett, 2011). He based his development of social capital on the notion that it is not something that is owned by members of communities but rather as a resource that is available for members of communities to use along with other resources such as human capital (knowledge, self-confidence, etc.), physical capital (owning a house, a car, TV, Internet, etc.) and economic capital (money, owning a business, having a job, etc.) (Coleman, 1988).

Coleman viewed social capital as being embedded in a social structure where individuals' actions are beneficially rewarded (Lin, 1999; 2001). According to Coleman (1990), *"social capital is defined by its function... it is not a single entity, but a variety of different entities having two characteristics: They all consist of some aspect of a social structure, and they facilitate certain actions of individuals who are within the structure"* (p.302).

According to Coleman (1988), social capital is a resource that is strongly bonded with trust and shared values, where it evolves from the strong ties of members of communities. He stressed that one of the most important aspects of social capital is its ability to pass on human capital onto the younger generation (Lin, 1999; Field, 2008). This human capital, such as self-confidence, benefits the younger generation to enhance their educational experience in school, which subsequently would make them better citizens within their own respected societies. However, Coleman affirmed that human capital is derived from social capital, as this type of progress is the result of the relationships within networks such as in families (Gauntlett, 2011).

According to Coleman (1988) *"if the human capital possessed by parents is not complemented by social capital embodied in family relations, it is irrelevant to the child's educational growth that the parent has a great deal, or small amount, of human capital"* (p.100). Therefore, if the parents do not pass on their knowledge and expertise (human capital) to their children through relational communication, the social capital within their household would have a limited value.

Even though Coleman's view of social capital has been recognised for its interconnection between social and human capital, other scholars have suggested its limitations. Field (2008) argued that both Bourdieu's and Coleman's view of social capital are problematic and stated that *"neither pays much heed to affect, to the fact that people like, love or loathe one another – and therefore associate together or avoid each other – for reasons that lie outside the domain of rational calculation"* (p. 31). Therefore, Coleman's view of social capital tends to pursue the rational individualistic view of economic theory. Coleman suggested that human beings help and support each other only whilst expecting a reward in return, and not because they simply have a desire to help others as they are vigilant of the values of a mutually supported community (Gauntlett, 2011; Portes, 1988). Coleman does not discuss the transition of social capital when it moves from an individual-level relationship to a community-level (Portes, 2000; Tzanakis, 2013).

In addition, Coleman failed to explain the causes and effects of actors' willingness to oblige and their capability to do so (Lin, 1999; Portes, 1998, 2000; Tzanakis, 2013). Moreover, Coleman insisted on treating the closure of a certain group to be a

precondition of social capital. Tzanakis (2013) reported that research by Lin (1999) and Alder and Kwon (2002), who based their work on Granovetter's (1973) 'weak ties' and Burt's (1992) 'structural holes', rejected Coleman's view of closure. Their rejection circulated around their concerns that closure should not be perceived as a precondition to social capital. Tzanakis (2013) elaborated further on this by stating, *"when members are searching and obtaining resources, they require bridges with other network members and so closure is neither needed nor desired… closure may create negative externalities"* (p.5).

Given that this research was concerned with the impact of social capital on businesses that used their social media accounts for trading purposes, the researcher argues that Coleman's view of social capital was not the most appropriate theory for adoption. As explained earlier, Coleman's view of social capital was mainly centralised on the importance of the passing-on human capital to the development of social capital. Whilst the researcher appreciates this view of social capital, it would perhaps be more suitable for research related to family affairs. As this research was aimed to investigate a business-related phenomenon, Coleman's view of social capital would not be able to sufficiently analyse these issues.

3.2.4   Robert Putnam:

Robert Putnam is arguably the most influential contributor to the development of Social Capital Theory. Unlike Bourdieu and Coleman's limited view of social capital, which was mainly recognised by sociologists, Putnam's view of social capital was far outreaching. He was concerned initially with conducting fieldwork in Italy regarding civic engagement's role in increasing political satiability and economic efficiency. In the 1990s, Putnam turned his attention to civic engagement in the US. In his 1995 paper, he started his argument about the decline of civic engagement by shedding some light on a few examples. He started off with a 25% decline in turnout in the National American Elections from the mid 1960s until 1990. He then affirmed the reduction of civic engagement in the US by empirically demonstrating that since 1973, less Americans have attended a public meeting with regards to town and school issues. Such decline was believed to be more than 33% (dropping from 22% in the early 1970s to 13% by early 1990s).

Putnam also mentioned other declines that were witnessed such as the decline of Americans attending political and local committee meetings, as well as a decline in working for political parties. Furthermore, he reported that since the 1970s, millions of American citizens chose not to participate in community affairs. Subsequently, American citizens' trust of federal government has declined by 75% in 1992 (Putnam, 1995a). Overall, he reported that most civic organisations have witnessed a sharp decline in membership since the mid-1970s.

Putnam used the somewhat misleading term 'bowling alone', which according to Gauntlett (2011), some might associate to the idea of a specific individual bowling on their own. However, this was not the case as Putnam (1995a) reported that more Americans were bowling in 1995 than ever before. He was referring to the decline in memberships in bowling leagues which saw a decrease of 40% between 1980 and 1993. Americans were bowling with friends and families but their membership in bowling leagues was declining. Putnam used the bowling analogy as a metaphor to exemplify "*a type of associational activity that brings relative strangers together on a routine and frequent basis, helping to build and sustain a wider set of networks and values that foster general reciprocity and trust, and in turn facilitate mutual collaboration*" (Field, 2008, p.35). According to Putnam (1995a), social capital is fostered by the action of meeting and engaging within a group about similar interests on a regular basis.

Following on, Putnam (1995b) also expressed his view on social capital by introducing a problematic social issue in US communities. According to him, the increase of TV viewing amongst US citizens has sharply declined their social capital. He explained his arguments further by arguing that the drop of the so-called 'civic engagement', which was referred to as the participation of members of communities in their activities, has led to a sharp decline of social trust amongst members of communities. Such lack of trust impacted negatively on the social capital of members of communities within the US society.

Putnam (1995b) first defined social capital as the "*features of social life – networks, norms and trust – that enable participants to act together more effectively to pursue shared objectives*"(pp. 664-665). In the year 2000, he refined the use of the term

social capital and stated that it "*refers to connections among individuals – social networks and the norms of reciprocity and trustworthiness that arise from them*" (Putnam, 2000, p.19).

Putnam's view of social capital consists of trust and engagement, and the deeper the engagement within society, the greater the trust will be between its members (1995a). He emphasised the notion that as more individuals socially interact with each other within a particular community (civic engagement), their sense of trust amongst one another is increased accordingly. As a result, the accumulated social trust leads to gaining greater social capital. This is illustrated in Figure 3.1.
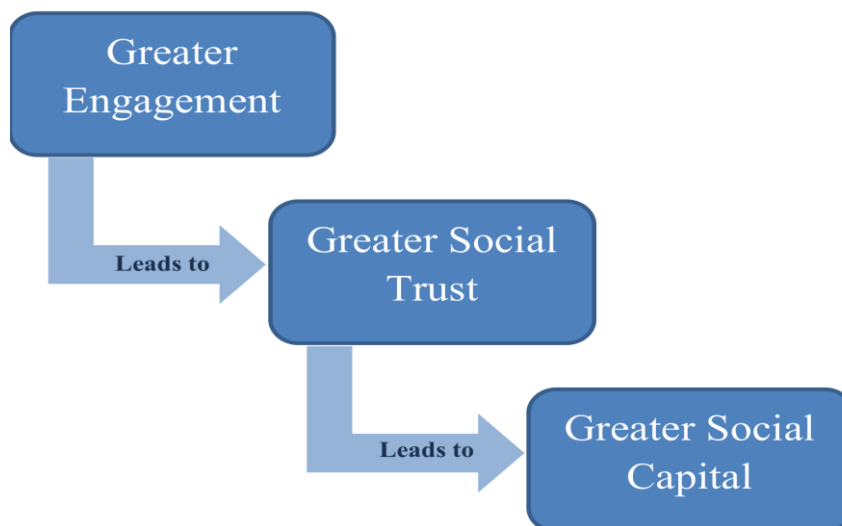
Figure 3.1:   The notion of Putnam's Social Capital Theory (Adapted from Putnam, 1995a).

Through his work, Putnam (2000) identified two forms of social capital: bonding social capital and bridging social capital. Bonding (exclusive) social capital is inward looking strengthening existing relationships and reinforcing them by providing emotional, social and physical support between individuals. Examples of bonding include relationships between family members, friends and other socially homogenous groups. In contrast, bridging (inclusive) social capital is outward

looking, blending people from different social groups. Rather than providing emotional support, as in bonding relationships, bridging relationships may provide individuals with new perspectives or useful information (Granovetter, 1983; Weiqin *et al.*, 2016). Examples of bridging social capital include relationships between acquaintances from different political groups.

Both bonding and bridging social capital are important as each of them addresses different needs (Field, 2008). Bonding social capital is beneficial for *"undergirding specific reciprocity and mobilising solidarity"*, whereas bridging social capital is good for *"linkage to external assets and for information diffusion"* (Putnam, 2000, p.22).

Putnam used Granovetter's (1973) 'weak and strong ties' concept and incorporated it into his forms of bridging and bonding social capital. He explained *"when seeking jobs or political allies, the 'weak' ties that link me to distant acquaintances who move in different circles from mine are actually more valuable than the 'strong' ties that link me to relatives and intimate friends whose sociological niche is very like my own"* (Putnam, 2000, pp. 22-23). Therefore, bridging networks, characterised by weak ties, might be more beneficial and valuable to individuals as they expose them to new and different resources than in existing strong ties witnessed in bonding networks (Houlihan & Groeneveld, 2011).

Putnam's (2000) bonding and bridging social capital are used in the analysis of this research. Alternative configurations are presented in the next section. This is followed by a justification for specifically using Putnam's Social Capital Theory as well as a critique of the other configurations.

3.2.5   Alternative Configurations of Social Capital Theory

Other scholars in the social science discipline attempted to provide the body of knowledge with different configurations for Social Capital Theory. The following sections explain and critique some of those attempts such as the work of Nahapiet and Ghoshal (1998), Scheufele and Shah (2000), Woolcock (2001) and Ellison *et al.* (2007).

Nahapiet and Ghoshal (1998)

Following Coleman's footsteps in Social Capital Theory, Nahapiet and Ghoshal (1998) defined social capital as *"the sum of the actual and potential resources embedded within, available through and derived from the network of relationships possessed by an individual or social unit"* (p.243). They affirmed that social capital is not a one-dimensional concept. They associated three different dimensions to social capital: structural, relational and cognitive. First, the structural dimension refers to the pattern and order of connections between individuals or actors. This comprises of network features such as social interaction ties, tie strength and centrality (Chiu *et al.,* 2006; Wasko & Faraj, 2005). As a result, a specific individual with certain network ties will have the benefits that others might not, such as the opportunity to access valuable information prior to everyone else (Nahapiet & Ghoshal, 1998).

Second, the relational dimension refers to the interpersonal relationships that an individual develops and maintains with others over a long period of interacting with them (Alder & Kwon, 2002). Thirdly, the cognitive dimension refers to *"those resources providing shared representation, interpretations, and systems of meaning among parties"* (Nahapiet & Ghoshal, 1998, p.244). A shared set of terms, myths, metaphors and stories may develop between members of a social network that could only be understandable by these members.

Nahapiet and Ghoshal (1998) clarified that even though they have associated three separate dimensions to social capital, they were aware that the features within these dimensions are interrelated. While Nahapiet and Ghoshal's (1998) dimensions of social capital were used by some scholars such as the work of Wang *et al.* (2016), Huang *et al.* (2015) and Hughes *et al.* (2013), they do not help in examining and analysing the aim of this research.

Scheufele and Shah (2000)

Scheufele and Shah (2000) created a different framework for social capital where they conceptualised social capital as a multi-dimensional construct with three dimensions. These dimensions are intrapersonal, interpersonal and behavioural. The intrapersonal domain is concerned with the life satisfaction of an individual. In return, the

intrapersonal domain, also known as social trust, is concerned with trust between individuals. Finally, the behavioural domain is concerned with an individuals' participation in political and civic activities (Scheufele & Shah, 2000). However, even though this configuration of social capital was found useful by some scholars (eg. Valenzuela *et al.*, 2009), it's proved to be limited as it has been overlooked and replaced by other configurations.

Woolcock (2001)

Following on to Putnam's work (2000), where he identified bonding and bridging as two forms of social capital, Woolcock (2001) added a third form which he labelled as linking social capital. Woolcock (2001) distinguished between all three forms of social capital. First, bonding social capital is witnessed in ties between similar individuals in terms of age, social class, ethnicity, etc., such as in immediate families and close friends (Helliwell & Putnam, 2004). Second, bridging social capital are ties between different levels of social groups, such as in loose friends and workmates (Helliwell & Putnam, 2004). Finally, linking social capital includes *"reaching out to unlike people in dissimilar situations… to leverage a far wider range of resources than are available within the community"* (Woolcock, 2001, pp. 13-14).

Ellison et al. (2007)

Similarly, Ellison *et al.* (2007) followed Putnam's (2000) configuration of social capital but added a third form of social capital. They argued that social capital consists of bonding, bridging, as well as maintaining social capital. Bonding social capital is found in tightly knit relationships between individuals such as between family members and close friends. These relationships are mostly homogenous and tend to focus on internal strong ties (Ellison *et al.*, 2007; Alder & Kwon, 2002; Morrow, 2001). In contrast, bridging social capital is found in loose connections, referred to as 'weak ties', which link individuals from different social groups. Therefore, these relationships are heterogeneous, lack depth and do not offer emotional support. However, such individuals with bridging social capital are equipped with wider information and newer perspectives (Ellison *et al.*, 2007). This was what Granovetter (1983) referred to as the 'strength of weak ties'.

Maintaining social capital, on the other hand, refers to the individual's ability to maintain their set of valued network ties and connections while having their circumstances change as a result of life changes. Examples of life changes include moving to a different geographical location or changing the occupation (Ellison *et al.*, 2007; Johnston *et al.*, 2013).

3.3   Criticism and Justification

As demonstrated above, many scholars attempted to further develop Social Capital Theory by introducing a variety of configurations. Even though their attempts had further enhanced the practicality aspects of Social Capital Theory, other scholars argued that their attempts were somehow pragmatic (Adam & Roncevic, 2003). According to Adler and Kwon (2000), the available literature on the development of Social Capital Theory seems to confuse the sources with the consequences of social capital. Adler and Kown (2000) went on to explain that most scholars who categorised social capital were mainly dependant on their disciplinary background.

While efforts made by other authors such as Nahapiet and Ghoshal (1998), Scheufele and Shah (2000), Woolcock (2001), and Ellision *et al.* (2007) are appreciated; it could be argued that those different configurations of social capital do not fit the phenomenon under study for this research. This is because this research attempted to investigate the social capital of businesses rather than the social capital of individuals. The configurations of Woolcock (2001), which included bonding, bridging and linking as well as the configuration of Ellison *et al.* (2007), which included bridging, bonding and maintaining, are perhaps best used to discuss the social capital of individuals rather than businesses. In addition, as the context of this research is mainly based on virtual activities of businesses, the researcher argues that terms such as linking and maintaining would confuse the reader.

Taking the terms 'bridging and linking', for example, from the configuration of Woolcock (2001) of social capital, both terms seem to be interlinked. According to Woolcock (2001) bridging social capital are ties between different levels of social groups, such as in loose friends and workmates (Helliwell & Putnam 2004). While

linking social capital entails *"reaching out to unlike people in dissimilar situations… to leverage a far wider range of resources than are available within the community"* (Woolcock, 2001, p.13-14). Given that this research was conducted in the virtual world of social media platforms, the researcher argues that the concepts of bridging and linking are somehow overlapping. This is because most social media platforms do not support the segregation of loose friends and workmates from the far wider societies. This is certainly the case with the social media platform used for this research (Instagram). Features of Instagram only support the differentiation between two categories; friends, family and colleagues (followers) or strangers, where the user has got full control of accepting or rejecting new followers.

While investigating the current business phenomenon, the researcher found that Putnam's (2000) social capital forms of bonding and bridging provided a useful and insightful mechanism to analyse the case under study. Through the notions of bonding (strong ties) and bridging (weak ties), the researcher was able to analyse, with the addition of other concepts (i.e. word of mouth and trust), the collected data and form a new conceptual model. As mentioned earlier, most scholars did not distinguish between the sources and the consequences of social capital. Meanwhile, Putnam (2000) argued that social capital should be thought of as both a source and a consequence. Viewing social capital as both a source and a consequence provides a more comprehensive and feedback-oriented circular concept enabling the analysis of complex issues of a particular social setting (Adam & Roncevic, 2003).

However, Putnam's (2000) Social Capital Theory does not *"prescribe a particular relationship between the different elements of social capital"* (Field, 2008, p.42). He does not give a clear explanation of the relationships between the main elements that characterise his Social Capital Theory. This issue was addressed in this research where the researcher was able to adopt Social Capital Theory in the analysis and develop a conceptual model, which illustrates the impact of social capital on social commerce in the context of this research. '*The SC-SC Model*' provides an explanation of the relationships between the different components that constitute it (i.e. word of mouth and trust). This is discussed further in the Discussion Chapter (Chapter 6, section 6.4).

3.4 Social Capital in the Context of Information Systems and the Internet

3.4.1 Social Capital in Information Systems

As social capital is an elastic term with a variety of definitions as demonstrated above, it has been used across different disciplines (Ellison *et al.*, 2007). In research, social capital has been used widely to clarify many aspects of social phenomena (Nahapiet & Ghoshal, 1998), such as collective action, community inclusion, and a variety of social achievements (Wasko & Faraj, 2005). This is because the ideas of human capital and/or financial capital alone are not able to provide deeper understandings of various social phenomena (Coleman, 1990). The outcome of these types of capital is usually derived from individuals and/or their assets. On the other hand, the outcome of social capital provides deeper understanding of the social phenomena because it is embedded in the relationships formed between individuals and their communities (Wasko & Faraj, 2005; Putnam, 1995b). *"As opposed to economic capital (money and goods) that is exchanged by means of physical transportation or bank transfers, social capital is exchanged through communication"* (Bohn *et al.*, 2014, p.30).

In the context of information systems (IS), social capital has been used by many researchers to analyse different areas of IS research. Wasko and Faraj (2005) used social capital to examine and investigate the reasons why participants in an electronic network in organisations chose to participate and help others by providing knowledge to strangers. They examined how social capital and individual motivations promoted knowledge contribution. They concluded that individuals chose to help and share their knowledge when it had an affect on their professional reputation, when they were structurally embedded in the electronic network and when they had the experience to share. Similarly, Chiu *et al.* (2006) examined the relationship of social capital and knowledge sharing in virtual communities in a professional organisation. They empirically confirmed that factors of social capital such as social ties, norms and trust lead individuals to share more knowledge with greater quality.

3.4.2 Social Capital and the Internet

With the introduction of the Internet, Putnam was optimistically cautious of the effects it had on social capital (Gauntlett, 2011). He recognised the Internet as a powerful tool that provided individuals with the benefits and opportunities to

communicate across different geographical locations (Putnam, 2000). However, he still questioned if virtual communications that occurred over the Internet could have the same social benefits as face-to-face communications. Putnam (2000) was also cautious of the formation of many small isolated groups that were isolated from each other; a status he labelled as 'cyber-balkanisation'.

However, the literature on social capital and the Internet has demonstrated different views on the link between the two. Some studies have associated the Internet with a decrease in the social capital of individuals, while others have concluded that Internet interactions and communicating through the various types of social networking sites have increased the social capital of users. Kraut *et al.* (1998) carried out a study where they examined 169 individuals. They reported that heavy use of the Internet caused a decline in the size of an individual's social circle as well as an increase in cases of depression and loneliness. Similarly, Nie (2001) claimed that users of the Internet spent less time communicating face-to-face, which resulted in decreasing their social capital.

In contrast, other scholars argued otherwise (Bauernschuster *et al.*, 2014; Neves, 2013; Hemming, 2011; Lee & Lee, 2010; Kavanaugh *et al.*, 2005; Ellison *et al.*, 2007; Robinson & Martin 2010; Hampton & Wellman, 2003; Barker *et al.*, 2014). For example, Bauernschuster *et al.* (2014) reported an increase in the level of social capital for individuals who used the Internet. They attributed these findings to the fact that the Internet provided individuals with an interactive social platform to interact with others. Likewise, Hampton and Wellman (2003) and Kavanaugh *et al.* (2005) argued that time spent online does not necessarily mean less time to socialise, but in contrast, could be seen as online interactions between individuals that supplement face-to-face communications which leads to increased social capital.

In addition, Hemming (2011) argued that the simplicity and declining cost of the Internet helped to create a strong virtual clubhouse where members feel a state of belonging. This also agrees with Lee and Lee's (2010) study, which concluded that online community users experienced higher levels of 'sociability and generalised norm' than non-users. Therefore, the relationship between Internet use and social

capital has been viewed to be very important, as it is through Internet related activities that information is acquired and passed to other users (Barker *et al.*, 2014).

3.5   Social Capital in the Context of Social Media, Social Commerce and Word of Mouth

The evolution of the Internet and Web 2.0 has allowed social media to change the ways individuals communicate, establish and maintain their relationships.   As discussed earlier in the Literature Review Chapter (Chapter 2, section 2.3), social media enabled its users to create profiles, connect with current friends, make new relationships, comment on friends' photos and videos, update their status and share experiences about their common interests (Ellison & Boyd, 2013).   Therefore, these new forms of communication and relationship building features enabled individuals to maintain and build upon their existing social capital (Powell, 2009).

Ellison *et al.* (2007) also concluded from their study that even though online social networks were used to maintain and strengthen existing relationships, they could also be used to form new relationships between individuals, which could potentially build new forms of social capital. This is because the Internet and social media provided new forms of communication with people of the same interests, and therefore these new relationships could increase an individual's social capital.   In a number of other studies, it was found that social media was positively correlated with bridging social capital (Araujo *et al.*, 2016; Bohn *et al.*, 2014; Shah *et al.*, 2012).

Moreover, in their study Lin and Lu (2011) tried to identify the reasons that lead individuals to continually use Facebook fan pages from a social capital lens. They concluded that the evolution of information technology and the Internet managed to add new ways of gaining social capital. Traditional communication interactions and relationships that generate social capital are changing to virtual communications and relationships (Lin & Lu, 2011; Davenport & Daellenbach, 2011).

In the workplace, evidence showed that outcomes of synergies between social capital and Web 2.0 tools have a great significance on building and enhancing business value

creation. *"Maintaining better relationships between employees and customers helps optimise customer knowledge through improved organisational social capital"* (Vila & Ribeiro-Soriano, 2014, p.402). In addition, organisations that choose to use social media for communicating with their customers not only benefited from marketing for themselves, but also benefited from receiving comments and feedback from their customers which enabled them to improve future products and services (Li & Bernoff, 2008). Therefore, social capital gained through social media plays an important role in benefiting both individuals and organisations (Lin & Lu, 2011).

Huang (2016) examined consumers' purchasing behaviour in social commerce through the lens of social capital. She affirmed that social capital is a resource for social networking sites, where participants may enhance their experience by gaining different sets of information, opinions and perspectives from others. Huang (2016) confirmed a relationship between social capital and social commerce, as participants have an influence on each other's purchasing desires. She reported that in social commerce, social capital was found to be more important than product attractiveness.

In an e-commerce customer-to-customer context, Huang *et al.* (2015) examined the role of social capital in the seller and buyer relationship. They reported the importance of building social capital between sellers and buyers on the transaction platform, as this has a significant effect on buyers returning to the same sellers. They concluded that social capital is the key factor in retaining buyers' loyalty and satisfaction (Huang *et al.*, 2015).

Furthermore, Canhoto and Clark (2013) used social capital to investigate how businesses should respond to customers' word of mouth on social media platforms. They concluded that businesses that chose to limit their engagement in social media platforms with customers, missed out on valuable opportunities to develop social ties with their customers.

In addition, Wang *et al.* (2016) adopted Social Capital Theory to investigate the impact of online social media networks on electronic word of mouth. Their study involved examining the influence of social capital on the diffusion process of electronic word of mouth at the consumer level. They adopted the social capital

dimensions of Nahapiet and Ghoshal's (1998) by empirically examining them in an online social network context. The outcome of the research reported that enhancing the structural dimension is crucial to promoting electronic word of mouth amongst consumers in online social networks.

This section provided a review of the literature on Social Capital Theory in the context of social media, social commerce and word of mouth. This literature, along with Putnam's (2000) Social Capital Theory, is used in the Discussion Chapter (Chapter 6).

3.6   Chapter Summary

This chapter reviewed the relevant literature on Social Capital Theory, as it was the lens used to analyse the findings of this research. This started by providing a justification for the choice of this theory, which explained its suitability for this research. Next, a review of the evolution of the theory was provided, which included the work of Bourdieu (1986), Coleman (1988, 1990) and Putnam (1995; 2000). This was followed by a discussion of other scholars that made an attempt to advance the theory according to their discipline by applying new configurations to it. Next, a critique of these social capital configurations was given along with a justification of the use of Putnam's (2000) forms of social capital. Subsequently, a review of Social Capital Theory in the context of information systems and the Internet was presented. Finally, Social Capital Theory was discussed in the context of social media, social commerce and word of mouth.

A summary of the key issues that arose from reviewing the theoretical framework used in this research is presented in Table 3.1 along with the corresponding research questions. Table 3.1 compliments Table 2.2 (presented at the end of the previous chapter) by addressing all the research questions. As mentioned in the summary of the previous chapter, the research questions were reformed as it has become apparent to the researcher that these key issues have a major impact on e-commerce and social commerce. The next chapter discusses the research methods used to adopt this research.

	Research Questions	Key Issues Arising from the Literature	Key References
1	What are the limitations of e-commerce in Saudi Arabia?	E-commerce has many business benefits.	Bloch *et al.* (1996); Rose *et al.* (2011); Aydemir (2013); White *et al.* (2014); Turban *et al.* (2015); Wanyoike *et al.* (2012).
		E-commerce has risks and limitations.	Luhach *et al.* (2016); Kim & Park (2013); Hajli *et al.* (2014).
		The adoption of e-commerce in Saudi Arabia has been limited.	Makki & Chang (2015a); Bahaddad *et al.* (2014); Orlov (2014).
		Saudi Arabia has many inhibiters constraining its diffusion.	Brdesee *et al.* (2012); Makki & Chang (2014); Ahmad & Agrawal (2012); Alghamdi *et al.* (2014); Abed *et al.* (2015).
2	Why do small businesses in Saudi Arabia use social media platforms as their main trading platform?	The development of social media was able to enhance the benefits of e-commerce further, which resulted in the development of social commerce.	Rathore *et al.* (2016); Goh *et al.* (2013); Li *et al.* (2010); Adamopoulos & Tordi (2015); Lacka (2014); Chung *et al.* (2015); Hanna *et al.* (2011).
		Social media and social commerce have had a major impact on the ways users communicate together, as well as the ways organisations conduct business.	Coelho *et al.* (2016); Ngai *et al.* (2015); Arla *et al.* (2013); Rathore *et al.* (2016); Enginkaya & Yilmaz (2014); Wu *et al.* (2013).
		Much research focused on examining the different ways business are using and benefiting from social media and social commerce.	Rathore *et al.* (2016); Coelho *et al.* (2016); Ngai *et al.* (2015); Arla *et al.* (2013); Enginkaya & Yilmaz (2014); Hajli & Sims (2015); Lin *et al.* (2016).
		Saudi Arabia has a high Internet, social media, and smartphone usage penetration rate.	CITC (2015); Internet World Stats (2016); Makki & Chang (2015a); Statista (2016b).

	Research Questions	Key Issues Arising from the Literature	Key References
3	How do the customers involved perceive using social media for purchasing purposes?	Trust is crucial for the success of e-commerce and social commerce.	Lu *et al.* (2016); Hajli (2013); Ng (2013); Kim & Park (2013); Noorian *et al.* (2014); Hsiao *et al.* (2010); Liang *et al.* (2011).
		Word of mouth has a major impact on the success of social commerce.	Kimmel & Kitchen (2014); Adamopoulos & Tordi (2015); Luo & Zhong (2015); Palmer & Huo (2013); Kucukemiroglu & Kara (2015); Araujo *et al.* (2016).
4	How does social capital help small businesses in Saudi Arabia, which use social media as their trading platform, to improve their business?	As more individuals socially interact with each other within a particular community, their sense of trust amongst one another is increased.	Putnam (1995a; 2000).
		There are two forms of social capital, bonding and bridging.	Putnam (2000); Field (2008).
		There is a relationship between social capital and social commerce, as participants have an influence on each other's purchasing intentions.	Huang (2016).
		Building social capital between businesses and customers has a significant effect on customers to return to the same business.	Huang *et al.* (2015).
		Developing social ties with customers through word of mouth on social media platforms is crucial to businesses.	Canhoto & Clark (2013); Wang *et al.* (2016).

Table 3.1: Key issues arising from the literature review and theoretical framework mapped to the research questions.

4   Research Methodology

4.1   Chapter Introduction

The previous chapter discussed the relevant literature concerning Social Capital Theory. A justification for the use of Social Capital Theory was first presented, followed by a review of the evolution of the theory, which included the work of the three most influential theorists of Social Capital Theory. This was followed by a discussion of other scholars that attempted to advance the theory according to their discipline, by applying new configurations to it. Next, a critique of these social capital configurations was given along with a justification of the use of Putnam's (2000) forms of social capital. Furthermore, a review of Social Capital Theory in the context of information systems and the Internet was presented. Finally, Social Capital Theory was discussed in the context of social media, social commerce and word of mouth.

This chapter discusses the research methods that were used to conduct this research. It starts by exploring the different philosophical perspectives to demonstrate the most appropriate paradigm to be used for this research. From there, the different research approaches are discussed which include deductive and inductive approaches. In addition, the researcher discusses the different research strategies for qualitative research. This includes a description of each research strategy, a justification for the chosen research strategy, as well as a justification for not adopting the other strategies. Next, the data collection methods of this research are discussed in detail, which include interviews and online observation.

Furthermore, the sampling strategy, sampling size and research participants' details are discussed and justified. This is followed by an explanation of the preparations that took place prior to inviting candidates, the invitation process itself, and the interview question guide. A mapping of the research questions to the interview questions is also provided. Subsequently, a discussion regarding the online

observation is presented followed by the ethical considerations of the research. Next, the modes of analysis for qualitative data are presented along with a discussion on the adopted data analysis approach, which was thematic analysis. This includes a detailed explanation of the process the researcher followed for the thematic analysis for the interviews and online observation. This includes the use of Nvivo software and the emergence of the themes. The chapter concludes by providing details of the four case studies used in this research.

4.2 Philosophical Perspective

As this research is within the information systems (IS) field, the researcher discusses the research methods from the lens of IS research. Myers and Avison (2002) explained that IS research is a fairly new area of study that started around the 1960s. However, the field has grown dramatically throughout the years. They state that the early years focused on the technical aspects of IS. However, by the late 1980s more research was conducted on the management of IS and by the early 1990s it expanded to look at issues regarding IS in organisations. "*IS, as a field of study, has now expanded to include issues such as communication and collaboration between people and organisations, inter-organisational systems, electronic commerce and the Internet*" (Myers & Avison, 2002, p.3). It is therefore not surprising to have a number of different philosophical perspectives.

In fact, there has been a debate on the types of paradigms that constitutes the philosophical perspective of an academic research. Burrell and Morgan (1979) classified the philosophical perspectives into four paradigms; functionalism, interpretivism, radical structuralism and radical humanism. Guba and Lincoln (1994) also introduced four types of research paradigms in the form of positivism, post-positivism, critical theory and constructivism. Alternatively, Chua (1986) introduced another set of philosophical paradigms in the form of positivism, interpretivism and critical research. Chua's (1986) classification has been widely accepted and cited in the IS discipline (Klein & Myers, 1999). To name a few examples, such classification was acknowledged by Orlikowski and Baroudi (1991), Klein and Myers (1999), Myers (2013), Oates (2006) and Myers and Avision (2002).

Therefore, the researcher followed the classification introduced by Chua (1986). Orlikowski and Baroudi (1991) stressed the importance of not associating IS research with a single philosophical perspective and that researchers should rather be open for attempting to adopt different philosophical paradigms depending on the phenomena being studied.

4.2.1   Positivist Research

The positivist research is the oldest perspective out of the three, and is sometimes referred to as the 'scientific method'. It has two main characteristics; the world is viewed in an ordered way and everything can be investigated objectively (Oates, 2006). Researchers who adopt this paradigm usually attempt to examine theory in order to maximise their understanding of a specific phenomenon (Orlikowski & Baroudi, 2002).

According to Weber (2004), positivist researchers *"believe that human experience of the world reflects an objective, independent reality and that this reality provides the foundation for human knowledge"* (p.4). The positivist paradigm presumes *"formal propositions using quantifiable measures of variables, hypotheses testing, and the drawing of inferences about a phenomenon from the sample to a stated population"* (Orlikowski & Baroudi, 2002, p.55). Such paradigm focuses on seeing the world independently from human interpretations. This paradigm also tends to discover the world by carrying out a certain set of observations and measurements in order to come up with general rules and regulations (Myers, 1997a). In addition, positivist researchers are meant to be neutral and their research should be independent from their personal values and beliefs. Consequently, positivist research is usually centred on testing theories and/or hypotheses in a scientific fashion. The outcome of positivist research is usually aimed at either proving or refuting the proposed theories and hypotheses (Ormston *et al.*, 2014).

The early years of IS research focused on its technical aspects. In their survey, Orlikowski and Baroudi (1991) examined four of the top IS research journals between the years 1983 to 1988, and reported that out of the 155 information systems articles found, 96.8% of studies were positivist whereas only 3.2% were interpretivist

research. The aim of their survey was to encourage awareness of other assumptions that underlie different types of social research. By the 1990s, IS research expanded to include issues relating to the different social, political and organisational aspects of IS.

As a result, the use of positivism in the IS field has been criticised and questioned. According to Kanellis and Papadopoulos (2009), IS should be thought of as sociotechnical systems where their interpretations are varied from one user to another. This concept expanded research to look into the social dimension of the system. Positivist research, however, tends to exclude research from exploring the social aspects of such systems. From the positivist perspective *"one has to believe that the relationships underlining his phenomena of interest are determinate and one-dimensionally causal; that research is value-free; and that people are not active makers of their social reality"* (Kanellis & Papadopoulos, 2009, p.12).

This research aimed to investigate the use of social media for e-commerce amongst small businesses in Saudi Arabia. It investigated a new social phenomenon in its real context where individuals' experiences and interpretations were the main concern. The research questions were concerned with understanding why and how selling and purchasing activities were conducted in a certain way. Using the positivist philosophical perspective would have limited the outcome of this research. This is because positivism seeks to find universal laws, which ultimately disregards the historical and social context of the research.

In addition, the positivist perspective usually starts with a predefined and restrained view when investigating a certain phenomenon. Such restrictive views hinder the full discovery and understanding of reciprocal relationships (Orlikowski & Baroudi, 2002). As Gage (1989) argued, *"human affairs cannot be studied with scientific methods used to study the natural world"* (p.4). Therefore, using the positivist perspective would have narrowed the research enquiry into drawing out quantifiable outcomes, which would have left out greater details of the phenomenon unexplored.

4.2.2   Interpretive Research

As discussed in the previous section, positivism contributed to the development of research in the fields of natural sciences and IS. However, using the positivist perspective limits the investigation of gaining deeper understanding about the social, cultural, political and organizational impact of societies (Orlikowski & Baroudi, 2002). Interpretive research is intended to explore human perceptions of the world in order to gain deeper understanding of a certain phenomenon. It affirms that human beings have the ability to express their views of the world around them subjectively (Kaplan & Maxwell, 1994). Therefore, it tries to investigate a certain phenomenon by explaining how participants understand, interpret and explain the phenomenon under study (Orlikowski & Baroudi, 2002).

According to Oates (2006), interpretive research entails viewing multiple subjective realities. This means that different groups interpret a certain phenomenon differently and that there is no single version of the truth. Furthermore, the reality in interpretive research can only be communicated through social constructions. For example, language and common understanding changes from one group to another and/or over time. Interpretivists are expected to put across their own assumptions, beliefs, values and actions, which in return affect the research process. Therefore, interpretivists are usually reflexive or self-reflective and acknowledge how their interactions with participants influence the research as a whole.

As opposed to positivism, interpretivism is intended to study humans in their own natural social settings. As a result, interpretive research studies the situation as it occurs and changes, while concentrating on the human sense making, rather than starting with predefined dependent and independent variables (Kaplan & Maxwell, 1994). This is because interpretivists believe the world does not consist of fixed components of objects (Orlikowski & Baroudi, 2002), but rather as *"an emergent social process as an extension of human consciousness and subjective experience"* (Burrell & Morgan, 1979, p.253).

As stated by Myers (1997a), the literature on IS research demonstrated that the most diverse and complicated situations had arisen from the social and organisational context of designing, developing and implementing information systems.   As

information systems are complex social settings that change constantly over time, research in this field shifted towards adopting the interpretive research paradigm. The shift became a necessity upon realising that researchers in the IS field should give more attention to understanding the actions and thoughts of humans in their real life context (Myers, 1997a). Interpretive research in information systems is aimed at *"producing an understanding of the context of the information system, and the process whereby the information system influences and is influenced by the context"* (Walsham, 1993, pp. 4-5). Myers (1997b) provided an informative comparison between positivism and interpretivism illustrated below in Figure 4.1.

	Epistemological assumptions of positivism	Epistemological assumptions of interpretivism
1.	Experience is taken to be objective, testable and independent of theoretical explanation.	Data are not detachable from theory, for what counts as data is determined in the light of some theoretical interpretation, and facts themselves have to be reconstructed in the light of interpretation.
2.	Theories are held to be artificial constructions or models, yielding explanation in the sense of a logic hypothetico-deduction (if T is true, phenomenon X follows).	In the human sciences theories are mimetic reconstructions of the facts themselves, and the criterion of a good theory is understanding of meanings and intentions rather than deductive explanation.
3.	Law-like relations (generalisations) are derived from experience and are independent of the investigator, his/her methods and the object of study.	The generalisations derived from experience are dependent upon the researcher, his/her methods and the interactions with the subjects of study. The validity of the generalisations does not depend upon statistical interference *"but on the plausibility and cogency of the logical reasoning used in describing the results from the cases, and in drawing conclusions from them"* (Walsham, 1993: 15).
4.	The language of science can be exact, formalisable and literal.	The languages of the human sciences are irreducibly equivocal (because of multiple, emergent meanings) and continually adapt themselves to changing circumstances.
5.	Meanings are separate from facts.	Meanings in the human sciences are what constitute the facts, for data consist of documents, intentional behaviours, social rules, human artefacts, etc. and these are inseparable from their meanings for agents.

Table 4.1: Epistemological assumptions of positivism and interpretivism (Myers, 1997b, p.243)

With regards to this research, it adopted an interpretive philosophical perspective. This is because the aim of this research was to investigate a new phenomenon in its real context where individuals' experiences and interpretations were the main concern. The research questions were concerned with understanding why and how selling and purchasing activities were conducted in a certain way. Therefore, the interpretive perspective was used because it aims to understand a certain phenomenon through the meanings that individuals give to them (Myers, 2013). *"Interpretive studies assume that people create and associate their own subjective and inter-subjective meanings as they interact with the world around them. Interpretive researchers thus attempt to understand phenomena through accessing the meanings that participants assign to them"* (Orlikowski & Baroudi, 2002, p.55). Therefore, to fully understand the new phenomenon under study, the researcher adopted the interpretive philosophical perspective and aimed to derive her own constructs from the field being studied by conducting an in-depth investigation.

Klien and Myers (1999) developed a set of principles to judge the quality of interpretive field research in IS. This is because interpretivist research is sometimes misjudged regarding its rigour. Table 4.2 illustrates these seven principles. These principles have been used widely by interpretivist researchers to strongly defend their research (Kanellis & Papadopoulos, 2009). Therefore, to ensure the quality of this research, the researcher used these principles for evaluating the quality of her research. These principles are applied and discussed in great detail in the Conclusion Chapter (Chapter 7, section 7.4).

The Seven Principles for Evaluating Interpretive Field Research

1. The Fundamental Principle of the Hermeneutic Circle

This principle suggests that all human understanding is achieved by iterating between considering the interdependent meaning of parts and the whole that they form. This principle of human understanding is fundamental to all the other principles.

2. The Principle of Contextualisation

Requires critical reflection of the social and historical background of the research setting, so that the intended audience can see how the current situation under investigation emerged.

3. The Principle of Interaction Between the Researchers and the Subjects

Requires critical reflection on how the research materials (or *"data"*) were socially constructed through the interaction between the researchers and participants.

4. The Principle of Abstraction and Generalisation

Requires relating the idiographic details revealed by the data interpretation through the application of principles one and two to theoretical, general concepts that describe the nature of human understanding and social action.

5. The Principle of Dialogical Reasoning

Requires sensitivity to possible contradictions between the theoretical preconceptions guiding the research design and the actual findings (*"the story which the data tells"*) with subsequent cycles of revision.

6. The Principle of Multiple Interpretations

Requires sensitivity to possible differences in interpretation among the participants as these are typically expressed in multiple narratives or stories of the same sequence of events under study. Similar to multiple witness accounts even if all tell it as they saw it.

7. The Principle of Suspicion

Requires sensitivity to possible *"biases"* and systematic *"distortions"* in the narratives collected from the participants.

Table 4.2: The seven principles for evaluating interpretive field research (Klein & Myers, 1999).

4.2.3   Critical Research

Critical research assumes, similar to interpretivism, that social reality is initiated and developed by humans (Oates, 2006). However, it goes further by affirming that even though humans can directly influence and impact certain changes in their lives, they are restricted in doing so by external factors such as social, cultural and political factors (Myers, 1997a). Critical research is focused on resolving issues arising from isolation and power conflicts within social systems by exposing the conflicts that develop amongst members of that social system (Myers & Avison, 2002).   As Orlikowski and Baroudi (1991) stated *"critical studies aim to critique the status quo, through the exposure of what are believed to be deep-seated, structural contradictions within social systems, and thereby to transform these alienating and restrictive social conditions"* (pp. 5-6).

Both IS critical research and IS interpretive research were created and developed as a consequence of the shortfalls of positivism (Cecez-Kecmanovic, 2001).   Critical research is more active than interpretive research because it goes beyond explaining and understanding the reasons, to focusing on empowering the people under study. In addition, critical researchers seek to challenge the existing social systems by confronting assumptions and norms of power relations. Furthermore, they tend to disapprove of all projects that aim to achieve and maximise high management control. They argue that members of society have the ability to reform the technology as required (Oates, 2006).

IS critical research attempts to direct members of society to change their social settings by providing alternative ways to improve these settings. The researcher believed that this type of analysis is out of the scope of this research as this research was not aimed at making a change or challenging a current situation. It was rather aimed at understanding an occurring new business phenomenon in its natural setting without attempting to make changes to the existing social setting.

4.3 Research Approach

There are different research approaches for conducting research depending on the relationship between theory and research. Research can follow either a deductive or an inductive approach (Bryman, 2016). A deductive research approach is concerned with the development and the rigorous testing of theory. In a deductive research approach, the researcher usually starts by proposing a hypothesis or set of hypotheses that are deducted out of a well-known theory and field of study. Then, empirical examination and testing must be carried out on the hypothesis, or set of hypotheses. The outcome is usually to either confirm the accuracy of the theory or modify it in accordance to the findings as well as repeating the cycle again to verify the new revised theory (Creswell, 2014).

In contrast, the inductive approach pays more attention to the understanding of humans and their interpretation of their social world. Rather than starting with a theory, research adopting the inductive approach starts by collecting the data, analysing it and then attempts to develop a theory out of it (Bryman, 2016). This is done by collecting data and categorising it into themes, which eventually leads to the development of a theory. The theory is then analysed with previous relevant literature (Creswell, 2014). In general, researchers who use the inductive approach are more concerned with the context where a certain phenomenon took place and, as a consequence, focus on a smaller sample than in a deductive approach (Bryman, 2016). This research was approached inductively in the sense that the data was collected, analysed, and then a conceptual model has been drawn out of it.

4.4 Quantitative and Qualitative Research

Originally, quantitative research was established and used in the natural sciences in order to research and study natural phenomena (Myers, 1997a). Quantitative research is defined as *"an approach for testing objective theories by examining the relationship among variables. These variables, in turn, can be measured, typically on instruments, so that numbered data can be analysed using statistical procedures"* (Creswell, 2014, p.4). A quantitative researcher aims to extract numerical outputs and tries to derive meanings from them. Examples of quantitative methods in the social

sciences include survey methods, laboratory experiments and numerical methods such as mathematical modelling (Myers, 1997a).

On the other hand, qualitative research is established and used in the social sciences to enable researchers to study social and cultural phenomena (Myers, 1997a). Denzin and Lincoln (2000) defined qualitative research as *"a situated activity that locates the observer in the world. It consists of a set of interpretive material practices that make the world visible… Qualitative research involves an interpretive, naturalistic approach to the world. This means that qualitative researchers study things in their natural settings, attempting to make sense of, or to interpret, phenomena in terms of the meaning people bring to them"* (p.3).

Qualitative research is adopted across many fields and disciplines. In the IS discipline, research expands to include issues relating to different social, political and organisational aspects. There has been an increasing interest to use qualitative research methods in IS (Myers, 1997a). This research adopted qualitative research because it investigated a social trend (online social media shopping) in its natural setting (social media platforms) in a specific context (small online businesses in Saudi Arabia that use social media as their trading platform). This research attempted to interpret and analyse the phenomenon of using online social media as the main platform for conducting business for small businesses in Saudi Arabia together with interpreting the social impact on the businesses under investigation and their customers.

4.5 Research Strategies

Just as there are different philosophical perspectives and approaches in IS research, there are also different research strategies. In qualitative research, many research strategies can be adopted such as surveys, action research, grounded theory research, ethnography and case study research (Bryman, 2016).

Surveys

Survey research strategy includes collecting the same type of data from different participants with different backgrounds and geographical locations. Surveys are useful when a researcher is trying to acquire the same type of data from a large group of people. This is done in a systematic and standardised way where the aim is to find patterns of data that could be generalised to a larger group (Oates, 2006). The survey strategy addresses questions in the form of who, what, where, how much and how many. It is used mostly in a deductive research approach and is mostly associated with exploratory and descriptive research (Bryman, 2016).

Surveys are most frequently used by positivists who aim to derive patterns and come up with generalised outcomes. However, surveys are also used in interpretive and critical research. Although questionnaires are the most widely used data generating method for surveys, it is not the only one. Structured interviews and structured observation can also be used to gather data in surveys (Saunders *et al.*, 2016). Due to the inductive manner of approaching this research, the survey strategy was not the best strategy to adopt.

Action Research

There are different definitions of action research, but a very widely used and cited definition comes from Rapoport (1970). He states, *"action research aims to contribute both to the practical concerns of people in an immediate problematic situation and to the goals of social science by joint collaboration within a mutually acceptable ethical framework"* (Rapoport, 1970, p.499). As action research considers and regards knowledge as a form of power, it aims to combine obtaining new knowledge and using this knowledge to fulfil a certain purpose.

Rather than being independent and detached from the subject being studied, researchers using action research strategy aim to study as well as engage in the studied subject to influence social and political action (Neuman, 2014). This significantly gives action research a difference when compared to other research strategies where intervening deliberately in a study is considered to be invalid and might form a type of bias. Generally, the researcher tries to generate scientific knowledge about a certain organisation and tries to directly improve it (Myers, 2013).

Action research strategy was not adopted for this research because this research was not intended to engage in a certain organisation in order to contribute to improving it, but it was rather to investigate a certain phenomenon without intervening in its social setting.

Grounded Theory

Grounded theory research is *"an inductive theory discovery methodology that allows the researcher to develop a theoretical account of the general features of a topic while simultaneously grounding the account in empirical observations or data"* (Martin & Turner, 1986, p.141). Grounded theory is mainly concerned with developing a theory. It is based on the notion of having an on going relationship between data collection and data analysis (Myers, 2013). Grounded theory differs from other strategies as the researcher starts to collect data without creating an initial theoretical framework.

The theory only starts to develop after data is gathered and generated from a sequence of observations, where predictions are generated and then tested by further observations (Flick, 2014). As grounded theory is helpful and useful in deriving meaning of phenomena by context based descriptions, it has become widely used in IS research (Myers & Avison, 2002). As this research was not aimed at developing a theory but was rather to develop a conceptual model about a certain phenomenon in its own unique context, grounded theory was not the best strategy to adopt.

Ethnography

Ethnographic research is one of the most holistic, in-depth and rich research strategies (Myers, 2013). Ethnographic research requires researchers to deeply immerse themselves into the culture of the people and phenomena they are studying. Researchers gather, record, reflect and describe the process they went through to getting their findings. They are also required to acknowledge and explain how they might have influenced the people they were studying and finally link their findings with previous literature (Bryman, 2016). Ethnography is mostly characterised by its specific focus on understanding the culture of a certain phenomenon and the different interpretations that people have of the same circumstances (Goulding, 2005). As this was not the aim of the research, ethnography was dismissed as a research strategy.

Case Study

According to Yin (2014), case study research is *"an empirical inquiry that investigates a contemporary phenomenon in depth within its real-world context, especially when the boundaries between phenomenon and context may not be clearly evident"* (p.16). The researcher is responsible for undertaking an in-depth investigation and analysis into the complex processes and relationships that arise within the boundaries of the case being studied (Creswell, 2013). It is important that the researcher adopts a holistic approach and focuses on investigating and examining the interconnected and inter-related relationships whilst avoiding the isolation of individuals. In addition, the researcher needs to study the context in its natural settings, with as little disruption as possible. Furthermore, it is necessary that the case under study should exist regardless of the researcher's involvement (Oates, 2006).

Case study research strategy could adopt a philosophical perspective of positivism (Benbasat *et al.*, 1987; Yin, 2012), interpretivism (Myers, 2009; Markus 1983; Walsham, 1993), or critical research (Myers, 1994). It could also be used with qualitative and quantitative data (Myers, 2013). For instance, in a positivist case study, the researcher starts with a form of quantifiable measures and variables and hypothesis testing (Darke *et al.*, 1998, Lee 1989). However, in an interpretivist case study, formal propositions and hypotheses are not required and the researcher sets to investigate the phenomenon as a whole rather than setting limits and boundaries to it (Orlikowski & Baroudi, 2002). The researcher also investigates the case within its real context and looks at all the attributes, processes, issues, politics and complex inter-relationships that are related to that case (Oates, 2006). As case study research was the strategy used for this research, it is discussed in detail in the next section.

4.6   Adopted Research Strategy

This research adopted a qualitative, interpretive research perspective that had been approached inductively. Qualitative research is specifically intended and aimed at looking into issues involving humans and their cultural and social lives (Myers, 1997a). In addition, Kaplan and Maxwell (1994) argue that sometimes when

researchers try to capture and convert social and institutional aspects into quantified means, the meaning gets lost.

Taking into consideration all the research strategies discussed above, the researcher made the decision that case study research strategy would be the best strategy to adopt for this research. This is because case studies are used when a deep investigation of a phenomenon within its real context is needed, especially when it is hard to distinguish between the boundaries of phenomenon and the context (Yin, 2014; Symon & Cassell, 2012). Yin (2014) recommended using a case study when the researcher *"wants to understand a real-world case and assumes that such an understanding is likely to involve important contextual conditions pertinent to their case"* (p.16).

The case study strategy is considered an appropriate strategy in IS research especially if the phenomenon under study is fairly new or few case studies have been conducted (Benbasat *et al.*, 1987). In addition, case study research is suitable to answer questions of how and why. 'How' questions are concerned with the way things happen in a certain way such as in an organisation, whereas 'why' questions are concerned with the reason why people do things in a certain way (Yin, 2014; Symon & Cassell, 2012). It is for these mentioned reasons the researcher adopted the case study strategy to conduct this research.

Case study research has three basic types: exploratory, descriptive and explanatory (Yin, 2014). The type of case study depends on the main purpose of the research. An exploratory case study is usually associated with defining research questions or is useful when the literature about a certain phenomenon is very limited. A researcher can then conduct a case study and investigate the phenomenon in its real life context. A descriptive case study, on the other hand, leads a researcher to deep insightful analysis of a certain phenomenon being studied in its real life context. An explanatory case study is used when the researcher tries to go beyond describing and reporting what is happening in this phenomenon, and goes a step further to try to understand why certain things happened in a certain way. It also tries to identify and link the complex factors and inter-relationships that could be the cause of the outcome (Oates, 2006). This research adopted a combination of an exploratory and

explanatory case study. This is because the research investigated a new phenomenon by seeking to understand why things happened in the way they did.

Case studies also differ in their approach to time. A researcher might want to conduct a historical case study where past events are examined by asking people what happened in the past and analysing documents that were written at that time regarding these events. Case studies can also be contemporary studies where the researcher is interested to study a current event or phenomenon happening and interview or observe participants related to this phenomenon. In addition, case studies can be longitudinal studies where the researcher investigates a certain phenomenon over a period of time, and aims to look for factors, relationships and processes that might have remained the same or changed over time (Yin, 2014). With regards to this research, a contemporary case study was adopted as the cases under study have happened quite recently and they are still happening in the current time.

Case study research can be conducted using single or multiple cases. Benbasat *et al.* (1987) discussed the circumstances that are appropriate for the use of a single case study approach. Following Yin's suggestion they stated "*single-case studies are appropriate if: 1) It is a revelatory case (that it is a situation previously inaccessible to scientific investigation), 2) it represents a critical case for testing a well-formulated theory… or 3) it is an extreme or unique case*" (p.373). A multiple case study strategy, on the other hand, is defined by using more that one single case (or context) in the research (Baxter & Jack, 2008). It allows the researcher to discover and explore similarities and differences between and within cases, where facts are collected from numerous sources to draw conclusions (Darke *et al.*, 1998; Yin, 2014). The logic of replication is used to replicate the procedure for each case and the researcher aims to find similarities or differences between these cases (Creswell, 2013). This research adopted a multiple case study strategy in order to fully understand the phenomenon under study from a number of cases.

In order to achieve the aim of this research, the researcher developed four case studies to investigate small businesses in Saudi Arabia that used social media as their main trading platform. This allowed the researcher to fully understand how and why business owners and customers chose to sell and purchase using social media. By

choosing four businesses, the researcher was able to collect rich data about these businesses and conduct in-depth analysis on what they were doing by interviewing the business owners and interviewing their customers (total of 20 in-depth interviews). As a result, the researcher found a pattern repeating itself. Moreover, this allowed the researcher to confirm the data collected from the interviews by observing the online social media business accounts of the four businesses (discussed in detail in section 4.7.8).

This allowed the researcher to triangulate the data as evidence was being collected from three different sources. These sources were the business owners (through interviews), the customers (through interviews), and the online social media platform where the business owner interacted with customers and performed most of his/her business activities (through online observation). Finding a repetition in the findings asserted that each case study was corroborating the other. Therefore, as a result of using four case studies and a combination of data collection methods, the researcher was able to gain a clear in-depth understanding of the phenomenon under study. As the findings were repetitive, no further cases were considered necessary.

4.7   Data Collection Methods

There are many types of data collection methods for interpretive research including documentation, archival records, observation, questionnaire, and interviews. This research adopted a combination of interviews and online observation as the data collection method. The following section is a discussion on the data collection methods used for this research that were gathered through two stages; in-depth interviews with the business owners and customers, and the online observation of the social media accounts of the businesses under study. This includes the sampling strategy, the sample size and participants' details, the translation process, candidates' invitation preparation, participants' invitation process, interview question guide, the online observation process and the ethical considerations for this research.

4.7.1 Stage 1: Interviews

One of the most widely adopted data collection methods for interpretive research is the use of interviews (Walsham, 1995). Interviews, as a data collection method, are often conducted in a face-to-face manner where the researcher asks research participants questions relating to the discussion of the research. There are three types of interviews; structured, unstructured and semi-structured interviews (Oates, 2006). Structured interviews usually entail asking a pre-determined set of questions to each research participant, while picking out the most appropriate answer from a pre-coded set of answers. This type of interview is usually short in time and it does not require further explanations for each of the given answers (Yin, 2014). Structured interviews are usually conducted for confirming findings of a particular research. Alternatively, they can be adopted for the sake of quantifying the data in order to obtain statistical analysis of a particular research (Yin, 2014).

Unstructured interviews often entail introducing the main discussion points without preparing a set of questions prior to conducting the interview. This type of interview entails giving research participants the freedom of reflecting on the discussion at hand while maintaining minimal interruption. Unstructured interviews are usually much longer in time than structured interviews. The researcher usually derives questions depending on what research participants have mentioned during their reflection on the discussion at hand (Yin, 2014). Unstructured interviews are usually adopted if the phenomenon being studied had not been researched before or it involves unveiling a mysterious setting that had been unknown to the public.

Semi-structured interviews usually involve developing themed inspired questions. The researcher often pre-develops a set of questions to be asked based on particular themes that should be covered (Oates, 2006). Upon asking a question, the researcher gives research participants the freedom to provide their answers as well as elaborating further. The researcher needs to give research participants a sufficient amount of time to reflect on their interpretations of a particular theme. The researcher is advised to ask further questions in order to gain deeper understanding of what is being said and depending on how the conversation goes (Saunders *et al.,* 2016). Pre-configured questions are used as guidelines, which can be useful for the researcher to drive the interview by ensuring that all desired research questions are covered.

This research adopted in-depth semi-structured interviews as the main data collection method. In-depth semi-structured interviews provided the researcher with the necessary tool for obtaining deep understanding out of research participants about the phenomenon of using social media by small businesses as the only platform for conducting business in the context of Saudi Arabia. The sampling strategy is explained in the next section while the sample size and research participants' details are explained further in section 4.7.3.

4.7.2 Sampling Strategy

The sampling strategy for any given research, whether quantitative or qualitative, is an important part of the research design (Merriam, 2009). Sampling strategies can be categorised into two different segments; probability and non-probability (Neuman, 2014). Probability sampling is built on rigorous statistical and mathematical calculations that allow researchers to replicate a smaller sample from the overall population under study (Ritchie *et al.,* 2014). It had been argued that probability sampling is more appropriate for quantitative research, while it had rarely been adopted for conducting qualitative research (Bryman, 2016). Given that the purpose of conducting qualitative research is to gain robust knowledge about the phenomenon being studied, probability sampling strategy cannot sufficiently serve the purpose (Ritchie *et al.,* 2014). Instead, researchers are advised to concentrate on the non-probability segment of strategising their sample. According to Ritchie *et al.* (2014), there are three types of non-probability sampling strategy; purposive, theoretical and convenience sampling strategies.

Purposive sampling is adopted when the researcher chooses the sample based on certain features that directly contribute to gaining deeper understanding of the phenomenon being studied (Bryman, 2016). Those features can come in the form of being related to a particular demographic, socio-economic or dealing with a particular incident in a specific setting. There are two criteria for adopting purposive sampling; the first criterion is to ensure full awareness of the sample about the phenomenon being studied, while the second criterion is to sufficiently address the diversification aspects of the sample (Ritchie *et al.,* 2014).

Theoretical sampling is adopted when the researcher chooses their sample based on the impact that it has on developing or testing a certain theory (Bryman, 2016). According to Ritchie *et al.* (2014), the process of selecting the sample starts by selecting an initial sample. Upon analysing the collected data, the researcher selects a further sample and keeps repeating this cycle in order to develop the categories and/or the theory. The researcher stops choosing further samples when the data reaches a saturation point, which means that there are no new categories emerging as a result of the data analysis. The theoretical sampling strategy is useful for exploring an unfamiliar phenomenon.

Convenience sampling is adopted when the researcher bases their sampling strategy solely on the availability of individuals (Creswell, 2013). The vital role of individuals' contribution to the research is not given much priority (Ritchie *et al.,* 2014). Although this type of sampling can provide insights about a particular phenomenon, it has been criticised for not being able to maintain the diversification level that is required for generalising the outcome of a particular research (Berg & Lune, 2012).

This research adopted the purposive sampling strategy where the sample had been identified by the researcher. As the phenomenon under study was concerned with small businesses in Saudi Arabia that use social media as their main trading platform, the researcher conducted a thorough search to find a representative sample that embodied the phenomenon under study. The researcher conducted a thorough research using the following criteria. The criteria were the significant number of followers (more than 20,000 followers) and significant number of visible online activity on the social media accounts (between the business and customers as well as between the customers themselves).

The researcher contacted seven small businesses in Saudi Arabia that used social media as their main trading platform. Of those seven small businesses four responded positively. In order to fulfil the second criterion of adopting purposive sampling strategy, the researcher contacted 27 customers who dealt with the participating small businesses, of whom 16 responded positively. By doing so, the researcher ensured that the level of diversification was maintained. With regards to research participants,

they were all fully aware of the phenomenon being studied due to their direct involvement in conducting business using social media. This had contributed to fulfilling the first criterion of adopting purposive sampling strategy.

4.7.3   Sample Size and Research Participants' Details

The sample size for qualitative research is smaller than that of a quantitative one. According to Ritchie *et al.* (2014), certain phenomena are considered to be valid in qualitative research if they appear once in the data. That means that the sample in qualitative research does not require the researcher to *"provide estimates or to determine statistically significant discriminatory variables"* (Ritchie *et al.,* p.117). Unlike quantitative research, qualitative research does not have a set rule for determining the size of the required sample (Saunders *et al.,* 2016; Baker & Edward, 2012).

However, some researchers provided an estimated sample size as a guideline. Creswell (2013) suggested a sample size between 5 and 30, while Saunders (2012) similarly suggested a sample size between 5 and 25. Ritchie *et al.* (2014) argued that obtaining a larger sample size would potentially do injustice to the quality of the data. This is because the collected data might become unmanageable for the researcher in terms of providing high quality in-depth analysis. Creswell (2014) pointed out to another approach to sample size where the researcher seeks to reach the saturation point when collecting the data. The saturation point is reached when newly collected data does not lead to new insights such as the formation of new themes or categories and is rather only contributing to old themes (Charmaz, 2006).

The researcher carried out 20 semi-structured in-depth interviews, which included interviewing four business owners and four customers for each business. Hence, five interviews have been conducted for each of the four case studies. Online observation was also used as a second source for collecting data from the four social media business accounts of each business, which is discussed further in section 4.7.8. For ethical reasons, research participants' names were coded (see section 4.8 for more details on ethical considerations). Business owner participant names were coded as B1, B2, B3 and B4. As the researcher interviewed four customers for each business,

customer participant names were coded as C1, C2, C3 and C4. For example, for each business owner B1, there were four customers B1C1, B1C2, B1C3 and B1C4. Table 4.3 summarises the codes for all research participants. The identification codes have been used throughout the research.

Business Name	Business Code	Associated Customers	Customer Code
Business One (Alpha)	B1	Customer One of Business One	B1C1
		Customer Two of Business One	B1C2
		Customer Three of Business One	B1C3
		Customer Four of Business One	B1C4
Business Two (Beta)	B2	Customer One of Business Two	B2C1
		Customer Two of Business Two	B2C2
		Customer Three of Business Two	B2C3
		Customer Four of Business Two	B2C4
Business Three (Gamma)	B3	Customer One of Business Three	B3C1
		Customer Two of Business Three	B3C2
		Customer Three of Business Three	B3C3
		Customer Four of Business Three	B3C4
Business Four (Delta)	B4	Customer One of Business Four	B4C1
		Customer Two of Business Four	B4C2
		Customer Three of Business Four	B4C3
		Customer Four of Business Four	B4C4

Table 4.3:   List of research participants and their identification codes.

4.7.4   Translation Process

As this research was conducted in Saudi Arabia, the interviews were carried out in Arabic in order to communicate with the participants in a language they could clearly understand and express themselves in. The researcher was required to translate the research questions to Arabic, conduct the interviews in Arabic and finally translate and transcribe the interviews back into English. According to Vulliamy (1990), when the researcher acts as the translator, the quality of the translation depends on three

factors. These are: 1) the autobiography of the researcher-translator, 2) how well the researcher-translator is knowledgeable of the culture and language of the people interviewed and 3) the fluency of the researcher-translator in the writing up language.

Even though the researcher is a Saudi national, she has lived half of her life in English speaking nations. Being brought up as a child in the United States, then returning back to Saudi Arabia and then moving once again to the United Kingdom has given the researcher an understanding of both Western and Saudi cultures. It has also made her bilingual, fluent and confident in both Arabic and English languages. By being fully aware of both cultures and languages, the researcher acted as the translator. This was done because the researcher was concerned about translation issues that might arise as a result of assigning an external translator that might not be as knowledgeable as the researcher in both cultures and languages. However, to address any concerns regarding potential bias, the researcher selected a native Arabic speaking colleague to choose a random page from the Arabic transcribed interviews and asked her to translate it. This is available in Appendix 1 along with the corresponding researcher's translation. Even though the overall translations from both parties were similar, the translation of the colleague seemed to lack insight. The translation of the researcher provided in-depth insight of the meanings behind what was being said, rather than being a word for word translation.

4.7.5   Candidates' Invitation Preparation

Prior to initiating the invitation process, the researcher developed three documents, which included the Participant Invitation Letter, Participant Information Sheet, and the Research Participant Consent Form. The invitation letter (see Appendix 2) began by introducing the researcher. It went on to explain the research topic by providing the research aim as well as the importance of conducting such research. It also explained the reasoning behind being chosen for participation. Furthermore, it clearly stated the voluntary aspects of participating by affirming their right of withdrawal at anytime without the need to provide any reasons for doing so.

The invitation letter also included explaining the confidentiality and the anonymity aspects of the research in order to increase the level of confidence for participating.

In addition, the letter stated the secure procedure of storing all collected data by mentioning that all electronic data will be encrypted and password-protected and all signed consent forms will be stored in a lockable cabinet at the University of Salford. The researcher directed candidates to read the information sheet carefully. Should they have any queries, the researcher ensured the inclusion of her contact details at the bottom of the invitation letter. The letter went on to explain the procedure that would be taken upon agreeing to participate, which included the need to read the information sheet and sign the consent form.

The information sheet (see Appendix 3) was designed in an easy to follow format, which included the most frequent questions to be asked along with their answers to enable potential participants to find the information in an easier manner. The questions and answers provided information regarding the reasons why candidates were chosen to participate, their freewill to withdraw at anytime they wish, the benefit of participation, and the consideration of their confidentiality. Similarly to the invitation letter, the information sheet included the researcher's contact details in case candidates wanted to ask any questions.

Furthermore, the researcher developed the research participant consent form (see Appendix 4) to fulfil the ethical consideration requirements (discussed in section 4.8). Both the researcher and the participants were required to sign the consent form prior to starting the interview process. Participants were required to consent to the following: that they read and understood the information sheet; they were given the opportunity to ask any questions they had; they agreed on taking part in the research by being interviewed and that the interview would be audio recorded; they understood that the researcher will observe their activity on online social media platforms; they understood that participation was voluntary and that they could withdraw at anytime; they understood that all personal information would be kept anonymous; they understood that all collected data would be encrypted, password protected and only accessible by the researcher; and finally that all consent forms would be stored in a lockable cabinet at the University of Salford.

4.7.6   Participants Invitation Process

As discussed in the sampling strategy section (4.7.2), the researcher first contacted seven potential small businesses that used social media as their trading platform. As these businesses willingly provided their WhatsApp number for the general public for the purpose of communicating with them to ask questions or place orders, the researcher used WhatsApp to send a text message. This included the researcher's name, the aim of the research and asked for the business owner's email address if they agreed to take part in the research. Once there was an initial acceptance from the business owner, the researcher emailed him/her the detailed participant invitation letter, participant information sheet and participant consent form. Four out of the seven business owners responded positively. The coded names for all business owner participants are provided in Table 4.3.

After conducting the interviews with the business owner participants, the researcher asked each business owner at the end of the interview if they could help the researcher in contacting any of their customers. The researcher wanted to gain initial approval from the customers to be contacted. This was to ensure that customer participants were happy to be contacted by the researcher rather than invade their privacy without prior approval. After gaining access to at least one customer for each business, the customers were asked to invite other customers known by them to participate in this research.   These additional customers were therefore independent of both the researcher and the business. Once this was done and customer participants provided their email addresses, the researcher emailed the detailed participant invitation letter, participant information sheet and participant consent from. 16 out of the initial 27 customer participants responded positively. Customer participant names are coded and provided in Table 4.3.

4.7.7   Interview Question Guide

Using interviews as a data collection method provided the researcher with the chance to collect in-depth rich data in order to understand the new social media shopping phenomenon witnessed in Saudi Arabia. The interviews were planned in a semi-structured manner and had pre-determined questions but were also open to any questions that arose from the context of the conversation. Open-ended questions

provide the researcher to collect rich data, which results to the achievement of the research aim (Yeo *et al.*, 2014). Interview questions were formulated in a semi-structured manner where a set of questions were derived from the research questions and guided by the literature review. The mapping of the interview questions with the research questions for both business owners and customers are provided in Table 4.4 and 4.5 respectively.

Business Owners' Interview Questions	Mapped Research Questions (RQs)
What was the reason behind choosing social media as a sales platform over a traditional e-commerce website?	RQ 1 RQ 2
How did social media help you prosper your business?	RQ 1 RQ 2
What are the steps you take when you want to sell a product?	RQ 2
What was the reason behind choosing certain social media platforms and why?	RQ 2 RQ 3
Was there an impact of word of mouth on your business? What was that impact?	RQ 2 RQ 3 RQ 4
How did you convince costumers to purchase from you? i.e. how did you gain their trust?	RQ 2 RQ 3 RQ 4
How do you deal with the disadvantages and challenges of social media, i.e. negative feedback or bad reputation?	RQ 3 RQ 4
For social media small businesses who have taken a step further into expanding their business to also develop an e-commerce website, what are the key differences between their sales in the social media platforms against the e-commerce website (sales volume, outreach, etc.)?	RQ 2 RQ 3 RQ 4

Table 4.4: Mapping of the research questions with business owners' interview questions.

Customers' Interview Questions	Mapped Research Questions (RQs)
Do you use traditional e-commerce websites? If not, why?	RQ 1
What made you purchase through social media platforms?	RQ 2 RQ 3
How was your overall experience buying through social media platforms?	RQ 3
Why did you decide to buy from this specific business?	RQ 3 RQ 4
Did you buy from other businesses on social media platforms? Why? How?	RQ 3 RQ 4
What was the mechanism for deciding to purchase from one business over others?	RQ 3 RQ 4
Do you recommend others to purchase in this manner?	RQ 2 RQ 3 RQ 4
Were there any drawbacks for you when you purchased through social media platforms?	RQ 3
Will you continue to purchase in this manner in the future? Why?	RQ 3 RQ 4

Table 4.5:   Mapping of the research questions with customers' interview questions.

4.7.8   Stage 2: Online Observation

As stated earlier, online observation was also used as a second source to collect data from the four social media business accounts used in this research. This allowed the researcher to triangulate the data as evidence was being collected from different sources, interviews with the business owners and customers as well as online

observation carried out on the social media platform where business owners and customers mostly communicated.

Triangulation is a process in which researchers adopt and combine multiple theories, observers or methods in order to achieve a more efficient, accurate and holistic view of the research (Creswell, 2013; Merriam, 2009). Silverman (2011) argues that in qualitative research, the most adopted form of triangulation is the use of multiple data collection methods. He suggests that as findings obtained from different sources correspond to each other or lead to the same conclusions, then the researcher can strongly argue the validity of these findings and conclusions. Similarly, Creswell (2013) states that triangulation of data sources "*involves corroborating evidence from different sources to shed light on a theme or perspective*" (p.208).

Therefore, the researcher used triangulation to strengthen the data. This allowed the researcher to triangulate the data as evidence was being collected from three different sources. These sources were the business owners (through interviews), the customers (through interviews), and the online social media platform where the business owner interacted with customers and performed most of his/her business activities (through online observation).

According to Saunders *et al.* (2016), there are two types of observation; structured observation and participant observation. Structured observation is mainly conducted for quantifying purposes and is therefore usually adopted in quantitative research. Qualitative research usually adopts the participant observation type of collecting data. There are four types of participant observation; complete participant, participant-as-observer, observer-as-participant or complete observer (Gold, 1958).

Complete participant refers to researchers that get engaged fully by becoming a member of a certain group. Full engagement may include doing all the activities and the interactions on a day-to-day manner (Ritchie *et al.,* 2014). Complete participants do not reveal their intention of involvement to other members of the group in order to ensure that they are acting as naturally as possible (Merriam, 2009). The second type of participant observation is called participant-as-observer; which is often referred to when researchers engage immensely in activities of a certain group upon becoming a

member (Ritchie *et al.,* 2014). However, participant-as-observer differs from the complete observer type by revealing their identity and purpose of research and engagement. The participant-as-observer makes sure that all group members are fully aware that participants are engaging for the purpose of conducting a piece of research (Merriam, 2009).

The third type of participant observation is called observer-as-participant, which is often referred to when researchers partially engage with a certain group of members. The length of the engagement is considerably shorter than the previous two types of participant observation (Merriam, 2009). The fourth type of participant observation is called complete observer, which is often referred to when researchers are solely observing a certain group of members or a certain setting whilst being totally detached from engaging with the observed group or setting (Ritchie *et al.,* 2014).

As Ritchie *et al.* (2014) suggested, the same types of participant observation would apply to the online setting. This research adopted the complete observer type of participant observation in an online setting. This is because the researcher observed the interactions between the small businesses and their customers in a specific social media platform; Instagram. This research also adopted a selective observation approach, which means that the observation process had been conducted towards the end of the data collection in order to collect more evidence in its real life context (Spradley, 1980). Each small business was made aware about the observation part of the research. All investigated businesses posted a message on their Instagram accounts informing their customers about this part of the research. This had been intentionally requested by the researcher in order to fulfil the ethical commitment for conducting this type of data collection (see section 4.8 for more details).

The Methodological Technique of Extracting the Data from the Online Observation
While there are computer programmes to electronically scrape, extract and store data from Twitter and Facebook, this was not the case for Instagram. This led the researcher to create a manual technique to search, extract, store and analyse the relevant data from the online social media accounts of the small businesses on Instagram. The following is a discussion that provides the details of the developed method.

Upon gaining consent from all participating businesses, the researcher initiated the online observation by regularly accessing each social media business account. The researcher observed the online activities of all business accounts for six months (from August 2014 – January 2015). The duration of the online observation was once every two days for a period that usually lasted for an hour. The time spent was allocated mainly for: 1) checking for new uploaded product posts, 2) reading the comments left by customers under each newly uploaded product post, 3) revisiting previously uploaded posts to check for any new comments left by customers and/or the business. Once the researcher noticed that the activity on a certain uploaded product post had stopped (no more new comments were written), the researcher took a screenshot of the product post, which included the associated customer and/or business comments.

The researcher used a computer programme called *'Screen Grabber'* to highlight and capture the whole product post. The programme was capable of transforming the captured screenshots into digital images. These digital images were then numbered and saved in accordance to the encrypted business names (e.g. Image1_B1). The total number of the collected images was 127, where the researcher focused on capturing posts that had a significant number of interactions. Once the collected material reached a saturation point, where the issues observed were being constantly repeated, the researcher stopped collecting more data.

Using the eleven themes derived from the interviews (discussed in section 4.9), the researcher created eleven digital folders with the corresponding theme names, where each folder represented a specific theme. Subsequently, the researcher searched all the collected images to look for evidence that either confirmed or contradicted the data that was collected from the interviews. This was done by the researcher's own interpretation of the image and the conversation in the comments section. Once a relevant issue was identified in a certain image, that image was then transferred to the relevant corresponding theme folder. This process had been carried through all collected images.

The researcher realised that there were many images that contained repeated issues for the same business and therefore made the decision to eliminate the images with the least comments. This process reduced the number of images to 78. Subsequently,

and for ethical reasons, all images required some form of encryption to protect the identities of the businesses and customers. This meant that all business account names and customer names were encrypted. In addition, all business logos and any other identifiable marks were blurred out. This was done using the computer programme '*Adobe Photoshop Elements Editor 14*'.

Given the fact that this research was concerned with small businesses based in Saudi Arabia, all posts and conversations in the comments section were carried out in Arabic. This required the researcher to translate the original post as well as the comments for all images. This was done using '*Microsoft Word*' where each encrypted image was framed in a box. Alongside it, another box was created and it entailed the corresponding English translation. Figure 4.1 illustrates an example where the left box reflects the encrypted image of the product post and the right box reflects the translation of the conversation in the comments section. This lengthy procedure was carried out for each of the 78 images, which are fully presented in Appendix 6 (p. 279).

Encrypted image

Translation

Business1 FOLLOWING 49 likes 66w ماشا الله ذوقك وايد راقي ورعه باليت لو Customer1 تفتحين لج بوتيك بقطر وصدقيني بالمستقبل راح يكون لج بتيك بكل دوله من كثر ماتصاميمك رهيبه اذا صار و في بازار Business1 @Customer1 بقطر راح اشترك ان شاء الله و كلامكم هذا اروع من اي شي واذا حابه اي قطعه عندنا توصيل 😍 😍 ثاني يخليلي الذوق لكل العالم 😍 ❤️ من جد ماشاء الله خامتك تجنن Customer2 انتو اهل الذوق ❤️❤️ @Customer2 Business1 والله Customer3 @Customer4 الله يوفقك 😍 Customer5 Customer6 @Customer7 ♡ Add a comment... ○○○	Customer1: Your designs are amazing and classy. I wish you could open a boutique in Qatar. Believe me, you'll have a boutique in every country in the near future. Business1: Thank you for your sweet words. If there is a bazar soon in Qatar I'll make sure to participate. We also ship worldwide. Customer2: The quality of fabrics you use is excellent and amazing. Business1: Thank you so much. Customer3: @Customer4 Customer5: Wish you all the best. Customer6: @Customer7

Figure 4.1: Example of an extracted, encrypted, and translated product post.

4.8   Ethical Considerations

Ethical considerations should be made in all types of research. Walsham (2006) discussed three types of ethical concerns that might arise in interpretive research, which were: confidentiality and anonymity, working with the organisation, and reporting in the literature. With regards to confidentiality and anonymity, Walsham (2006) suggested that all interviewee names and positions should be kept confidential. With regards to the concern of working in the organisation, Walsham (2006) reported that ethical tensions might arise when conducting the actual fieldwork. This is because most managers do not desire to discuss any internal conflicts, so investigating such issues might create tensions. Finally, Walsham (2006) discussed the ethical tensions of reporting the data in the literature. This arises when the researcher is working for the same organisations under study or the research itself is funded by this organisation.

As this research investigated the use of social media for e-commerce amongst small businesses in Saudi Arabia, ethical concerns arose only from the first of Walsham's (2006) ethical concerns. This is because these small businesses were start-ups and did not have a hierarchal management structure and the research was in no way funded by them.   Therefore, ethical concerns regarding confidentiality and anonymity were addressed by the researcher as follows.

Prior to conducting the fieldwork, the researcher was required to obtain ethical approval from the University of Salford. This included providing the Ethical Committee of the University of Salford with the Participant Invitation Letter (Appendix 2), Participant Information Sheet (Appendix 3), and Participant Consent Form (Appendix 4). The researcher followed the ethical codes and guidelines of the Economic and Social Research Council (ESRC) *Framework for Research Ethics* (2010). Upon receiving the ethical approval (Appendix 5), the researcher was able to conduct the fieldwork.

As data was being collected from interviews and online observation, ethical considerations were considered for both data collection methods. With regards to the interviews, all research participants' names were coded for anonymity and confidentiality purposes. With regards to the online observation, many steps were

taken to ensure ethical considerations. First, all participants consented to the fact that the researcher would eventually observe their activity on online social media platforms. Second, the researcher requested from all participating business owners to post a message on their Instagram accounts informing their customers about the observation taking place. Third, it is worth mentioning that all the observed online content was un-sensitive and publicly available information. Fourth, all collected data was coded and encrypted to ensure anonymity of all users. All encrypted and coded images can be viewed in Appendix 6 (p. 279).

4.9   Modes of Analysis

It was not until the late twentieth century that scholars started to discuss the importance of qualitative data analysis in published literature, as well as discuss and document their procedures in their own research (Spencer *et al.*, 2014). However, it is still true that analysing qualitative data does not have a set of clear rules to follow, as is the case with quantitative data analysis. Qualitative data analysis in contrast has different approaches that could be used by researchers according to their research. Spencer *et al.* (2014) discussed ten possible qualitative data analysis approaches that were found in the literature. These were ethnographic, life histories, narrative analysis, content analysis, conversation analysis, discourse analysis, analytic induction, grounded theory, interpretive phenomenological analysis and thematic analysis.

With regards to this research, thematic analysis was used for analysing the collected data. Thematic analysis is a widely used approach by researchers and some scholars argue that it also forms a part of the grounded theory approach and content analysis approach (Ryan & Bernard, 2000). Thematic analysis was used specifically in this research because this approach involves looking at the data in a systematic manner where the researcher tries to discover, interpret, document and report any clusters of data that appear to form a pattern (Spencer *et al.,* 2014). Researchers are required to examine the whole text and systematically identify patterns that relate and are integrated to the research questions (Joffe, 2012).

Analysis of the Interviews

The researcher specifically used *'Nvivo 10'* software package to carry out the thematic analysis. After all interviews have been transcribed and translated from Arabic to English, the researcher started to code all names to ensure the anonymity of research participant prior to the data analysis process. Once this was done, the researcher created a new Nvivo project on the software and imported all the coded interviews into a newly created folder labelled as 'Interviews'. As the first research question was concerned with finding out what are the limitations of e-commerce in Saudi Arabia, the researcher started by querying all interview transcripts using keywords such as 'e-commerce', 'problems', 'difficulty' and 'limitations'. Four themes emerged as a result; credit card issues, bank transfers as a means of payment, problematic issues faced by businesses when adopting traditional e-commerce websites, and previous experiences of customers using traditional e-commerce websites.

The second research question was concerned with finding out why do small businesses in Saudi Arabia use social media as their main trading platform. The researcher queried all interview transcripts using keywords such as 'social media', 'benefits', 'trust', 'selling', 'marketing', 'advertising', and 'reputation'. As a result, two themes emerged; business to customer relationship overcoming trust issues, and the social shopping experience encountered by customers.

The third research question was concerned with finding out how were the customers involved perceived using social media for purchasing purposes. The researcher once again queried all interview transcripts using keywords such as 'customers', 'purchase', 'buy', 'social shopping', 'perceive', and 'drawbacks'. As a result of doing so, three themes emerged; business related features that distinguish certain social media platforms from others, the common process of conducting business using social media platforms, and future intentions of customers to purchase through traditional e-commerce websites.

The fourth research question was concerned with finding out how social capital can help small businesses in Saudi Arabia, which used social media as their trading platform, to improve their business. The interview transcripts were queried again

using keywords such as 'word of mouth', 'reputation', 'number of followers' and 'well-known'. As a result, two themes emerged; benefits of using social media as an e-commerce platform, and limitations of using social media as an e-commerce platform.

Analysis of the Online Observation

With regards to analysing the online observations that took place as a second form of data collection, the researcher was required to develop a new methodological technique (discussed earlier in section 4.7.8). This process was in accordance with the themes that emerged as a result of the thematic analysis using Nvivo. However, Nvivo was not used for the analysis of the images as the collected data from the online observations were in the form of screenshots that have been converted into digital images. Nvivo software could not recognise the text embedded within the digital images. Therefore, the analysis of the online observation was done manually. Using the eleven themes derived from the interviews, the researcher created eleven digital folders with the corresponding theme names, where each folder represented a specific theme. Subsequently, the researcher searched all the collected images to look for evidence that either confirmed or contradicted the data that was collected from the interviews. This was done by the researcher's own interpretation of the image and conversation in the comments section.

Once a relevant issue was identified in a certain image, that image was then transferred to the relevant corresponding theme folder. Figure 4.2 illustrates an example of this interpretation. As can be seen in the example, the researcher observed that customers were using the 'mention' feature to alert their friends of a certain business. Specifically, 'Customer1' was telling 'Customer2' that this business account was the account they were discussing previously. Therefore, the researcher interpreted that this post contained word of mouth activities that were relevant to the theme 'Business to customer relationships overcoming trust issues'. This process had been carried through all the collected images.

Figure 4.2:   An example of formulating an online observation interpretation.

Four of the eleven themes were found to be present on the online social media platform. Given the nature of the themes derived from the interviews, certain themes were found to relate to issues that were not observable online. For example, the theme 'Problematic issues faced by businesses when adopting traditional e-commerce websites' featured obstacles that drove business owners away from adopting traditional e-commerce. Such issues could not be observed on online social media platforms due to their offline nature.

4.10   Introducing the Case Studies

As this research adopted a multiple case study strategy, this section introduces the four case studies. All case studies used small sized businesses based in Saudi Arabia, which used social media as their trading platform. For anonymity purposes, the business names have been coded into Alpha, Beta, Gamma and Delta.

4.10.1 Case Study 1: Alpha

Alpha was a small business that sold unique fashion dresses. The business owner of Alpha was a fashion enthusiast. In order to fulfil her passion, she started in 2004 to design clothes for herself and for close family members and friends. Upon realising the growing interest to the items she designed, she registered the business as a limited company and decided to open up a little boutique. She relied mainly on face-to-face word of mouth for marketing purposes. She realised that one of the most important aspects of her business was the use of unique fabrics for her designs. She started to buy distinctive fabrics from countries such as Dubai, India, and Pakistan. Once her business grew bigger, she widened her range and imported fabrics from countries such as Italy and Mauritius. In 2013, she created an Instagram account for her business in order to attract a wider audience. She used it to advertise and sell her unique designs. Her products ranged from simple traditional dresses to unique bespoke luxury dresses. Product prices ranged from approximately £80 to £500.

As a result of using Instagram as a trading platform, the demand for her products grew. Prior to using Instagram, the business used to sell an average of 5 items per month, averaging around £1500 worth of turnover a month. With the growth of the product demand, the business hiked to selling approximately 60 items per month, averaging to a turnover of £18,000 per month (at the time of conducting the fieldwork). This required the business to increase the number of employees. Alpha consisted of seven employees at the time of conducting the fieldwork in the summer of 2014.

4.10.2 Case Study 2: Beta

Beta was a small business that sold imported electronic goods and gadgets. Beta's business owner was interested in online shopping and found a business opportunity to use social media as a selling channel. In 2013, he decided to register his business as a limited company and to use his online shopping experience to import electronic goods from other countries and sell them to customers in Saudi Arabia using Instagram. Beta did not have a physical shop and consisted of three employees at the time of conducting the fieldwork in the summer of 2014. Beta sold products ranging from

approximately £10 to £150. Its average monthly turnover was £2,500 at the time of conducting the fieldwork in the summer of 2014.

4.10.3   Case Study 3: Gamma

Gamma was a small business that was mainly concerned with selling mother and baby products. Gamma's business owner was a mother who was passionate about providing safe and useful products, which were not locally available for mothers in Saudi Arabia. After witnessing the success of other small businesses using social media as their trading platform, Gamma's business owner decided to create an Instagram account for her business in 2013. Being a new mother, the business owner was well aware of the wide range of safe and useful baby products that were available outside of Saudi Arabia. Due to her involvement in purchasing many mother and baby products for her own use, she has become experienced in the process of online shopping from international businesses.

Gamma did not have a physical shop and consisted of three employees at the time of conducting the fieldwork in the summer of 2014. Even though the business was not registered as a limited company, Gamma proved to have a high volume of sales. Gamma sold products ranging from approximately £15 to £200. Its average monthly turnover was £4000 at the time of conducting the fieldwork in the summer of 2014.

4.10.4   Case Study 4: Delta

Delta was a small business that sold a wide range of cosmetic products. In contrast to the other businesses, Delta had two business owners. Both owners were passionate about purchasing cosmetics and did so extensively for their personal use from international brands that were not available in Saudi Arabia. This gave them the drive to set up their own business; 'Delta'. In 2013, they created their business account on Instagram. In addition, they registered their business as a limited company and also registered the business name as a registered trademark. After experiencing high volumes of sales, they decided to invest in developing a website for their business. Their intention was to professionalise the way they conducted business with

customers. However, the website did not have an online payment system in place as it was too expensive to adopt such a system. With the payment method being the same on both channels (bank transfers), sales coming from their Instagram business account dominated in terms of the volume of sales. In order to make full use of their website, they diverted customers to their website. However, this had been proven to be unsuccessful as customers preferred to purchase through Instagram. At the time of conducting the fieldwork in the summer of 2014, Delta was in the process of opening a physical shop. Prior to doing so, the business consisted of five employees. Delta sold products ranging from approximately £10 to £400. Its average monthly turnover was £12,000 at the time of conducting the fieldwork.

Taken together, these four cases were very typical of the small businesses in Saudi Arabia that used social media as their trading platform. They were all growing small businesses that had a significant number of followers (more than 20,000 followers) and had significant number of visible online activity on their social media accounts (between the business and customers as well as between the customers themselves). As the case is with most qualitative interpretive research, making a generalisation from the research to a wider population is not the aim of interpretive research (Myers, 1997a). The aim is to rather investigate and understand the deep insights of phenomena.

Walsham (1995) discussed four types of generalisation that can be made through interpretive case studies. These generalisations are the development of concepts, the generation of theory, the drawing of specific implications, and the contribution of rich insight. Darke *et al.* (1998) argued that Walsham's (1995) four types of generalisations "*allow explanations of particular phenomena derived from empirical interpretive research which may be valuable in other settings and organizations as interpretations of phenomena but which are not wholly predictive for future situations*" (p.278). With regards to this research, the researcher was able to generalise the findings by developing a conceptual model, *'The SC-SC Model'*. This conceptual model is discussed in the Discussion Chapter (Chapter 6, section 6.4).

4.11   Chapter Summary

This chapter discussed the research methods that were used to address the research questions. It first explored the different philosophical perspectives to demonstrate the most appropriate paradigm to be used for this research. Different research approaches were also discussed which included the justification for the adoption of multiple case studies. In addition, the researcher discussed the different research strategies for qualitative research. This included a description of each research strategy, a justification for the chosen research strategy as well as a justification for not adopting other strategies. Next, the data collection methods of this research were discussed in detail, which included interviews and online observation.

This was followed by providing the sampling strategy, sampling size and research participants' details. Furthermore, an explanation of the preparations that took place prior to inviting candidates, the invitation process itself and the interview question guide was provided. A mapping of the research questions to the interview questions was then presented. Subsequently, a discussion regarding the online observation was provided, which included a detailed discussion regarding the development of a methodological technique for extracting the data from the online observation. This was followed by the ethical considerations of the research. Next, the modes of analysis for qualitative data were presented along with a discussion on the adopted data analysis approach, which was thematic analysis. This included a detailed explanation of the process the researcher followed for the thematic analysis in terms of the interviews and online observation. It included the use of Nvivo software and the emergence of the themes. The chapter concluded by providing details of the four case studies used in this research.

5 Data Analysis and Research Findings

5.1 Chapter Introduction

The previous chapter discussed in detail the research methods used to address the research questions. This included a detailed discussion on the chosen research strategy, which was the use of multiple case studies. The data collection methods were also discussed which included 20 in-depth interviews and online observation. This included the sampling strategy, sampling size, and research participants' details. Next, the mapping of the research questions to the interview questions was presented. This was followed by a discussion regarding the online observation, which included the details regarding the development of a methodological technique for extracting the data from the online observation. Subsequently, the ethical considerations of the research were presented followed by the mode of data analysis that was used for this research, which was thematic analysis. The chapter concluded by providing details of the four case studies used in this research.

This chapter follows on from the previous chapter and provides the analysis of the collected data. It starts by offering the interview questions for the business owner and customer participants. Next, it presents the eleven themes that were derived from the collected data (interviews and online observation) in great detail. As the analysis of the eleven themes is a lengthy detailed discussion with many rich insights, a summary of the key issues of each theme is then provided. Finally, the research findings are presented which were formulated from the themes.

5.2 Interview Questions

As indicated in the previous chapter (Research Methodology), interview questions were formulated in a semi-structured manner where the set of questions were derived from the research questions and guided by the literature review. The research

question guide for the business owner participants and the customer participants is provided in Table 5.1 and Table 5.2 respectively.

	Business Owners' Interview Questions
1	What was the reason behind choosing social media as a sales platform over a traditional e-commerce website?
2	How did social media help you prosper your business?
3	What are the steps you take when you want to sell a product?
4	What was the reason behind choosing certain social media platforms and why?
5	Was there an impact of word of mouth on your business? What was that impact?
6	How did you convince costumers to purchase from you? i.e. how did you gain their trust?
7	How do you deal with the disadvantages and challenges of social media, i.e. negative feedback or bad reputation?
8	For social media small businesses who have taken a step further into expanding their business to also develop an e-commerce website, what are the key differences between their sales in the social media platforms against the e-commerce website (sales volume, outreach, etc.)?

Table 5.1:   Business owners' interview question guide.

	Customers' Interview Questions
1	Do you use traditional e-commerce websites? If not, why?
2	What made you purchase through social media platforms?
3	How was your overall experience buying through social media platforms?
4	Why did you decide to buy from this specific business?
5	Did you buy from other businesses on social media platforms? Why? How?
6	What was the mechanism for deciding to purchase from one business over others?
7	Do you recommend others to purchase in this manner?
8	Were there any drawbacks for you when you purchased through social media platforms?
9	Will you continue to purchase in this manner in the future? Why?

Table 5.2:   Customers' interview question guide.

5.3   Themes Development from Interviews and Online Observation

Eleven themes were found to emerge from the collected data using Nvivo 10. An illustration for each theme was extracted from Nvivo and is presented in Appendix 7. Each diagram illustrates the coded names of the participants who raised issues relating to that particular theme.

Five of these themes were related to both business owners and customers, whereas three themes were specifically related to business owners and three themes specifically related to customers. It should be noted that these eleven themes overlap. The themes are therefore presented in the same sequence indicated above, which starts with the five themes that were related to both business owners and customers, followed by the three themes specifically related to business owners and finally

followed by the three themes specifically related to customers. Table 5.3 presents a summery of the eleven themes.

Related to	Theme
Business owners and customers	1. Benefits of using social media as an e-commerce platform. 2. Credit card issues. 3. Bank transfers as a means of payment. 4. Business to customer relationship overcoming trust issues. 5. Limitations of using social media as an e-commerce platform.
Business owners	6. Problematic issues faced by businesses when adopting traditional e-commerce websites. 7. Business related features that distinguish certain social media platforms from others. 8. The common process of conducting business using social media platforms.
Customers	9. Previous experiences of customers using traditional e-commerce websites. 10. The social media shopping experience encountered by customers. 11. Future intentions of customers to purchase through traditional e-commerce websites.

Table 5.3: Summary of the eleven themes – corresponding to sections 5.3.1 - 5.3.11.

As this research adopted a multiple case study strategy, interviews with business owners and customers had been backed up with online observation, where the researcher observed the online activities of the four business accounts used in this research. This allowed the researcher to triangulate the data as evidence was being collected from three different sources. These sources were the business owners, the customers, and the online social media platform where the business owner interacted with customers and performed most of his/her e-commerce activities.

As discussed in the Modes of Analysis section in the Research Methods Chapter (section 4.9), four of the eleven themes were found to be present on the online social media platform. Given the nature of the themes derived from the interviews, certain themes were found to relate to issues that were not observable online. For example, the theme *"Problematic issues faced by businesses when adopting traditional e-commerce websites"* featured the obstacles and limitations that drove business owners away from adopting traditional e-commerce. Such issues could not be observed on online social media platforms due to their offline nature. While all eleven themes are presented in the following section, online observation is only presented where it was witnessed.

5.3.1 Benefits of using social media as an e-commerce platform

Throughout the interviews, the researcher asked both business owners and customers for the reasons they turned to social media as a platform to either sell on or purchase from in terms of benefits they have encountered. The reason behind asking such a question was to investigate the benefits gained while adopting social commerce for both the business owner and the customer. This was also to determine whether or not the benefits mentioned in the literature regarding social commerce were actually witnessed in this new adapted way of social commerce in Saudi Arabia. Table 5.4 presents a summary of the points that were identified in this theme from both the business owners' and customers' perspective.

Sub-section	Benefits of using social media as an e-commerce platform
a	Simplicity and ease of use.
b	Wider audience and success growth rate.
c	Alternative marketing channel.
d	Safer alternative to traditional e-commerce.
e	Enjoyable and more sociable alternative to traditional e-commerce.

Table 5.4: Summary of the first theme – Benefits of using social media as an e-commerce platform.

a) Simplicity, ease of use and popularity

One of the most widely cited benefits with regards to using social media as a platform to sell was the simplicity of using the application and its popularity within society. One business owner B1 commented:

> *"Not everyone can use a computer and search for a certain website and actually purchase from it. The positive thing though is that Instagram is available on mobiles and mobiles are in the hands of almost everyone these days, young and old, educated or not educated. So almost everyone has access to Instagram and everyone is talking about the things they find on it... People like the simplicity of Instagram. They can see that this is the seller, this is her/his number and these are the things they sell. If you like something then get in touch with them. This has become so simple, much simpler then directing them to a website and telling them to purchase through it and put their sensitive credit card information".*

She went on to explain how social media has become inherent in everyone's daily life:

> *"As I see it, social media has become a part of our daily lives... People have to check their Instagram at least once daily and everyone is addicted. People like to see what's new out there and would like to see what their friends are looking at. The same thing is with Twitter and Facebook, they are social media websites where people are socialising. If one of the servers goes down, you can feel that everyone is annoyed and wants to get reconnected. I have become addicted to it myself and have to be up to date".*

Another business owner B2 agreed to these benefits and explained that when he first noticed others selling in this way he recognised its widespread and popularity:

> *"I found that people have become addicted to Instagram, they check their accounts a number of times a day, post pictures, write comments on friend's pictures and comment on nice things they see and so on. And it really is a social media website where people are socialising just as in Facebook and Twitter".*

This was also mentioned by B3 who was examining Instagram before she started her business on it. She explained:

> *"Well, before setting up my small business account on Instagram I used to buy from similar business accounts and I realised how easy the whole process is and how everyone around me is keen to buy in this way. It's very simple and straightforward and customers don't need to obtain a credit card and don't need to go on websites and navigate between different pages. It's simple and easy and people are happy using it".*

Even though B4 have a traditional e-commerce website designed for their business, they explained that sales figures through their website were not comparable to sales made through their social media account:

> *"An important thing you might be interested in is that the sales generated from our website don't compare with sales through Instagram. Instagram is the core of our business and the website is considered to be a channel. Even though we are giving the same payment options on the website, the sales are still very low. There was a time when our website had barely any traffic and it was dead. We had to push and redirect customers to use it and found that they didn't like that. They kept on saying it takes a longer time, or they don't know how to make an account or that they simply don't want to use it and want to place an order through WhatsApp… They don't want to trouble themselves, or maybe it's the fact that they're not used to this way of purchasing or they don't know how to setup an account… So Instagram bypassed these steps for them and made it simple and easy to view and contact the seller and place an order through WhatsApp, and pay in their preferred payment method".*

b)   **Wider audience and success growth rate**

Another benefit witnessed by business owners was the fact that selling through social media platforms enabled them to display their products to a wide audience, which enabled their business to succeed and grow bigger in a short period of time as opposed to other traditional ways of selling. When talking about her business, B1

gave social media all the credit for making her brand and business grow to the success she was at:

> *"I can't really say that I was so successful. The business was very small, I was a designer and had some friends and relatives that used to buy from me, but you cannot compare it to the success I am in today. For example, I used to design and sell five or six pieces a month; nowadays I sell 60 pieces in one month. In terms of the number of customers, I used to have around 30 or 40 customers maximum, nowadays I have more than 40,000 followers on Instagram. I know they're not all my customers but a big percentage is buying from me. Most customers used to be in the circle of friends and family members and now my customers are from all around Saudi Arabia, the Gulf, and as I told you a few from Canada and America. So, my business changed drastically and this is why I owe Instagram all of the success that I am in now".*

B3 has also confirmed this by saying:

> *"I get many customers that are living in villages I have never heard of, so it's reaching out to customers from all over and they don't have to be experts in using the computer, or even know how to use a computer or browse through websites. Instagram is making it very simple for everyone".*

In addition, B4 have also credited social media platforms, and Instagram specifically for the success rate they are witnessing:

> *"Honestly, all this success is because of Instagram. We would have never been this successful or this popular in a considerable short time without Instagram. Instagram made it possible to reach to customers from all over Saudi, whether they are in big cities or small villages. We might have been able to accomplish this without Instagram but in return we must have needed to spend large amounts of money on advertisement and marketing. But I don't think it would be to this level of success we are in now".*

c)   Alternative marketing channel

Business owners have also witnessed that social media platforms serve as a powerful free marketing tool. When B1 was asked if she could have achieved the success she has with traditional e-commerce websites she replied:

> *"No way, not to this level of success. The more followers I gain the more business I get. If there wasn't Instagram I wouldn't be able to reach this vast amount of people to showcase my products to. Even if I had a traditional e-commerce website how will I be able to tell the people about it. Yes I will be able to design and sell but it wouldn't be in the volume I'm selling today or to the different nationalities that I have reached".*

B2 was also aware of the importance of marketing and advertising. He explained that everyone could start selling but the trick was to find customers to view the products and to trust the business in order to make a purchase. He added:

> *"Everything, absolutely everything needs marketing and advertising. Even if it was a charity, you still need to let people know about it. As I told you earlier, if I were to design a proper website it will firstly be costly. Second, I would still need to market and advertise for it in search engines or ad banners on websites and so on, which is also costly. Why don't I go to where the customers already are, and put all my efforts on getting them to trust me. Of course, even on Instagram you need to advertise and market yourself, if you just stay like that people won't know or trust you".*

This is in accordance to what B4 had expressed regarding the advantage of customers marketing for them in the form of word of mouth:

> *"One of the most important features about Instagram that played to our advantage is that it is a social place where word of mouth is important and people telling others about us is what made us trustable and successful".*

This was mirrored to what B3 stated:

> *"That's why Instagram is very good, it enables customers to tell their friends about interesting products or businesses in a very simple easy way".*

d)   Better and safer alternative to traditional e-commerce

Customers also expressed their views of how they see purchasing through social media platforms as a better and safer alternative solution to purchasing through traditional e-commerce websites. Some commented on how it resolved their problem of being anxious to pay with credit cards. For example, B1C1 said:

> "I feel that Instagram, along with WhatsApp and bank transfers, gets the whole job done. It's actually solving the problem of being scared and anxious to buy online".

B2C1 agreed and added that it also helped solving logistic problems with the postal service and commented:

> "There is no risk or anything making me feel forced to use a credit card. It's a safe process and my friends and I always share our thoughts on sellers we dealt with, so it really is safe compared to the traditional way of buying through websites… By using Instagram it is different, all you need to give is your street name, your city and mobile number, and the courier service will contact you for an easy hassle free delivery".

Similarly, B3C4 regarded business owners as doing customers a favour by providing products that were usually hard to find through traditional websites. She stated:

> "They go through all the hard work and I get the stuff I need and want with a simple bank transaction and a conversation on WhatsApp".

In addition, B4C1 agreed with the above and felt that purchasing through social media was an enjoyable and better alternative:

> "I absolutely love buying through Instagram. I feel like it makes so many things closer, as in it makes products that are new and trendy, which I can't find elsewhere, actually easy to get hold of. I don't have a clue how to go on websites and purchase from them and even if I learned how to do that I don't have a credit card so I don't even bother trying to purchase in that way. So for me, I feel that Instagram solved this problem because it is very simple and straightforward".

e) Enjoyable and more sociable alternative to traditional e-commerce

Customers were keen on the fact that they were able to read comments and reviews of previous customers. They felt this gave them an advantage and was beneficial to them. For example, B1C3 said:

> *"I like the fact that you can see others' experiences with these businesses when they comment on the pictures. I also like to see their comments on the products because I'm always on the lookout for new cool things. This gives you a general impression about the business and its products".*

B2C1 expressed her thoughts of how the whole experience is more enjoyable and suited her better than traditional e-commerce:

> *"It's really an enjoyable experience all together. Everyday I sign in using my mobile phone and see what new pictures people have posted, what new things my friends bought or thought were interesting and what some have recommended me to buy. If I like something I contact the seller using my mobile and send them a text on WhatsApp asking them of the availability and if I'm happy with everything I'll take their bank account details and send them the money through a bank transfer and in a couple of days I'll get the product I wanted. There is no risk or anything making me feel forced to use a credit card. It's a safe process and me and my friends always share our thoughts on sellers we dealt with, so it really is safe compared to the traditional way of buying through websites".*

B4C4 also agreed that he found buying through social media to be a more sociable experience. When he was asked about the disadvantages or shortfalls he didn't have any and then commented:

> *"I feel it actually has advantages rather than disadvantages. Its main feature is being social and it allows friends to share pictures and mention each other on accounts. It is very simple and anyone with a smartphone can use it".*

5.3.2 Credit card issues

While interviewing customers and business owners, the use of credit cards was a constant issue that was raised. Some felt very strongly regarding this issue to the point that they jumped to point it out straight from the beginning of the interview without having the researcher ask any questions. Both business owners and customers pointed out the same issues. Table 5.5 presents a summary of the points that were identified in this theme from both the business owners' and customers' perspective:

Sub-section	Credit card issues
a	General worry and fear of obtaining a credit card.
b	Hard to apply for and obtain a credit card.

Table 5.5:   Summary of the second theme – Credit card issues.

a)   General worry and fear of obtaining a credit card

One of the widely cited responses from business owners is that there is a general fear of obtaining and using credit cards. Customers are not comfortable to use credit cards online. For example business owner B1 stated:

> *"One of the most important reasons that make the Saudi society adopt this way of conducting business over Instagram is their fear of using credit cards. It's true that we have developed so much and are still developing, but the issue of using credit cards and entering sensitive information on unknown websites is still here. You can find some people buying airline tickets online and reserving hotels online and they do enter their credit card information but only because they are buying from well known official company websites and they got used to it. However, when it comes to actually buying in the same way from an unknown website they would never do it. So we are still not quite there yet in terms of e-commerce and shopping online. We are not at the point where we can order things online from the comfort of our homes with a click and receive them in the post within a few days without feeling anxious and unsure. I feel the society is still not at this stage".*

Interestingly, even though B3 is a small business that needs a credit card to purchase goods from international websites and then sells them on Instagram, she did not obtain a credit card herself but rather used a prepaid credit card. She explained:

> "I need to stress how much credit cards are not welcomed here. I, myself, use a prepaid credit card… First, it's very hard to obtain one, but I could always use my husband's credit card but I don't. I really don't trust the system. Just a month ago, I had 80 dollars taken out of my prepaid credit card but the bank took care of that and refunded the money back in my account. I shop using the prepaid credit card, I know it is a hassle and not everyone likes it or knows how to use it because it is a long process but I am personally fine with it and it's getting the job done for me without me having to worry about fraud".

Similar to business owners, customers also commented on their fear of using credit cards. They were aware of the lack of laws and regulations and therefore were not happy with this method of payment. For example B1C1 said:

> "The main reason behind this whole new way of shopping is the credit card. When a person buys from a website they cannot guarantee that this is a genuine company or if the website is secure and considered safe. Therefore, the customer is anxious and scared to enter sensitive credit card information on these websites".

Even though B1C2 used to shop online while living abroad, she still commented on the use of credit cards is Saudi Arabia and said:

> "I am scared to enter my credit card information, as there are no rules or regulations to protect me as a consumer. It's a total different story buying online in Saudi Arabia".

B1C4 also commented on the absence of rules and regulations concerning Internet fraud by saying:

> "I'm sure there are good experiences where customers receive their goods without having any money stolen from their credit cards, but there are also those people that never receive anything or get money taken out

of their account by unknown sources. This whole thing is still unstable and most importantly we don't have laws regarding this matter".

In addition, B2C3 pointed out that she once purchased from a traditional e-commerce website because the website offered the option of paying cash on delivery, but when she was asked if that option was not available, she replied:

"No, it would be exactly like the other websites that I don't even bother to look at as they only offer payments through credit cards. Of course I won't risk doing that, putting my information and credit card numbers into an unknown website. Who knows who will have access to my information and who knows if they will ever send me anything. But when I pay cash on delivery there's no problem then".

b)   Hard to apply for and obtain a credit card

Business owners explained that credit cards are hard to obtain. Banks had strict criteria for issuing credit cards. B2 provided the researcher with an explanation:

"Just so you are informed, it is very hard to obtain a credit card. You have to be an employee for at least 3 month and have a salary account where all your salaries are paid in. They say it could be any salary but the truth is they only want employees with a minimum of 5,000 Saudi riyals. But the important thing here is that the account must be classified as a salary account. This can only be the case if the employer was an organisation or business with employees more than 100 with a specific level of performance… So in short, it's very hard to obtain a credit card. Banks just started introducing debit cards but they are only used for hotels or when travelling… There are also prepaid credit cards that you can get if you have an account with the bank and pay a yearly fee of 100 Saudi riyals. However, you still have to charge it through bank transfers or going physically to the bank. So, it's still a long process which at the end requires a bank transfer".

B4 also commented on the fact that not all customers obtain credit cards by saying:

"It's not only the fact that customers are scared to use credit cards, it's also that most customers don't have or own a credit card".

Several customers also commented on the fact that they do not desire to hold credit cards or the fact that it is hard to obtain in the first place. B3C3 started the interview by explaining why people are keen to purchase from small businesses on Instagram:

> *"This is simply because all e-commerce websites require a credit card, either a Visa or a MasterCard, and the majority of people here in Saudi, including myself, don't like obtaining one. And even if I did have a credit card I wouldn't trust to enter its numbers through a website. This is why buying through Instagram is much easier and safer".*

In addition, B2C1 was very clear on the reason behind not purchasing from e-commerce websites:

> *"My major reason for not buying from websites is the need for the use of a credit card. I personally don't have one and even if I did I would be too scared to enter the numbers on a website as I don't know who has access to it or who might hack this website and get my numbers. I can always ask my dad to use his credit card but both of us know it's too risky and I would never take that high risk".*

B3C4 also commented on how she can't obtain a credit card:

> *"I have spent thousands and thousands of riyals purchasing from businesses on Instagram. And it is simply because I don't have a credit card and I can't get one as I'm not a full-time employee. I know that these small businesses are increasing the prices but they are making it simple for me. They go through all the hard work and I get the stuff I need and want with a simple bank transaction and a conversation on WhatsApp".*

Furthermore, B4C1 also commented on this matter:

> *"I don't have a clue how to go on websites and purchase from them and even if I learned how to do that, I don't have a credit card so I don't even bother trying to purchase in that way".*

5.3.3 Bank transfers as a means of payment

While interviewing both business owners and customers, the issue of using bank transfers as a means of payment was frequently cited. The researcher was interested to understand why this method of payment was considered safer than the use of credit cards and thus asked questions regarding this matter. Table 5.6 presents a summary of the points that were identified in this theme from both the business owners' and customers' perspective:

Sub-section	Bank transfers as a means of payment
a	Safer payment alternative.
b	The initial need for businesses to gain customers' trust.
c	Problematic issues with bank transfers.

Table 5.6:   Summary of the third theme – Bank transfers as a means of payment.

a)   Safer payment alternative

In general both business owners and customers stated that they considered bank transfers as a safer payment alternative to the use of credit cards. B1 felt that paying through bank transfers solved the problem of using credit cards. This was expressed by saying:

> *"So actually buying through Instagram has resolved this problem and gave the customers a way to pay without being anxious. Paying through bank transfers is considered to be safe and everyone is at ease with it... This makes them feel safe and at the same time they become regular customers because I will be providing the stuff needed without them having to go through the online shopping experience that they feel is unsafe".*

Similarly, B2 commented in the same way and explained his point:

> *"I feel that people are much happier and less anxious to use bank transfers than credit cards. I feel that bank transfers solved the problem for both sides. The business doesn't have to spend loads of money on*

online payment systems and most importantly the customer is happy to
pay in this way as opposed to using credit cards".

Business owners B4 offered their customers the option of paying through bank transfers or cash on delivery. When they were asked which method customers preferred, they replied:

"Most customers pay through bank transfers as it's easier and faster but
we still get customers who prefer to pay cash on delivery so we are giving
them both options... I would roughly say 80% of customers choose bank
transfers".

In addition, customers also commented on the use of bank transfers as a means of payment. Almost all customers commented that they felt safe using bank transfers and they stated that it is considered a safer option than using credit cards online. For example, B1C1 said:

"Buying through Instagram is through bank transfers, which is very safe
as you are in control of how much money is taken out from your bank
account".

Similarly, B1C2 felt it was a simple safe task to do and stated:

"The seller simply gives me their account number, which is usually
displayed in a picture they send to avoid the numbers from mixing up if
they were typed in on WhatsApp. Then I just transfer the amount using
online banking".

In addition, B1C4 considered the process of transferring money to a business the same as the process of paying for a bill online. He explained:

"I didn't have any problems. I always use online banking to either pay
bills or send money to my wife's account or a friend so it's the same
thing really. I mean to get access to my online banking account I need
to enter a password, then I would get an instant message on my phone
with a password that I have to enter and so on. It's not easy for
anyone to get access to my bank account so I consider it to be safe".

B2C1 also expressed the same views as many other customers and said:

> "There is no risk or anything making me feel forced to use a credit
> card. It's a safe process and my friends and I always share our
> thoughts on sellers we dealt with, so it really is safe compared to the
> traditional way of buying through websites".

However, B4C1 felt that she preferred paying cash on delivery, but if that was not an option provided by the seller, she would still make a bank transfer. She commented:

> "I don't have any issues with bank transfers. I also like paying cash on
> delivery but if a business doesn't give this option I'm ok to make a bank
> transfer".

b) The initial need for businesses to gain trust

Business owners also mentioned that even though customers trust bank transfers and consider them to be a safe payment method, they first needed to gain customers' trust in order for customers to go ahead and transfer the money. B1 stated that when she first started she had to accept a deposit and not the full amount.

> "At the beginning customers used to send me a deposit only until I
> finished designing their piece, I would then send them a picture of it, and
> then they would actually send me the whole amount. That's how I started
> to gain trust with my customers. Nowadays, customers don't ask to pay a
> deposit, they pay in full just so that I can hold that piece for them because
> I usually only bring one or two pieces of the same fabric".

B2 also stressed the fact that customers need to trust the business first in order to make a bank transfer.

> "People want to see things they like from businesses that have a good
> number of followers and positive comments, they want to order the
> products, pay through safe bank transfers, and get their products fast".

B3 has mirrored the same response as B1 and stated:

> "Of course at the beginning when I started I had a small number of
> followers and not many people knew me or bought from me. So, I had
> instances where potential customers wanted to buy something and once

they found out I was not living in their city and I didn't offer paying cash on delivery they just turned away and were not interested to go ahead and transfer the money through a bank transfer. But as time passed and as I gained more followers and customers it has now become the main method of payment. I think the key thing is to be a known trusted business and that takes time and effort but once it happens people will trust you and come back again and again".

In addition, business owners B4 pointed out that customers who pay with cash on delivery usually switch to bank transfers in their subsequent purchases. They said:

"We've also noticed that for customers who choose to pay cash on delivery, when they place their second or third order they usually switch to bank transfers. That is probably because we've gained their trust and there is no extra charge for bank transfers".

c)   Problematic issues with bank transfers

Even though business owners considered bank transfers as a safe alternative to using credit cards, they also pointed out some problems they have faced with this method of payment. When transferring money between different banks, customers are discouraged by some issues, such as paying an extra fee or a delay in the processing time. B1 explained this point and said:

"I do face a small problem with bank transfers though, there are many types of banks and most people use Alrajhi Bank and Alahily Bank, and my account is with the Saudi American Bank. Sometimes there's a small fee of 15 Saudi riyals to transfer from one bank to another. Sometimes it takes 3 to 4 days to complete the transaction and sometimes, but this rare, the customer has to go down to the bank to do the actual transaction. Of course, these things make it harder and more complicated for the customers. This is why I decided to open 2 new bank accounts in Alrajhi Bank and Alahily Bank".

B3 also discussed these problems but has resolved them. She explained:

> *"I also made it easy for customers to use bank transfers and opened a bank account in 2 of the most widely used banks here in Saudi, to let them avoid paying a fee of 15 riyals per transaction if their bank wasn't the same as mine".*

However, B2 informed the researcher of a more complicated issue regarding bank transfers. He stated:

> *"There is a point I need to stress out which I recently came aware of. When you have a bank account and the number of transactions exceeds 200 or 300 transactions in one month, the bank is required to inform the Saudi Arabian Monetary Agency... When I opened my business bank account, the manager informed me about this point and said they will be obliged to send a report to the Saudi Arabian Monetary Agency if this was the case. He told me that even though I had a business bank account, the type of business I registered for is important. I only opened a business account for importing and exporting and not for e-commerce".*

B2 then went on to explain the long hard process of registering for an e-commerce business account at the Ministry of Commerce and why he chose to skip this process by stating:

> *"To get an e-commerce business account* [rather than a normal importing/ exporting business account] *I would need to go to the Ministry of Commerce and get their approval, then go to the Ministry of Communications and Information Technology and get their approval for an e-commerce business account, and then go back to the Ministry of Commerce and open an e-commerce business account. Of course, I didn't do that. I only opened a business account for importing and exporting goods in case customs or anyone stopped my shipments when entering Saudi Arabia. I felt this was enough for my business for the time being and if I grew bigger I would go through the complicated procedures of getting an e-commerce business account".*

There were also a few concerns raised by customers regarding bank transfers. While all customers felt bank transfers were a safe payment method in terms of transferring the money, some felt anxious whether or not they will receive anything in return. For example, B1C3 pointed this out by saying:

"Concerning the actual transferring process I didn't see that it was an issue as I select how much money is getting transferred. But you get a feeling of anxiety that you are transferring money to another account and you are not 100% sure if you are going to receive your goods. This is why people's comments are very important to me. So when I buy from a business that has lots of positive comments then the level of anxiety is less, and when I buy from a business I already dealt with then the anxiety is gone".

B3C1 also commented in the same way:

"Making a bank transfer is very simple and I didn't have issues regarding the actual process. But I always try to make my first purchase with a new business relatively low in cost. I get scared that I won't receive anything. But once I've established that they are trustworthy this anxiety vanishes and I have no worries about transferring money to their account".

B4C1 mirrored these comments and said:

"In my opinion it is actually much safer than using a credit card, but the first time I purchased through Instagram and made a bank transfer I was very anxious. Not because of the bank transfer but whether or not I will receive anything in exchange. But after the first time I've been ok with trusting and transferring money. After all, these businesses have been recommended by friends who had a good experience".

5.3.4   Business to customer relationship overcoming trust issues

Both business owners and customers mentioned trust issues throughout the interviews. On one hand, business owners tried to implement a number of tactics to gain the trust of customers. On the other hand, customers looked for specific things when choosing which business account to trust and purchase from. Table 5.7 presents

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a summary of the points that were identified in this theme from both the business owners' and customers' perspective:

Sub-section	Business to customer relationship overcoming trust issues
a	Importance of good comments and reviews.
b	Importance of word of mouth.
c	Businesses building a brand name.
d	Businesses gaining competitive advantage.
e	Customers' criteria for trusting a certain business.

Table 5.7:   Summary of the fourth theme – Business to customer relationship overcoming trust issues

a)   **Importance of good comments and reviews**

All business owners mentioned the importance of good comments received by customers in order to make them a trusted business. These comments could be in several forms. First, there were direct comments written by customers on a specific image on the business account page. Second, there were also comments sent through WhatsApp from the customer to the business thanking them for the product and/or service. Third, some satisfied customers voluntarily took pictures of their delivered products and posted them on their personal accounts along with a positive comment and tagged the business account name to show their friends where they purchased the products from. For example, B1 explained her process of building her customer base and said:

> "Before I was widely known, customers were a little bit scared because, as you know, there are no laws and regulations to protect them in this process. But I noticed that when certain customers comment on the pictures on my account of how pleased they are with the product and the service they received in general, I find other people start to purchase. I also learned that if a customer thanked and praised me on WhatsApp, I would take a screenshot and post it on Instagram… After getting the

permission of the customer... This way I get more people to trust me...
Thankfully I've built myself a good customer base".

In addition, B2 commented in the same way and gave much importance to customers'
positive comments. He explained:

> *"Some customers send me messages that they are happy with the product*
> *and service and I would ask for their permission to take a screenshot and*
> *post it on Instagram. I could've done that without asking them but I*
> *wanted to show respect of their privacy so they would trust me even*
> *more... Also, when customers sometime take pictures of their goods when*
> *they receive them and post them on their account, if I take a look at the*
> *same picture in a day or two I'll see that someone else is asking them*
> *where did you get that from, and the customer tells them to look at the*
> *account mentioned, its from that account, and so on".*

B3 has also mentioned the importance of positive comments and said:

> *"Sometimes they write a comment on the same picture I have uploaded,*
> *and sometimes they just thank me on WhatsApp. But, the thing that I love*
> *most and benefit from most is that sometimes they take a picture of the*
> *products and post it on their personal account and mention the name of*
> *my account and write their comment on it. This way all their friends get*
> *to see where they got it from and might click on my account and see all my*
> *products and might also start following my account. I feel this helps my*
> *business a lot, when friends tell friends about me, and that's why*
> *Instagram is very good, it enables customers to tell their friends about*
> *interesting products or businesses in a very simple easy way".*

In addition, customers also gave much importance to good comments and reviews
written by other customers. For example, B1C2 explained that these reviews and
comments gave her an indication on the trustworthiness of a business. She
commented:

> *"To be honest, when I read that people were satisfied from a certain*
> *business account on Instagram and they are talking about it and its*
> *products, it made me feel comfortable and it got me excited to purchase*

from them especially if their products looked unique. Since others tried this business before me and they were happy, that almost guarantees that things will be good for me too… Our society is like this, we like to try what others have already tried and deemed good. I'm not saying that we like to copy each other all the time but we like to try what has been tried and tested I guess".

B2C1 explained her experience and how she first decided to use this method of purchasing:

"I remember seeing my friend posting a picture of slippers that were so cute and looked very cosy and comfortable… and I noticed my friend mentioned the account she bought it from. So, I went to their page and I found that this business was selling unique products. I also remember reading a comment written by someone thanking the business for their service, so I felt they were genuine and gave them a try… I think that was my first time using Instagram to buy something. I heard everyone around me purchasing in this way and when I found that my friend bought from this business and she was pleased I thought I would give it a try, as there is nothing to lose. And to be honest, they were very professional and polite and that made me go back to them time and time again".

B2C2 also had similar feelings with regards to purchasing from a new business account:

"At the beginning it takes me a long time to trust someone because they can take my money and deceive me at anytime. The easiest way for me to buy from a business on Instagram is if someone I know already tried and tested them. I also love to see comments left by others… There are people who only look for the lower price, but for me the first thing I look for is if any of the accounts were used by me or my friends before".

While observing the social media accounts of the businesses used in this research, there were many examples of products along with direct good comments written by customers (see Images 1-5, pp. 279-280). For example, Image 1 below is the original image captured from B1's Instagram account. The translation of the comments

written in Arabic is provided next to Image 1 in English. In this specific image, direct good comments can be seen written by customers in the comments section.

Business1 FOLLOWING

49 likes 66w

Sold out

ماشا الله ذوقك وايد راقي ورعه ياليت لو **Customer1**
تفتحين لج بوتيك بقطر وصدقيني بالمستقبل راح يكون لج
بتيك بكل دوله من كثر ماتصاميمك رهيبه
اذا صار و في بازار **Customer1@** **Business1**
بقطر راح اشترك ان شاء الله و كلامكم هذا اروع من اي شي
وإذا حابه اي قطعه عندنا توصيل 😭 😭 ثاني يخليلي الذوق
لكل العالم
❤️ 😭 من جد ماشاء الله خماتك تجنن **Customer2**
انتو اهل الذوق ❤️ ❤️ **Customer2@** **Business1**
والله
Customer3 **Customer4@**
😭 الله يوفقك **Customer5**
Customer6 **Customer7@**

♡ Add a comment... ∘∘∘

Customer1: Your designs are amazing and classy. I wish you could open a boutique in Qatar. Believe me, you'll have a boutique in every country in the near future.
Business1: Thank you for your sweet words. If there is a bazar soon in Qatar I'll make sure to participate. We also ship worldwide.
Customer2: The quality of fabrics you use is excellent and amazing.
Business1: Thank you so much.
Customer3: @Customer4
Customer5: Wish you all the best.
Customer6: @Customer7

Image 1: Direct good comments

To give another example, Image 4 below is an image captured from B3's Instagram account. As with the above example, the translation of the comments written in Arabic is provided next to the image in English. Direct good comments can be seen written by customers in the comments section. All following images referred to in this chapter are presented in Appendix 6 (p. 279) and will follow the same method of presenting the image along with the translation.

Business3 FOLLOWING

18 likes 2w

عضاضة للطفل في فترة التسنين **Business3**
❤️ ما استغني عنها لطفلي
تخفف الالم و تقدري تنظفي فيها اللثة
متوفرة تسليم فوري
سعرها ب ٤٠ ريال
اخذتها منك 😍 احلى عضاضه **Customer1**
💕 وبإذن الله بطلب منها قريب
Customer1@ **Business3**
رهيبة مررره .. تتوريني 😍 😍 😍 😍
Customer2@ **Customer2**
فعلا العضاضه دي ممتازه عندي لولدي وقت **Customer4**
التسنين مره تساعده وتريحه انصح اللي عندها اطفال تاخذها
👍 👍 بدون تردد
Customer5 **Customer6@**
Customer7 **Customer8@**
ابغي **Customer9** **Customer10@**
شفتها عندي تجنن **Customer10@** **Customer10**

♡ Add a comment... ∘∘∘

Business3: A baby teether while teething. I couldn't do without it for my child. It reduces the pain and cleans the gums as well.
Available immediately.
Price 40 Saudi riyals.
Customer1: I bought it from you for my daughter and will soon buy it again for my son.
Business3: @Customer1 It is amazing. Will be my pleasure.
Customer2: @Customer3
Customer4: Very true, this teether is excellent I got it for my son while teething. I recommend it for anyone who has teething babies.
Customer5: @Customer6
Customer7: @Customer8
Customer9: @Customer10
I want it.
Customer10: @Customer9 I already have it, it's great.

Image 4: Direct good comments

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There were also many examples of screenshots of conversations that happened on WhatsApp between the business and customer, where the business decided to post them on their online business account (see Images 6-9, pp. 280-281). In addition, there were also many examples where the business decided to repost an image from a customer who voluntarily posted on their personal account pictures of their products alongside their review (see Images 10-14, pp. 282-283).

b)   Importance of word of mouth

Another issue discussed by business owners and customers was the importance of word of mouth to their business. This is very interlinked with the previous point of utilising positive comments, as positive comments lead to the creation of word of mouth. For example, B1 said:

> *"It has a major effect on my business. Let me explain, people talking either positively or negatively has a big effect on my followers and customers… Of course, positive word of mouth enhances the trust of the followers and they start to realise that this is a genuine seller. They start to feel that they could actually purchase from this unknown person and that the products are in good quality as others have tried them and commented on that… I feel that word of mouth in itself serves as a marketing and advertising channel and this has an effect on my business".*

B2 was also aware of the importance of word of mouth and focused much of his attention on it. He explained, in much detail, his efforts for ensuring the circulation of word of mouth around his business:

> *"One of the most effective and important tools of marketing is word of mouth… I tried my hardest to pick products that were unique and different. One of the best products I got were the water dancing speakers and you can't imagine the buzz it created… This product really got known and got people talking about me and recommending me, so it really generated good word of mouth. I gained many followers and customers and they would actually text me 'we want the same speakers you sold to my friend named A'. So, I knew people were talking about it…"*

He also added:

"... Most importantly the uniqueness of the products, that's what starts the word of mouth to kick off between friends... You need to gain followers and get them to trust you, like I mentioned earlier through hashtags, mentions and so on. You have to get people talking about your account and your products otherwise you won't get anywhere. Word of mouth is key in this business... If a person followed me on Instagram, I control how many times he sees my products, all it takes is that he follows me and then I work on the rest. Of course, he can always unfollow me but that's very unlikely".

In addition, B3 commented on the importance of word of mouth for her business and said:

"First, my number of followers gets increased which means the number of potential customers is increased. Second, I always get customers who contact me and say I am a friend of ABC and I want the same thing you sold them. Of course, I don't remember all customers but I try to be polite and ask for a better description of the product and then send them the picture to make sure it's the same thing they want. So, I get many customers that have been told by others about my account and products. Therefore, word of mouth and my reputation are very important to my success. I think the key thing is to be a known trusted business and that takes time and effort but once it happens people will trust you and come back again and again".

Business owners B4 mirrored what other businesses have said about word of mouth and are very much aware of its importance. They said:

"It's not only the positive comments left on Instagram but the word of mouth that happens in real life. We always get customers that contact us saying I want the same size, colour, or product as my friend or sister. And once they receive their products they tell other people. This is actually what made us start our business, we saw that word of mouth costs us nothing and serves as a great replacement for advertisement. And in our case, word of mouth either on Instagram or in real life is what got us to

where we are today. Of course, all this happened because we provide
excellent products and excellent professional services as well. Otherwise
they will be talking about how bad we are".

Customers were also aware that their opinions mattered to their friends. Many have mentioned that when they are satisfied from a business, they naturally felt the need to tell their friends about it. Some were also aware that word of mouth is important to the success of the business. For example, B1C4 pointed out:

"We are a society that likes to know others' opinions and experiences,
and the talk that goes around between us, either in gatherings or on social
media websites, makes a big difference. For example, if a new bakery
opens and a few people tried it and were impressed they will tell the
people around them and all of a sudden you find that this bakery is one of
the busiest".

Even though B2C4 complained about a few business accounts she dealt with, she explained that when a business did its job properly, she was happy to tell everyone around her about their good service. She explained:

"It's funny how I turn into a crazy person who goes around
recommending this business to everyone, either in person or using my
Instagram account. As much as I complained earlier about some business
accounts, there are others that are really very good and professional, as if
you're dealing with a real business not a person or two. So I do take time
and write them a nice comment and mention their business name on my
account so my friends would see them".

In addition, B3C1 commented on this matter and said:

"It's like what happens in real life, word of mouth gets around very fast in
both cases of good or bad. I feel that just as some businesses are working
hard and providing us with the products we ourselves can't buy from
websites, we as customers, should appreciate their hard work and in
return simply tell others of their good service".

Furthermore, B3C3 pointed out that when it comes to finding new good business accounts, mentioning friends and telling each other was a common process:

"I always tell my friends about great new business accounts and products I find. And they do the same thing as well. We sometimes mention each other's accounts on the picture we find interesting so we know which account to get it from. As I told you, finding a trustworthy business is key to having a good experience… We all check what our friends recommend and if we like the product or what the business is selling we go ahead and buy from that specific seller".

B4C1 also mirrored what others have mentioned by saying:

"The best way to buy from a new business is to buy from a business referred to by a friend because you are certain that others have tried and liked this account. You start to trust that they are a genuine good business. I don't want to sound pessimistic, there are many good businesses out there, it's just easier to trust a business that someone you know already dealt with and trusts".

Likewise, B4C2 felt the same way towards trusting businesses at first and said:

"The first time I bought through Instagram I was very concerned because it's a small business I'm dealing with and not a company, I thought what if I transfer the money and never receive anything. But my friends told me very good things about this business account, and I felt since they tried it and trust it I should try as well. And it turned out to be a very good experience. They were very professional and I even received a guarantee card from the brand the product was from, so I was happy".

Word of mouth was also evident while observing the online social media platform of these businesses. There were many instances where customers were telling their friends about certain products and business accounts (see Images 15-20, pp. 283-285). There were also many examples where customers were having a social conversation about certain products and exchanging jokes while asking each other to purchase these products for each other as gifts (see Images 21 – 22, pp. 285-286).

c) Businesses building a brand name

All businesses focused on building a brand name for their business in order to let customers recognise them and trust them. B2 explained that he worked hard in building his business name:

> *"I also focused on building a brand for myself so I chose a unique name. So when I would send out products or deliver them myself I would take care of the packaging very much and have my logo presented elegantly on a white gift bag because all these things make a difference. Customers will feel much satisfied when receiving their goods in white paper bags with the store logo then receiving them in a cheap nylon plastic bag… I've noticed that when they were buying, they really like the packaging and started to take pictures of the product and/or the packaging and post them on Instagram and tag or mention my account name".*

Business owners B4 also focused on building a brand for their business. They went as far as registering their business name as a registered trademark. They explained:

> *"We applied to register our name as a registered trademark and we received the initial approval but it needs to stay for 3 months to get assessed and see if any objections come forward, otherwise it will be registered to us… So that we build a brand for our business that no one can replicate and by this our customers will gain greater trust and loyalty to us. They can be rest assured that we are a registered business with a registered trademark".*

While observing the online social media platforms for these businesses it was clear how much effort and time was spent by the businesses to build their brand name. They each designed their brand name and logo in a professional way that seemed to attract customers (see Images 23 – 26, pp. 286-287). In addition, B1 designed and created metal tags of her brand and attached them to her unique dress designs (see Image 27, p.287). She also appeared in an interview in a fashion magazine and directed the readers to her online social media account (see Image 28, p.288).

d)   Businesses trying to gain competitive advantage

Some businesses took further steps to gain competitive advantage to become recognised trusted businesses.   For example, B3 was very passionate about her business and decided to have another accompanying account alongside her business account on Instagram, where she gave out knowledgeable information that others found useful. She explained this by saying:

> *"I feel that I've done two different things than others. First, as I sell mainly mother and baby products, most of the products that I am selling I have already bought for my baby or myself and tested them. That's how I started. I bought things that I heard of and tried them and loved them and realised that other people couldn't get them... So, I almost always sell something that I have tried and loved and I state that in the description…"*

She went on to explain:

> *"Another thing I did was that I created another account and linked it to my business account. This second account is for posting the latest research that I have read regarding a pregnancy, baby, toddler or health issue. This is one of my personal interests, to be healthy in my whole lifestyle and my small family. So, I post the latest information about something that many people are not aware of. For example, I had a post of the dangers of using BPA materials in baby products and then on my business account I would post pictures of BPA free baby products and link it to my personal informative account. This way, customers know that I am an educated person and have proof that what I'm selling is regarded as good for them. Of course, I can't do that with all products but it is a nice way to help customers with their choices and to get them to trust me".*

It was very easy to get to B3's personal informative account directly from her business account as it had a direct link (see Image 29, p.288). This is discussed further in the eighth theme (section 5.3.8 'c').

Another extra step taken by business owners B4 was the fact that they have teamed up with a number of brands and became official authorised retailers for them. They explained this by saying:

> *"We are authorised retailers to a number of brands. The idea behind this is that when you are an authorised retailer you create a certain reputation and a certification for yourself and your business to sell products from these brands. This shows that you are a genuine business selling real and genuine products. You also get wholesale prices, which enables you to play with your prices and make them competitive… We have an agreement with 5 different brands. We are also about to open a physical shop but have a few small things to finish off within the next 3 months. So our products will be displayed on our website, on Instagram and in our physical shop".*

See Image 30 (p.288) for an example of B4 being an authorised retailer for a brand. This point is discussed further in the eighth theme (section 5.3.8 'c').

In addition, B2 and B4 registered their businesses with the Ministry of Commerce in order gain customers' trust by showing they were officially a trading business. B2 explained this by saying:

> *"I registered my small business and got a business account number from the Ministry of Commerce. I didn't have to do that at all, but I wanted to showcase my business in a professional way so I got the business account number and wrote it on my bio section of the business account on Instagram… I made a logo for the business and many would say why spend the extra cost but I only cared to showcase my business in a professional way to gain the trust of customers. I didn't want to be just another business account selling things, I wanted to stand out".*

Image 31 (p.289) showcases how B2 displayed their Ministry of Commerce business account number on their social media account. This point will be discussed further in the eighth theme (section 5.3.8 'c').

e) Customers' criteria for trusting a certain business

Some customers commented on the criteria they used to choose which businesses to purchase from. Some preferred buying from business accounts they have already dealt with and some also looked at the number of followers that each business had. For example, B1C4 explained:

> *"The first thing I would look at is the number of followers because that tells you how well known this business is and how long it has been trading. I also like to listen to what others tell me, so when my friends tell me about a certain business they dealt with I would rather buy from them".*

B2C4 had a set of things to look at before deciding which business to purchase from:

> *"I first look if I've dealt with any of them before and had a good experience. Then I see if anyone around me has dealt with them. I might also look at what others have written in their comments to get an idea of who is good and look at the number of followers of each of them… This gives me a good impression of the business and how it's doing with its customers. The more followers an account has and the more positive comments they have the more chances are that I will have a good experience with them".*

In addition, B3C3 had a similar criteria and said:

> *"First I look at the seller, if I've dealt with either before and if I did which one had a better service and see which one I trust more and want to communicate with. I also look at the price but honestly I would rather pay extra to an already trusted business than pay less for a business that I still don't know, and I actually once did that. You are paying extra for the comfort of yourself. So, when I find a great business I try to stick to it rather than trying someone new, trusting a business is the key to me".*

B4C1 echoed previous customers:

> *"I'll look at which of the two businesses I dealt with before. And if I knew both, I'll see which one has a wider selection of products, as I'll be able*

to save on the delivery charge. I would rather buy everything from one
seller than buy from different sellers and save on delivery. I'll also look
at the prices. Overall who has better prices, but as I told you lower prices
don't always mean better products as I've received a knock off once.
Generally, I look at the whole picture, which business I dealt with, which
business is known more and has more followers, who has more things I
need and better prices".

5.3.5   Limitations of using social media as an e-commerce platform

Even though both business owners and customers were overall satisfied with their new way of conducting business over online social media platforms, they pointed out some limitations they encountered. Table 5.8 presents a summary of the points that were identified in this theme from both the business owners' perspective and customers' perspective:

Sub-section	Limitations of using social media as an e-commerce platform
a	Businesses not posting prices.
b	Difficulty in in receiving answers to questions.
c	Unfair or unjustifiable bad comments and reviews.
d	Desire to have more features to help in the selling process.

Table 5.8:   Summary of the fifth theme – Limitations of using social media as an e-commerce platform.

a)   Businesses not posting prices

While interviewing business owners, one pointed out the issue of other businesses not posting prices for their products, which she found unacceptable. She explained:

"I've noticed that some businesses on Instagram use it only to post
pictures of their products without even posting the price. They are
waiting for the customers to actually contact them through WhatsApp so
they can tell them the price. I am not like that, I post a picture with a full
description of the product and the price because I don't like

complications. Because some customers are really too lazy to contact me and ask on WhatsApp. They want it to be very simple and if they like the price then they will contact me through WhatsApp and we will agree on the payment and delivery".

Similarly, customers also pointed out the issue of businesses not posting prices for their products. For example, B1C3 said:

"I personally don't like it when a business doesn't post the price of the product and expect people to ask them on WhatsApp, I feel that it's time wasting. Once I like the product and price, I'm happy to place an order. I don't have any problems with contacting them through WhatsApp, but the price should be displayed with the picture from the start".

B2C3 also complained about this issue by saying:

"Sometimes when I find a product that I like and I contact the seller, he informs me that it's sold out. I just feel it's annoying to have to add him to my WhatsApp list and then he tells me it's sold out. If it's sold out he should take down the picture. Or sometimes sellers don't put the price on Instagram and expect you to contact them through WhatsApp, which really annoys me. I just want to know the price, why do I have to go through WhatsApp to know the price. If I'm interested to buy something I'm ok to use WhatsApp but not to get something as basic and simple as the price. They answer quickly but I feel it's not practical to do that".

In addition, B3C3 echoed the comments of the previous customers and exclaimed:

"Some businesses utilise what Instagram provides to the maximum, so they post many pictures of the same product from different angles along with all the dimensions and a full description. And you find others that only write the price without a description or others who write the description without the price. It's up to the business and how smart they utilise Instagram".

While observing the social media accounts of the businesses used in this research, it was found that business owners almost always posted the full description of the products alongside the price. However, it was also found that sometimes these

businesses forgot to post the price, but when they were asked by the customer, they replied directly in the comments section (see Images 34 – 36, p.290).

b)   Difficultly in receiving answers to questions

Customers pointed out that they sometimes faced difficulties in receiving answers for their questions from some businesses. For example, B2C2 mentioned:

> *"Sometimes when you ask a business a question about a product in the comments section they never reply back, or reply after a long time, which I feel is unacceptable. I recently realised that they want us to ask them through WhatsApp. I was once asking a business about specific things about a product, and he just snapped at me at the end and said I was wasting his time. Of course, I would never buy or deal with any business that acts like that".*

B3C4 also raised this issue and said:

> *"I get frustrated when businesses don't answer questions on Instagram and expect everyone to contact them through WhatsApp. Sometimes it is just a simple question that will determine if I want to buy the product or not. If I am interested to go ahead and purchase something then I will make a conversation through WhatsApp. Maybe it would be easier if all communications can happen on a specific section on Instagram".*

In addition, B4C1 commented on the same point and said:

> *"I don't like that I have to always ask a question through WhatsApp, it would be simpler to ask questions directly on Instagram".*

While observing the online social media accounts of the businesses used in this research, it was seen that business owners were answering customers' questions directly in the comments section (see Images 37 & 38, p.291). Some businesses put extra efforts into ensuring that customers knew they were happy and open to answering questions (see Images 39 & 40, pp. 291-292).

c) Unfair or unjustifiable bad comments and reviews

Business owners pointed out a problem they faced while selling on social media which was having bad comments written on their accounts without any justification. For example, B1 had 2 or 3 experiences where users wrote unnecessary comments on her business account, and felt it was unjustifiable as they never bought anything from her. She said:

> "I love my work and I love my business and I feel it is very fun, but sadly there are always negative people that like to bring people down without any reason. I can only name them as haters to success and I try not to give them any importance. And to be very honest with you any attacks I get without any reason I simply delete them. Because followers are always reading and it's not fair to me if a total stranger writes negative things without any reason. I feel that this is all jealousy. But to be honest, in the 9 or 10 years that I have been working, and most importantly the last three years on Instagram, I have only had 2 or 3 comments from people I didn't even do any business with, so they're not my customers. I simply delete the comments and ignore them and I don't go down to their level".

Another business owner B2 had a misunderstanding with a customer, which developed into an argument. He explained:

> "I once posted a picture of a product and made a big error in the price without realising. After 2 hours a customer contacted me on WhatsApp asking for 7 of the same product, so I replied with a text of the total amount where I multiplied the price by 7 and added the delivery. Then she replied rudely and started calling me a cheater and accusing me of ripping people off and said that the price is different than what I advertised for. I then realised I made a mistake and if the difference in price was something manageable I would have let it go, but the price difference was a lot, plus she ordered 7 so it was causing me a big problem. I deleted the picture and posted another with the correct price and I apologised to her and explained it was a mistake and told her to check the new picture. She replied in a rude way and then posted on my account on the new picture that I'm a liar and people shouldn't buy from

me. I then apologised to her on Instagram right under her comment and wrote, "we apologise for the mix up, it was a mistake from our end, and we will be happy to serve you". I tried to explain my side of the story so everyone can see for themselves that at least I am a genuine business who is dealing with the problem and apologised and not just deleted her comments…"

However, business owner B3 had a different strategy for dealing with negative comments. She explained:

"To be honest this has happened 3 times and unlike others I don't delete them. I actually leave them posted and I reply. It did become ugly once but I would rather customers see the whole picture and see my response and the way I deal with everyone. My reputation is very important and I choose to let customers see my honest response to a negative comment…".

An example was found on B3's online social media business account where a customer said something negative about a product (see Image 32, p.289). B3 responded and did not delete the negative comment. However, another image was posted later on in time to inform customers of the business's tolerance policy (see Image 33, p.289).

B4 also had a similar open strategy to negative comments posted on their social media business account. They mentioned:

"As much as you try to please everyone, you are most likely to have some negative unhappy customers. We are all human and sometimes mistakes happen but you try to fix them and hold yourself accountable if they are from your side. I'll give you an example. A while ago, I had a customer contact me through WhatsApp asking me the price of a certain product. Even though the price was already posted on the picture he asked me on WhatsApp and I gave the wrong price… So, the customer got angry and went straight on Instagram calling us thieves and ripping people off. I simply replied by saying please contact me on WhatsApp so we can resolve this problem. He refused to contact me so I explained myself on

Instagram… I decided to keep the negative comment and not delete it and to reply in public so that other potential customers see both sides of the story".

d) Desire to have more features to help in the selling process

Even though business owners were aware that social media platforms, such as Instagram, were not developed for business transactions, some still commented on their desire to get more features from them. For example, B2 said:

> *"Instagram is great in terms of posting and presenting my products, it's actually really excellent in this sense. However, when it comes to the actual purchasing this is where it falls short, not because there is a technical problem but as you said it wasn't designed for the purpose we are using it for... Instagram's limitations are when the selling starts to take place as well as not having a search feature on your account. However, we resolve the communication limitation with communicating through WhatsApp and the payment limitation using bank transfers, which is the preferred way of payment for customers".*

B3 also mentioned the same issue and explained:

> *"As you said, it wasn't designed as a selling platform so of course it has limitations. Most of my communications are done through WhatsApp and the payment method is done through bank transfers or paying cash on delivery… It would be great if Instagram got developed further as an e-commerce platform which allows bank transfers, but that is very unlikely to happen. For me, Instagram is getting the job done, it's a great platform that customers are enjoying and it has many benefits to me".*

5.3.6 Problematic issues faced by businesses when adopting traditional e-commerce websites

As stated earlier in the literature, many businesses worldwide were using social media platforms and social commerce to complement and expand their business. However, this research investigated a new business phenomenon where small businesses in Saudi Arabia used social media platforms as their main platform to conduct business.

The researcher wanted to investigate and understand the reasons that drove these small businesses away from adopting and implementing traditional e-commerce websites. While the literature provides some answers, the researcher wanted to investigate this matter further, and thus asked each business owner for their decision to abandon traditional e-commerce websites. Table 5.9 presents a summary of the points that were identified in this theme from the business owners' perspective:

Sub-section	Problematic issues faced by businesses when adopting traditional e-commerce websites
a	The need for complicated technical skills.
b	Expensive online payment systems.
c	Lack of customer's technical ability to use traditional e-commerce websites.
d	No interest in designing and maintaining a traditional e-commerce website.
e	The need to obtain and use a credit card.

Table 5.9:   Summary of the sixth theme – Problematic issues faced by businesses when adopting traditional e-commerce websites

a)   The need for complicated technical skills

One of the reasons given by business owners to abandon traditional e-commerce websites was the complicated technical skills needed to design an e-commerce website. Business owner B2 was very enthusiastic about the idea but later realised it was very complicated and too technical for him to learn and implement by himself. He stated:

> *"At the start, that is what I wanted originally but I found that it was too complicated. Frist of all, I don't know how to design a website. I know how to use a computer and buy things and so on, but I don't know how to design websites. I tried to look at domain names and web posting services and I wanted it to look professional and I got into too many complicated things and had to pay a lot of money".*

b) Expensive online payment systems

Expensive online payment systems was a major reason for business owners to look for an alternative to e-commerce websites. B2 investigated the requirements of adopting an online payment system and found many hurdles. He explained:

> *"In order to install a payment system on the website I would need to create something called a gateway… Of course, this service is not free. After finding a bank that provides this service they informed me that I need a minimum of 50,000 Saudi riyals as a deposit and that I need to fill out an excel sheet with numbers about my business, as in the number of expected customers and my monthly income etc., and according to that they assist what percentage they would take on each transaction. I worked it out, it will be around 8 or 10 % and that is too high for me. I would need to increase my prices and customers would never buy from me. So, I concluded that it will be very costly and I wouldn't be able to handle the technical aspects as well as the financial liabilities…"*

He also discussed looking at alternative methods:

> *"I also thought of using PayPal and another website called Saudi Fatorah, which similarly provides this service but they also work with the percentage scheme where they take a portion of the amount paid in and the rates were still too high for me… I just feel it's a huge hassle that's not worth it. The customers are already on Instagram looking and searching so why don't I just use Instagram along with bank transfers and WhatsApp to communicate. It's getting the job done without problems".*

Business owners B4 also commented on this issue. Even though they already had a website for their small business, they did not adopt an online payment system. They said:

> *"… setting up an online payment system is very costly and it will hardly be used so there is no logical reason to spend a fortune on it".*

c) Lack of customers' technical ability to use traditional e-commerce websites

Another issue discussed by business owners was the lack of customers' ability to navigate through search engines and website pages. As stated earlier, B4 already had a website for their small business but faced customers' resistance to using it.   They explained:

> *"There was a time when our website had barely any traffic and it was dead. We had to push and redirect customers to use it and found that they didn't like that. They kept on saying it takes a longer time, or they don't know how to make an account or that they simply don't want to use it and want to place an order through WhatsApp… They don't want to trouble themselves or maybe it's the fact that they're not used to this way of buying or they don't know how to set up an account. These are very simple steps to us but they might not be comfortable with it or know how to add to the virtual cart and navigate through pages".*

B1 felt the same way about customers using traditional e-commerce websites. When comparing purchasing from traditional e-commerce websites and through social media platforms she said:

> *"Not everyone can use a computer and search for a certain website and actually purchase from it… And then there are others that are too lazy to actually go through the whole process of buying through a website".*

d) No interest in designing and maintaining a traditional e-commerce website

Some business owners showed no interest in the idea of actually adopting a traditional e-commerce website, for example B1 and B3. B1 explained that she was not attracted to the technical part of designing a website and even though she made an initial attempt, she was not interested in the idea. She said:

> *"At the beginning even before Instagram I did create a simple page but to be honest I can't even remember the name of it myself right now. That shows you how I didn't even use it. Personally, I wasn't interested in it and I found that people were also not interested".*

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B3 also seemed to be not interested in traditional e-commerce websites and was focusing on using social media as her main platform for her business. She also pointed out that it is in her future plans to design a website, however it will only be for display purposes. She explained:

> *"In the future after I have established myself more and more, I am thinking of designing a website for my business to include all my products in. But the payment method will still be by bank transfers, as the issue of paying with credit cards is not welcomed here. This way, customers get the chance to see all my products in one place alongside the availability and customer reviews. I think this will be my next step but I will still keep posting and using Instagram as my main platform to sell, I don't think I can afford to lose its advantages".*

e)   The need to obtain and use a credit card

All businesses also pointed out that in order to adopt a traditional e-commerce website, customers will be expected to use their credit cards. As it was pointed out earlier in the second theme in section 5.3.2, the use of credit cards in Saudi Arabia was cited by both customers and business owners as one of the major reasons for not accepting traditional e-commerce websites.

5.3.7   Business related features that distinguish certain social media platforms from others

Aside from the benefits of using social media as an e-commerce platform discussed in the first theme in section 5.3.1, business owners discussed benefits of using Instagram specifically as an e-commerce platform. All of them expressed their views on why Instagram was their preferred social media platform to use for their business. They explained the special features this platform offered and discussed how it helped them with their business. Table 5.10 presents a summary of the points that were identified in this theme from the business owners' perspective:

Sub-section	Business related features that distinguish certain social media platforms from others
a	The ability of doing an ad exchange with another business.
b	Focused on photos and short videos.
c	The ability of running competitions and giveaways.
d	The unique advantages of using the 'mention' feature.
e	The unique advantages of using the 'hashtag' feature.

Table 5.10: Summary of the seventh theme – Business related features that distinguish certain social media platforms from others.

a) The ability of doing an ad exchange with another business

One of the beneficial features of Instagram that was mentioned by business owners was the ability of doing an ad exchange with another business. This is where two business owners on Instagram have an agreement to post an ad for each other on their business account in order to get more potential customers to view their account in the hopes of getting them to follow and purchase. B1 explained this feature in detail and said:

> *"You try to look for another account that sells either in your field or any other field but the number of followers needs to be similar. And you have an agreement with the other seller to exchange ads. Then you create a picture, which acts as an ad for your business account and send it to the other seller and they upload and post it on their business account. This way all their followers will see your ad, and if they are interested they will visit your account, see your products and hopefully start following you. Of course, you also have to do the same thing for the other business. So basically, both parties are benefiting. Of course, the tricky part here is to create an ad through an image that makes users want to visit your account. As I said, the number of followers has to be similar, you won't find an account with 20,000 followers agree to an ad exchange with an account of 5,000 followers because they won't really benefit from them".*

However, B3 commented that she did agree to have ad exchanges with other businesses but did not use this method regularly. She explained:

> *"I do make ad exchanges with a few businesses but not many… To be honest, I don't like to bore my followers with many ads. There are many businesses that post ads of others every single day and I feel as a follower I might actually un-follow an account like that. So, I do have ad exchanges but they are very limited and only with deserving trusted businesses".*

While observing the online social media accounts of the businesses used in this research, there were several examples found of ad exchanges (see Images 41 - 44, pp. 292-293). However, it was apparent that some of the ads had a pre-agreed timeframe, as it was noticed that some were removed after a specific elapsed. In addition, an example of the process businesses undertook to invite other businesses for an ad exchange was found (see Image 45, p.293). In this image, business owners B4 were showcasing their ad, which they would like other businesses to advertise with.

b)   Focused on photos and short clips

All business owners have commented on the fact that they preferred Instagram over other social media platforms because it was focused on the sharing of photos where as other platforms were crowded with many other forms of entertainment and social features. B1 had only created a business account on Instagram and has not used other popular platforms such Facebook and Twitter. She explained this by saying:

> *"I only use Instagram. I actually didn't even create a Facebook page or Twitter account for my business. Personally, I don't feel that I can gain a lot from them. Twitter is all about conversations and I need a platform that helps me display the pictures of my products. I want the sense of eyesight to be used. Conversations, are of course important but looking at pictures is more important at the beginning. So basically, I felt that Instagram does that for me. When I post a picture and people see it and like it they start to talk about it with me and with their friends. Facebook, on the other hand, is full of so many things, peoples' daily lives, stories, videos and so many other things. I just feel it's crowded and I wouldn't be sure if people are actually seeing my hard work. I know social media*

websites are always popping up, however I'm happy with Instagram as it provides me with the features I need".

While trying to decide which social media platform to focus on, B2 examined a few platforms and decided to use Instagram as the main platform for his business. He justified this reason by saying:

> *"I found that people have become addicted to Instagram, they check their accounts a number of times a day, post pictures, write comments on friends' pictures and nice things they see and so on. And it really is a social media website where people are socialising just as in Facebook and Twitter, but Instagram is purely about pictures and very short clips of 15 seconds, so it isn't loaded with different types of things like YouTube videos and links, and daily updates, and birthdays, and news and games… It's not over crowded like Facebook and Twitter. It is only pictures and comments from followers and a few short clips as I said. So people started uploading pictures of all sort of products from handmade things to really expensive designer bags and even electronics".*

B3 also agreed with the previous business owners and said:

> *"Facebook is a great platform that is very widely used and loved as you know, but I just feel that it's full of many things. It has daily status updates, pictures, videos, links to YouTube, news stories, games, birthdays of friends, celebrity pages, ads and so on. It's full of all these things and much more whereas Instagram is focused on pictures and 15 second clips only. Personally, I never cared to open a picture or a link that was selling something on Facebook. The platform is very distracting and if I were to upload pictures of products I don't think it will get any attention. Twitter is also full of news and links and not focused on pictures. Instagram is the platform that people are using to upload, share and view pictures so I chose the most appropriate platform for me".*

She went on to explain:

> "I feel that it's like a magazine, you see all the products in one place and you start contacting the seller to see what's available and so on. If you want, you could come back in the end to post your review on it, share it with your friends, mention their names so they see specific pictures or even upload your own picture of the product that you bought and liked and mention the business account name you bought it from so your friends see where you got it from. In my opinion, it's a social place to share pictures and it's serving me well as a selling platform".

Business owners of B4 also concluded that Instagram was their preferred social media platform to use for their business. They said:

> "If it was 5 or 6 years ago I would tell you we might have thought of Facebook even though I'm not sure it would have worked. But nowadays Instagram is the most widely used by our customers and potential customers. It is very focused on pictures and short clips, which is exactly what we need. We do have a Facebook page but we never use it and I never feel that it will get any attention. I feel Facebook has too many things going on and our efforts will be wasted unlike with Instagram."

c)   The ability of running competitions and giveaways

Some business owners mentioned a new trend happening on Instagram where business accounts were running competitions and giveaways in order to create a buzz around their business name and gain more followers which act as potential future customers. B1 explained the way this is done:

> "Not all businesses on Instagram are doing it but I have realised it's very beneficial, not only to gain followers, but to create a buzz around my business. I found that people like to have competitions instead of keeping serious all the time. So, I come up with a competition from time to time to communicate with them in a friendly atmosphere. For example, the first competition that I did I was at 4999 followers and I only needed 1 more to get to 5,000. So, I posted to my followers to mention and tag their friends to my account and whoever becomes my 5,000th follower will get a prize which was a discount from any piece they like from my designs".

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B2 also used this method to create a buzz around her business. She explained:

> "*Another way I found useful to gain more followers and create a buzz around my business is to run a giveaway competition. For example, I find a product that has been hard to sell because of its high price and I create a competition. I create a specific picture for the competition and I have to be smart and make it look very attractive, as it will act as an ad for my business. If a follower wants to participate and be included in my giveaway they will need to post this same picture on their personal account and use the hashtag #B3giveaway which refers to by business. This way all the followers of my followers see my ad and might start following me or better yet follow me and take part in this giveaway which results to the same effect with their followers. This creates a massive buzz for my business and many people start to follow me, see my products and some become my customers.*"

While observing the online social media business accounts, several examples of giveaway competitions were found (see Images 46 – 49, pp. 294-295).

d)   The unique advantage of using the 'mention' feature

Another feature about Instagram that was discussed by business owners was the ability to mention other accounts to a certain picture. B1 explained that this was one of a few methods to gain more followers:

> "*There is a nice feature on Instagram, which is the mention feature. If I see a picture of something that is nice and I want my friends to see it I simply mention their name on the picture and they will automatically get a notification that I have mentioned their name so they can see the picture. So, this feature helps my account to become popular and get more people to see my pictures and products and if they like my products they will start to follow me then they will start to buy from me. This is considered to be the first way of getting my account more popular and get more followers*".

B3 also referred to this feature and expressed how it helped to gain more exposure:

"I feel this helps my business a lot, when friends tell friends about me, and that's why Instagram is very good, it enables customers to tell their friends about interesting products or businesses in a very simple easy way".

Many examples were found where customers were mentioning each others' account names in order to drive their attention to a certain product or business (see Images 50 - 54, pp. 295-296). In addition, there was a specific image posted by B4 where they were encouraging and calling on their customers to mention their friends to their business account (see Image 55, p.297).

e)   The unique advantage of using the 'hashtag' feature

Business owner B2 mentioned a feature about Instagram that he found very useful in terms of advertising, which was the use of hashtags. He said:

"There is a nice feature on Instagram when I post a picture I can add as many hashtags as I want. There are many people that like to see what hashtags are trending and look at the pictures. So, this is smart way to advertise. Also, people like to press like on pictures, and friends like to see what their friends liked, so that is another way to advertise. The whole thing about Instagram and its mentions, hashtags and likes makes it a good place for me to sell".

While observing the online social media business accounts, many examples were found, where businesses used the 'hashtag' feature (see Images 56 – 59, pp. 297-298).

5.3.8   The common process of conducting business using social media platforms

While interviewing business owners, the researcher identified a number of new ways business owners were utilising social media platforms to conduct business. Table 5.11 presents a summary of the points that were identified in this theme from the business owners' perspective:

Sub-section	The common process of conducting business using social media platforms
a	Steps taken by all businesses to sell.
b	The process of doing an ad exchange with another business.
c	Businesses trying to gain competitive advantage.
d	The delivery process.
e	Problematic issues with this business process.

Table 5.11:   Summary of the eighth theme – The common process of conducting business using social media platforms

a)   Steps taken by all businesses to sell

Business owners were using social media platforms in a new way to sell products and communicate with customers. While most businesses followed the same model as a whole, some differed in minor ways. The following presents the steps they all had in common, while the section ('c') of this theme discusses what some business owners were doing differently.   For instance, B1 explained the process she followed in her business:

> *"I looked at how I can make my designs unique and one of a kind without others copying them. The first thing I did was I tried to get hold of fabrics and designs that were not from Saudi Arabia. I had to buy all fabrics from elsewhere in order to be unique. Since I focused on making traditional dresses, I got my fabrics first from places like India, Pakistan and Dubai. Then when things started to kick off, I turned to Italy and Mauritius. I started using these amazing pieces of fabric to design my traditional dresses. Then I would hire models hourly to take pictures of them wearing my designs.   Then I would post these pictures on Instagram… I created my Instagram page and made it publicly available to everyone so that anyone can see me and start to follow me. From the people I know I started to get my first followers... People, or I should say customers, started to see my designs on Instagram and then would contact me through my number on WhatsApp, which is written in my bio. Customers who are living in my city would come to see the actual piece*

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and pay cash for it. Customers who are living elsewhere transferred the money through bank transfers and I send them their goods by courier services. So this is the way it works generally".

B2 also explained the process he undertook to make his business work. At first, he was sceptical about this new way of selling, but once he saw success he continued to grow his business. He explained:

"I honestly never thought that people would actually buy things using this unofficial unguaranteed way but to my surprise everyone was and still is, and it doesn't look like they are slowing down. It's as if the old method of going around peoples' houses and selling through a bag full of goods has transformed into this new thing where we sell on Instagram with a very wide audience…".

He went on to explain his process:

" On my account in the bio section, I have my business account number, and my mobile number… So first, I post a picture of the product on my account along with a full description and the price. When someone is interested, they send me a text on WhatsApp. Sometimes they take screenshots of the product and send it to me. They ask any questions they want and I answer accordingly such as the availability of the product and the quantities needed. I ask for their full name, the name of city or village and the name of the street. Many of them can't provide me with their house number as they don't know it. The addressing system over here is not accurate as you know, but it doesn't matter. I then send them a picture with my bank account number displayed on it, along with the company's name. I made sure that the bank account had my small business account's name, as that's what I wanted them to see when they pay. That it is actually a business... I get an instant message to my mobile when I receive any funds with the amount received and at the same time, the customer sends a message that they have paid the amount and give me the reference number. I then pack the products and call the courier service to come pick up and deliver within 2 days".

In addition, B3 also gave a brief of the steps she followed in her business, she said:

> *"I started by buying in bulk through Amazon, products that I have tried and loved and are not available in our country. When things were going really well I started to buy from different websites, but I always sell what I have already tried and tested and love... On my Instagram page, I have my contact information in the bio section. Once I receive a product I want to sell, I take pictures of it and upload it on Instagram and write a brief description of it alongside the price. When a customer is interested, they contact me through WhatsApp and place the order. I sometimes have customers that order products that have sold out so I inform them that I will need to order it for them and it will take approximately 2 weeks. If they are in my same city I give them the option of paying cash on delivery, otherwise they will need to make a bank transfer".*

Similarly, business owners B4 gave a description of the process they followed:

> *"We first wait for the product to reach us and we have a very good look at it. We choose pictures that present it in the best way possible and we usually upload a picture that consists of 4 smaller pictures from different angles. We write a full description of the product along with the price. After that, we get questions either on Instagram or WhatsApp. And if they wanted to place an order they can use our website or place an order through WhatsApp... And the payment is done by a bank transfer or paying cash on delivery... This payment option is available for all our customers nationwide".*

Even though customers already had a general idea of how to place an order, some businesses took extra care and posted clear instructions on how to place an order (see Images 60 & 61, pp. 298-299).

b)   The process of doing an ad exchange with another business

As mentioned in the seventh theme (section 5.3.7 'a'), business owners sometimes made an agreement with another business to do ad exchanges. This is where two business accounts on Instagram have an agreement to post an ad for each other on their business accounts in order to get more potential customers to view their account

in the hopes of getting them to follow and purchase. Aside from these simple ad exchanges, some businesses mentioned a new business that has emerged on Instagram where small business owners paid money for their ads to be uploaded on other Instagram accounts that had thousands of followers. B1 discussed this in detail:

"We started to have a business on Instagram other than the selling of products. Meaning that accounts that have over 200 or 300 thousand followers started to offer to upload an ad for you in exchange for a fee. You find this written in their bio, 'for paid ads contact me on this number on WhatsApp'. As a business, I try to look for these accounts and contact them and tell them that I want to pay in exchange to posting an ad on their account. They ask about my preferred duration of the ad, if I want it 1, 2 or 3 ads and then they quote me a price, which is usually 100 Saudi riyals for one ad… Basically, I am renting a place to showcase and advertise my business and products for 100 Saudi riyals for a week so their followers, which are more than 200 or 300 thousand, can see my ad and potentially visit my account, follow me and hopefully purchase from me. Because once they click follow, every time I post a picture they will automatically get it".

B1 explained the impact this had on her business:

"I once did this and in 2 months I gained almost 5 or 6 thousand followers. So, this is really important and beneficial. Of course, once I gain followers and they like my products they tell their friends and so on. So basically, it is all about word of mouth and what people are saying about your business".

B3 also used this method to gain popularity and more customers, she said:

"When I first started and I had very few followers I paid 100 Saudi riyals for my ad to be posted on a very well known account on Instagram. In return to the 100 Saudi riyals, they posted my ad 4 times and each time I gained around 900 followers. So, it is a very powerful tool as if you are paying for a TV ad. But I don't need to do this now, I feel I've established myself with a good number of followers and I'm building myself through them".

For examples of ad exchanges on the online social media accounts of the businesses used in this research see Images 41 – 44, pp. 292-293.

c)   Businesses trying to gain competitive advantage

Some business owners explained how they took further steps to ensure they gained a competitive advantage. The following are inventive ways businesses sought to gain competitive advantage with:

i. *Registering with the Ministry of Commerce:*

Some businesses registered their business with the Ministry of Commerce for the purpose of gaining the trust of customers. For example, B2 focused on building a brand and distinguishing his business from others. He said:

> *"I registered my small business and got a business account number from the Ministry of Commerce. I didn't have to do that at all, but I wanted to showcase my business in a professional way so I got the business account number and wrote it on my bio section of the business account on Instagram… I made a logo for the business and many would say why spend the extra cost but I only cared to showcase my business in a professional way to gain the trust of customers. I didn't want to be just another account selling things, I wanted to stand out".*

This can be seen in Image 31, (p.289), where B2 was displaying the Ministry of Commerce business account number on his online social media account.

Similarly, B4 also registered their business with the Ministry of Commerce. In addition, they took a step further and registered their business name as a registered trademark. They said:

> *"We are a registered business and hold a business account number from the Ministry of Commerce. We also registered our business name as a registered trademark and are waiting for the paper work to finish... We received the initial approval but it needs to stay for 3 months to get assessed and see if any objections come forward, otherwise it will be registered to us".*

ii. *Creating a free informative account:*

B3 was very passionate about her business and decided to create another accompanying informative account to her business account on Instagram where she gave out knowledgeable information that others found useful. She explained this by saying:

> *"I created another account and linked it to my business account. This second account is for posting the latest research that I have read regarding a pregnancy, a baby, toddler or health issue. This is one of my personal interests, to be healthy in my whole life style and my small family. So, I post the latest information about something that many people are not aware of. For example, I had a post of the dangers of using BPA materials in baby products and then on my business account I would post pictures of BPA free baby products and link it to my personal informative account. This way, customers know that I am an educated person and have proof that what I'm selling is regarded as good for them. Of course, I can't do that with all products but it is a nice way to help customers with their choices and to get them to trust me".*

B3's online social media informative account can be seen on Image 26, p.287. In addition, a few examples were found where B3 posted on her online social media business account useful information and linked it to her personal informative account (see Images 62 & 63, p.299). Furthermore, there were several examples on B3's social media account of products where she indicated in the description that they have been tried, tested and approved by herself (see Images 64 & 65, p.300).

iii. *Becoming a registered retailer:*

Another extra step taken by business owners B4 was the fact that they have teamed up with a number of brands and became official authorised retailers for them. They explained this by saying:

> *"We are authorised retailers to a number of brands. The idea behind this is that when you are an authorised retailer you create a certain reputation*

and a certification for yourself and your business to sell products of these brands. This shows that you are a genuine business selling real and genuine products. You also get wholesale prices, which enables you to play with your prices and make them competitive... We have an agreement with 5 different brands. We are also about to open a physical shop but have a few small things to finish off within the next 3 months. So our products will be displayed on our website, on Instagram and in our physical shop".

Examples of posts on B4's social media account were found where they were informing their customers of becoming authorised retailers for specific brands (see Image 27, p.287, and Images 66 – 68, pp. 300-301).

iv. *Designing and maintaining an e-commerce website:*

As mentioned earlier, business owners B4 already have a traditional e-commerce website (see Images 69 & 70, pp. 301-302). From their social media account it can be seen that they were trying to drive customers to their website (see Images 71 & 72, p.302). However, it must be noted that B4 expressed that sales generated from their website were nowhere near to the sales generated through their social media account.

d) The delivery process

While discussing the steps they went through to make a sale, business owners mentioned the delivery process they followed. For example, B1 said:

"I don't include the delivery price with my total. I only inform them with the rate from 2 different courier service companies and let them choose whatever suites them. Once the item reaches them they have to pay the courier service company the delivery charge".

B3 also explained her delivery process by saying:

"I give customers the choice to pick their preference of courier services, they have different charges so I let them choose what suites them. After they confirm their preferred company, I add the delivery charge to my

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total and give them the final total to pay and they transfer the whole
amount to my bank account".

Business owners B4 mentioned that they give all their customers nationwide the option of paying cash on delivery. They said:

"*The payment is done by a bank transfer or paying cash on delivery…*
This payment option is available for all our customers nationwide. It is a
service that is provided by the courier service we deal with. They charge
18 Saudi riyals extra on top of the delivery charge for this service. So, the
customer has 2 options, either pay for the delivery charge and make a
bank transfer with the full amount or pay in cash for the goods and
delivery charge and an extra 18 Saudi riyals when the parcel is delivered.
Most customers pay through bank transfers as it's easier and faster but
we still get customers who prefer to pay cash on delivery so we are giving
them both options".

There were several examples found on the social media accounts of these businesses where they showcased their efforts and care in order for goods to reach customers safely. Some businesses posted pictures of their unique packaging (see Image 73, p.303 and Image 59, p.298). Other businesses posted pictures of them having business agreements with courier services (see Image 74, p.303), while others posted pictures of delivery forms being filled out and sent (see Images 75 & 76, pp. 303-304). In addition, examples of businesses answering questions regarding the delivery process were found (see Images 77 & 78, p.304).

e)   Problematic issues with this business process
Although business owners were growing their businesses using this new way of conducting business through social media platforms, they have encountered some problems with this process. For example, B4 mentioned that they sometimes faced problems when importing large quantities of products or when they transferred large amounts of money overseas. They explained:

"*We do face problems with customs when we order large quantities in one*
order. There are some courier or cargo services that charge a very high
percentage as customs fees and there are others that have a reasonable

percentage… We also sometimes have problems with the bank enquiring about large amounts of money being transferred abroad so we have to explain why and where these payments are going and have evidence in the form of receipts".

5.3.9 Previous experiences of customers using traditional e-commerce websites

Throughout the interviews, the researcher asked customers if they had any previous experience in e-commerce, whether purchasing from local websites in Saudi Arabia or international websites. The reason behind asking such a question was to understand if customers that purchased through social media also purchased from traditional e-commerce websites. This was also to determine if the barriers for traditional e-commerce in Saudi Arabia found in the literature were actually experienced by the customers. Table 5.12 presents a summary of the points that were identified in this theme from the customers' perspective:

Sub-section	Previous experiences of customers using traditional e-commerce websites
a	Customers who only trusted international e-commerce websites.
b	Customers who only used international e-commerce websites while living abroad.
c	Customers who asked others to buy for them from e-commerce websites.
d	Problematic issues with the complicated addressing system.

Table 5.12: Summary of the ninth theme – Previous experiences of customers using traditional e-commerce websites

a)   Customers who only trusted international e-commerce websites

It was obvious that many customers did not have any previous e-commerce experience. However, others did purchase through traditional e-commerce websites but only from international websites that belonged to the original company/brand.

For example, B1C1 was one of a few interviewees that distinguished between international and local e-commerce websites. She explained her view by saying:

"I do use my credit card to purchase online, but only from a few websites that I am absolutely sure of and have already bought from them many times before. However, I consider myself a little risk taker, and I only buy from the official website of a company. But most websites I don't even think of buying from or dare to enter my credit card information even if I really like their products. Just the other day my friend was telling that she got ripped off. She bought a mobile phone from a website she considered to be genuine and safe and it has been more than a month and a half and she didn't receive the mobile phone. Every time she sends them an email she doesn't get a reply so she lost hope of receiving anything. So we always hear of these stories of people getting robed and ripped off so it's just normal that people are not too keen to buy online in the traditional way".

B1C3 had the same view and purchased from international websites. This was expressed by saying:

"...because they were either American or British well known websites I was ok I guess. The first time I was worried that the items will get lost and never reach me but it turned out ok and I received the package. The two times after that I was more relaxed but again because I was buying from the international official stores it's a different story than here".

In addition, B1C4 had similar thoughts regarding local e-commerce websites. He said:

"I used my credit card on well-known websites for hotels and airlines that are known worldwide because I was planning our holiday. That was the easiest way to get it done. But I understand why you are asking, if I was buying from some local websites yes I would have worries about entering my credit card details. I have heard of many fraud instances so it's not really safe".

B4C3 also mirrored the above responses by saying:

> *"I only purchase online from well-known websites that are known worldwide. I only use websites that belong to the original company... An exception to that would be Amazon who sells all sorts of brands but are a very well established trusted website. But of course I've never purchased from any local or regional websites as I don't trust them or trust that I have secure laws that will protect me if things went wrong".*

However, B3C2 had a different response than most other customers. She preferred to shop online over physically shopping in stores and seemed to be at ease with the whole e-commerce process as she has lived abroad for several years and did not have any problems with using her credit cards. However, she still only purchased from international websites. She said:

> *"I always purchase things online and I would actually prefer shopping online than going out searching for specific things in malls and shops. I usually buy from the same known websites that I used to buy from when I was living in the Unites States. I find it much easier and time saving to buy in this way. So I don't have any problems with using my credit card as I got use to this process, I just hate the delivery time as it usually takes between 1 to 2 weeks for my order to be delivered".*

b) Customers who only used international e-commerce websites while living abroad

There were also two other customers that have lived abroad for several years and were confident using e-commerce websites. However, when they moved back to Saudi Arabia B1C2 has stopped purchasing through e-commerce websites and said:

> *"When I was living in America while I was studying my Master's degree, yes I always used to shop online and used my debit or credit card. But ever since moving back to Saudi I haven't shopped online… Over there, everyone uses online shopping and it was part of my daily life…"*

However, ever since moving back, B4C2 had been very cautious about which websites to purchase from. She stated:

"I used to shop online all the time when I was studying in the UK but since I moved back to Saudi Arabia I think it was only two times that I went ahead and completed the process and paid. It is much harder here because it is risky, you don't know if you will get hacked or if you will receive your products. Thankfully, it was good for me both times but it's not something that I usually do now like I did when I was abroad".

c) Customers who asked others to buy for them from e-commerce websites

Some customers did not purchase for themselves using e-commerce websites but asked a friend or relative, who was happy to purchase through a traditional e-commerce website, to purchase a product for them when they were ordering. For example, B2C1 said:

"Personally, I have never done it, but my sister's friend was going to order something so I gave her money to get me the same thing as well".

B2C4 had the same experience by having a friend order a product, She explained:

"My friend always buys things from overseas especially makeup. So, I once told her to order me something. You see I don't have a credit card and even if I did I would never know which websites are genuine or which ones are the official ones of the brand or how to give them my address, so I just asked her to get it and I paid her."

d) Problematic issues with the complicated addressing system

Some customers pointed out their worry of having their packages lost as a result of the absence of a unified addressing system. B1C2 had this to say:

"I guess it's because of the addressing system it's not clear and definite, I'm not sure if my things will ever get to me... It's a total different story buying online in Saudi Arabia".

B2C1 informed the researcher with the same issue:

"I feel like the addressing system is so complicated without clear house numbers and postcodes like in developed countries. In most websites, you

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will need to enter a specific address. By using Instagram it is different, all you need to give is your street name, your city and mobile number, and the courier service will contact you for an easy hassle free delivery".

In addition, B4C2 commented:

"And there is always the chance of getting things lost in the mail especially if it is a parcel".

5.3.10 The social media shopping experience encountered by customers

While asking customers about their experience of purchasing through social media, it was apparent that they were satisfied with their overall experience. Some commented on their good experience and some commented on their bad experiences. Table 5.13 presents a summary of the points that were identified in this theme:

Sub-section	The social media shopping experience encountered by customers
a	Overall satisfaction
b	Problematic issues experienced

Table 5.13: Summary of the tenth theme – The social media shopping experience encountered by customers

a) Overall satisfaction

Overall, all customers commented with satisfied comments on using social media platforms, more specifically Instagram, for purchasing goods. For example, B1C2 summarised her social media shopping experience by saying:

"They were all good experiences and I actually enjoyed them. The first time I made a purchase it was a large order of specially baked cookies for a baby shower as party favours to give to guests. It was a really great experience as the collection was so beautiful and looked professional, it was unique and wrapped in an elegant way. It was nice and easy to deal with the seller. Another time I ordered some scarfs, and again they were

delivered promptly without any problems and the quality of the fabric was
great and not cheap, just as shown in the pictures".

There are many other comments by all customers concerning their satisfaction, which were presented previously throughout other themes.

b)   Problematic issues experienced

Some customers were overall happy with their experience, but encountered some problems with some business owners. They expressed their views of the importance of being cautious in trusting all businesses. For example, when asked if they were ever ripped off, B2C2 replied:

> *"It didn't happen to me but it happened to my cousin and that's why I*
> *don't purchase from any account. My cousin ordered a makeup pallet*
> *that is from an American brand made in the USA, but what she received*
> *was made in China. When ordering my cousin only cared about the*
> *price".*

Another customer B2C4 explained:

> *"I once found something that I was searching for in an account that I*
> *didn't know or anyone I knew tried. So, I decided to go ahead and buy it.*
> *I paid but what I received was different from the picture. I felt they*
> *cheated, so I sent them a message on WhatsApp and they didn't reply. I*
> *then wrote on their Instagram account that they didn't send me the same*
> *quality as in the picture. And then, as I was really furious, I posted a*
> *picture on my account with half the picture on the right being what they*
> *advertised for and the other half of the picture what I received and*
> *explained that they did this to me and of course I mentioned their account*
> *name so others won't get ripped off as well. In this way, even if they*
> *delete my negative comment on their account they can't delete the picture*
> *on my account with their name on it. But I've had many good experiences*
> *where things went very smoothly and some sellers were very professional*
> *and good".*

B2C2 also commented on a late delivery and said:

"They were good experiences. But I once bought from an account and it took ages for my things to get delivered, I think it took 3 weeks but I got them at the end. So, not all businesses are the same on Instagram".

Another issue raised by a customer was the fact that some businesses sold counterfeit goods. B4C1 had this to say:

"I once bought something and when I received it I found it was very obvious that it is was a knock off, not the original. I was very upset and left a bad comment on the Instagram account and took a picture of the product and posted it on my Instagram account and tagged the account I bought it from and wrote that they are liars who sell knock off products so that my friends and other people know the truth. But this only happened once and all the other times I've been very satisfied with the service and products. You just need to be smart when choosing who to buy from".

5.3.11   Future intentions of customers to purchase through traditional e-commerce websites

After customers have trusted certain business accounts selling on social media platforms, the researcher asked whether or not they were willing to purchase from the same businesses if they were to sell through a traditional e-commerce website. Customers' comments varied between three different responses. Table 5.14 presents a summary of the points that were identified in this theme:

Sub-section	Future intentions of customers to purchase through traditional e-commerce websites
a	Overall happy to use an e-commerce website in the future.
b	The need for obtaining a credit card.
c	Prefer social media platforms.

Table 5.14:   Summary of the eleventh theme – Future intentions of customers to purchase through traditional e-commerce websites.

a) Overall happy to use an e-commerce website in the future

Some customers felt that since they have already built a trust relationship with certain businesses, they will most likely trust to buy from their future e-commerce websites. For example, B1C1 said:

> "Yes because I already have dealt with them and trust them. Even though the website would be fairly new, local and unknown, I have already done business with them without any problems so I think I'll be ok to go ahead and pay since I do have a credit card".

In addition, B2C2 was happy to purchase from a local website that she already dealt with through Instagram:

> "I think I would go ahead and buy from them as I already know them and trust them. Of course this will be a new thing for me but I guess it won't be a problem. But the most important thing is they have to be a business I have dealt with and trusted from before".

B1C4 also agreed to the idea but felt that at first, he might try with a low value item. He explained:

> "I don't see why not. Maybe if the amount due was very high I would try with one product and see how it goes. But in general I don't think I would have a problem with it".

b) The need for obtaining a credit card

Some customers commented that even if they were willing to purchase from the trusted business, they did not obtain a credit card and therefore, will not be able to purchase from their website. For example, B2C4 said:

> "Yes I will buy from them. Since I've dealt with them before I'm sure I'll support them and tell others about them. But I'll need to get a credit card first in order to buy from them".

Similarly, B3C1 commented:

> *"If it's a business I already trust and know I won't have any problems buying through their website. But I do not have a credit card so I don't think I'll be able to pay in this way".*

B3C3 was very clear that even though she would agree to purchase from the website, the payment will still have to be through a bank transfer:

> *"If it's the same person and same business I trusted before, yes I would go to their website and buy through it instead of Instagram. But, I don't have a credit card so the payment would still need to be done through a bank transfer. I've came across a business account on Instagram that does have a dedicated shopping website for itself but I wasn't interested in its products so I didn't go ahead and purchase, but I remember that I could still pay through bank transfers".*

c)   Prefer social media platforms

Other customers preferred to shop using social media, as they were happy with the social features that were provided. In addition, some customers felt even though they have trusted the business itself, they were still anxious about credit card fraud. For example, B2C1 said:

> *"If they were the same business I was dealing with on Instagram and I had a credit card I think I would. But I think I would still prefer to buy through Instagram, for me its easier, simpler and more fun".*

In addition, B3C4 replied:

> *"Yes, why wouldn't I trust to buy from their website? They are the same business and I trust them and have dealt with them over and over again so I wouldn't mind buying from them. Even though I feel it's easier to buy through Instagram but I would still buy from them if that was the only way. There will be the problem of not having a credit card, but hopefully they will take bank transfers".*

B4C1 also preferred purchasing through social media and said:

"To be honest, no I wouldn't prefer to purchase in this way, but not because I don't trust them. Because first, I don't have a credit card and second, because it's much simpler to buy through Instagram. I wouldn't want to have to use a website. I like simplicity and through Instagram, I have found a very simple way to get things I want".

Furthermore, B4C2 shared the same view and preferred purchasing through social media and explained:

"Yes, I might purchase in this way, but to be honest I still would prefer to buy through Instagram. It is simpler and no matter how much I trust the business, the security of online payments is still not advanced as it is in the West. Also, I'm on Instagram all the time, I check it 5 or 6 times a day so it's easier to just see things and buy them through Instagram and WhatsApp rather than navigating through websites and pages and creating an account and all the steps needed on a website. Instagram is a new quick way to get the process done without having credit card issues I think. It's also fun to share your thoughts with friends directly on Instagram by mentioning each other on the accounts we like. Even though I was scared of the idea at the beginning, I absolutely love and enjoy it now. I think you just need to know who to trust and then you just go for it".

B4C3 also commented on the absence of laws and regulations regarding credit card fraud and said:

"Yes since I trust them I wouldn't mind buying from them. I don't mind using my credit card but I think I'll be a bit anxious about people hacking their system and getting hold of my credit card information. As I told you, there are no laws that protect me against this".

5.4 Summary of themes

The above section presented the eleven themes that were derived from the interviews and online observation. The order of the themes was based on the following. First, the five themes that were related to both business owners and customers were presented. This was followed by the three themes specifically related to business owners. Finally, the three themes specifically related to customers were followed after. These themes were analysed and presented in great detail in the previous section. In an attempt to summarise these themes, the outcome of each theme is presented below:

1st Theme   **Benefits of using social media as an e-commerce platform**

Outcome
- The simplicity of using the application and its popularity within society.
- Selling through social media platforms enabled businesses to display their products to a wide audience, which enabled their business to succeed and grow bigger in a short period of time as opposed to other traditional ways of selling.
- Social media platforms serve as a powerful and free marketing tool.
- Purchasing through social media platforms was seen as a better and safer alternative solution to purchasing through traditional e-commerce websites.
- Purchasing through social media was considered to be a more sociable experience.

2nd Theme   **Credit card issues**

Outcome
- A general fear of obtaining and using credit cards amongst customers.
- The difficulty for customers to obtain credit cards from banks.

| 3rd Theme | **Bank transfers as a means of payment** |
| | |

3rd Theme   **Bank transfers as a means of payment**

Outcome

- Bank transfers were considered to be a safer payment alternative over the use of credit cards.

- There was still a need for businesses to gain initial customers' trust in order for customers to feel confident enough to make a bank transfer.

- Customers were sometimes discouraged from buying as a result of experiencing certain issues, such as paying an extra fee when transferring to a different bank or a delay in the payment processing time.

4th Theme   **Business to customer relationship overcoming trust issues**

Outcome

- The importance of gaining good customer comments and reviews to businesses and its role in increasing trust amongst customers.

- The importance of ensuring the circulation of word of mouth to both customers and businesses.

- Businesses' effort for building brand names for themselves in order to gain maximum customer recognition and trust.

- Some businesses took further steps to gain competitive advantage by gaining recognition and trust from their customers.

- There were a certain criteria that customers used for selecting the most appropriate business to purchase from.

5th Theme   **Limitations of using social media as an e-commerce platform**

Outcome

- Businesses were not posting product prices along with the product description.

- Customers experienced difficulties in receiving answers for their questions from some businesses.

- Businesses received unjustified bad comments written on their accounts.

- Businesses had a desire to get more features to help with their business process.

6th Theme	**Problematic issues faced by businesses when adopting traditional e-commerce websites**

6th Theme — Problematic issues faced by businesses when adopting traditional e-commerce websites

Outcome
- The need for complicated technical skills to design an e-commerce website.
- The need for expensive online payment systems.
- The lack of customers' ability to navigate through search engines and website pages.
- Most business owners had no interest in the idea of developing traditional e-commerce websites.
- Traditional e-commerce websites required customers to obtain and use credit cards for making online payments.

7th Theme — Business related features that distinguish certain social media platforms from others

Outcome
- Businesses were able to exchange adverts with other social media business accounts.
- Businesses preferred to use Instagram as their main social media platform because it focused on the sharing of photos and short clips unlike other platforms that were usually crowded with many other social features.
- Businesses were able to run competitions and giveaways in order to create a buzz around their business name.
- Businesses had the option of taking advantage of certain social media features such as using the 'mention' and 'hashtag' features.

8th Theme — The common process of conducting business using social media platforms

Outcome
- The process businesses were utilising social media platforms for the purpose of selling through them, which included the steps of displaying the products, communicating with customers, delivering the products, and receiving payments.
- The process of negotiating an agreement for an advert exchange with other businesses.

- The efforts taken by some businesses to ensure they gained a competitive advantage.
- Businesses still faced some problematic issues when they sold through social media.

9th Theme	**Previous experiences of customers using traditional e-commerce websites**
Outcome	• There were customers who only trusted international e-commerce websites.
	• There were customers who only used international e-commerce websites while living abroad.
	• Compatibility issues faced by customers regarding the addressing system.
10th Theme	**The social media shopping experience encountered by customers**
Outcome	• An overall satisfaction of the social media shopping experience.
	• Some problematic issues faced by customers.
11th Theme	**Future intentions of customers to purchase through traditional e-commerce websites**
Outcome	• Some customers were happy to use an e-commerce website in the future as long as it was from the same trusted business.
	• Although customers demonstrated their will to trust certain businesses, they still could not make any future purchases from traditional e-commerce websites, as they did not obtain credit cards.
	• Some customers preferred the social experience offered through social media platforms over traditional e-commerce websites.

5.5   Research Findings

After analysing the eleven themes above, it became apparent that some of the themes were very closely related. Therefore, the researcher was able to derive four main findings for this research. These are as follows:

1st Finding   **Traditional e-commerce has many inhibiters constraining its adoption and diffusion in Saudi Arabia**

Description   It has been demonstrated that traditional e-commerce in Saudi Arabia has many problematic issues that hinder its use and widespread. One of the most important reasons for this hindrance, cited by both business owners and customers, is the need for obtaining and using credit cards. Bank transfers are considered much safer as customers control how much money is being transferred, when and to whom. Business owners also expressed their views about the difficulty of creating and maintaining traditional e-commerce websites as well as the need for deploying expensive online payment systems.

2nd Finding   **Building trustworthy relationships between businesses and customers is the key factor for the success of the social media shopping phenomenon in Saudi Arabia**

Description   Both business owners and customers gave much importance to word of mouth. Business owners were aware of the impact it had on customers and customers were aware of the impact it had on their friends and family. Word of mouth was witnessed in many forms such as customer reviews written directly on business accounts, electronic word of mouth where customers used the 'mention' feature to tag their friends and family members, or in the traditional form of face-to-face word of mouth. Business owners also devoted their efforts in building their brand names in order to gain maximum customer recognition and trust. In addition, each business took further steps to gain competitive advantage to become a recognised trusted business such as registering their business with the Ministry of Commerce or becoming a authorised retailer for certain brands.

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3rd Finding   **The new social media shopping phenomenon has directly contributed to overcoming most traditional e-commerce issues in Saudi Arabia.**

Description   The new social media shopping phenomenon enabled customers with an alternative method to make online purchases without the need to encounter the problems associated with traditional e-commerce. Both business owners and customers discussed the advantages they encountered when shopping through social media platforms. These advantages include the fact that social media platforms reach a wider audience, serve as a powerful free marketing tool, their simplicity and ease of use, and shopping through them is considered a more sociable alternative to traditional e-commerce. When explaining their daily business process, business owners discussed the different features offered by the specific social media platform used and how they utilised these features for growing their businesses. Although customers' intentions to switch to traditional e-commerce websites in the future were mixed, they all commented that trusting the business is key for making any future purchases.

4th Finding   **The new social media shopping phenomenon in Saudi Arabia embeds within its success some constraints and limitations.**

Description   Even though the new social media shopping phenomenon generally witnessed a success in Saudi Arabia, business owners and customers reported a few problems and limitations. Customers were put-off by businesses that did not include the product price in the product description because they felt asking such a simple question through messages was considered time wasting and unacceptable. Customers also mentioned that they sometimes faced difficulty in receiving answers for their questions. In addition, business owners complained of instances where they received unjustified bad comments written on their accounts.

These research findings are discussed thoroughly in the next chapter and correlated with relevant past studies from the literature review. They are also analysed using Social Capital Theory.

5.6   Chapter summary

This chapter presented the data analysis and research findings from the collected data. It started by offering the interview questions for both business owners and customers. The thematic analysis was then presented which was in the form of eleven themes derived from the interviews and online observation. This was a detailed representation of a) what interviewees said, and b) any evidence found from the online observation carried out by the researcher from the online social media business accounts of the businesses used in this research.

The complete report of the online observation is presented in Appendix 6 (p.279) and the researcher referred back to it throughout this chapter whenever an issue was apparent in the online social media accounts of the businesses. The outcomes of these themes were then summarised. Finally, the main research findings were presented which were derived from the themes. These research findings are discussed thoroughly in the next chapter and correlated with relevant past studies from the literature review.

6   Discussion

6.1   Chapter Introduction

The previous chapter provided the data analysis and research findings from the collected data. The thematic analysis was first presented which was in the form of eleven themes derived from the interviews and online observation. The outcomes of these eleven themes were then summarised. Finally, the four main research findings were presented which were derived from the themes.

This chapter discusses that research findings in two stages. First, the four research findings are discussed thoroughly by correlating the relevant literature along with the interviews and online observations that were presented in the previous chapter. The structure of the discussion is based on presenting the outcomes that were drawn out of each research finding and cross-referencing them with related studies to compare and contrast for the purpose of finding similarities and contradictions. Subsequently, the second stage analyses the findings through the lens of Social Capital Theory. As an outcome of this, a new conceptual model is presented in Figure 6.2, *'The SC-SC Model'*. It illustrates the impact of social capital on social commerce for small businesses in Saudi Arabia that used social media as their trading platform.

6.2   Correlating the Research Findings with Relevant Literature

In this section, the four findings formed in the Data Analysis and Findings Chapter (Chapter 5) are discussed further along with the relevant studies that were provided in the Literature Review Chapter (Chapter 2). As mentioned earlier in the Literature Review Chapter, the early work of Bloch *et al.* (1996) predicted ten business benefits for e-commerce (section 2.2.2). The researcher then addressed these ten business benefits and demonstrated (using the literature) how social commerce was able to enhance and fulfil all these business benefits (section 2.4.3, Table 2.1, p.43). The ten business benefits of e-commerce and social commerce are once again examined in

this section after each finding as applicable. This is to demonstrate how small businesses in this research utilised social media features to their advantage, in order to establish their new way of conducting business in a feasible and successful way. Figure 6.1 illustrates the four findings of this research and demonstrates how each research finding relates to the social commerce business benefits previously discussed in the Literature Review Chapter (in Table 2.1). It is worth mentioning that the fourth and last finding discussed some limitations of the new social media shopping phenomenon witnessed in Saudi Arabia. Therefore, it will have no link to the above-mentioned table of social commerce business benefits.

Finding	Social Commerce Business Benefits
1st Finding Traditional e-commerce has many inhibitors constraining its adoption and diffusion in Saudi Arabia	Product promotion New sales channels Direct savings
2nd Finding Building trustworthy relationships between businesses and customers is the key factor for the success of the social media shopping phenomenon in Saudi Arabia	Product promotion Brand building Building business to customer relationships
3rd Finding The new social media shopping phenomenon has directly contributed to overcoming most traditional e-commerce issues in Saudi Arabia	Product promotion New sales channels Direct savings Customer service Brand building New business model
4th Finding The new social media shopping phenomenon in Saudi Arabia embeds within its success some constraints and limitations	Not Applicable

Figure 6.1:   The research findings with the corresponding social commerce business benefits.

6.2.1 Traditional e-commerce has many inhibiters constraining its adoption and diffusion in Saudi Arabia

In the Literature Review Chapter (Chapter 2), traditional e-commerce was defined as the overall process of both selling and buying products and services over the Internet. This includes pre-sales activities such as marketing and brand awareness, the transaction process such as inventory control, pricing and delivery, and finally post-sales activities such as warranty registration and customer service (Cater-Steel & Grist, 2008). Throughout the interviews and online observations, it has been demonstrated that traditional e-commerce in Saudi Arabia has many problematic issues that hinder its use and widespread adoption. One of the most important reasons for this hindrance, cited by both business owners and customers, was the need for obtaining and using credit cards. It was noticed that there was a general fear of obtaining and using credit cards, as participants were aware of the lack of laws and regulations in the country surrounding online fraud. Some participants felt strongly regarding this issue to the point that they pointed it out directly at the beginning of the interview without having the researcher ask any questions.

This was consistent with previous research, as many studies reported the widespread fear of credit card fraud in Saudi Arabia (Abed *et al.*, 2015; Makki & Chang, 2014; Alghamdi *et al.*, 2015; Brdesee *et al.*, 2012; Alfuraih, 2008). Using credit cards as a method of online payment was not widely used or accepted. This was combined with the fact that debit cards, which were widely used and easily obtained (Alfuraih, 2008), were not accepted for online payments. Unlike debit cards worldwide, Alghamdi *et al.* (2015) explained that debit cards in Saudi Arabia were designed to either withdraw cash from cash machines or make payments at sale points such as shops and restaurants.

Furthermore, participants expressed how credit cards were hard to obtain and described the strict requirements set out by banks in order to be issued with one. Makki and Chang (2014) discussed this matter and explained that obtaining a credit card was difficult as banks had high requirements such as the need for an initial high bank balance and a regular high monthly salary. Bahaddad *et al.* (2014) also reported that credit cards were associated with many high fees such as annual fees, service charges and interest rates.

On the other hand, it was found that bank transfers were considered much safer as customers controlled how much money was being transferred, when, and to whom. While direct bank transfers were not the dominant online payment method in the literature of e-commerce, they were the safer alternative from the perspective of the participants. They expressed their strong views on how bank transfers solved a major obstacle for them with regards to shopping online in Saudi Arabia. Bank transfers enabled them to bypass the need for obtaining and using a credit card through shopping through social media, specifically Instagram with the help of WhatsApp. Participants were very much aware of the lack of Internet laws and regulations with regards to online transactions in the country.

This was in accordance with the literature, which clearly demonstrated the significant effect of the absence of clear laws and regulations with regards to the adoption of e-commerce in Saudi Arabia (Bahaddad *et al.*, 2014; Ahmed & Agrawal, 2012, Alghamdi & Drew, 2011; Aleid *et al.*, 2009). The government only introduced an anti-cyber crime law for Internet crimes in the year 2008, which included punishments for hackers and fraudsters (Alghamdi *et al.*, 2011; CITC, 2010; Tago, 2009).

It was only in the year 2015 that the government, specifically the Ministry of Commerce and Industry (MCI), drafted the first e-commerce law to govern online transactions to protect both sellers and consumers. However, this law has yet to be finalised or publicised to the public. Alghamdi *et al.*, (2014) reported from their research that some customers did prefer bank transfers as a safer alternative to using credit cards. Participants were concerned about their privacy and security and reverted to using alternative ways to pay, either through bank transfers or cash on delivery. The lack of security and privacy in e-payment systems in Saudi Arabia was one of the major factors affecting the adoption of e-commerce (Bahaddad *et al.*, 2014; Brdesee *et al.*, 2012; Alghamdi *et al.*, 2011).

Even though the majority of participants did not have any previous experience with purchasing from traditional e-commerce websites, a few did comment on their experience. Some participants felt that they were safe to purchase from official international websites that belonged to certain brands as they were well known and

trusted businesses. Even though they were happy to purchase from such websites, they did not trust local or regional e-commerce websites. This issue was reported through prior research, where it was stated that only 10% of all online purchases in the Middle East were from businesses in the region (Paypal, 2013). Alghamdi *et al.* (2014) also reported from their study conducted in Saudi Arabia that online shoppers did not trust purchasing from local businesses because they had privacy and security concerns. Other participants asked a more experienced friend or relative to purchase certain products as they either did not know how to determine which websites were genuine, did not have the technical capability to navigate between websites to make a payment, or simply did not obtain a credit card. Prior research by Alghamdi *et al.* (2015) indicated that sometimes users preferred to ask friends that had prior expertise in e-commerce to make an online purchase for them.

In addition, many participants pointed out that they did not trust the overall delivery system in the country. They worried of having their packages lost as a result of the absence of a unified addressing system. As stated in previous research, the delivery system in Saudi Arabia was still considered at its infancy stage when compared to developed countries (Orlov, 2014). Customers were unsatisfied with the delivery and reported it as a major obstacle to adopting e-commerce in the county (Bahaddad *et al.*, 2014; Makki & Chang, 2014).

Business owner participants also expressed their views about the difficulty of creating and maintaining traditional e-commerce websites as well as the need for deploying expensive online payment systems. As was stated in the literature, setting up a commercial website with an online payment system is too expensive for a small business which inhibits its ability to communicate financially with its customers (Bahaddad *et al.*, 2014). In addition, business owner participants reported the high fees required by intermediary e-payment systems such as PayPal. This was apparent in the literature where Makki and Chang (2014) reported that not only did PayPal require very high fees from businesses but that PayPal also required customers to first set up a PayPal account, then add sufficient funds into their PayPal accounts through credit cards or wired transactions, and only then will they be able to pay the beneficiary. This was because PayPal in Saudi Arabia was not equipped to connect

directly to local bank accounts. Therefore, this created another barrier for business owner participants, leading them to dismiss the use of PayPal.

Business owner participants pointed out that even if they created a traditional e-commerce website with the capability of expensive online payment systems, customers wouldn't be able to pay through the website. Customers would need to obtain and use a credit card in order to pay using the online payment system, an issue that was discussed earlier and proved to be unfavourable to participants and throughout the literature (Abed *et al.*, 2015; Makki & Chang, 2014; Alghamdi *et al.*, 2015).

In addition, some business owner participants expressed that in order for their business to succeed using traditional e-commerce websites, they will need to advertise their website either through expensive marketing strategies or using social media platforms. They explained that their method of selling on social media platforms works out to be more efficient as they were selling on a platform that was used daily by their potential customers, therefore reducing their marketing costs and widening their customer base. This was in line with previous research where businesses of all sizes, especially small and new businesses, have utilised social media platforms as storefronts to sell and advertise their products on platforms that were already used and visited by millions (Adamopoulos & Tori, 2015; Enginkaya & Yilmaz, 2014; Kang & Park, 2009).

Referring back to the ten social commerce business benefits in Table 2.1 (section 2.4.3), the literature argued that social commerce was able to deliver many business benefits. It has been demonstrated, throughout the above discussion regarding this finding, that such benefits include innovative product promotions, new sales channels and direct savings. In the context of this research, small businesses in Saudi Arabia were able to utilise these social commerce benefits to their full potential by using social media as the main platform to sell and advertise for their products reducing their costs and maximising their business exposure to many potential customers.

6.2.2 Building trustworthy relationships between businesses and customers is the key factor for the success of the social media shopping phenomenon in Saudi Arabia

Throughout the interviews and online observations carried out, it has been demonstrated that both business owner participants and customer participants gave much importance to word of mouth. Throughout the online observations, word of mouth was witnessed on the social media accounts of business owner participants in many forms. These included customer reviews written directly on business accounts, electronic word of mouth where customers used the 'mention' feature to tag their friends and relatives, or when customers posted pictures on their personal account of the purchased products and indicated which account it was purchased from. Participants also mentioned the traditional form of face-to-face word of mouth throughout the interviews.

Business owner participants were very much aware of the impact of word of mouth on customers and have seen how much it affected their business in many ways. They clarified that when they first started, it was hard to make a sale, as they did not yet have a customer base. Users were reluctant to trust and purchase from them as they were considered random online shops. However, they explained that as soon as a few customers bought from them and wrote positive comments about the products or the service received, their business took off and the customer base started to build up.

This was apparent in the literature where it was reported that customers' perceived risk was lowered when they acquired knowledge through word of mouth from others who have previously purchased or dealt with a certain business that they perceived as trustworthy (Palmer & Huo, 2013; Lu *et al.*, 2010). The social communications between previous buyers and potential buyers, in the form of word of mouth, have proved to be very important prior to the purchase decision process (Kucukemiroglu & Kara, 2015; Lin *et al.*, 2016) and in formulating customers' expectations (Kimmel & Kitchen, 2014). In addition, Shin (2013) clarified that social commerce was seen as the result of word of mouth interactions, which transforms into purchases as a result of customers participating and exchanging experiences. Moreover, Kim and Park (2013) stated that information obtained through word of mouth had a positive influence on customers' trust towards the business.

Some customer participants reported that when they were extremely satisfied with a certain business, they would take a picture of the products and post it on their personal account tagging the business account name along with their positive review. They explained that they were aware of the impact this process had on their followers and they did it intentionally for two reasons. First, they wanted to inform their friends of a genuine and honest business they found along with its unique products. Second, it was a sign of gratification to the business as they provided an excellent service. Customer participants also commented that they preferred to purchase from business accounts that have been referred to them by friends, from accounts with many positive comments and from accounts that have a large number of followers.

As was found in the literature, customers have been playing an active role in marketing products and services through word of mouth, which counts as new marketing and advertisement tools for businesses (Li *et al.*, 2010; Canhoto & Clark, 2013). In addition, it has been reported that customer reviews have been proven to be more effective on purchase intentions over any business generated content (Hajli *et al.*, 2014; Goh *et al.*, 2013). This was because the opinions of others who have experienced the service or product have been seen to be more objective than any marketing and advertising campaign generated by the business itself, regardless of how much the business spent on it (Enginkaya & Yilmaz, 2014). Accordingly, businesses worldwide have been trying to enhance their trust relationship with their customers by using word of mouth as a supplement, which adds on to the product information supplied by the business (Lu *et al.*, 2010). Therefore, small businesses have utilised this benefit of social media to overcome their limited marketing resources (Lacka, 2014). In the context of Saudi Arabia, Brdesee *et al.* (2012) reported that some businesses witnessed social media benefits, as they were able to build trustworthy relationships with customers as a result of good word of mouth in the form of reviews on various social media platforms.

Business owner participants have also described their efforts in building their business brands. For instance, such efforts were in the form of designing unique logos for their business, registering their business name as a registered trademark and/or designing unique delivery packaging for their products. They explained that these efforts have made a difference as customers appreciated their efforts, distinguished them from

other businesses, and have even advised others to purchase from them. Therefore, word of mouth, whether it was face-to-face or electronic word of mouth on social media platforms, served as a unique way to build the business brand. This accords with the literature which reports that businesses have been trying to seek novel ways to use social media platforms to communicate and engage with their customers for the purpose of building their brand (Amamopoulos & Todri, 2015; Wu *et al.*, 2013). Their efforts have been linked to drive traffic and benefit the bottom line of the business (Chung *et al.*, 2015; Wang, 2011). It was also reported that when customers spread the word on social media platforms in the form of retweeting tweets on Twitter or mentioning and tagging friends on Facebook and Instagram they contribute to building the brand for businesses as they expose the brand message to a wider audience (Araujo *et al.*, 2016).

Business owner participants also took extra measures to build their trust with customers. They took further steps to gain competitive advantage and become recognised trusted businesses. As stated in the Findings Chapter (section, 5.3.8 'c'), some business owner participants registered their business with the Saudi Ministry of Commerce in order to gain customers' trust by demonstrating to customers that they were official trading businesses. Others have teamed up with a number of brands and became official authorised retailers for them. In addition, one business owner participant explained how she created an accompanying account alongside her business account on Instagram where she provided knowledgeable information that others found useful. These were all attempts from business owners to gain and build a trustworthy relationship with their customers. This was consistent with what was found in the literature where it was reported that businesses have been trying to increase their engagement with customers in order to build stronger relationships (Adamopoulos & Todri, 2015). This was possible due to the unique features available through social media, which provided businesses with opportunities to gain competitive advantage by forming strong relationships with customers (Hajli & Sims, 2015; Lin *et al.*, 2016).

Customer participants were overall satisfied with their social media shopping experience. They expressed that not only has this method of shopping allowed them to bypass the obstacles of using traditional e-commerce websites in Saudi Arabia, but

that they have also enjoyed the shopping experience through a platform that they usually use for socialising purposes. They explained that this process was very straightforward and they felt at ease with it as they used social media on a daily basis. They also enjoyed posting pictures of products they already purchased and telling their friends about them and which business accounts they purchased them from. Therefore, customers enjoyed the social experience and social support they received from other users while shopping in this way. Previous researchers also reported that social features on social commerce reintroduced the social cues that were unavailable through e-commerce websites (Lu *et al.*, 2016; Dennison *et al.*, 2009). Through social commerce, customers were able to access knowledgeable information about products and services as well as receive social support from previous buyers and friends (Ng, 2013). Researchers argued that social features have become as important as the secure and robust IT systems for online businesses (Lu *et al.*, 2016). Therefore, social interactions between friends and total strangers on social media platforms have been considered valuable sources of information for customers in building trust for online businesses (Hajli *et al.*, 2014; Liang *et al.*, 2011).

Referring back to the ten social commerce business benefits in Table 2.1 (section 2.4.3), the literature argued that social commerce was able to deliver many business benefits. It is apparent from the above discussion regarding this finding that such benefits include product promotion, building the brand image and most importantly building new business-to-customer relationships. In the context of this research and throughout the discussion of this finding, businesses in this research were able to utilise such social commerce business benefits by using social media as their main platform for conducting business.

6.2.3 The new social media shopping phenomenon has directly contributed to overcoming many traditional e-commerce issues in Saudi Arabia

As discussed previously in section 6.2.1, traditional e-commerce in Saudi Arabia has many problematic issues hindering its use and widespread adoption. Participants explained throughout the interviews how the new social media shopping phenomenon provided them with an alternative method to make online purchases without the need to encounter the problems they faced with traditional e-commerce. Following on

from the issues discussed in the two findings above, many other aspects are discussed in this section which illustrate how this new method of shopping using social media enabled users to overcome the problems faced with traditional e-commerce.

Throughout the interviews, and as witnessed while conducting the online observations, participants discussed the advantages they encountered when shopping through social media platforms. For instance, participants continuously commented on the fact that Instagram was a simple, widely used and favourable social media platform used by many people. They easily accessed this platform through its user-friendly application on their mobile phones. They explained that social media was part of their daily lives, and having a platform such as Instagram to socialise on with friends and seek others' opinions on products and business accounts was something they enjoyed very much. Rather than surf through websites and navigate through different pages, shopping on social media was simple and straightforward. This accords to what was found in the literature where the usage of social media in Saudi Arabia was found to be very high. It was reported that the young population of users in the country embraced social media in many aspects of their daily lives (Orlov, 2014). To demonstrate the popularity of social media, Statista.com (2015a) ranked Saudi Arabia in 10th place worldwide in terms of social media usage. Even though Facebook, Twitter and YouTube were highly used, Instagram in general was recognised as a simpler social media platform to use when compared to others (Miles, 2013).

Business owner participants explained why they preferred to use Instagram as their main platform to conduct their business. They discussed many issues that distinguished Instagram from other social media platforms. For instance, they argued that Instagram was essentially a photo and short video sharing platform and was only focused on this aspect. This was unlike Facebook, for example, which was crowded with many social features such as daily status updates, pictures, videos, links to YouTube, news stories, games, birthdays of friends, celebrity pages, ads and so on. They explained that having too many social features on such a platform usually distracts customers from what they ultimately wanted them to view, i.e. the products they are selling. This resonates with previous research which suggested that Instagram was specifically designed to enable users to instantly capture, edit, post and

share photos and short videos with friends (Hu *et al.*, 2014; Coelho *et al.*, 2016). Furthermore, Miles (2013) stated that Instagram was less sophisticated than other social media platforms and its users were satisfied with only sharing photos and/or short videos with short descriptions, whereas Facebook includes many other social features that require intensive participation from its users.

Moreover, business owner participants explained how the comments section on each photo or short video enabled them to offer efficient customer service. This was achievable by directly answering customers' questions and concerns in a way that was visible to all other users. This provided guidance as well as assurance to other prospective and potential customers, reducing the redundancy of questions and the amount of time required in answering them. There were many examples of this occurring while observing the online social media accounts of these businesses. Improved customer service was one of the business benefits of social commerce that was found in the literature (Stephen & Toubia, 2010). Having a business account on social media platforms has been shown to maximise the level of service directed to the customer. Researchers reported that social commerce enabled businesses to significantly enhance their interactions with their customers in terms of speed, volume, and ease of contact (Chung *et al.*, 2015; Culnan *et al.*, 2010). This presented businesses with the opportunity to directly interact with their customers in many aspects such as answering queries and receiving feedback (Kaplan & Haenlein, 2009).

In addition, participants discussed two social features of Instagram that they felt helped make this particular platform suitable for their needs. First, they explained that the 'mention' feature enabled them to easily connect with friends for the purpose of sharing and seeking others' opinions. When they found an interesting product on a random business account, or had dealt with a business and wanted others to know about it, they found the 'mention' feature very useful. They explained that they only needed to type in their friend's account name in the comments section of the chosen photo. This sends an automatic message to their friend notifying them that they have been mentioned in a photo. Upon opening the notification, the friend/receiver only needs to click on the link to be directed to the photo. There, the friend/receiver can decide to reply, comment and continue the conversation in the comments section

using the 'mention' feature again by typing in the comment and inserting their friends name again.

Second, participants also discussed the 'hashtag' feature, which enabled users to describe or name a photo or short video with a tag. This was useful for searching purposes where customers can search for specific product photos using words that could be used to describe the product. There were many examples found of the use of mentions and hashtags while observing the online social media accounts of these businesses.

The literature has discussed both these social features of Instagram. Hu *et al.* (2014) explained the process of using the 'mention' feature, which was easily accomplished by adding the '@' symbol before a user's name, which automatically sends a link of the post to the mentioned user's account. By this means, users easily notified each other of different accounts and photos using a simple step. Moreover, Costill (2013) explained that the 'hashtag' feature was easily accomplished by adding the '#' symbol before the tag. Business owner participants explained that they tried to add the most appropriate tags for their photos in order to direct potential buyers accordingly.

Business owner participants also mentioned another method they used to create a buzz around their business and spread word of mouth in order to gain more followers. They stated that Instagram enabled them to easily run competitions and giveaways. They explained the steps they followed to generate massive word of mouth through the process of running a competition or giveaway. This included setting up simple rules to be followed by users who wished to participate. For example, they required all users to repost the competition/giveaway post on their personal account along with hashtags that corresponded to the competition/giveaway and the business name. The outcome of this process guaranteed that any user who participated in this competition/giveaway acted as an advertiser for the business by posting a photo of the competition/giveaway, which included the business's account name.

This process exposed the business to a new audience in the form of the user's followers. From the perspective of the business, the followers were considered to be potential customers, which might have liked the business and decided to follow it and

perhaps make the decision to purchase. Similarly, those new followers might also choose to participate in the competition/giveaway and therefore the business will once again be exposed to a new set of users and followers.

It was found in the literature that running such competitions and giveaways on social media was considered to be a common marketing tactic used by brands to widen their exposure to customers and increase customers' engagement by spreading word of mouth (Kim, 2016; Schneider, 2015).

While promotions of competitions and giveaways varied from one business to another, the core element consisted of promoting a product or service with a tangible value or a massive reduction in the cost of that product or service (Parsons, 2011). Users have been willing to share information with their friends and followers for the possibility of winning the disclosed prize. Therefore, competitions and giveaways have been reported to increase social media engagement and increase the spread of word of mouth (Vargo, 2016; Schneider, 2015). Such competitions and giveaways have also been linked to the generation of online and offline positive customer behaviour in the form of likes, content sharing and retrievable content that would be available for other users at a later time (Gosling *et al.*, 2011). In the context of Saudi Arabia, Makki and Chang (2015a) reported that social media platforms, and especially Instagram, were found to be very influential social media tools, which have been effective in marketing as well as increasing product awareness.

Referring back to the ten social commerce business benefits in Table 2.1 (section 2.4.3), the literature argued that social commerce was able to deliver many business benefits. It has been demonstrated, throughout the above discussion regarding this finding, that such benefits include innovative product promotions, new sales channels, direct savings, improved customer service, brand building, and new business models. In the context of this research, businesses were able to utilise such social commerce business benefits by using social media as their main platform for conducting business.

6.2.4 The new social media shopping phenomenon in Saudi Arabia embeds within its success some constraints and limitations

Even though the researcher has demonstrated that there has been a significant growth in the use of social commerce in Saudi Arabia, participants reported a few problems and limitations. For instance, customer participants were put-off by businesses that did not include the product price in the product description. They felt that this was an obvious piece of information required by all potential customers. The need to ask such a simple question through the comments section or through WhatsApp messages was considered time wasting and unacceptable. While observing the social media accounts of the businesses in this research, it was found that business generally did reply to questions and provided extra information when required. However, participants were referring to a general problem they faced while they used this type of shopping method. Customer participants also mentioned that they sometimes faced difficulty in receiving answers for their questions.

Fang *et al.* (2011) reported that the main role of an online business was to provide customers with the necessary information required concerning products, services and transactions. As online businesses provided higher quality information, customers made better buying decisions, which led to customer satisfaction. Likewise, when the information was poor, inaccurate and/or out of date, customers were more likely to be dissatisfied with the business (Collier & Bienstock, 2006). In addition, it was reported that businesses that provided a higher quality level of information on their social media accounts attracted more users (Abed *et al.*, 2016).

Another issue that was discussed, specifically by business owner participants, was concerning instances they encountered where they received unjustified bad comments written on their accounts. Some explained, in the incident they received a bad comment from a user that has not previously dealt with them, their action would be to simply delete it. However, when a comment came from a user concerning an issue that has occurred, most business owners chose to leave it and reply with their response in an attempt to resolve the problem. They explained that they chose to act in this way for the purpose of showing other users their transparency and honesty, rather than delete the comment, which has probably been read by a few users before it would have been deleted.

This accords to the literature where researchers discussed that social media equipped businesses with the opportunity to directly interact with their customers in many aspects such as receiving feedback and acting upon it (Kaplan & Haenlein, 2009). This enabled business to reach out to where customers were already talking about the business either positively or negatively, and subsequently provided help and addressed any problems (Lacka, 2014). Even if comments were negative, researchers have argued that businesses need to respond to show their commitment to improving their products or services (Kucukemiroglu & Kara, 2015).

In this section, the researcher correlated previous literature with the four findings of this research. This was done by re-examining the ten social commerce business benefits discussed earlier in the Literature Review Chapter (Table 2.1, section 2.4.3). From the discussion above, it was found that eight of the ten social commerce business benefits in Table 2.1 were found to be discussed in the findings. However, two business benefits were not found to be mentioned in the findings. These two benefits are time to market and technological and organisational learning. Perhaps, this is because the businesses in this research were small businesses and perhaps achieving such business benefits is more likely to be witnessed in larger organisations.

6.3   Discussing the Findings through the Lens of Social Capital Theory

The previous section discussed each finding along with the relevant literature. It discussed how word of mouth was initiated in different ways. It also discussed the impact of word of mouth on customer participants and business owner participants and how trust was built as a result of word of mouth. The discussion of each finding included re-examining the social commerce business benefits that were discussed in the Literature Review Chapter.

This section discusses the findings further through the lens of Social Capital Theory. In the Theoretical Framework Chapter (Chapter 3), the literature regarding Social Capital Theory was provided. This included the foundations of the theory, alternative configurations of the theory, and the justification for the choice of using Putnam's

(2000) forms of social capital for analysing the findings of this research. It also included a literature review on Social Capital Theory in the context of social media, social commerce and word of mouth. This literature will be used once again here to analyse the findings of the research. This is done by analysing the impact of word of mouth, and trust on social capital for small business that used social media as their trading platform in Saudi Arabia. As a result, a new conceptual model is developed, named *'The SC-SC Model'* which stands for The Social Capital – Social Commerce Model. It illustrates the impact of social capital on social commerce for small businesses in Saudi Arabia that used social media as their trading platform. This model suggests that there is a direct relationship between social capital, word of mouth and trust in the context of small businesses in Saudi Arabia.

As stated earlier, social capital has been described as the *"features of social life that enable participants to act together more effectively to pursue shared objectives"* (Putnam, 1995b, pp. 664-665). It is the accessible recourses for individuals that are possibly available through their interactions with one another (Valenzuela *et al.*, 2009; Lin, 2001). According to Valenzuela *et al.* (2009), individuals that maintain a wide and diversified range of contacts are more likely to possess greater social capital than otherwise. Social capital is usually gained through individuals' daily social interactions with friends, colleagues and the wider society. However, some individuals can make conscious social interactions to widen and strengthen their social capital (Resnick, 2002).

6.3.1   The Relationship between Social Capital and Word of Mouth

As discussed above, business owner participants explained how it was difficult to attract customers upon starting. Due to their nature of being small online businesses, they were usually viewed as random start-up businesses selling random products through social media. All efforts that were made to advertise for their products were only viewed by the limited number of followers they had. However, they explained that as a few customers started to purchase and write positive comments on the product or service received, their customer base started to grow. Business owner participants reported that their first customers were mainly members of family or close friends. They also explained that the initial spreading of the word regarding

their business started mainly offline, where close friends and members of family recommended the business to their network of family and friends by directing them to the social media accounts of the business. In addition, some friends and family members decided to leave comments on the social media business accounts as well as using the 'mention' feature to tell others about the business.

Referring back to Putnam's (2000) forms of social capital, this type of interaction and engagement was referred to as bonding. Bonding social capital is inward looking, strengthening the existing relationships and reinforcing them by providing emotional, social and physical support between individuals (Putnam, 2000). It is the bonding between individuals that is usually witnessed in relationships between family members, close friends and other socially homogenous groups. In the context of social media, the literature reports that participants on social media platforms have a strong influence on each other's purchasing desires and that social capital was found to be more important than product attractiveness (Huang, 2016).

As indicated earlier in this chapter (section 6.2), business owner participants benefited from the usage of a range of social media features for promotional purposes. One of these social media features was using the 'hashtag' feature, which enabled business owners to tag their products with a set of words that enabled potential customers who were searching for specific products to be directed to the product page. That enabled business owners to widen their audience outreach as well as spread the word.

Other forms of audience outreach adopted by business owners were their efforts of providing giveaways and creating competitions for their customers. For example, in order to enter the competition/giveaway, business owners required all users to initially repost the competition/giveaway post on their personal accounts along with hashtags that corresponded to the competition/giveaway and the business name. This process exposed the business to a new audience in the form of the user's followers.

In addition, business owners occasionally deployed another technique to widen their audience outreach by having an agreement with another social media business account for the purpose of exchanging advertisements (see Chapter 5, section 5.3.8 'c'). The idea behind it was that by posting an advert in another social media business

account, a new set of followers was likely to view the advert and potentially become new followers and customers.

Referring back to Putnam's forms of social capital, bridging social capital is outward looking, blending groups from different social groups (Putnam, 2000). Rather than providing emotional support, as in bonding relationships, bridging relationships may provide individuals with new perspectives or useful information (Granovetter, 1983; Weiqin *et al.*, 2016). This includes the development of relationships between acquaintances from different social groups.

This accords to previous literature where Powell (2009) stated that new forms of communication and relationship building features on social media enabled individuals to maintain and build upon their existing social capital. In addition, a number of different studies reported that social media was positively correlated with bridging social capital (Araujo *et al.*, 2016; Bohn *et al.*, 2014; Shah *et al.*, 2012; Ellison *et al.*, 2007).

This research suggests that the social interactions in both bonding (strong ties) and bridging (weak ties) can be seen as forms of word of mouth. On the one hand, the occurrence of word of mouth amongst family members and close friends can be viewed as bonding relationships. This is because these strong ties of interactions were normally exchanged within the inner circle of close friends and family members. On the other hand, when business owners reached to a wider audience through different promotional techniques, word of mouth spread through bridging relationships. This is because new weak ties were forming as a result of users exchanging information in the wider community.

Chu and Kim (2011) reported that in the context of social networking sites, strong ties (bonding) and weak ties (bridging) might equally influence customers' purchase decisions through word of mouth. Given the benefits that social media can offer, both strong and weak ties stimulate word of mouth and the dissemination of product information. Even though one might associate strong ties to have a stronger influence on users because of its personal connections, weak ties have the benefit of expanding the reach to a wider community of users (Chu & Kim, 2011). In addition, Wang *et al.*

(2016), asserted the influence that social capital has in promoting electronic word of mouth amongst consumers in social media. Therefore, the researcher argues that bonding (strong ties) and bridging (weak ties) can be seen as forms of word of mouth, and that word of mouth has an impact on purchasing.

6.3.2   The Relationship between Word of Mouth and Trust

This research suggests that word of mouth affects the trustworthiness of purchasing products from small businesses in Saudi Arabia. It has been reported throughout the literature that word of mouth significantly affects customers buying intentions. In that respect, Lu *et al.* (2010) stated that businesses worldwide have been trying to enhance their trust relationships with their customers by using word of mouth as a supplement, which adds on to the product information supplied by the business. In addition, customers' perceived risk was lowered when they acquired knowledge through word of mouth from others who have previously purchased or dealt with a certain business that they perceived as trustworthy (Palmer & Huo, 2013; Lu *et al.*, 2010).

Moreover, Kim and Park (2013) stated that information obtained through word of mouth had a positive influence on customers' trust towards the business. Therefore, small businesses have utilised social media to overcome their limited marketing resources in order to build trustworthy relationships with their customers (Lacka, 2014). In the context of Saudi Arabia, Brdesee *et al.*, (2012) reported that some businesses experienced the viability of social media benefits by building trustworthy relationships with customers as a result of receiving good word of mouth in the form of reviews on various social media platforms. The social communications between previous buyers and potential buyers, in the form of word of mouth, have proved to be very important prior to the purchase decision process (Kucukemiroglu & Kara, 2015; Lin *et al.*, 2016) and in formulating customers' expectations (Kimmel & Kitchen, 2014; Choi & Scott, 2013).

With respect to this research, there had been many instances where participants reported that word of mouth directly contributed to building trustworthy relationships between the business and customer. On one hand, customer participants mentioned the importance of gaining trust before committing to making a purchase. They

elaborated further by stating the different techniques that were used in order to trust a small business. These were in the form of reading good comments from random customers (weak ties) and receiving positive recommendations from friends and family members (strong ties). As mentioned earlier, the researcher argues that in the context of this research strong and weak ties are forms of word of mouth. Therefore, word of mouth is an important factor that leads to trust.

On the other hand, business owner participants emphasised the importance of gaining trust through word of mouth. They stated that the most important part of their business was to build trustworthy relationships with their customers. As mentioned throughout the discussion above (section 6.2.), business owners deployed different techniques in order to get word of mouth spreading around such as creating competitions and giveaways to promote word of mouth activities. According to the business owners, such activities directly contributed to building trustworthy relationships with the customer, which in return improved the chances of getting customers to make a purchase.

Furthermore, some customer participants reported that when they were extremely satisfied with a certain business, they would take a picture of the product and post it on their personal account tagging the business account name along with their positive review. They explained that they were aware of the impact this process had on their followers and they did it intentionally for two reasons. First, they wanted to inform their friends of a genuine and honest business they found along with its unique products. Second, it was a sign of gratification to the business as they provided an excellent service. Customer participants also commented that they preferred to purchase from business accounts that have been referred to them by friends, from accounts with many positive comments, and from accounts that have a large number of followers. Hence, the findings correlate with previous literature and therefore, this research argues that word of mouth directly contributes to gaining more trust.

6.3.3 The Relationship Between Trust and Social Capital

Given the interpretation of Putnam's Social Capital Theory in the Theoretical Framework Chapter (Chapter 3), social capital consists of trust and engagement, and the deeper the engagement within society, the greater the trust will be between its members (1995a). Putnam emphasised the notion that as more individuals socially interact with each other within a particular community (civic engagement), their sense of trust amongst one another is increased accordingly. As a result, the accumulated social trust leads to gaining greater social capital. In addition, Lin and Lu (2011) reported in their findings that social interactions between individuals on social media platforms have a positive impact on trust.

With respect to this research, both business owner participants and customer participants commented on the relationship between word of mouth, trust and customers' purchase intentions. On one hand, business owner participants gave much importance to word of mouth. They stated that as more customers and users participated in spreading word of mouth, the more the business became known and trusted. On the other hand, many customer participants also commented on this issue by expressing their preferences and criteria when it came to choosing which social media business to purchase from. They clearly stated that they preferred to purchase from: a) businesses they already dealt with as they already trusted them, b) businesses that were referred to them by friends or family members, c) businesses with a higher number of followers, or from d) businesses that had many positive comments.

This is consistent with previous literature that reported a strong relationship between social capital and increased customer loyalty (Huang *et al.*, 2015). Therefore, the researcher argues that the more social engagement that occurs around a specific small business on social media, the more customers feel at ease to trust and purchase from this business as its social capital has increased as a result of these social interactions.

6.4   The Development of the Conceptual Model

As indicated in the Research Methodology Chapter, Walsham (1995) discussed four types of generalisation that can be made through interpretive research.   These generalisations are the development of concepts, the generation of theory, the drawing of specific implications, and the contribution of rich insight.   Therefore, in order to generalise the findings of this research a conceptual model has been developed.   The following is a discussion of how this was done.

6.4.1   The Influencing Factors on the Evolvement of the Social Media Business Phenomenon

Referring back to the eleven themes discussed in the Data Analysis and Research Findings Chapter, it was found that many themes were related to two main influencing factors.   The first influencing factor is related to issues relevant to the drawbacks of traditional e-commerce in Saudi Arabia.   These issues include complicated addressing systems, credit card issues, expensive online payment systems, lack of trust in unknown small businesses, and the need for complicated technical skills.   An illustration of this influencing factor is presented in Figure 6.2.

The second influencing factor is related to the benefits gained from using social media as an e-commerce platform.   These benefits include simplicity and ease of use, bank transfer payments, wider audience, positive effects of word of mouth, better trust, a more social and enjoyable shopping experience, and unique social media features.   An illustration of this influencing factor is presented in Figure 6.3.

The researcher argues that these two factors influenced the evolvement of the social media business phenomenon in Saudi Arabia.   This is discussed in the development of *'The SC-SC Model'* in the next section.

Figure 6.2:   The first influencing factor of the social media shopping phenomenon
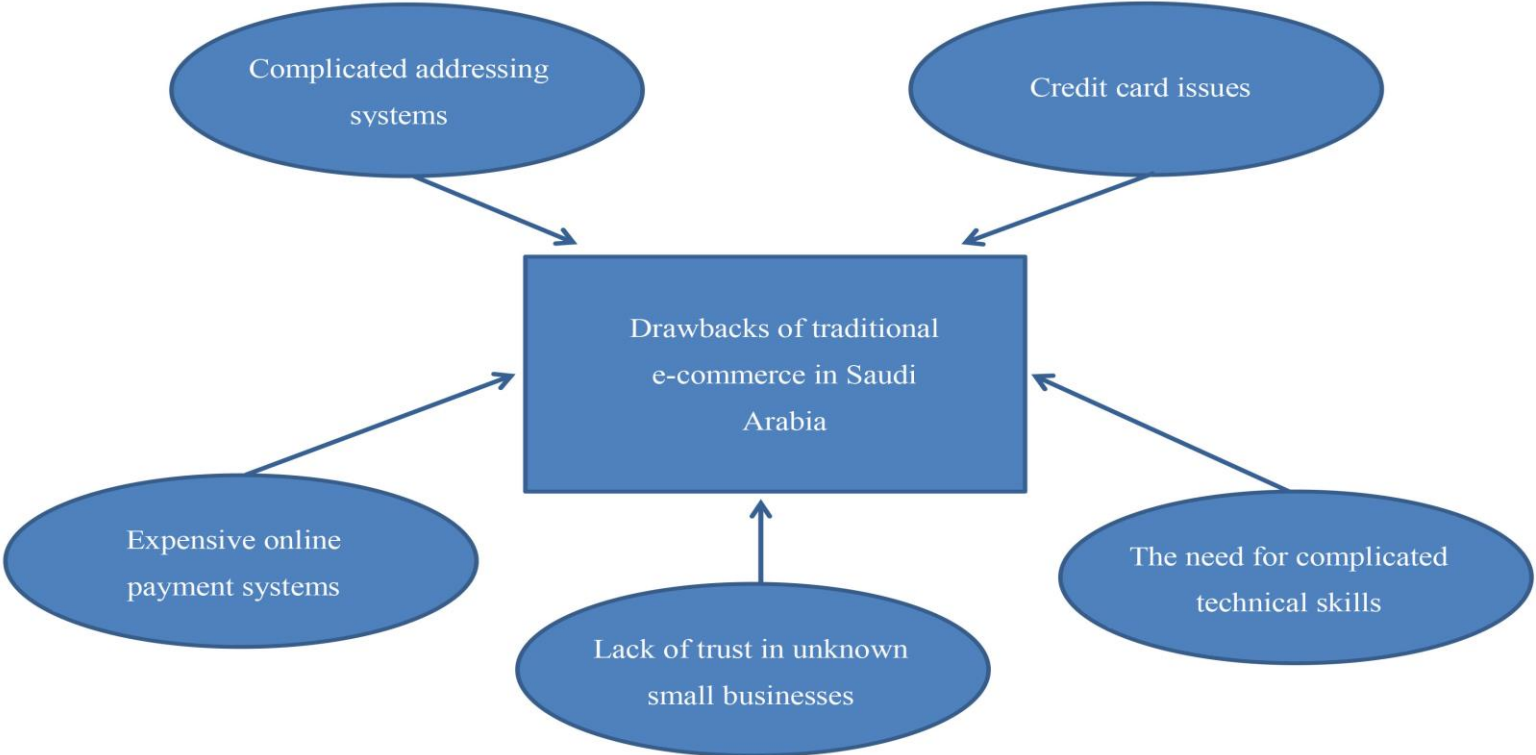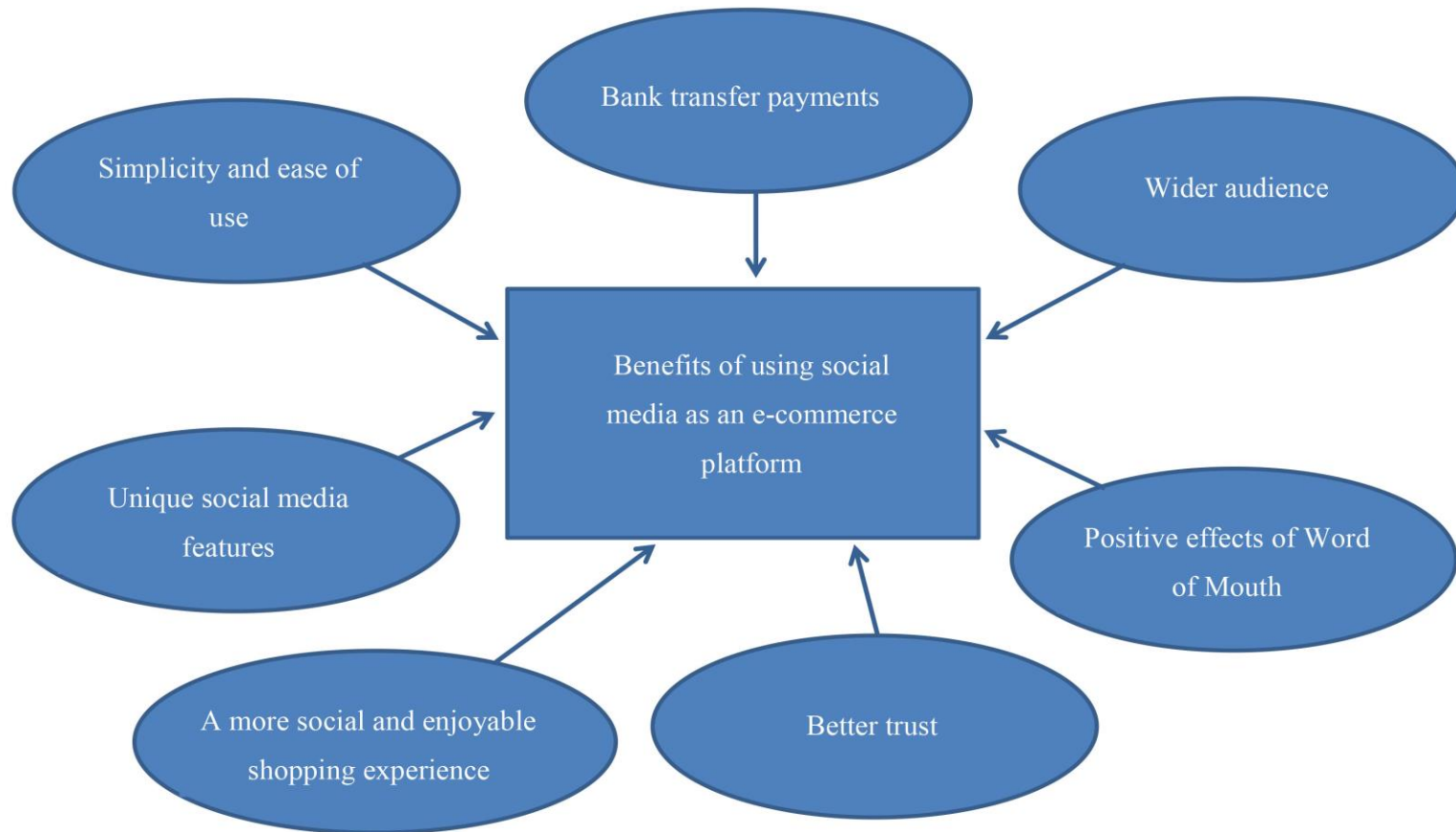
Figure 6.3:   The second influencing factor of the social media shopping phenomenon

6.4.2   The SC-SC Model

Having analysed the research findings through the lens of Social Capital Theory in section 6.3, this research proposes a new conceptual model named *'The SC-SC Model'*, which stands for The Social Capital – Social Commerce Model. It illustrates the impact of social capital on social commerce for small businesses in Saudi Arabia that used social media as their trading platform. This model suggests that there is a direct relationship between social capital, word of mouth and trust in the context of small businesses in Saudi Arabia. In addition, the model illustrates that there are two major influencing factors for the evolvement of the social media shopping phenomenon. *'The SC-SC Model'* is illustrated in Figure 6.4.

The conceptual model draws on the importance of two major influencing factors that initially caused the evolvement of the social media shopping phenomenon witnessed in Saudi Arabia. These two influencing factors are: 1) the drawbacks of traditional e-commerce in Saudi Arabia, and 2) the benefits of using social media as an e-commerce platform. As indicated in section 6.4.1, many themes were related to the two influencing factors. The researcher argues that such issues had a major effect on the evolvement of the social media business phenomenon. This is due to the negative perception of traditional e-commerce amongst businesses and customers in Saudi Arabia. Businesses and customers found an alternative method to sell and purchase using social media platforms.   In addition, social media platforms equipped businesses and customers with benefits that allowed them to utilise these platforms for trading purposes.

The conceptual model also explains the relationship between small businesses and social capital and the direct impact they both have on each other in the context of social commerce in Saudi Arabia. The social interactions between customers, those known to each other and those who are total strangers, on social media matters most for the prosperity of the business. Customers with strong ties 'bond' with each other by offering emotional support on social media where they refer each other to genuine businesses and recommend good products to each other. Alternatively, customers with weak ties 'bridge' information of products to others who are not known to them

by writing product reviews and providing hands-on information not known to others as they have already used the product.

The researcher argues that both types of bonding and bridging are considered to be forms of word of mouth, where customers are seen spreading the word regarding the business and widening the audience outreach. As an outcome of word of mouth, customers potentially start to trust the business. As more customers trust a certain business, the social capital of that business is increased. Subsequently, businesses that possess greater social capital are more likely to attract more customers to purchase from them. Therefore, social capital enhances the small business.

Referring back to the literature, social commerce is considered to be a type of e-commerce and is defined as *"the use of Internet-based media that allow people to participate in the marketing, selling, comparing, curating, buying, and sharing of products and services in both online and offline marketplaces"* (Zhou *et al.*, 2013, p.61). It is therefore apparent from the discussion above that small businesses in Saudi Arabia have reconfigured social commerce to fit their contextual requirements. They have recognised the power of word of mouth and the importance of trust in their social commerce context and have used these tools to help them prosper their business.

Customers have also utilised the features of the social media platform to voice their opinions and feedback, as well as to make their purchasing decisions on the basis of the business's social capital. This demonstrates the impact that social capital has on social commerce in the context of this research. This accords to the relevant literature discussed previously throughout the Literature Review Chapter that investigated certain aspects in relation to social commerce, word of mouth, trust, and social capital (Busalim & Hussin, 2016; Enginkaya & Yilmaz, 2014; Lacka, 2014; Hajli & Sims, 2015; Ng, 2012; Huang, 2016; Wang *et al.*, 2016; Bohn *et al.*, 2014).

Figure 6.4   The SC-SC Model: The Social Capital – Social Commerce Model
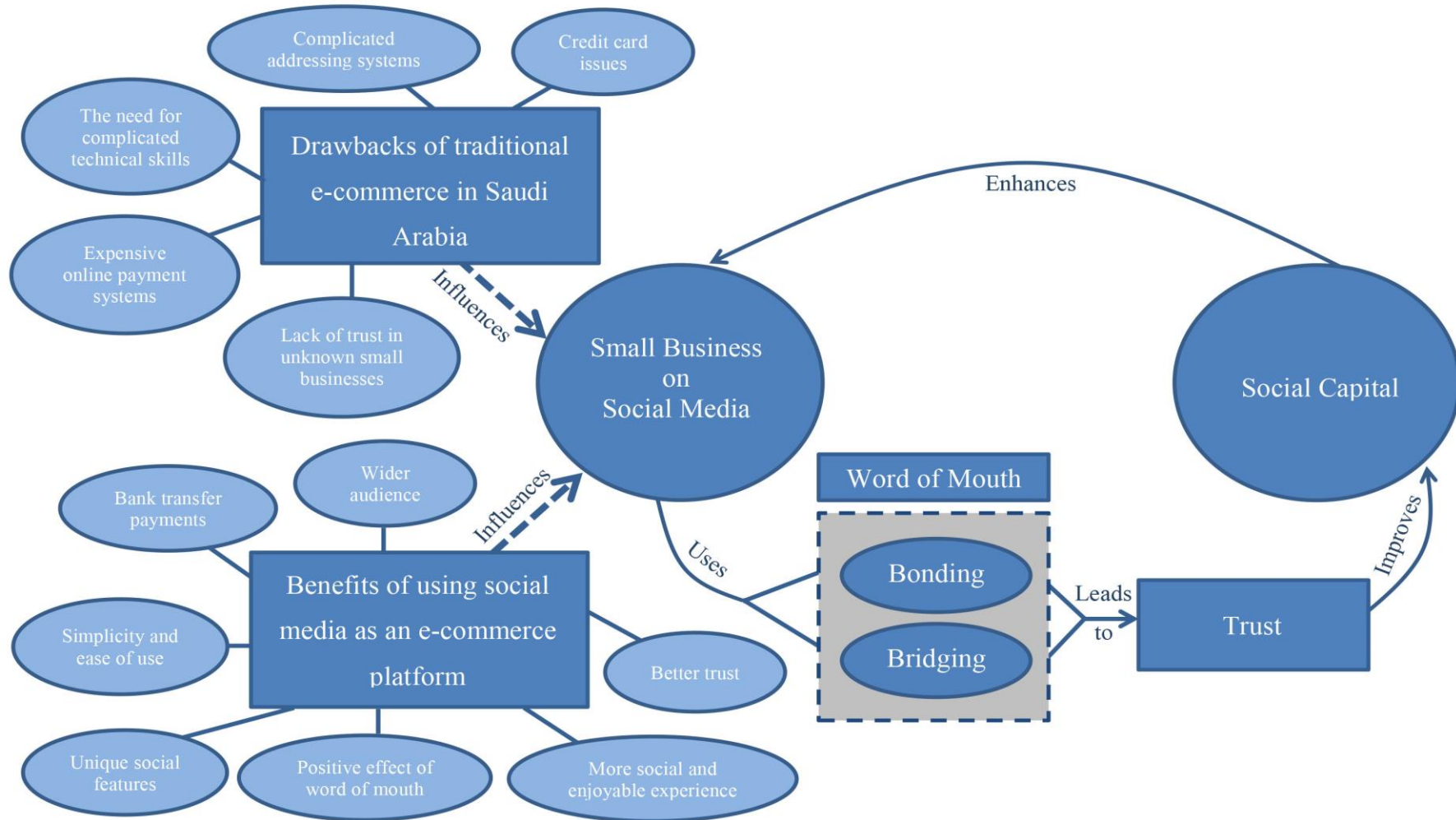
6.5   Chapter Summary

In this chapter, the main research findings were discussed thoroughly in two stages. First, the outcomes of each finding were discussed along with the relevant literature for the purpose of finding similarities and contradictions. The findings were also correlated with the ten social commerce business benefits that were identified in the Literature Review Chapter. Second, the findings were analysed through the lens of Social Capital Theory. With the aid of influencing factors derived from the themes, this enabled the establishment of the relationships between word of mouth, trust and social capital. As an outcome of this analysis, a conceptual model, *'The SC-SC Model'*, was developed which discussed the impact of social capital on social commerce for small businesses in Saudi Arabia that used social media as their trading platform. The next chapter provides the conclusions to this research, which includes the achievement of the research aim and questions, the research contributions, evaluation of the research method, and the limitations and future work.

7 Conclusion

7.1 Chapter Introduction

The previous chapter provided a discussion of the research findings thoroughly in two stages. First, the outcomes of each finding were discussed along with the relevant literature for the purpose of finding similarities and contradictions. Second, the findings were analysed through the lens of Social Capital Theory. As a result, a new conceptual model was formed, *'The SC-SC Model'*, which illustrated the impact of social capital on social commerce for small businesses in Saudi Arabia that used social media as their trading platform.

This chapter presents the main conclusions of the research. It starts by discussing the achievement of the research aim and research questions. The research contributions to knowledge, theory and method are then highlighted. Subsequently, a discussion regarding the evaluation of the research with regards to the research philosophy and research method is presented. This includes evaluating the research using Klein and Myers' (1999) principles for evaluating interpretive research, as well as evaluating the adopted research method. Finally, the research limitations and recommendations for future work are presented.

7.2 The achievement of the research aim and research questions

The aim of this research was to investigate the use of social media to overcome the limitations of e-commerce amongst small businesses in Saudi Arabia. In order to achieve this aim, four research questions were formed that collectively contributed to achieving the overall aim. The following is a discussion that demonstrates how each research question was answered.

The first research question was concerned with finding out what are the limitations of e-commerce in Saudi Arabia. This research question was answered in the Data Analysis and Research Findings Chapter and the Discussion Chapter (Chapter 5 & 6). The first finding of this research confirmed that traditional e-commerce has many inhibiters constraining its adoption and diffusion in Saudi Arabia. These inhibiters were discussed in great detail in the Discussion Chapter (see section 6.2.1).

The second research question was concerned with finding out why do small businesses in Saudi Arabia use social media as their main trading platform. This question was answered in the Research Findings and Discussion Chapters (Chapter 5 & 6). Based on the first finding, which confirmed the inhibiters of e-commerce in Saudi Arabia, it has been demonstrated that social media provided these small businesses with many benefits that contributed in overcoming most of the e-commerce inhibiters. As the second and third findings confirmed, these benefits enabled small business to build trustworthy relationships with customers, which proved to be the key factor for the success of the social media shopping phenomenon in Saudi Arabia (see section 6.2.2 & 6.2.3).

The third research question was concerned with finding out how do the customers involved perceive using social media for purchasing purposes. This question was also answered in the Research Findings and Discussion Chapters (Chapter 5 & 6). It has been demonstrated in the second and third findings that customers perceived the use of social media platforms for purchasing purposes as a more enjoyable and social alternative to traditional e-commerce. In addition, it has been confirmed that customers viewed this method of shopping to be simpler and easier to use, due to their frequent daily use of social media platforms for socialising purposes (see section 6.2.2 & 6.2.3).

The fourth research question was concerned with finding out how social capital can help small businesses in Saudi Arabia, which used social media as their trading platform, to improve their business. This was answered in the Discussion Chapter (Chapter 6, section 6.3 & 6.4). After the findings had been drawn out of the data and cross referenced with previous research, the findings were once again examined through the lens of Social Capital Theory. Through the notions of bonding (strong

ties) and bridging (weak ties), the researcher was able to analyse how word of mouth and trust have a direct relationship, and how this relationship has contributed to the increase of social capital of small businesses that used social media as their main trading platform. As an outcome, a newly formed conceptual model has been developed, The Social Capital – Social Commerce Model, *'The SC-SC Model'*. This conceptual model illustrates the impact of social capital on social commerce in the context of this research. The conceptual model draws on the importance of two major influencing factors that initially caused the evolvement of the social media shopping phenomenon. These two major influencing factors are: 1) the drawbacks of traditional e-commerce in Saudi Arabia, and 2) the benefits of using social media as an e-commerce platform. The model also suggests that there is a direct relationship between social capital, word of mouth and trust in the context of small businesses that use social media as their main trading platform in Saudi Arabia. The conceptual model is illustrated below in Figure 6.4.

Figure 6.4   *'The SC-SC Model'*: The Social Capital – Social Commerce Model
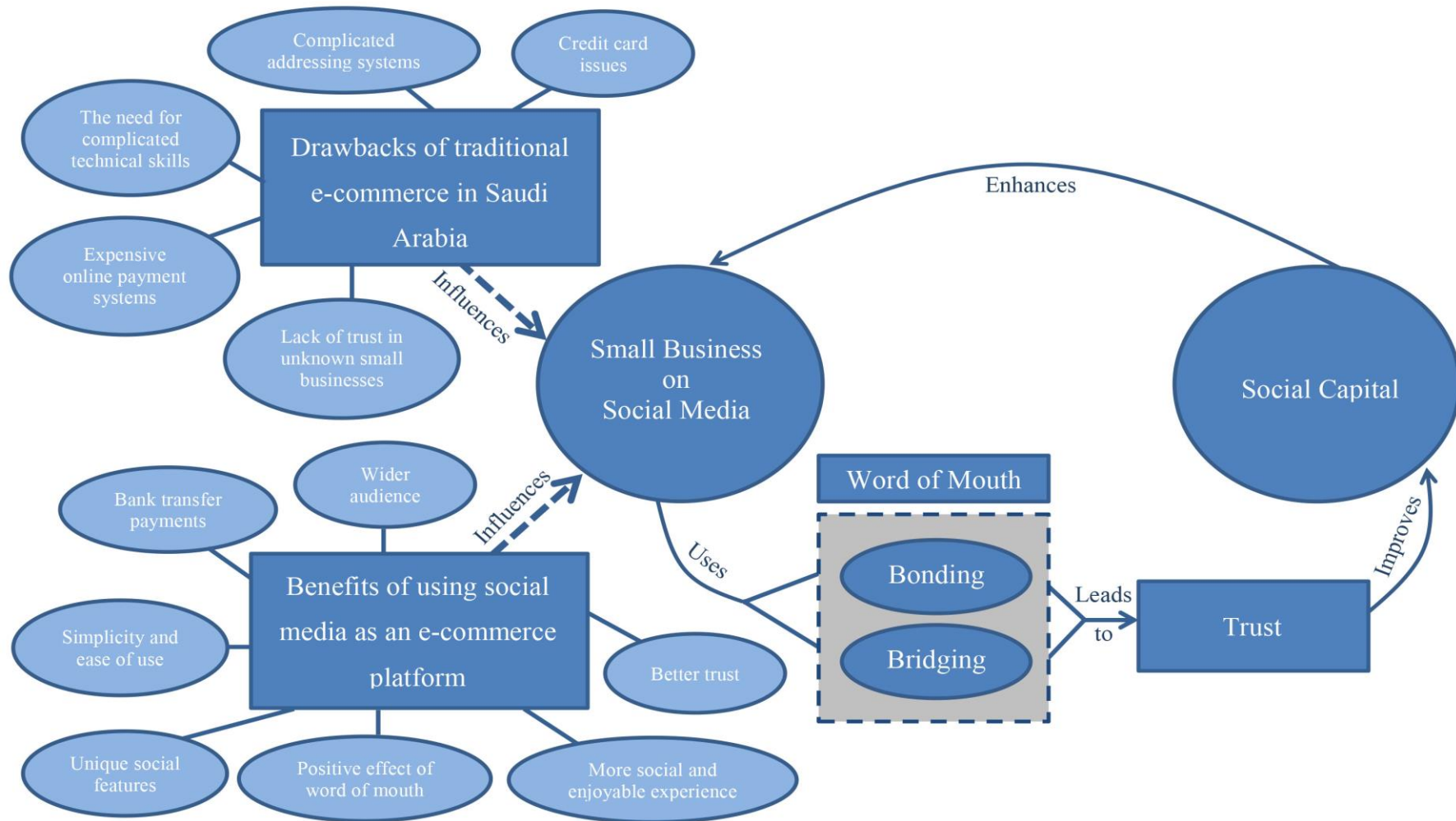
7.3 Research Contributions

This research has made three significant contributions to knowledge, which are classified below under contributions to knowledge, theory and method.

7.3.1 Contribution to Knowledge

The first contribution of this research was to investigate how small businesses in Saudi Arabia utilised social media platforms to conduct most of their e-commerce activities.

The first contribution of this research was able to address a gap in knowledge. While the literature on e-commerce in Saudi Arabia covers the limitations of its adoption in the country (Abed *et al.*, 2015; Makki & Chang, 2014; Alghamdi *et al.*, 2015; Bahaddad *et al.*, 2014; Alghamdi *et al.*, 2014), it does not identify and discuss the business phenomenon witnessed in recent times in Saudi Arabia. As businesses around the world have taken advantage of the power of social media and started to investigate and adopt the best strategies to incorporate it into their business models (Coelho *et al.*, 2016; Enginkaya & Yilmaz, 2014; Rathore *et al.*, 2016; Enginkaya & Yilmaz, 2014), small businesses in Saudi Arabia have been using social media platforms to conduct most of their e-commerce activities.

Given the intensity of the number of Internet users and high social media penetration rate in Saudi Arabia, this research has addressed an important new issue that adds to the field of e-commerce and social commerce. The importance lies in the fact that in Saudi Arabia the number of Internet users over population has increased significantly from 1% in the year 2000 (Internet World Stats, 2016) to 67.3% by the end of 2015 (CITC, 2015). In addition to the increase of Internet usage amongst Saudi Arabians, the social media penetration rate is also very high where it was ranked tenth place worldwide with an average daily usage of social media of 3 hours per user (Statista, 2015a).

Using four small businesses to investigate such a phenomenon, it was found that all four businesses were not using traditional e-commerce websites. There were a number of reasons for that, such as the need of obtaining and using credit cards

(which was not favoured by many customers), the lack of Internet laws and regulations in the country, the lack of privacy and security, as well as the need for deploying expensive online payment systems. Instead, businesses were using social media platforms (specifically Instagram) as their main trading platform. There were a number of reasons why both business owners and customers preferred to use social media as it offered many advantages. These advantages include the fact that social media platforms reach a wider audience, serve as a powerful free marketing tool, are simple and easy of use, and shopping through them is considered a more sociable alternative to traditional e-commerce. These findings were consistent between all four businesses used in this research.

7.3.2   Contribution to Theory

The second contribution of this research was developing a conceptual model, 'The SC-SC Model', which illustrates the impact of social capital on social commerce for small businesses in Saudi Arabia that used social media as their trading platform.

As an outcome of analysing the findings through the lens of Social Capital Theory, the researcher was able to develop a conceptual model, *'The SC-SC Model',* that illustrates the impact of social capital on social commerce for small businesses that used social media as their trading platform. The conceptual model draws on the importance of two major influencing factors that initially caused the evolvement of the social media business phenomenon witnessed in Saudi Arabia. These two influencing factors are: 1) the drawbacks of traditional e-commerce in Saudi Arabia, and 2) the benefits of using social media as an e-commerce platform. This model also illustrates that there is a direct relationship between social capital, word of mouth and trust in the context of small businesses in Saudi Arabia.

The researcher recognised that bonding (strong ties) and bridging (weak ties) can be viewed as forms of word of mouth. The creation and circulation of word of mouth leads potential customers to start to trust the business. Furthermore, when customers start to trust a certain business, their likelihood of making a purchase is increased. As more customers purchase from a business, the social capital of that business is

increased and therefore the business becomes more recognised. As a result, more customers decide to purchase from this business as it has become well recognised with a certain degree of social capital. A diagram expressing the conceptual model is illustrated above in Figure 6.4. This model will provide small businesses in Saudi Arabia with an understanding of the importance of the relationship between word of mouth, trust and social capital in the context of social commerce.

7.3.3   Contribution to Method

The third contribution of this research was the development of a methodological technique for extracting data from the social media platform.

This research used two methods to collect data; interviews and online observation. The process of collecting data from the online social media accounts required the researcher to develop a new methodological technique. While there are computer programmes to electronically scrape, extract and store data from Twitter and Facebook, this was not the case for Instagram. The researcher observed the online social media accounts of the small businesses in order to examine and find evidence that would either confirm or contradict the data collected from the interviews. This included searching every post uploaded by the business owner and reading every comment written in the comments section. By doing so, the researcher had to develop a manual method for extracting and saving the relevant data. The methodological technique developed was explained in detail in the Research Methodology Chapter (Chapter 4, section 4.7.8).

Due to the on-going development of different social media platforms, the researcher argues that the new methodological technique would be beneficial to researchers that wish to examine and study social media platforms. It can provide other researchers with a guideline for tackling similar methodological issues that might arise during the course of conducting their own research.

7.4 Evaluating the research

7.4.1 Reflection on the appropriateness of adopting interpretive research

As interpretivist research is sometimes misjudged regarding its rigour, Klein and Myers (1999) wanted to ensure there was an appropriate criteria to judge the quality of interpretivist research. Therefore, they proposed seven principles for the evaluation of interpretivist research. According to them, these seven principles are interdependent in nature as some of the principles may overlap. As this research adopted an interpretive philosophical perspective, Klein and Myers (1999) principles are adopted in this section for evaluation purposes. A summary of these seven principles is provided in Table 7.1.

The Seven Principles for Evaluating Interpretive Field Research
1. The Fundamental Principle of the Hermeneutic Circle
2. The Principle of Contextualisation
3. The Principle of Interaction Between the Researchers and the Subjects
4. The Principle of Abstraction and Generalisation
5. The Principle of Dialogical Reasoning
6. The Principle of Multiple Interpretations
7. The Principle of Suspicion

Table 7.1: The seven principles for evaluating interpretive field research (Klein & Myers, 1999)

1) The Fundamental Principle of the Hermeneutic Circle

The first principle is the foundation of all interpretive research that is hermeneutic in nature. It is considered to be the meta-principle that all other six principles derive from (Klein & Myers, 1999). This principle argues that in order to understand the whole phenomenon, the researcher needs to understand the interdependent meaning behind different parts that have formed that phenomenon, and the relationships between the meanings behind these different parts.

This principle was fulfilled for this research by developing a conceptual model, *'The SC-SC Model'*, which emerged as an outcome of the research findings. As explained in Chapter 6, the interdependent meanings drawn out of the research findings directly

contributed to forming the proposed conceptual model. By understanding and linking the different parts of the conceptual model (e.g. word of mouth, bonding, bridging, trust, social capital, social commerce), the overall understanding of the whole phenomenon was formed. Based on the discussion provided in Chapter 6 (section 6.3 and 6.4), the notion of word of mouth between different customers and/or the business through bonding and bridging led to developing deeper trustworthy relationships between the customer and the social media business. As a result, the social capital of the business improved, which in return enhanced the business as a whole. This illustrates the impact that social capital has on social commerce in the context of this research.

2) The Principle of Contextualisation

The second principle suggests that researchers need to reflect on the overall setting socially and historically. This is for the purpose of providing the reader with a comprehensive overview of the context under investigation together with providing deeper understanding of the reasons for the emergence of issues.

The researcher was able to fulfil the second principle by providing a rich understanding of the context through establishing a thorough review of the literature. It included providing the reader with the relevant information regarding context-related material such as the current state of e-commerce in Saudi Arabia, the inhibitors of e-commerce in Saudi Arabia, the advancement of social media platforms, the state of social media in Saudi Arabia, the evolution and the business benefits of social commerce and the state of social commerce in Saudi Arabia. In addition, as the setting of the research was small businesses in Saudi Arabia, the researcher reflects on the research limitations as a result of the context of this research in section 7.5.

3) The Principle of Interaction Between the Researchers and the Subjects

The third principle affirms the importance of the interactions between the researcher and the participants for building socially constructed data. In order for interpretive research to be considered of high quality, the social interactions between the researcher and the participants must be socially constructed. As Klein and Myers (1999) explained, participants are also interpreters giving their view on a certain issue, therefore it is important for the researcher to communicate his/her

understanding of the participants' interpretations. By doing so, a general understanding of a particular issue is socially constructed through the interactive participations between the researcher and the participants.

In terms of this research, the method used in collecting the data contributed in fulfilling the third principle of evaluating interpretive research. This was achieved by conducting a combination of semi-structured interviews and online observation. The interviews were intentionally planned in a semi-structured manner that had pre-determined open-ended questions which allowed the discussion of any issues that arose from the context of the conversation. Participants were given the best chance to express themselves by elaborating further on certain issues relating to the questions being asked. This allowed the researcher to comprehend what was being said and create counter questions as a result. By doing so, the researcher made sure that the issues being discussed were socially constructed.

Furthermore, as the research was conducted in Saudi Arabia the interviews were carried out in Arabic in order to communicate with the participants in a language they could clearly understand and express themselves in. As discussed and justified in Chapter 4 (section 4.7.4), the researcher was required to translate the research questions to Arabic, conduct the interviews in Arabic and finally translate and transcribe the interviews back in English. According to Vulliamy (1990), when the researcher acts as the translator, the quality of the translation depends on three factors. These are: 1) the autobiography of the researcher-translator, 2) how well the researcher-translator is knowledgeable of the culture and language of the people interviewed and 3) the fluency of the researcher-translator in the writing up language. Even though the researcher is a Saudi national, she has lived half of her life in English speaking nations. Being brought up as a child in the United States, then returning back to Saudi Arabia and then moving once again to the United Kingdom has given the researcher an understanding of both Western and Saudi cultures. It has also made her bilingual, fluent and confident in both Arabic and English languages. By being fully aware of both cultures and languages, the researcher sufficiently fulfilled the social construction of the data.

4) The Principle of Abstraction and Generalisation

Klein and Myers (1999) stated that *"whereas it is true that interpretive research values the documentation of unique circumstances and is highly suspicious of any claim that human affairs are governed by natural laws that are culturally independent, this is not the whole story. One outcome of the extensive debates in philosophy is that there is a philosophical basis for abstraction and generalization in interpretive field studies"* (p.75). Klein and Myers referred to Walsham's (1995) work where he argued that there are four types of generalisation for interpretive research. These four forms are the development of concepts, the generation of theory, the drawing of specific implications, and the contribution of rich insight.

In terms of this research, the findings were analysed through the lens of Social Capital Theory. Even though this research was concerned with a specific phenomenon taking place in Saudi Arabia, the researcher was able to analyse the findings by adopting Social Capital Theory. As discussed in detail in the Research Methodology Chapter (Chapter 4), this enabled the researcher to generalise the findings into developing a conceptual model, *'The SC-SC Model'*, which can be valuable for other research concerned with similar issues. However, as it cannot be claimed that these findings are true for all countries and all businesses, the researcher addresses issues of generalisation by calling for further future research in section 7.5.

5) The Principle of Dialogical Reasoning

This principle requires the researcher to be sensitive with regards to any contradictions that might arise between preconceptions formed prior to the data collection and after analysing the data. With regards to this research, the preconception gained as a result of reviewing the literature prior to conducting the fieldwork presumed that social capital consists of two types; bonding (strong ties) and bridging (weak ties). Through analysing the data and upon investigating the findings through the lens of Social Capital Theory, the researcher realised that in the context of this research bonding and bridging were actually forms of word of mouth. It was also found that bonding and bridging are the medium that leads to trust which ultimately enhances the social capital of small businesses using social media as their main trading platform.

In addition, the data was first collected from interviews conducted with the business owners and customers, and as a result the themes emerged from the data. Subsequently, the researcher observed the online social media accounts of the businesses in order to examine and find evidence that would either confirm or contradict the data collected from the interviews.

6) The Principle of Multiple Interpretations

This principle requires researchers to be aware of the possible conflicting interpretations among participants. In terms of this research, there were conflicting views on a similar sequence of events. For instance, upon asking customer participants about whether they would consider making future purchases from the same social media business through the means of traditional e-commerce websites had they been asked to do so. The responses differed from one participant to another. Some mentioned that they would happily purchase from the same trusted social media business e-commerce website had they been asked to do so, whereas others emphasised their concerns in terms of using credit cards for making online payments. The researcher was aware of these different views, however these views have not directly impacted the outcome of the research. This was because their concerns were merely centralised on the safety of making online payments using credit cards. However, they were not questioning the trustworthiness of the business.

7) The Principle of Suspicion

This principle affirms the importance for the researcher to be aware of the possible biases that might arise from the collected data. The sensitivity of 'biases' was addressed in this research by looking at the phenomenon from three different perspectives. Rather than focusing merely on the perspective of the social media business owners, or focusing on the perspective of the customers, the researcher opted for investigating the phenomenon thoroughly to eliminate any biases. Therefore, the data collection method consisted of interviewing the business owners, the customers, as well as conducting online observations on the social media platform where the business owner interacted with customers and performed most of his/her business activities. Triangulating the data from three different sources enabled the researcher to affirm the consistency of the data. However, as this research was concerned with

only a certain number of businesses in only one country, the researcher calls for further research to affirm the findings in section 7.5.

7.4.2 Reflection on the appropriateness of the adopted methodological choices

This research adopted a multiple case study strategy because case studies are best used when a deep investigation of a phenomenon within its real context is needed, especially when it is hard to distinguish between the boundaries of the phenomenon and the context (Yin, 2014). Furthermore, the case study strategy is considered an appropriate strategy in IS research, especially if the phenomenon under study is fairly new or only a few case studies have been conducted (Benbasat *et al.*, 1987). In addition, using multiple case studies allows the researcher to discover and explore differences between and within cases, where facts are collected from numerous sources to draw conclusions (Darke *et al.*, 1998; Yin, 2014). Cases are written up separately and the researcher aims to find similarities or differences between these cases (Oates, 2006).

As this research aimed to investigate a new phenomenon, it adopted a multiple case study strategy in order to fully understand the phenomenon under study from four different small businesses that used social media as their only platform to conduct their business in Saudi Arabia. This allowed the researcher to fully understand how and why business owners and customers chose to sell and purchase using social media. By choosing four businesses, the researcher was able to collect rich data about these businesses and conduct in-depth analysis on what they were doing by interviewing the business owners, interviewing their customers as well as conducting online observation to triangulate the data.

In terms of the interviews, the researcher carried out 20 semi-structured in-depth interviews, which included interviewing four business owners and four customers for each business. Hence, five interviews were conducted for each of the four case studies. After transcribing, translating and analysing the data, the researcher found a pattern repeating itself and was able to form the themes from the collected data. Subsequently, online observation was carried out to confirm the data collected from the interviews.

In terms of the online observation, it was used as a second source to collect data from the four social media business accounts of each business (presented in Appendix 6). Before commencing to collect data from online observation, the researcher first addressed ethical concerns and gained consent from the four businesses to observe and examine their online social media accounts. This process was discussed earlier in detail in the Research Methodology Chapter, section 4.8. The process of collecting data from the online social media accounts required the researcher to create a methodological technique to follow in extracting the data. While there are computer programmes to electronically scrape, extract and store data from Twitter and Facebook, this was not the case for Instagram.

The researcher was required to manually search each of the social media accounts and look for evidence that either confirmed or contradicted the data that was collected from the interviews. This included searching every post uploaded by the business owner and reading every comment written in the comments section. By doing so, the researcher developed a manual method for extracting and saving all the collected data. The methodological technique was explained in detail in the Research Methodology Chapter (Chapter 4, section 4.7.8). All the images extracted and used in the analysis are presented in Appendix 6 (p.279).

This allowed the researcher to triangulate the data as evidence was being collected from three different sources. These sources were the business owners (through interviews), the customers (through interviews), and the online social media platform where the business owner interacted with customers and performed most of his/her business activities (through online observation). Finding a repetition in the findings asserted that each case study was corroborating the other. Therefore, as a result of using four case studies and a combination of data collection methods, the researcher was able to gain a clear in-depth understanding of the phenomenon under study.

7.5   Limitations and recommendations for future work

Although the researcher was able to draw out valuable findings that positively contributed to developing a conceptual model as a result, there were some limitations. This research focused on four small businesses that used social media platforms as their trading platform. There is clearly a scope for future work to look at more businesses and investigate whether or not the same pattern was true to them. Future work could also enhance the general understanding of this phenomenon by looking at different sized businesses.

This research was also conducted in Saudi Arabia. Although the researcher believes that the findings are relevant to other contexts and countries, further research should be conducted in other similar nations to see whether or not these findings are applicable. In addition, using different methods in collecting the data could also enhance this research. The use of surveys, for example, can establish a larger pattern than what has been done in this research. Although this has not been the theme of this research, the findings clearly may be of great benefit to small businesses. Future work can further develop the conceptual model extracted from this research into a framework, which can be beneficial to many businesses in different countries.

7.6   Chapter Summary

This chapter presented the main conclusions of the research. It first addressed the attainment of the research aim by discussing the achievement of the research questions. Next, the contributions to knowledge where highlighted. Subsequently, a discussion regarding the evaluation of the research was made using Klein and Myer's (1999) principles for evaluating interpretive research. In addition, an evaluation of the methodological choices was made. Finally, the research limitations and recommendations for future work were presented.

This research identified and investigated an important new business phenomenon in e-commerce taken place in Saudi Arabia. To the time of publishing this thesis, the researcher was not able to find other work that has discussed this specific business phenomenon. Therefore, the research significantly addresses this gap of knowledge

by enhancing the overall understanding of this specific new way of conducting e-commerce and social commerce in Saudi Arabia. By using the lens of Social Capital Theory to analyse the findings, the researcher was able to generalise the findings and develop a conceptual model, *'The SC-SC Model'*. This conceptual model illustrates the impact of social capital on social commerce. It was able to explain the investigated business phenomenon by highlighting the direct relationship between social capital, word of mouth and trust in the context of small businesses in Saudi Arabia that use social media as their main trading platform.

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Appendix 1: Sample Translation of Researcher & Colleague

Sample Translation of Researcher

Me: Ok, so when you want to sell a product what steps do you take?

B2:   Well on my account in the bio section I have my business account number, and my mobile number to communicate with me through WhatsApp. I have the number written in international format so customers from the gulf can access me easily. So first I post a picture of the product on my account along with a full description and the price. When someone is interested they send me a text on WhatsApp. Sometimes they take screenshots of the product and send it to me. They ask any questions they want and I answer accordingly such as the availability of the product and the quantities needed. Some customers already know how it works and just want me to send them the total amount due. Other customers need me to break it down to them what are the specific prices for each product plus the delivery charge. I ask for their full name, the name of city or village and the name of the street. Many of them can't provide me with their house number as they don't know it. The addressing system over here is not accurate as you know, but it doesn't matter. I then send them a picture with my bank account number displayed on it along with the company's name. I made sure that the bank account had my small business account's name as that's what I wanted them to see when they pay. That it is actually a business. I send my bank account number as a picture as I don't want the numbers to get switched when I send it by text as it sometimes happens, just to be on the safe side. I get an instant message to my mobile when I receive any funds with the amount received and at the same time the customer sends a message that they have paid the amount and give me the reference number. I then pack the products and call the courier service to come pick up and deliver within 2 days.

Sample Translation of Colleague

Me: OK, at the start what do you do if you want to display a product?

B2: First of all, in the profile, together with the Commercial Registration Number, I write *'For Communication through WhatsApp'*, and then I write my mobile number including the international code because I get people coming from the Gulf. I upload a picture of the product and I write the price together with full description as much as I can. If someone likes something, they will send me through WhatsApp a screen shot of the product and he or she will ask if it is still available and the quantity that they desire. For people who are used to this procedure, they will send me the desired quantity straight away I will send them the total amount due and the shipping cost together with the account number and they know what to do. Other people are still not aware of what to do and I usually explain to them the price for one and I will make the adding up and I will give them the delivery price, in other words I have to explain a lot. I will then ask them for their names and the city, the district, the street and the mobile number for the person who will receive the goods in order to make sure that it is the same mobile number that they were using when they communicating with me through WhatsApp. Because some people communicate with through WhatsApp using disconnected mobile numbers and they haven't changed it to their new number. Of course, lots of people don't provide me with their house numbers because it's not available but it's normal because the courier company will call them and they will reach to an agreement. At that time, I will send them a picture of my bank account details and it says on it *'Such and Such Establishment'* and I made sure that they see that the account belongs to an establishment and it doesn't belong to an individual so that they will feel that this thing is more formal. I also sent them the bank account details as a picture because I wanted to make sure that the numbers don't flip around in the message and it becomes confusing. I get a text on my mobile telling me that I have received so and so amount on my account and at the same time they send me on WhatsApp that they have made the transfer and they provide me with transfer number. At that time, I will prepare the goods and I will wrap them up with my Logo I will contact the

DHL representative and sometimes I go to their local office and I will hand it to them and they will receive it within two days.

Appendix 2: Participant Invitation Letter

University of Salford
MANCHESTER

Dear Participant,

My name is (ABC) and I am doing a PhD at the Digital Business Research Centre at the University of Salford, United Kingdom.

The main aim of my research is to investigate the potential of social media to provide small businesses in Saudi Arabia with the chance to build trustworthy relationships with their customers. Recently, small businesses in Saudi Arabia started using social media accounts as their main platform to conduct business with customers. Even though traditional e-commerce is still not widely used in Saudi Arabia, this new way of conducting business is growing and seems to be accepted by the public. Therefore, I am interested in investigating if and how social media can overcome the limitations of e-commerce in Saudi Arabia. This research will be a great benefit to the future development of this area.

You are being invited to take part in the above mentioned research because of your participation in using online social media accounts to conduct business either by selling or buying. Your participation in this study will be conducted in the form of an interview focusing on the above mentioned issues. I will also observe the online social media community that you are using to either sell or buy products from.

Participation is voluntary and **you can withdraw from the research at any time without giving any reason.** If you decide to withdraw, any data that are collected will be retained and used as part of the study, unless you request it to be deleted. Any information obtained in connection with this study will be treated as privileged and confidential. All information will be kept anonymous; so that you cannot be identified by others. Electronic data will be encrypted and password-protected so that no one can access it but the researcher. All information that are used to conduct the proposed interview will be securely stored in a lockable cabinet at the University of Salford.

Please take time to read the accompanied Information Sheet carefully. You are entitled to ask me if there is anything that is not clear or if you would like more information. It is up to you to decide whether or not to take part. If you do, you will be given the accompanied information sheet to keep and be asked to sign a consent form which acts as an acknowledgement to reading the information sheet and that you agree to take part in the interview as well as agreeing for that interview to be tape recorded. You will also agree that you understand your rights to withdraw from the research as explained above.

If you have any questions or would like more information, please do not hesitate to contact me or my PhD supervisor XXX.

Contact Details:

My name	**Supervisor's name**
Centre for Digital Business	Centre for Digital Business
Salford Business School	Salford Business School
University of Salford	University of Salford
Salford	Salford
Greater Manchester	Greater Manchester
M5 4WT	M5 4WT
E-mail: xxx	E-mail: xxx
Mobile: xxx	

Appendix 3: Participant Information Sheet

University of Salford
MANCHESTER

Participant Information Sheet
Investigating the potential of social media to overcome the limitations of e-commerce in Saudi Arabia

You are being invited to take part in a research study. Before you decide, it is important for you to understand why the research is being done and what it will involve. Please take time to read the following information carefully.

Ask me if there is anything that is not clear or if you would like more information. Take time to decide whether or not you wish to take part.

Why have you been chosen?
You are being invited to take part in an interview because of your participation in using online social media accounts to conduct business either by selling or buying.

Do you have to take part?
No, it is up to you to decide whether or not to take part. If you do, you will be given this information sheet to keep and be asked to sign a consent form. **You are free to withdraw at any time without giving any reason.**

What will happen to you if you take part?
You will be asked to sign a consent form which acts as an acknowledgement to reading this information sheet and that you agree to take part in the interview as well as agreeing for that interview to be tape recorded. In addition to the interview, the researcher might observe your activity on online social media platforms. You will also agree to the fact that participation is voluntary and that you can withdraw from the research at any time without giving any reason.

What are the possible benefits of taking part?
You will not benefit directly from taking part but the results of this study will enable us to gain deeper understanding of how social media can overcome trust issues in e-commerce. This will provide businesses in Saudi Arabia with a general understanding of the reasons behind the lack of trust in e-commerce websites. In addition, we hope to introduce solutions to overcome such issues when businesses decide to introduce e-commerce to their business. Such results will contribute to maximising the success rate of e-commerce in Saudi Arabia. It will also contribute to enriching the body of knowledge in that respect.

What will happen if you don't want to carry on with this study?
You can withdraw from the study at any time without giving a reason. If you do decide to withdraw, any data I have collected will be retained and used as part of the study, unless you request it to be deleted.

Will my taking part in this study be kept confidential?
Any information obtained in connection with this study will be treated as privileged and confidential. All information will be anonymous so that you cannot be identified by others and will be stored in a lockable cabinet at the University of Salford.

Contact Details:
If you have any questions or would like more information, please do not hesitate to contact me:

My name
Centre for Digital Business
Salford Business School
University of Salford
Salford
Greater Manchester
M5 4WT
Email: xxx

Date: 12/03/2014

Version Number: PIS_03/14

Appendix 4: Participant Consent Form

University of Salford MANCHESTER

Research Participant Consent Form

Title of Project: Investigating the potential of social media to overcome the limitations of e-commerce in Saudi Arabia

Name of Researcher: My name

Please tick the appropriate boxes	Yes	No
I have read and understood the Participant Information Sheet dated 10/03/2014 (Version Number: 03/14-PIS1).	☐	☐
I have been given the opportunity to ask questions about the project.	☐	☐
I agree to take part in the project. Taking part in the project will include being interviewed and audio recorded.	☐	☐
I understand that the researcher might observe my activity on online social media platforms.	☐	☐
I understand that my taking part is voluntary; I can withdraw from the study at any time and I do not have to give any reasons for why I no longer want to take part.	☐	☐
I understand that my personal information will be kept anonymous; so that I cannot be identified by others.	☐	☐
I understand that all collected data will be encrypted and password-protected so that no one can access it but the researcher.	☐	☐
I understand that all information that are used as a result from the interview will be securely stored in a lockable cabinet at the University of Salford.	☐	☐

_____   _____   _____
Name of participant   [printed]   Signature   Date

_____   _____   _____
Researcher   [printed]   Signature   Date

Project contact details for further information:
    My name
    Centre for Digital Business
    Salford Business School
    University of Salford
    Salford
    Greater Manchester
    M5 4WT
    E-mail: xxx

Date: 12/03/2014   Version Number: PCF_03/14

Appendix 5: Research Ethical Approval

University of Salford MANCHESTER

College of Arts & Social Sciences
Room 631 Maxwell Building
The Crescent
Salford, M5 4WT
Tel: 0161 295 5876

14 May 2014

Maha Helal
University of Salford

Dear Maha

Re: Ethical Approval Application – CASS130031

I am pleased to inform you that based on the information provided, the Research Ethics Panel have no objections on ethical grounds to your project.

Yours sincerely

Deborah Woodman
On Behalf of CASS Research Ethics Panel

Appendix 6: Online Observation

Business1 FOLLOWING

49 likes · 66w

Image 1: Direct good comments

Customer1: Your designs are amazing and classy. I wish you could open a boutique in Qatar. Believe me, you'll have a boutique in every country in the near future.
Business1: Thank you for your sweet words. If there is a bazar soon in Qatar I'll make sure to participate. We also ship worldwide.
Customer2: The quality of fabrics you use is excellent and amazing.
Business1: Thank you so much.
Customer3: @Customer4
Customer5: Wish you all the best
Customer6: @Customer7

Business1 FOLLOWING

29 likes · 71w

Image 2: Direct good comments

Business1: New collection available only 1 piece from each.
Customer1: "Happy faces"
Customer2: How much is it?
Customer2: How long does it take to make?
Business1: @Customer2 contact me through WhatsApp and I'll send you the rest of the collection and we can discuss it.
Business1: Sold out.
Customer3: Thank God I'm so lucky because I got that elegant dress. Thanks a lot for your hospitality. It was really nice buying from such a creative Saudi designer.
Business1: @Customer3 Enjoy it and it was a pleasure dealing with a great person like you.
Customer4: Do you deliver to Riyadh?
Customer5: Nice, how much?

Business1 FOLLOWING

96 likes · 62w

Image 3: Direct good comments

Business1: My beautiful customer @Customer1, you're the one making the dress look gorgeous.
Customer2: She was my teacher.
Customer1: Thank you so much, it is beautiful.
Customer3: Beautiful.
Customer3: Is this still available?
Business1: @Customer3 I can make it for you and have it ready at the end of Ramadan for Eid.
Customer4: Beautiful.
Customer5: How much?
Business1: @Customer5 900 Saudi riyals.
Customer6: @Customer7
Customer8: @Customer9
Customer8: @Customer9

Image 4: Direct good comments

Business3: A baby teether while teething. I couldn't do without it for my child. It reduces the pain and cleans the gums as well. Available immediately. Price 40 Saudi riyals.
Customer1: I bought it from you for my daughter and will soon buy it again for my son.
Business3: @Customer1 it is amazing. Will be my pleasure.
Customer2: @Customer3
Customer4: Very true, this teether is excellent I got it for my son while teething. I recommend it for anyone who has teething babies.
Customer5: @Customer6
Customer7: @Customer8
Customer9: @Customer10 I want it.
Customer10: @Customer9 I already have it, it's great.

Image 5: Direct good comments

Business3: A special order for my friend customer and now my sister @Customer1.
Business3: "many hashtages" Contact me through WhatsApp, my number is in the bio section.
Customer1: Finally, thank you so much.
Customer2: How much is the lip balm collection?
Customer3: How much is the WetNWild lipstick?
Customer4: How much is the NYX eye shadow collection
Customer5: Hi do you have the jumbo eye shadow NYX pens in the picture.
Customer6: Do you have the collagen saves cream?

Image 6: WhatsApp screenshots of thank you messages

Translation of the text message conversation (left side):

Customer:
Thank you so much for the amazing job you did. I was scared it won't turn out to be good but it exceeded my expectations. I can't find the words to thank you. The price is totally worth it. This will not be the last time I buy from you.

My mom and sisters also loved it, may God bless you.

Translation of the comments on the repost of the screenshot (right side):

Business1:
Thank you God

Image 7: WhatsApp screenshots of thank you messages

Translation of the text message conversation:

Business1:
Hi

Customer:
The parcel was delivered and my dresses are very nice and the girls really like it. Very classy and amazing thank you so much dear may God bless you, thank you.

Translation of the comments on the repost of the screenshot (right side):

Business1:
Always thankful to you God.

Image 8: WhatsApp screenshots of thank you messages

Translation of the text message conversation:

Business2:
It was my pleasure to serve you.

Customer:
I told all my friends about you and I hope they purchase from you.

Business2:
Thank you, my pleasure to serve you and them.

Translation of the comments on the repost of the screenshot (right side):

Business2:
With your kind words, our success continues.

Image 9: WhatsApp screenshots of thank you messages

Translation of the text message conversation:

Customer: May God bless you with happiness like you made us happy this Eid with our beautiful dresses.
Everyone loved them, my mom loved hers as well but she was too busy to take pictures.
May God bless you and your amazing designs and ideas.

Translation of the comments on the repost of the screenshot (right side):

Business1: This is the result of 6 months of hard work.
Customer1: You deserve it our lovely designer
Customer2: You deserve it.
Customer3: Bravo

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Translation of the screenshot (left side):

Customer1:
@Business2
A truly distinctive shop with excellent and new products. I recommend you follow them and benefit from the great deals they offer

Translation of the comments on the repost of the screenshot (right side):

Business2:
We thank Mr XXX for his kind words and thank him for always trusting us as he is one of our loyal long term customers.
Business2:
"many hashtages"

Image 10: Screenshot of a post on a customer's personal account reposted on the business's account

Translation of the screenshot (left side):

Customer1:
@Business2
I recommend you all to buy from this account.

Translation of the comments on the repost of the screenshot (right side):

Business2:
We were happy to serve you @Customer1

Image 11: Screenshot of a post on a customer's personal account reposted on the business's account

Text from the screenshot (left side):
Customer1: I have never met or dealt with a more professional sweetest person than you. Thank you so much.

Translation of the comments on the repost of the screenshot (right side):
Customer2: Which Courier service do you use?
Customer3: Can I please place an order and get it before Eid? How much is the delivery charge to Riyadh?
Business4: @Customer2 Aramex or Fedex
Business4: @Customer3 Yes but only for the next 2 days, after that orders wont be delivered on time for Eid.

Image 12: Screenshot of a post on a customer's personal account reposted on the business's account

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Translation of the screenshot (left side):

Customer1:
I've received my order from this shop @Business4 that I frequently buy from without any hesitation. 1st All their products are originals, 2nd their prices are not exaggerated, 3rd they provide all my essential beauty products and my products are delivered without being ruined unlike other shops I've dealt with previously.

Translation of the comments on the repost of the screenshot (right side):
Business4:
Our customer @Customer1
…

Image 13: Screenshot of a post on a customer's personal account reposted on the business's account

Translation of the screenshot (left side):
Customer1: Thank you so much, I love them
"many hashtages"

Translation of the comments on the repost of the screenshot (right side):
Business4: @Customer1 Enjoy them.
Customer2: @Customer3
Customer1: Great service @Business4 seriously I've never dealt with a business like you, may God bless your business, this won't be the last time I buy from you.
Business4: @Customer1
"Hearts"
Customer6: Yes she's amazing, I love to purchase from her.
Customer7: @Customer8

Image 14: Screenshot of a post on a customer's personal account reposted on the business's account

Customer1: @Customer2
Customer3: @Customer4 This will look great on you along with high heels.
Customer5: @Customer6
Customer4: @Customer3 Yes it's very nice, I love it.
Customer7: @Customer8
Customer9: @Customer10

Image 15: Word of mouth

Image 16: Word of mouth
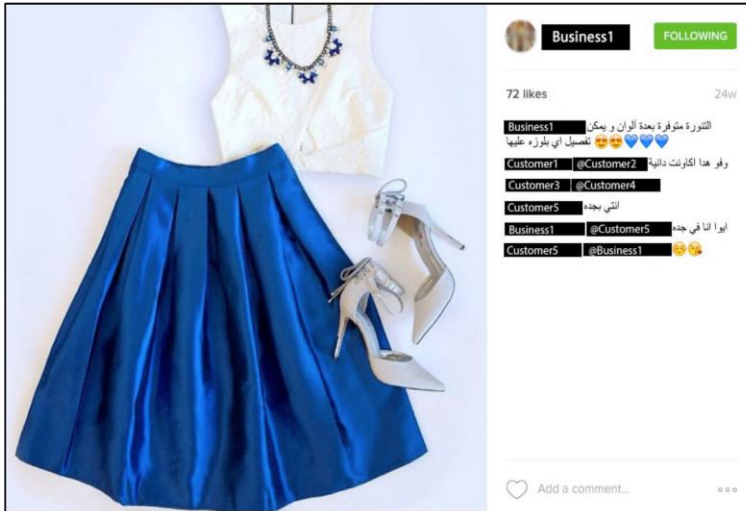
Business1: The skirt is available is many colours, we can also tailor any blouse to your specification.
Customer1: @Customer2
Customer3: @Customer4
Customer5: Are you based in Jeddah?
Business1: @Customer5 Yes we are in Jeddah.
Customer5: @Business1 *"happy face"*

Image 17: Word of mouth

Charger with 6 USB points

Very useful for those who use many devices as you can charge multiple devices at the same time.
While travelling, you can change the plug with the adapters that are included.

Our price is very competitive.
Price: 70 Saudi riyals.
To order: WhatsApp +966xxxxxxxxx

Customer1: @Customer2 This is the account I was telling you about auntie.
Customer3: @Customer4
Customer5: @Customer6 @Customer7
Customer8: @Customer9
Customer10: @Customer11

Image 18: Word of mouth

Customer1: @Customer2
Customer3: @Customer4
Customer5: @Customer6
Customer7: @Customer8
Customer9: I need one
Customer10: @Customer11 This thing looks excellent, get it when your daughter starts eating.
Customer12: @Customer13
Customer14: @Customer15
Customer16: @Customer17
Customer18: @Customer19
Customer20: @Customer21
Customer22: @Customer23 @Customer24
Customer25: @Customer26
Customer27: @Customer28

284
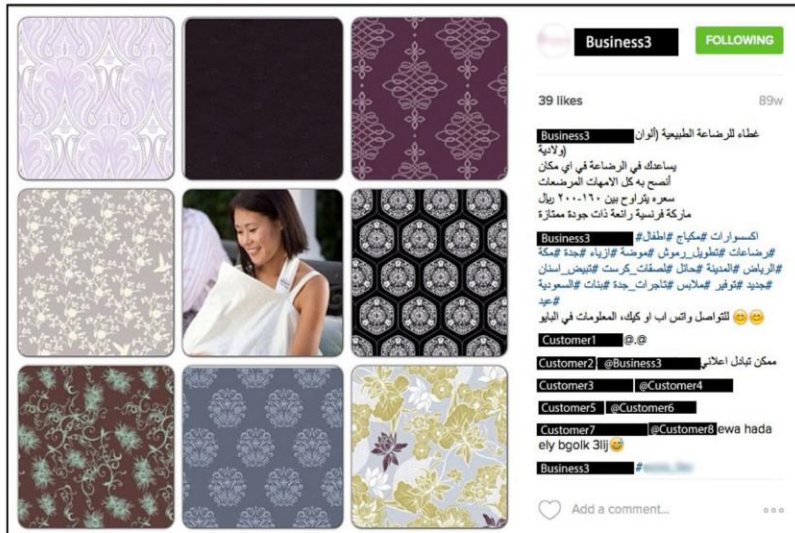
Business3: A cover to help breastfeeding mothers feel more comfortable while breastfeeding in public. I personally recommend it. Price ranges from 160 to 200 Saudi riyals. Made by a French designer with high quality.

Business3: *"many hashtages"* Contact me through WhatsApp, the number is in the bio section.

Customer1: *"happy face"*
Customer2: @Business3 would you like an ad exchange?
Customer3: @Customer4
Customer5: @Customer6
Customer7: @Customer8 this is the one I was telling you about.
Business3: *"hashtag"*

Image 19: Word of mouth

High quality swaddles used by famous celebrities with babies. Price 270 Saudi riyals

Business3: For orders Contact me through WhatsApp +966 xxxxxxxxx Or send me a message on the direct messages.

"many hashtages"

Customer1: @Customer2
Customer3: @Customer4 are these the ones you told me about?
Customer4: @Customer3 yes
Customer5: @Customer6

Image 20: Word of mouth
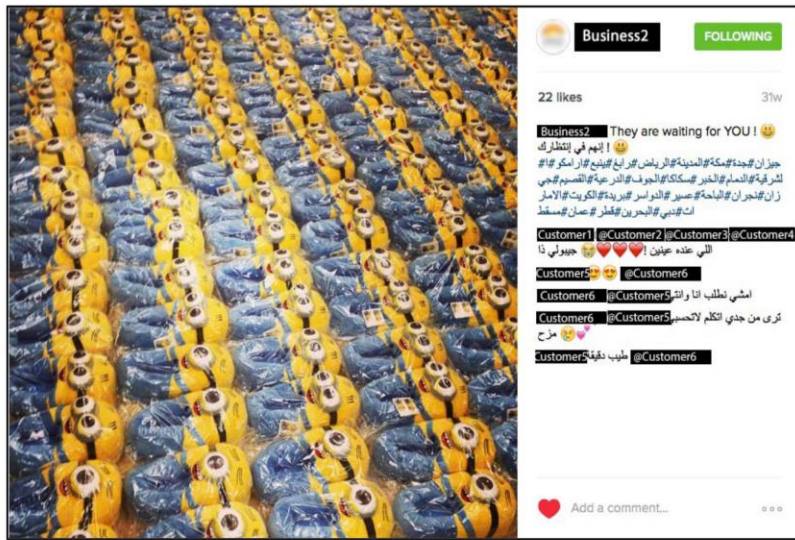
Business3: They are waiting for you!! *"happy faces"*

"many hashtages"

Customer1: @Customer2 @Customer3 @Customer4 The one with 2 eyes, get it for me *"crying face & hearts"*
Customer5: @Customer6 *"heart happy faces"*
Customer6: @Customer5 how about we order them?
Customer6: @Customer5 I'm not joking, I'm being serious lets get them.
Customer5: @Customer6 OK just give me a minute.

Image 21: Word of mouth & social conversations.

Image 22: Word of mouth & social conversations.

Business4: @Customer1 *"happy heart faces"*
Customer2: @Customer3 @Customer4
Customer5: How much is it?
Customer6: Are you based in Jeddah? How will it be delivered to me?
Customer7: Can I order single brushes or does it have to be a set?
Customer8: @Customer9 @Customer10 Buy this so you'll finally stop fighting over cleaning the brushes!! LOL
Customer9: @Customer8 why don't you buy it for us *"wink"*
Customer8: Consider me dead
Customer10: @Customer8 Don't worry, we'll always fight over something *"blushing face"*

Image 23: Brand building – Designing attractive logos

Business2: We'll always be here to serve you.. Serving you is our priority

Customer1: The way you treat your customers is amazing, really you are the BEST Can't wait to get my dancing speakers.

Business2: It's our pleasure to serve you. Thank you for being a valid client.
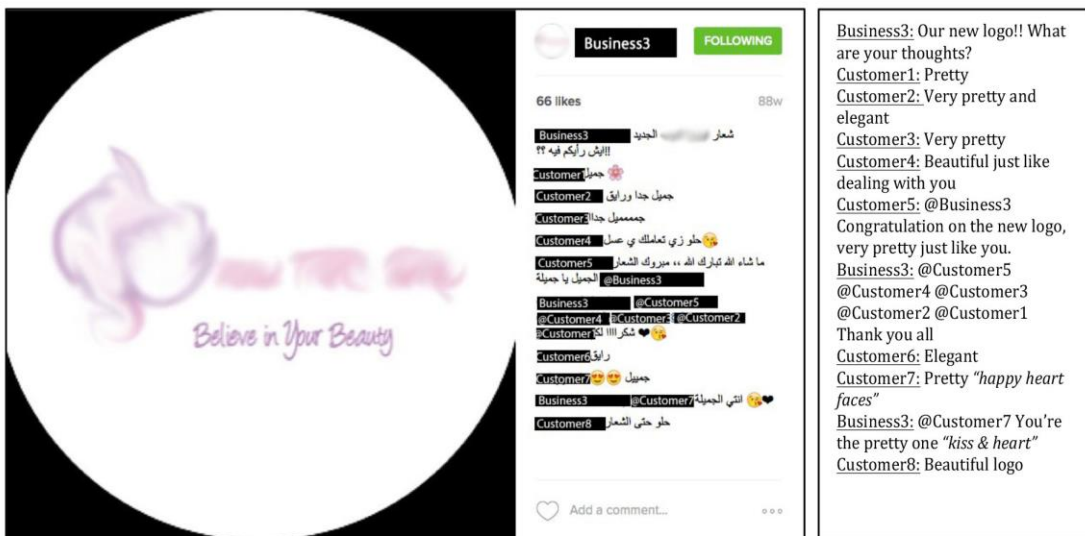
Image 24: Brand building – Designing attractive logos

Business3: Our new logo!! What are your thoughts?
Customer1: Pretty
Customer2: Very pretty and elegant
Customer3: Very pretty
Customer4: Beautiful just like dealing with you
Customer5: @Business3 Congratulation on the new logo, very pretty just like you.
Business3: @Customer5 @Customer4 @Customer3 @Customer2 @Customer1 Thank you all
Customer6: Elegant
Customer7: Pretty *"happy heart faces"*
Business3: @Customer7 You're the pretty one *"kiss & heart"*
Customer8: Beautiful logo

Business3 FOLLOWING

84 likes — 59w

Business3 ترقبونا قريبا
😍😍😍😍😍

Customer1 احب التاجرات اللي يهتمو في الاشيا البسيطة
احسن من اللي ، 🤍 تعطي احساس جميييل للزبونه
❤️❤️❤️ تجيب لك طلبك معظط وحالة امو حاله

Business3 هذا اقل حق لكم ال@Customer
🖤 تجيكم الاشياء جميلة و نظيفة و مرتبة

Customer2 @Customer3
انا طلبت من عندك وجاتني الطلبيه بشكل ج@
⭐️🎀⭐️⭐️⭐️ مرتب ويفتح النفس

Business3: Coming soon *"happy heart faces"*

Customer1: I love businesses that take extra care of small detail *"happy face"* It gives out a nice professional vibe unlike other businesses that simply don't care and products get delivered ruined *"broken heart"*

Business3: It's your basic right to receive your products in a pretty, clean and organised matter *"heart"*

Customer2: @Customer3

Customer4: I purchased from you and my order was delivered in an organised pretty way

Image 25: Brand building – Designing attractive logos

Business4 FOLLOWING

110 likes — 102w

Business4 @Logo_Designer
🖤 ربي .. شكرا من الأعماق يجمل ايامك

Customer1 كشخة اللوقو 😍

Another_Business @Business4
ممكن تبادل عزيزتي؟

Business4 @Another_Business
يب

Customer2 مره حلو

Business4 @Customer2 تسلمي حبيبي

Customer3 @Business4 ديزان اللوقو
والألوان أكثر من روعة ،، ديزان يوحي بالفخامة و البروفيشينالزم مثله مثل اي علامة تجارية مواقع فيها اختيار جداً موفق

Business4 @Customer3 تسلمي حبيبي هادي
ابدا اعتاد .. اسحكتيني برأيك @Logo_Designer

Customer4 @Customer5

Customer6 @Customer7 @Customer8

Customer9 @Customer10

Business4: @Logo_Designer Thank you from the bottom of my heart for the new logo design.
Customer1: The logo looks prestigious *"happy heart face"*
Another_Business: @Business4 Ad exchange??
Business4: OK
Customer2: Very beautiful
Business4: @Customer2 Thank you dear
Customer3: @Business4 The design of the new logo is more than amazing, a design that gives a vibe of a prestigious business and professionalism. It's at the same level as any other trustful brand. Good choice
Business4: @Customer3 Thank you dear for your feedback. This was @Logo_Designer's creation

Image 26: Brand building – Designing attractive logos

Business1 FOLLOWING

41 likes — 18w

Business1 الآن 😍😍😍😍 👠 👠
حيكون عليها براند 💟💟 القطع المتميزة من
للتتميزي مع

Customer1 ماشاء الله الله يجعل ايامك كلها مميزه وبيار كل😍😍😍😍
يذوق روعه 🤍🤍

Customer2 حجبيني فستيني الي عطيتني هيا 🙌
تحطيلي براند عليها 😍

Business1 @Customer2 ايوا 🙌🙌
حبيبها

Customer3 جداً جميل البراند ماشاءالله

Business1: For your uniqueness, all our new designs will have our unique brand name metal tag attached *"happy heart faces & hearts"*

Customer1: May your days be filled with joy and may God bless you and your amazing designs *"happy heart faces"*

Customer2: I'm going to bring you all my dresses that I bought from you so you can attach your brand metal tag on them *"happy heart face"*

Business1: @Customer2 Ok bring them *"thumbs up"*

Customer3: The brand name looks very pretty *"happy heart face"*

Image 27: Brand building – Designing attractive metal brand logos for dresses

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Picture of the news article in the fashion magazine (left side):
Saudi fashion designer: {Her full name}

Translation of the comments on the repost of the article (right side):
Business4: Congratulations to me on my first new article about my business in XXX fashion magazine. Please have a read
Customer1: Wish you all the best
Customer3: You deserve it, your work is amazing
Customer4: Congrats, you deserve it
Customer5: Congrats dear
Customer6: You deserved it sweetie

Image 28: Brand building – A news article about B1's business in a fashion magazine.
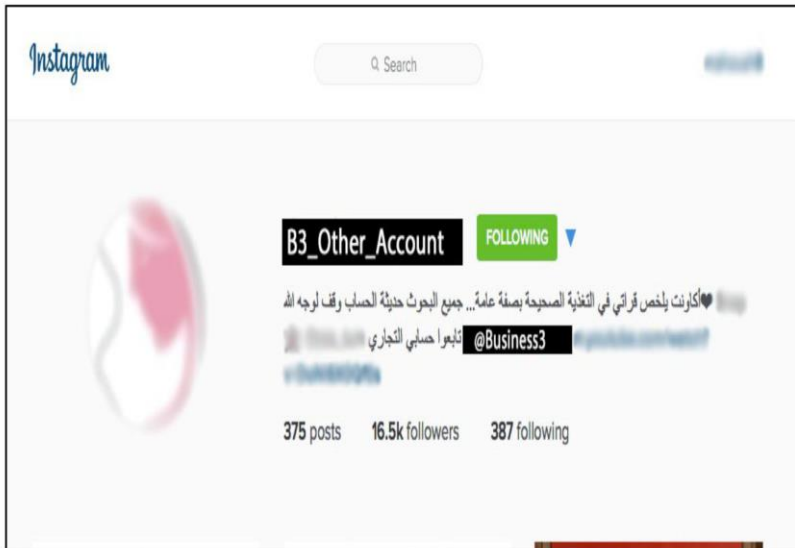
Screenshot from B3's other informative account:

B3_Other_Account:
An account that summarises my readings on nutrition in general.

All research articles used are up to date.

Follow me on my business account @Business3

Image 29: Brand building – A Screenshot from B3's other informative account

Business4: Thank God we finally received our certificate for being an authorised retailer for XXX "heart"
Customer1: Congratulations
Customer2: "heart" Wow congratulations you deserve it
Customer3: You deserve all good things
Customer4: May God bless you with more success
Customer5: Congratulations
Customer6: Congratulations
Customer7: Can you kindly help me with this company? I ordered from their website 3 months ago and never received my order. I tried contacting them with no reply
Customer8: Congratulations
Customer9: A million congrats, may God bless you with more success

Image 30: Brand building – Becoming an authorised retailer for a company

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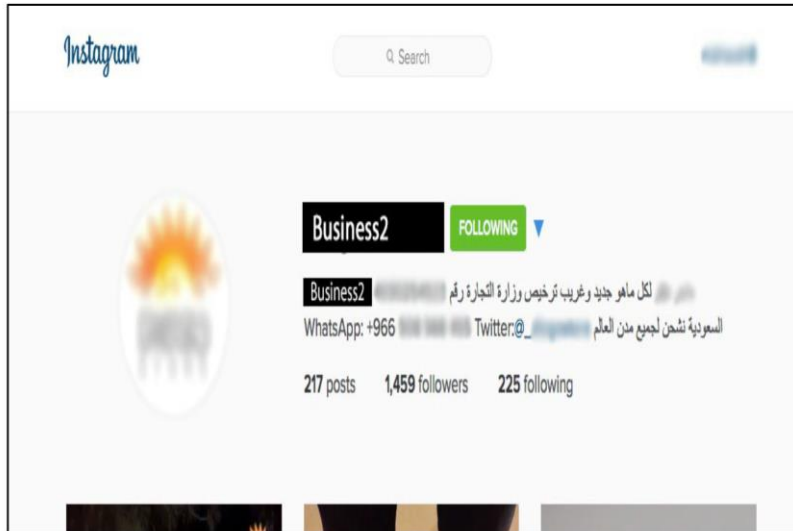
Image 31: Brand building – A screenshot from B2's business account showcasing the Ministry of Commerce business account number

Image 32: Dealing with negative comments

Business3: A weaning spoon for babies. Ideal for when out and about or traveling.
Available for immediate despatch.
Colours available: orange, blue and red.
Price: 90 Saudi riyals.

Business3: *"many hashtags"*
Contact me through WhatsApp
Customer1: Why 90 riyals, it sold in the pharmacies for 35.
Business3: @Customer1 I purchasing the original from the US, not the replica which is sold in local pharmacies. If you knew the original price you'll realise that my profit is 20 riyals or even less than that.
Customer2: @Customer3
Customer4: @Customer5
Customer6: @Customer7

Image 33: Dealing with negative comments

Translation of the post (left side):
Any comment regarding the price (too high, it's cheaper somewhere else, it's not worth it, etc.)
Will result to a BLOCK
Without any warnings!!
You have a chance to delete your negative comments now

Translation of the comments (right side):
Business3: Tired of dealing with these people. I don't like to act like this but some are pushing it. Before you complain about the prices, go search for the original price, add the tax and shipping cost and if my profit is more than 30 riyals then contact me through WhatsApp and I'll explain.
Customer1: Just ignore them

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Image 34: Replying to customers' questions regarding the price

Business1: A dress made from soft cotton. Available in medium and large
"happy heart faces"

Customer1: @Business1 How much is it?

Business1: @Customer1 360 Saudi riyals

Image 35: Replying to customers' questions regarding the price
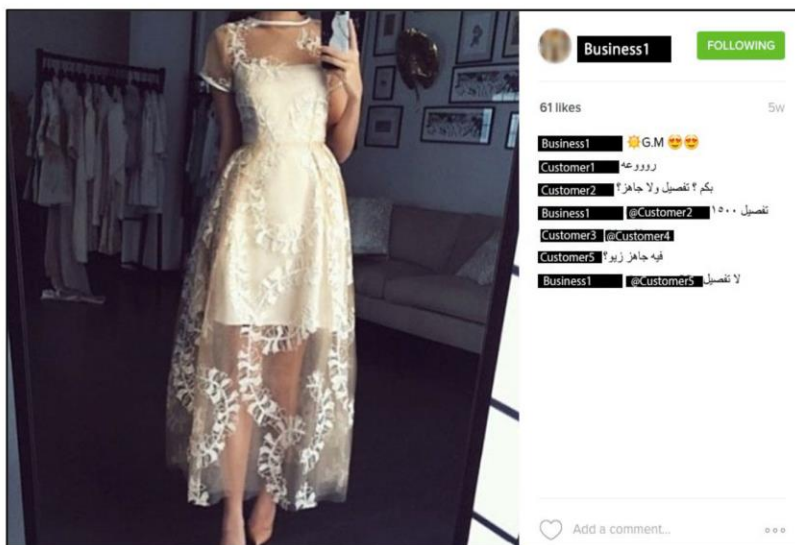
Business1: Good morning
"happy heart faces"

Customer1: Amazing

Customer2: How much is it? Is it ready made or tailored?

Business1: @Customer2 tailored 1500 Saudi riyals.

Customer3: @Customer4

Customer5: Do you have it for immediate despatch?

Business1: @Customer5 no it's tailored for your specific size

Image 36: Replying to customers' questions regarding the price
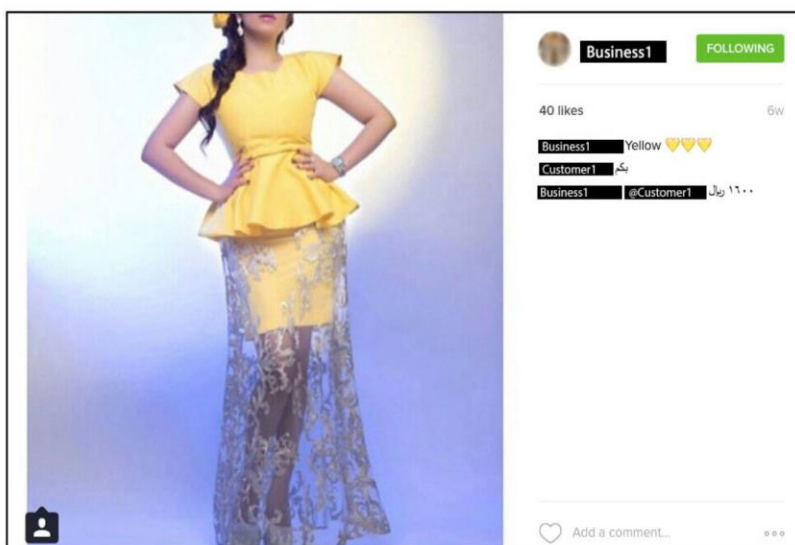
Business1: Yellow *"hearts"*

Customer1: How much is it?

Business1: @Customer1 1600 Saudi riyals.

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Image 37: Replying to customers' general questions

Image 38: Replying to customers' general questions

Image 39: Making customers more comfortable to ask questions

Business2   FOLLOWING

13 likes   98w

خدمتكم شرف لنا Business2

جدة #الوان #جديد #مميز #التحلية #الكابان #مكة#
#غريب #كرستال #رمال #درة_العروس #كورال
#المرجان #النخيل #الصالحية #أبحر #بحر

Add a comment...
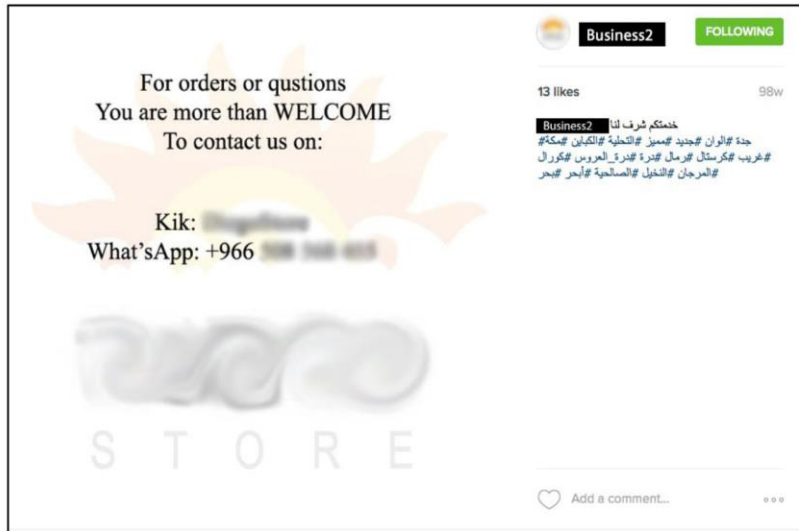
Business2:
Serving you is our pride

"many hashtags"

Image 40: Making customers more comfortable to ask questions

Business3   FOLLOWING

14 likes   23w

من الطبيعة واليها دائماً نعود 🌿
أفضل مسكن طبيعي لآلام التسنين وبدون آثار 🌿 الكهرمان
🌿جانبية
الأفضل و الوحيدون في الشرق الاوسط والعالم العربي 🌿
وراحة اجسادهم من 😊 راحة اطفالكم اثناء التسنين هدفنا
@Advertised_Account الادوية املنا 🌿🌿🌿
@Advertised_Account
@Advertised_Account

Add a comment...

Business3:

From the nature... the best type of natural soothing pain reliever for teething babies without any side effects is AMBER

We are the only company in the middle east and Arab region ...

Working hard to provide your babies the best natural pain reliever while teething.
Follow:

@Advertised_Account
@Advertised_Account
@Advertised_Account

Image 41: An ad advertised for another business

Advertised_Account

30 posts   431 followers   176 following

Following

Advertised_Account

93 likes

انس كنا عاملين عزيمة ازوجة اخويا ,
مباركة على ولادتها بالسلامة
الاكل جيناه من مطعم هندي خاص
طبعا انا تعرفوني ما اكل شي; من برات او مطاعم
الا هذا المطعم و مطعم
لانهم المطعمين الوحيدين الي ما يستخدمو ي منكهات
صناعية و مواد مضرة
يعني هذا المطعم الهندي, مافي ولا نقطة مواد مضافة غير
طبيعية (كماجي او منكهات تحتوي ع ملح الجلوتمات)
كثر طبيعي في طبيخي 😍😍👍 و لذييييذ
تعليق المعزومين كان: خفيف, لذيذ جداا, عذا الاكل الهندي
الصح
الله يبارك لهم

Business3   FOLLOWING

56 likes   62w

من أطعم المطاعم الهندية في جدة Business3
و الاحلى من كذا انو انو ما يستخدم منكهات او مواد
صناعية
يعني صحي ١٠٠٪
بالتوفيق لهم
@Advertised_Account
وين مكانه وايش رقم التلفون لو سمحت Customer1
كلها في الحساب @Customer1 Business3
مكتوب

Add a comment...

Business3:

One of the most delicious Indian restaurants in Jeddah. The best and most important fact about them is that they never use artificial ingredients and preservatives.

They are 100% healthy.

@Advertised_Account

Customer1: Where is the restaurant located and what is their phone number?

Business3: Click on their user name, all their info is on their account

Image 42: An ad advertised for another business
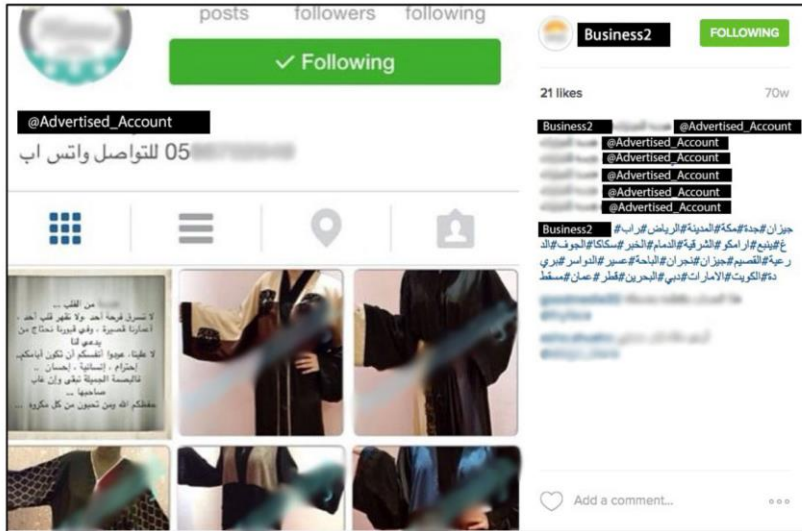
Image 43: An ad advertised for another business

Image 44: An ad advertised for another business
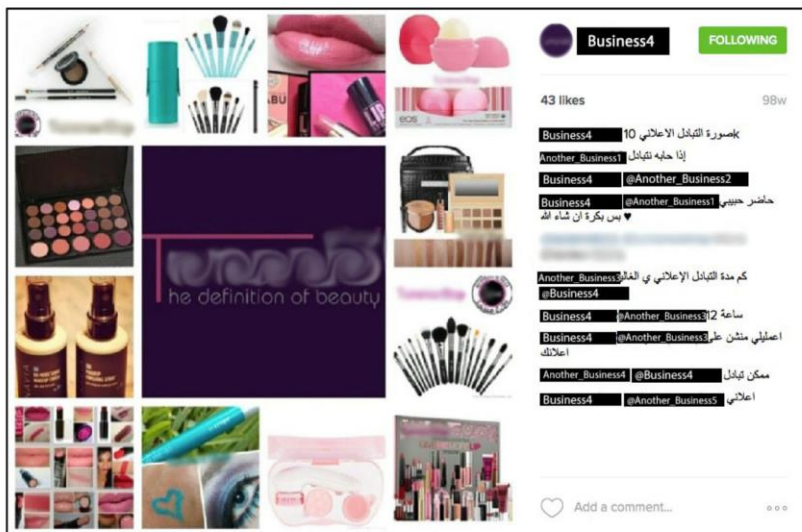
Image 45: Part of the process of inviting other businesses to make an ad exchange.

Image 46: Giveaway winner announcement

Business1:
Congratulations to the winner @Customer1. Please get in touch to claim your 250SR voucher to spend in our shop. To everyone else, our giveaways are on going, so good luck next time.

Customer1: *"very happy"*
Customer2: Congratulations *"thumbs up"*
Customer3: Way to go @Customer1
Customer4: How much is this dress?
Customer5: @Customer1 Congratulations our beautiful engineer
Customer1: Thank you all *"happy heart faces & hearts"*

Image 47: Giveaway winner announcement

Business 3: Congratulations to @Customer1. Please contact me through the direct messages.

Customer2: Congratulations to the winner.
Customer3: Congrats, I hope I win next time
Customer4: Congratulations... It was my first time to take part in a giveaway.
Customer 5: Congratulations.
Customer6: @Business3 So there is only one winner?
Customer7: Who is the winner?
Customer8: @Business3 How did you pick the winner?
Customer9: I didn't realise it's over, I was just about to take part. Congrats to the winner.

Image 48: Giveaway instructions

Business4:
A giveaway for all you beauty lovers. All you have to do is follow these simple steps:
1) Follow me
2) Post this image on your account and mentioning my account name
3) Write the hashtag associated to this giveaway #business4giveaway
You have from today until next Friday the 26th

Customer1: Sorry I don't get it, what do we get in return?
Business4: @Customer1 Who ever participates will enter a draw to win the products in the picture.
Customer2: I participated
Customer3: Done
Customer4: Done

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Image 49: Giveaway winner announcement

Business4: @Customer1 Congratulations to our winner, waiting for you to contact us

Customer2: Congrats sweetie
Customer3: Too bad for me
Customer1: Thank you so much, how should I contact you?
Customer4: Congrats dear
Customer5: @Customer1 Congrats dear, enjoy "hearts"
Customer6: Too bad for me
Business4: @Customer1 WhatsApp me 0xxxxxxxxx
Customer7: @Customer1 Congrats, you finally won something "laughing face & heart"
Customer8: You deserve it
Customer1: Thank you everyone, and hopefully next time you win.

Image 50: Customers using the mention feature to direct each other to certain businesses/products

Business1: A unique outfit made from a skirt and a top. Size medium

Customer1: How much is it?
Customer2: How much is it?
Customer3: @Customer4
Customer5: @Customer6
Customer7: @Customer8 @Customer9
Customer10: @Customer11
Customer12: @Customer13 ?
Customer14: How much is it?
Business1: @Customer14 1400 Saudi riyals
Customer15: @Customer16
Customer17: @Customer18
Customer19: @Custpmer20

Image 51: Customers using the mention feature to direct each other to certain businesses/products

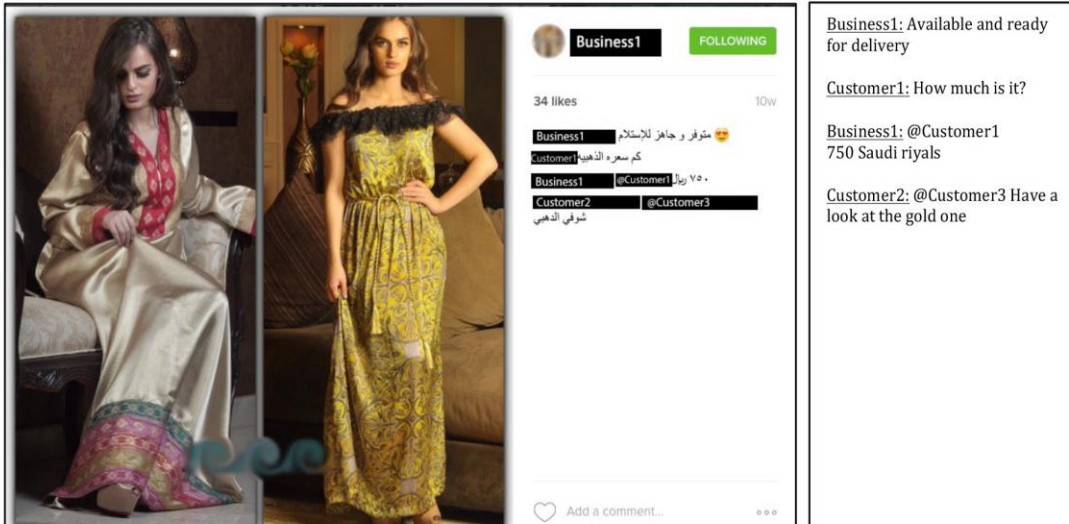Business1: These are the colours available for Eid. Limited stock left and we will stop taking orders in a few days in order to get them ready in time for Eid.

Customer1: How much is it?
Business1: @Customer1 1850 Saudi riyals
Customer2: @Business1 Where are you located?
Business1: @Customer2 we are located in xxxxxx
Customer3: @Customer4
Customer5: How much is the skirt?
Customer5: Only the skirt?
Customer6: @Customer7 This will look really nice on you
Customer8: @Customer9 Look at all the colours

Business1: Available and ready for delivery

Customer1: How much is it?

Business1: @Customer1 750 Saudi riyals

Customer2: @Customer3 Have a look at the gold one

Image 52: Customers using the mention feature to direct each other to certain businesses/products

3 baby bottles size 8-10oz + 100 bags for 220 Saudi riyals.
100 extra bags for 85 Saudi riyals.
The idea behind this baby bottle is that it is very easy and useful when out and about or when traveling. There is basically a bag inside the bottle and all the mother has to do is change the bag when a bottle is needed.
No need for washing or sterilizing.

Customer1: @Customer2
Customer3: @Customer4
Customer5: @Customer6
Customer7: @Customer8
Customer9: @Customer10 @Customer11
Customer9: @Customer12
Customer13: @Customer14
Customer15: @Customer16

Image 53: Customers using the mention feature to direct each other to certain businesses/products

A camera which could be placed anywhere in the house which enables you to monitor your baby from anywhere. Whether its at night or if you left him with a babysitter.

You'll be able to see clearly at night and hear any sounds coming from him.

Suitable to use with iPhones, iPads and Samsung mobiles. Price 775 Saudi riyals

Limited quantity available

Customer1: @Customer2 @Customer3
Customer4: @Customer5
Customer6: @Customer7
Customer8: @Customer9
Looks interesting!

Image 54: Customers using the mention feature to direct each other to certain businesses/products

Image 55: Business encouraging customers to mention their friends to the account

Translation of the post (left side):
If you like our account and feel that it deserves your support then please mention your friends and family.

Translation of the comments (right side):
Business4: *"hearts"*
Customer1: @Customer2 @Customer3
Customer4: @Customer5
Customer6: @Customer7
Customer8: @Customer9 @Customer10
Customer11: @Customer12 @Customer13 @Customer14
Customer15: @Customer16
Customer17: @Customer18 @Customer19
Customer20: @Customer21 @Customer22 @Customer23

Image 56: Using hashtags to draw more customers to the business account

The business used a number of hashtags with words that either relate to the product or the business. This is to draw more traffic to the business account.

These hashtags start with the symbol # and are hyperlinked and are blue in colour unlike the rest of the text which is black.

Translation of the comments (right side):
Price is 150 Saudi riyals
Contact me through WhatsApp
+966 xxxxxxxxx

"many hashtags"

Customer1: @Customer2
Customer3: @Customer4
Customer5: @Customer6
Customer7: @Customer8

Image 57: Using hashtags to draw more customers to the business account

"many hashtags"

Business3: *"hashtags"*
Customer1: How much is it?
Business3: @Customer1 310 Saudi riyals
Customer2: @Customer3
Customer4: @Customer5 Look at this account, makeup and baby stuff in Jeddah!

Customer5: @Customer4 LOL I'm following. Its great, all what we need *"happy laughing face"*

297
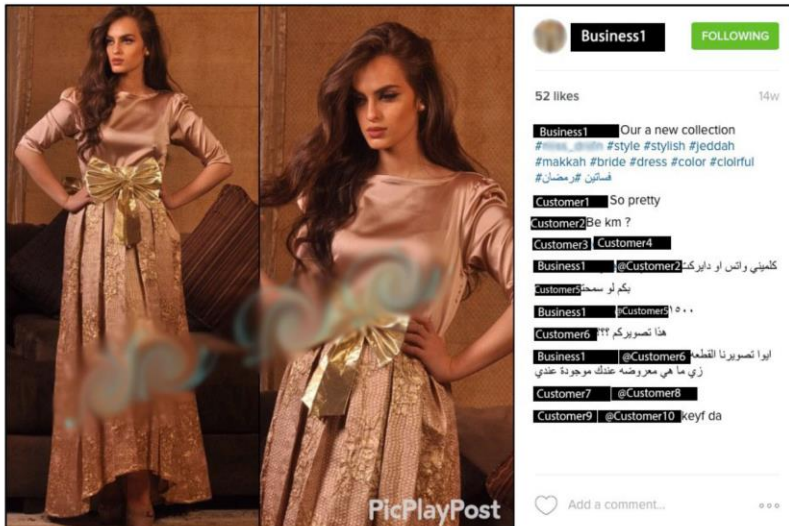
Business1: Our new collection
"many hashtags"

Customer1: So pretty
Customer2: How much is it?
Customer3: @Customer4
Business1: @Customer2 Contact me through WhatsApp
Customer5: How much is it please?
Business1: @Customer5 1500 Saudi riyals
Customer6: Did you take this photo?
Business1: @Customer6 Yes I took this picture as it is and the finished product is exactly as in the picture
Customer7: @Customer8
Customer9: @Customer10 What are your thoughts on this one?

Image 58: Using hashtags to draw more customers to the business account

Business3: For added safety we wrap our makeup and any breakables in bubble wrap with the sticker (Fragile/ Handle with care)

Business3: *"many hashtags"*
To contact me WhatsApp only +966 xxxxxxxxx

Business3: *"many hashtags"*
Business3: *"many hashtags"*

Image 59: Using hashtags to draw more customers to the business account
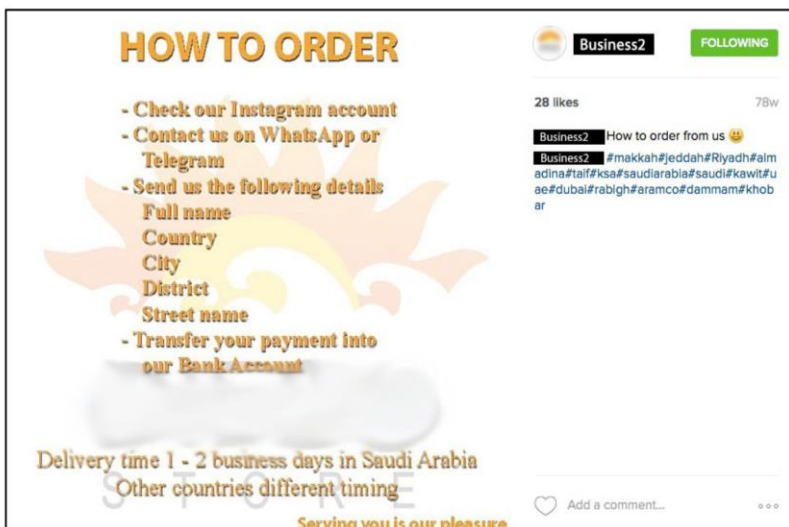
Business2:
How to order from us

Business2: *"many hashtags"*

Image 60: Clear steps for customers on how to make an order

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Image 61: Clear steps for customers on how to make an order

Image 62: Competitive Advantage – Having another informative account

Image 63: Competitive Advantage – Having another informative account

Business3 FOLLOWING

27 likes — 22w

😎 تقدري تشربيها مع الموية او تحطيها في سموذي
😎 من الفوائد اللي لاحظتها ع نفسي
😎 تحسن في بشرتي و شعري
متوفرة تسليم فوري
سعرها ب ١٤٠ ريال / ٢٠٠ جرام
للطلب:
التواصل واتس اب فقط
+966 xxx xxx xxxx
او على الدايركت

عروسه #اكسسوارات #مكياج #اطفال #رضاعات# #موضه #ازياء #جدة #مكة #الرياض #المدينة #حامل #جديد #تو فير #ملابس #تاجرات_جدة #بنات #السعودية #عيد
#fashion #jeddah #saudi #makeup #baby #women

Business3 #...

Large amounts of vitamins and minerals are found in green barley (Barley Greens) leaves. These include potassium, calcium, magnesium, iron, copper, phosphorus, manganese, zinc, beta carotene, B1, B2, B6, C, folic acid, and pantothenic acid. Barley grass is said to have 30 times more vitamin B1 and 11 times the amount of calcium than there is in cow's milk, 6.5 times as much carotene and nearly 5 times the iron content of spinach, close to seven times the vitamin C in oranges, four times the vitamin B1 in whole wheat flour, and 80 micrograms of vitamin B12 per 100 grams of dried barley plant juice.

Barley grass is very high in organic sodium

Barley grass is very high in organic sodium, which dissolves calcium deposited on the joints and also replenishes organic sodium in the lining of the stomach. This aids digestion by improving the production of hydrochloric acid in the stomach. People with arthritis have used celery juice for years because of the organic sodium it contains (28mg per 100grms), but compare this to the amount of organic sodium in barley grass (775mg per 100 grams)!

Barley grass, at the time it is harvested to make juice, is about 45 percent protein. It has almost twice as much protein as an equivalent amount of wheat germ and about five times the minerals which accompany animal protein, in addition the protein in barley grass doesn't...

You can drink it with water or add it to smoothies.

I've witnessed the benefits myself with better skin and hair.

Available for immediate despatch.

Price: 140 Saudi riyal/200g

Business3:
For orders contact me through WhatsApp only:
+966 xxxxxxxxx

"many hashtags"

Business3: *"hashtag"*

Image 64: Competitive Advantage – Selling testes and approved products

Business3 FOLLOWING

16 likes — 3d

Business3
بعد استخدامها تقريبا اسبوعين
الساعه راائعه و تحسن للرياضه و فيها مميزات كثيرة مرة و بطاريتها تعيش تقريبا 5-6 ايام مو زي الساعات الثانيه و تتشحن بسرعه
😎 ساعة فيت بيت شارج
من احسن ساعات حساب الكالوري وقت الرياضة و دقات القلب
متوفرة بالطلب
اللون الاسود و الموف فقط

مميزاتها:
تحس الكالوري الي حرقتيه، عدد الخطوات و المسافه
تحسب عدد ساعات النوم
(فيها منبه مسات (هزاز
تحسب الاكتيف مينت في كل اليوم
😎 و لو دق جوالك يطلعلك الاسم ف الساعه
سعرها ب 650 ريال

Customer1 @Customer2
Customer2 @Customer1 اللي عندي
شحنها يقعد شهر

Steps, Calories, Dis
Clock
Sleep Tracking
Auto Sleep Detectio
Silent Wake Alarm
Floors Climbed
Active Minutes
Multi-Sport
Continuous Heart R
Caller ID
Text Notifications
Music Control
GPS Tracking

Business3:
After using it for 2 weeks I can say that this watch is excellent. It encourages you to exercise and it has many features. It also charges up very fast. One of the best watches for counting burned calories and heart rate while you exercising. Available colours: black & purple

Special features:
Counts burned calories, steps, distance walked
Counts the number of sleeping hours
Alarm
Counts the number of activity minutes per day
Price: 650 Saudi riyals

Customer1: @Customer2

Image 65: Competitive Advantage – Selling testes and approved products

Business4 FOLLOWING

138 likes — 57w

تم بحمد الله إعتماد كموزع معتمد للشركة الأمريكية

الإبتكار الرائع حامل الفرش ليساعدك في تنظيف الفرش وترتيبها وتنشيفها بكل سرعة وسهولة وبدون اي فوضا
(Mini Brush tree) حامل الفرش
يستطيع حمل 24 فرشة حجم صغير
ب 105 ريال

Customer1 @Business4 فيه منها أبيض
يعطيك؟
Customer2 @Customer3 احتاجه في حياتي 😊
Customer4 💜💜💜
Business4 @Customer1 لا حبيبي بس أسود
Business4 @Customer4 💕
Customer5 @Business4 وين موقعكم
Customer6 @Customer7 😊

Business4:
We are very happy and thankful to announce that we have become an authorised retailer for XXXXXXX
This is the unique makeup brush holder to hold all your makeup brushes. This accessory will help you in cleaning, drying and sorting your brushes.
The Mini Brush Tree has a capacity of holding 24 small brushes. Price: 205 Saudi riyals

Customer1: @Business4 Does it come in white?
Customer2: @Customer3 I need this in my life
Customer4: *"applause"*
Business4: @Customer3 Sorry it only comes in black
Business4: @Customer4 *"hearts"*

Image 66: Competitive Advantage – Becoming an authorised retailer for a company

Business4:
We are very thankful to have become an authorised retailer for XXXXXXX

Customer1: Wow, congrats. Well deserved as you are a great business.
Customer2: You are an amazing person. I purchased from you twice and found out you are the best. Your customer service is excellent and professional. Good luck.
Customer3: I'm now praying that you become an authorised retailer for all brands.
Customer4: Congrats, you deserve it.
Customer5: @Customer6
Customer7: Congrats, you deserve it.
Customer8: Wow, congrats.

Image 67: Competitive Advantage – Becoming an authorised retailer for a company

Business4:
With God's blessings, we have become an authorised retailer for XXXXXXX
The set contains 30 shields for 50 Saudi riyals.

Business4: *"many hashtags"*

Customer1: When will it be available to order? Or are they available now?

Business4: @Customer1
It's available to order.

Customer2: What is it used for?

Customer3: @Customer4 @Customer5 @Customer6 @Customer7

Image 68: Competitive Advantage – Becoming an authorised retailer for a company

The "Home" page of B4's e-commerce website.
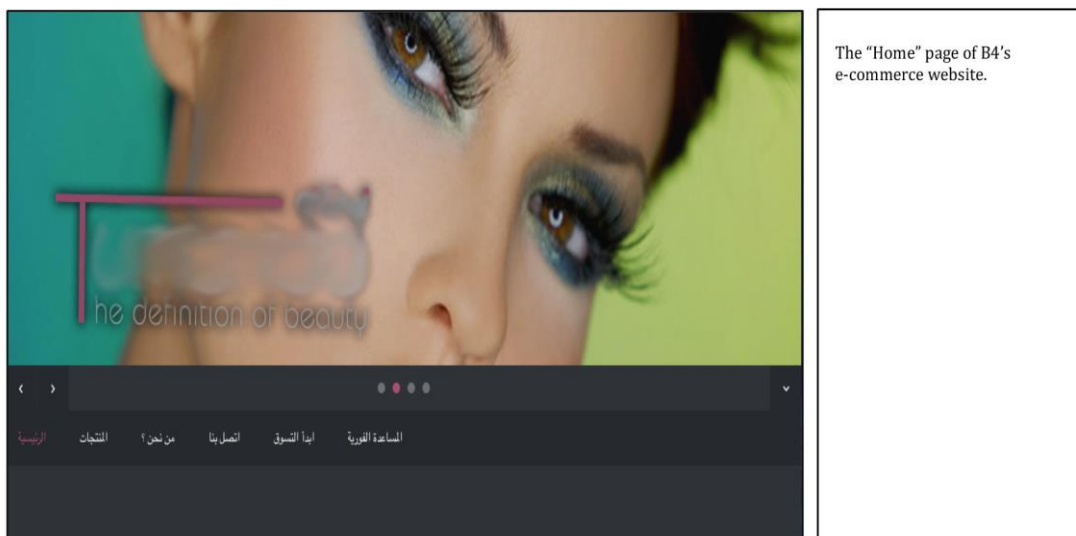
Image 69: Competitive Advantage – Having an e-commerce website

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Image 70: Competitive Advantage – Having an e-commerce website
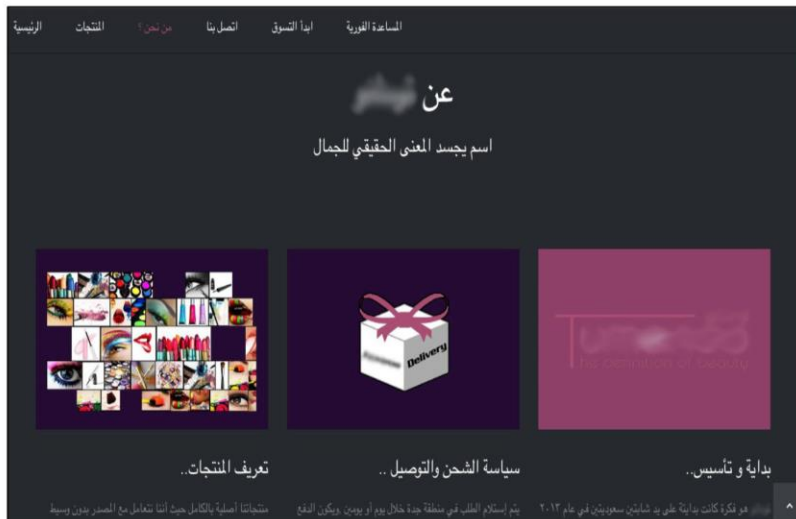
The "About Us" page of B4's e-commerce website.

Image 71: Competitive Advantage – Displaying their website's hyperlink on their online social media account
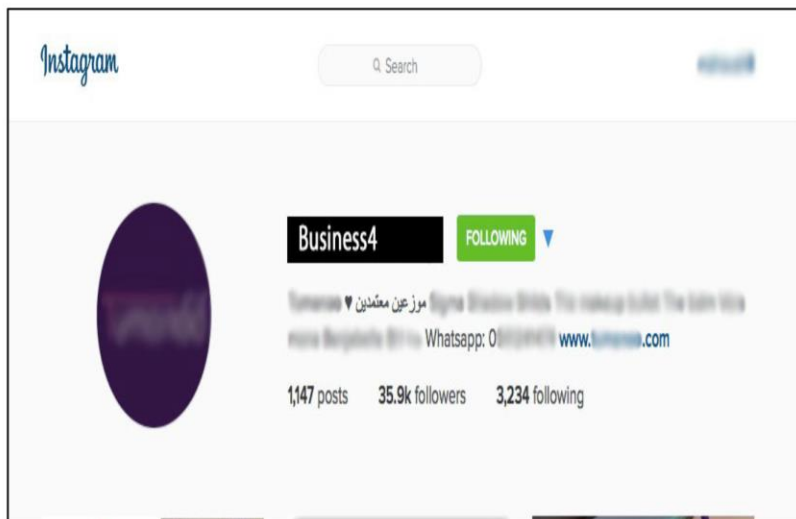
A screenshot from B4's online social media account

It can be seen that the business is displaying their website's hyperlink to their social media followers.

Image 72: Competitive Advantage – B4 trying to drive traffic to their website.

A screenshot from B4's website (left side):
Showcasing their new and improved website

Translation of the comments (right side):

Business4:
With God's blessings, we have launched our new and improved website.
Ordering through our new website can be done it a few simple and easy steps.
1) Press the Start Shopping icon and register
2) Click on the brand you want and all the relevant products will be displayed. Click on the picture of the desired product and enter the quantity needed.
3) After selecting all your desired products press on the …

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Business1: Forever thankful for God's blessings. These orders are now being delivered to my customers in Riyadh and Dammam. I hope they will love it.
Customer1: You are the best designer. May your business grow bigger and better.
Customer2: Keep up the good work. God bless you.
Customer3: *"applause & thumbs up"*
Customer4: Congrats, from one success to another.
Customer5: Wishing you all the best.
Customer6: The best *"happy heart faces"*
Customer7: Can't wait !
Business1: @Customer1 Thank you, with your support I will succeed.

Image 73: Delivery - Showcasing their unique packaging

Business2:
For a faster more professional service

Your orders are our commands

Business2:
"many hashtags"

Customer1: Thank you for your excellent service. First your accuracy and dedication and now you have reached the highest extent of customer respect.

Business2: @Customer1 Serving you is our pride.

Image 74: Delivery – Signing a business deal with one of the leading courier services
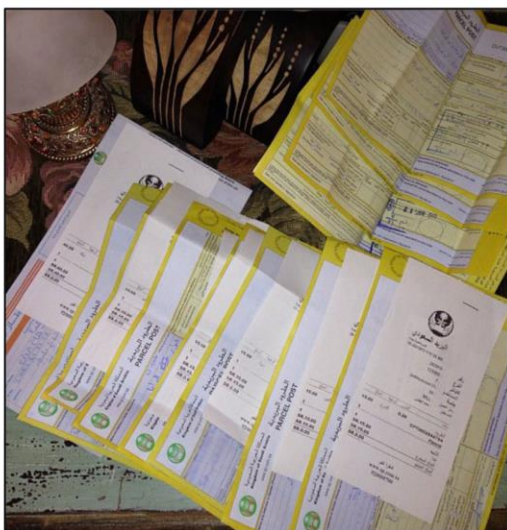
Business3:
This month's orders to Riyadh, Makkah, Sekaka, Taif, Aldawadmy, Tabouk, Algatif, Alkharj and Algarayat.
Thank you for trusting me *"kiss"*
Please let me know when you receive your orders *"heart"*

Customer1: May God bless you
Business3: @Customer1 @Customer2 Thank you
Customer3: Wow, may God bless you.
Customer4: You deserve all the best, may God bless you.
Customer5: Professional service, did not regret purchasing from you.
Business3: @Customer4 Thank you sweetie
Business3: @Customer5 Thank you, very kind of you.

Image 75: Delivery – Delivery forms being filled out

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Business3:
Today's orders are going to Riyadh and Tabouk.

Any orders sent anywhere outside of Jeddah need to have been paid for in full through a bank transfer.

You also need to send your name, city, town and mobile number.

Business3:
"many hashtags"
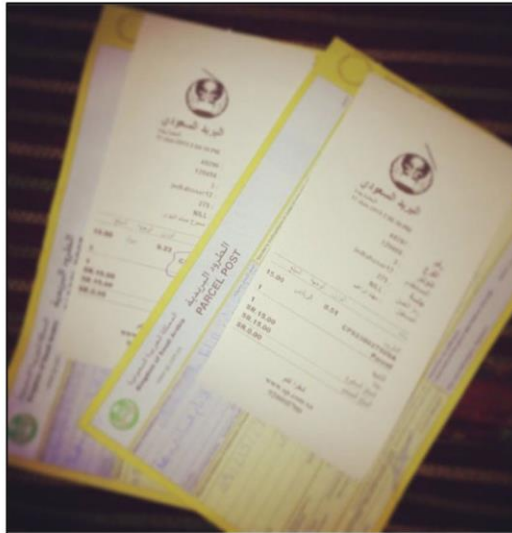
Image 76: Delivery – Delivery forms filled out

Business1:
The last 3 pieces of our cotton dresses. Very comfortable and affordable prices

Customer1: Nice, good luck.
Customer2: How much is the orange one?
Business1: @Customer2 550 Saudi riyals
Customer2: I'm from the UAE, how can I get it and how do I pay?
Business1: @Customer2 I have an Emirates' bank account where you can easily make a bank transfer to and I'll have it delivered to you.
Customer3: @Customer4
Business1: @Customer1 Thank you dear.

Image 77: Delivery – Answering questions regarding the delivery process

Customer1: Available?
Customer1: @Business3
Customer2: Do you have the large size bottles?
Business3: @Customer2 Yes, contact me through WhatsApp.
Business3: @Customer1 Yes *"kiss"*
Customer3: @Customer4 This is the one I was telling you about.
Business3: *"hashtag"*
Business3: @Customer3 It will be available in 2 weeks.
Customer4: @Business3 Is it available now? And how long if I want it delivered to Makkah?
Business3: @Customer4 It's available now and I can deliver it to you using FedEx, or if you know someone in Jeddah it can be delivered through an agent.
Customer5: @Business3 Is it available now?

Image 78: Delivery – Answering questions regarding the delivery process

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Appendix 7: The Eleven Themes Extracted from Nvivo
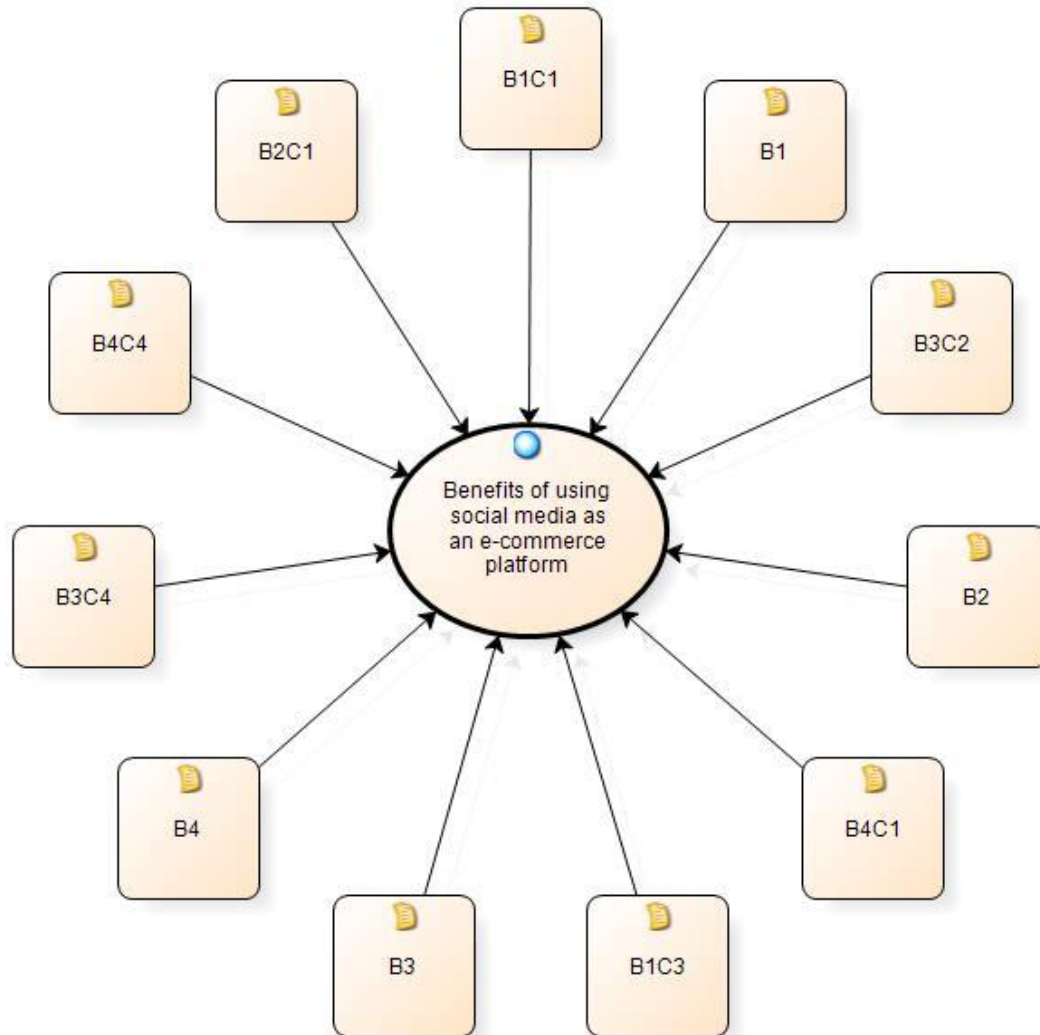
Diagram 1:   An illustration of the 1st theme 'Benefits of using social media as an e-commerce platform', with the coded names of the participants who raised issues relating to this theme.
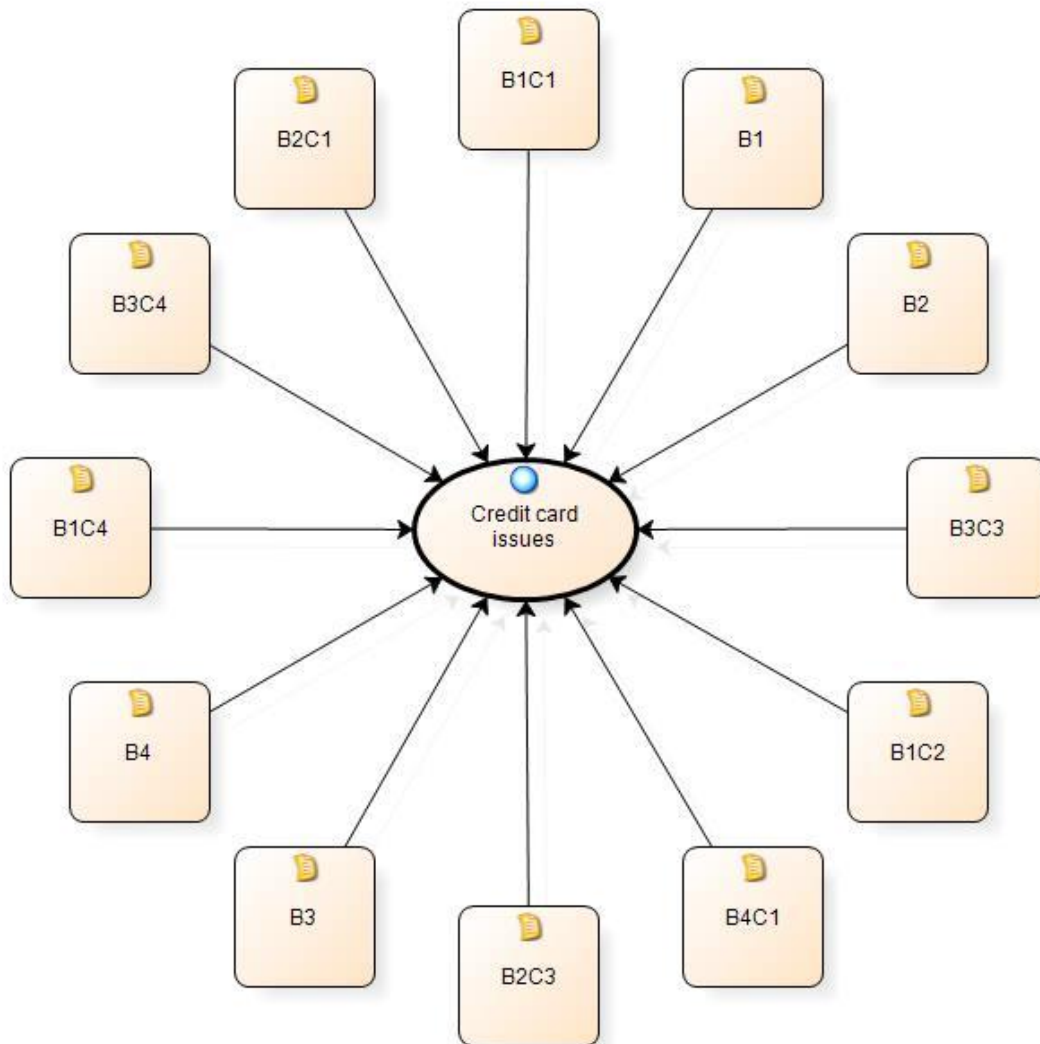
Diagram 2:   An illustration of the 2nd theme 'Credit card issues', with the coded names of the participants who raised issues relating to this theme.
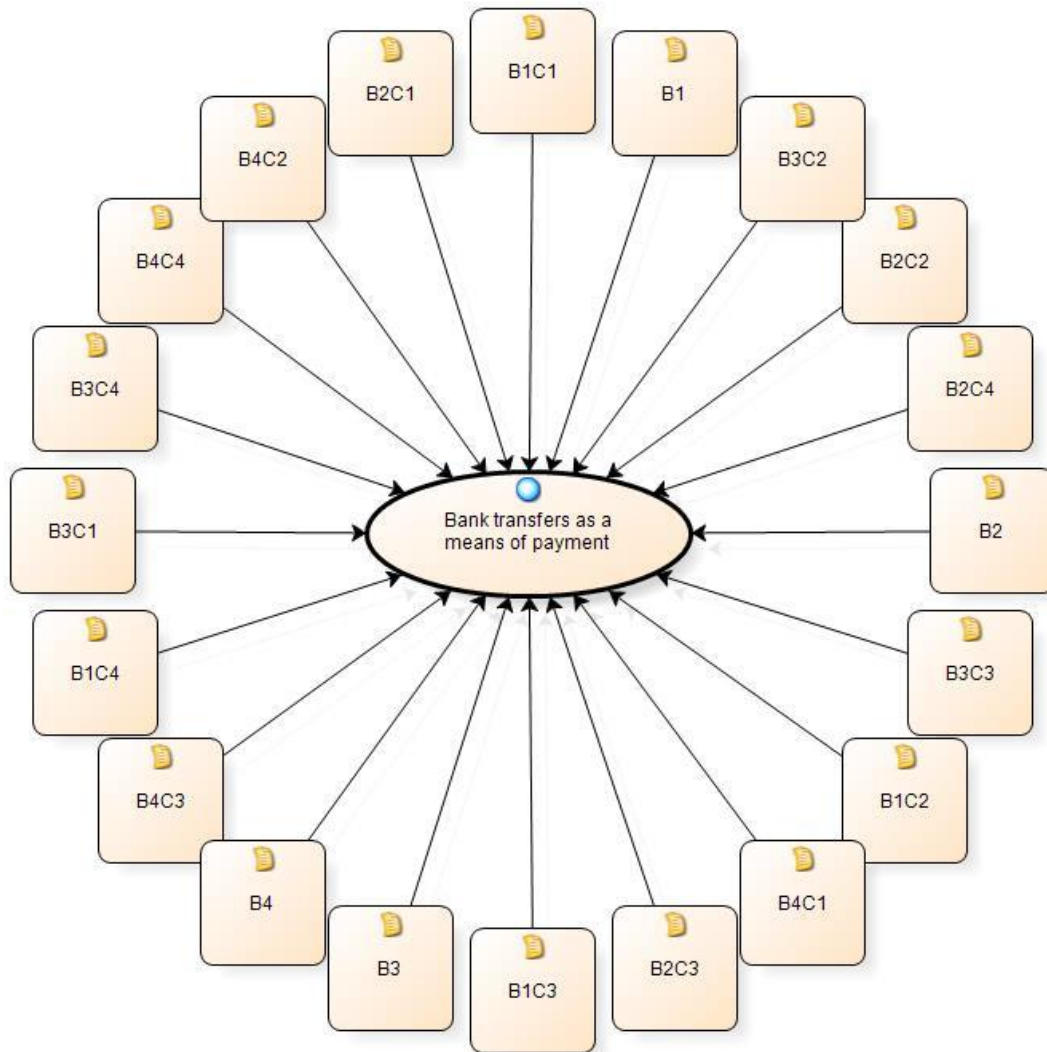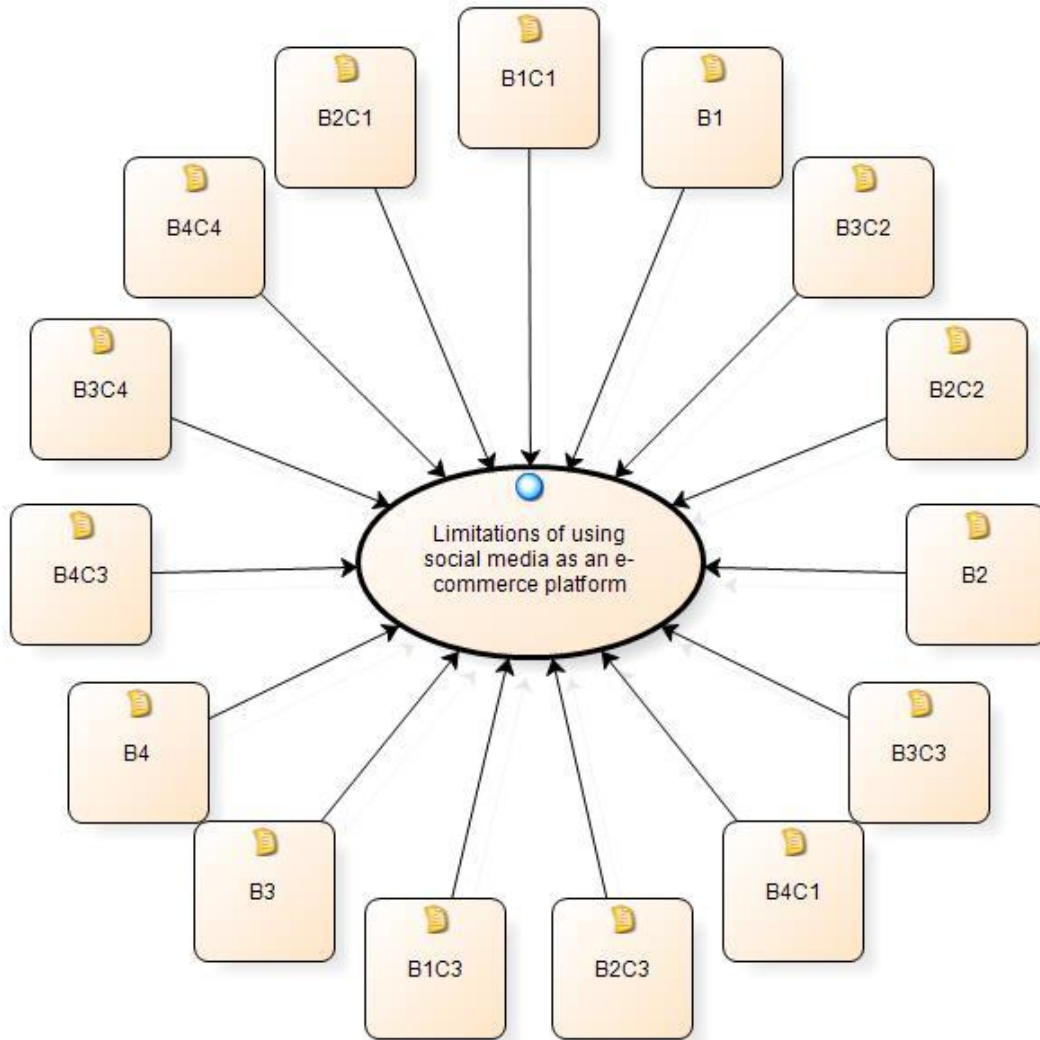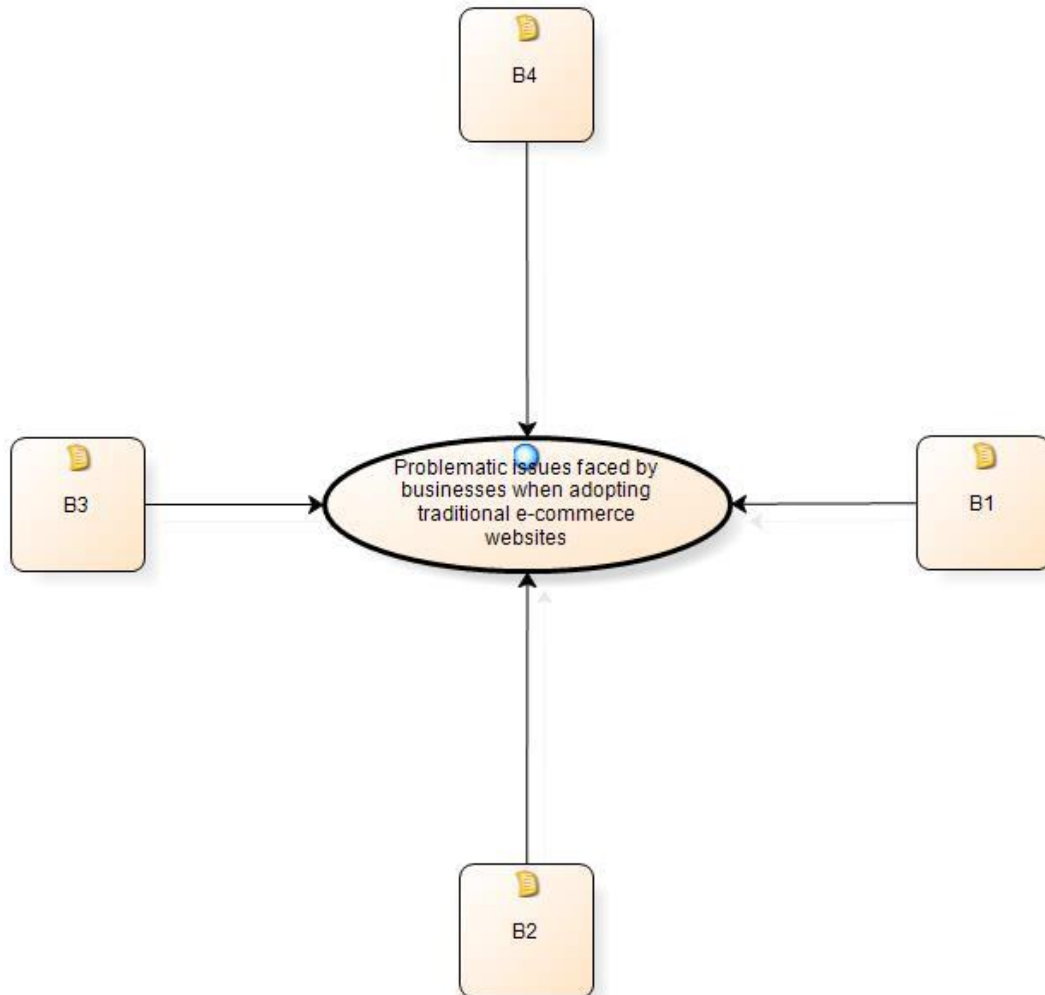
Diagram 3:   An illustration of the 3rd theme 'Bank transfers as a means of payment', with the coded names of the participants who raised issues relating to this theme.
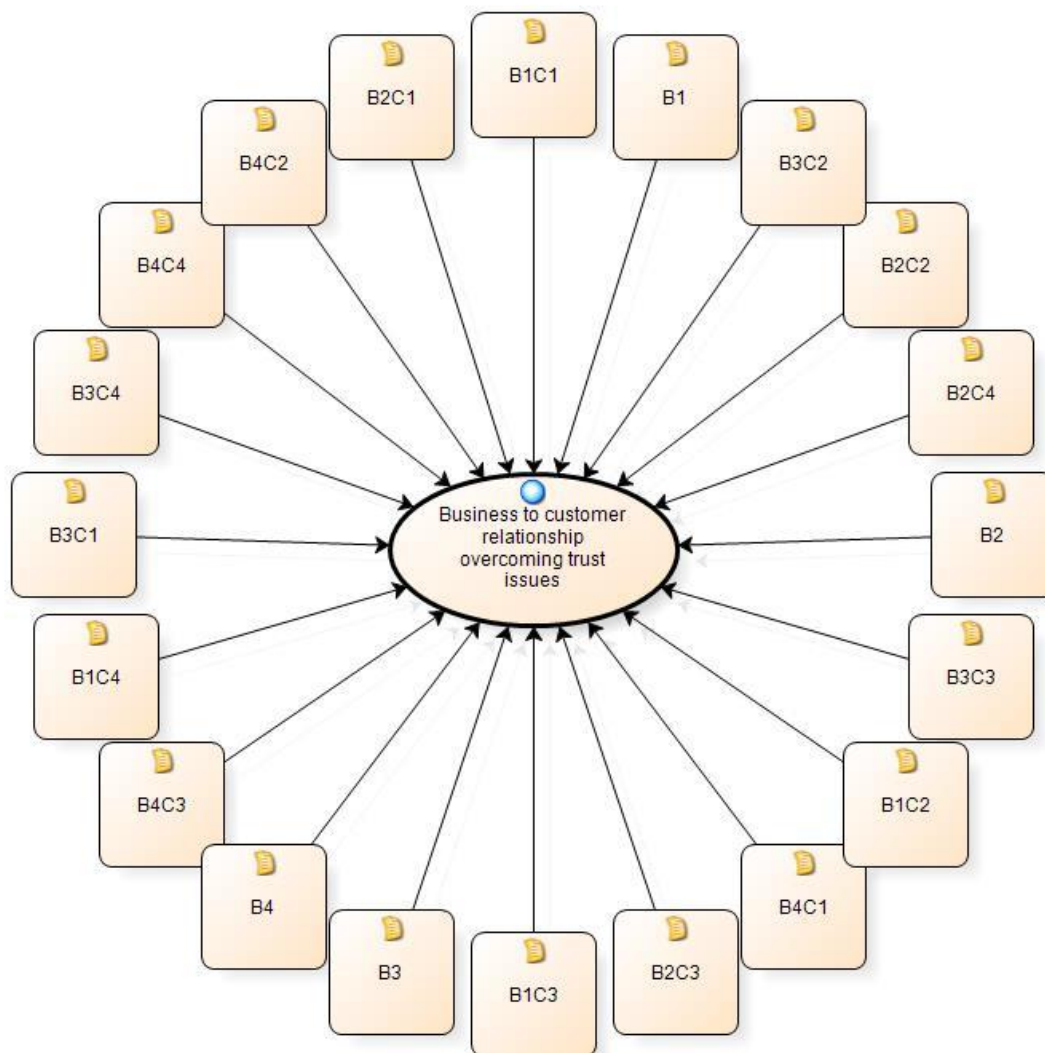
Diagram 4:   An illustration of the 4th theme 'Business to customer relationship overcoming trust issues', with the coded names of the participants who raised issues relating to this theme.

Diagram 5:   An illustration of the 5th theme 'Limitations of using social media as an e-commerce platform', with the coded names of the participants who raised issues relating to this theme.

Diagram 6:   An illustration of the 6th theme 'Problematic issues faced by businesses when adopting traditional e-commerce websites', with the coded names of the participants who raised issues relating to this theme.
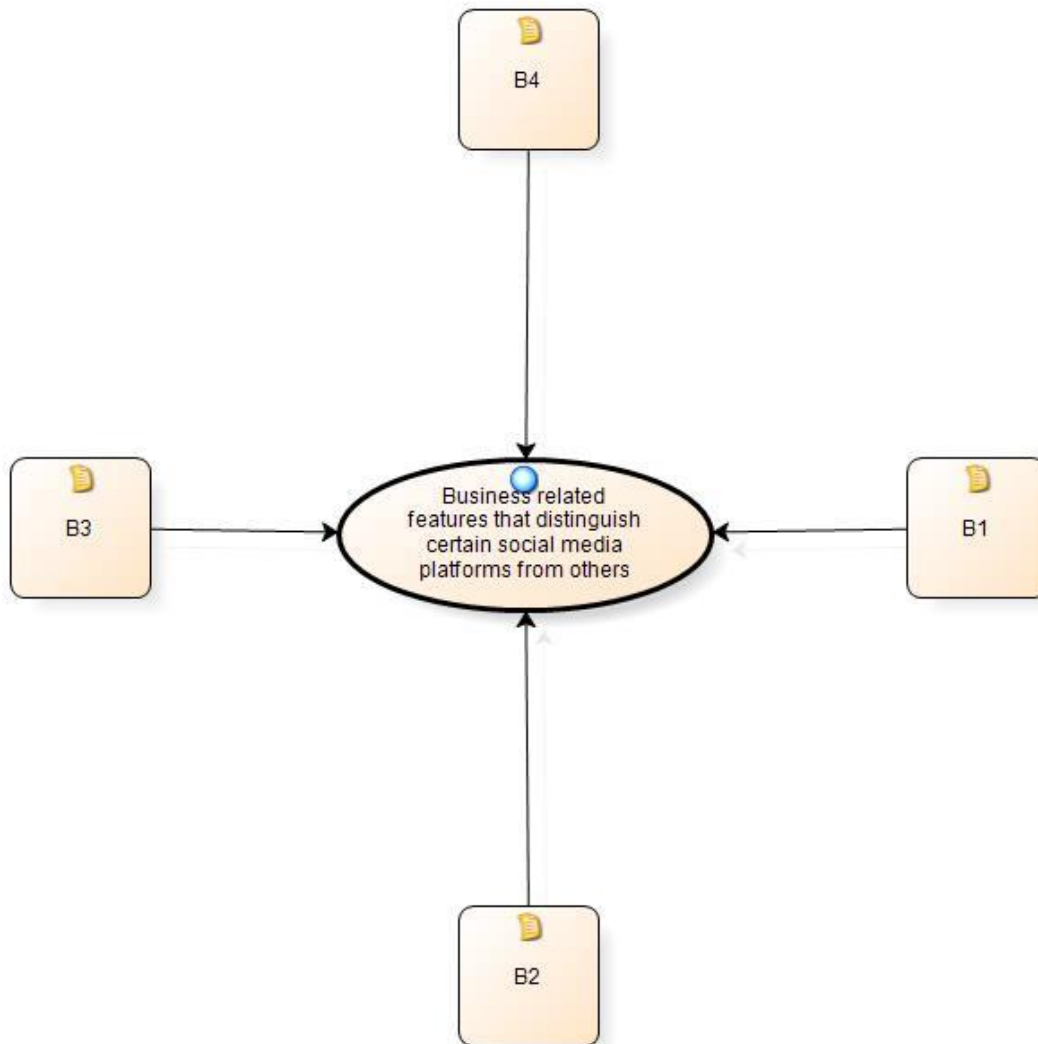
Diagram 7: An illustration of the 7th theme 'Business related features that distinguish certain social media platforms from others', with the coded names of the participants who raised issues relating to this theme.
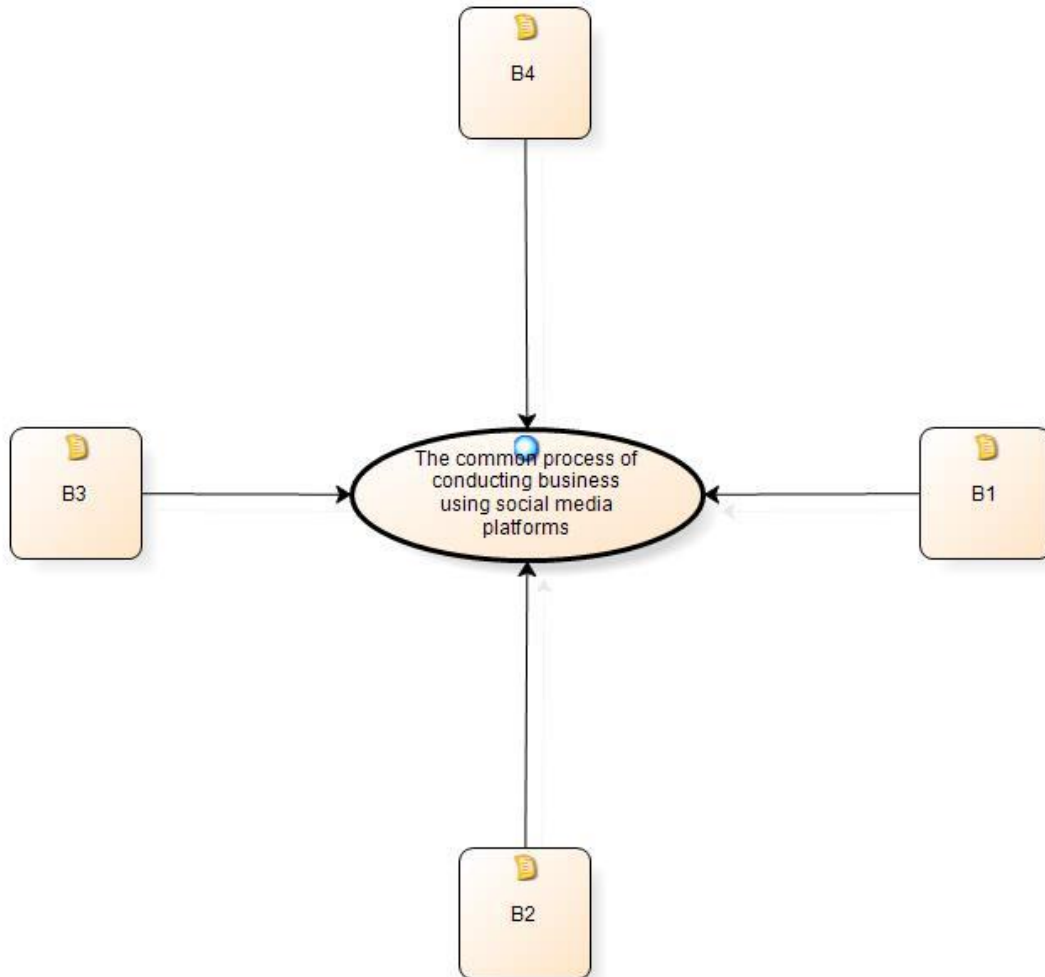
Diagram 8:   An illustration of the 8th theme 'The common process of conducting business using social media platforms', with the coded names of the participants who raised issues relating to this theme.
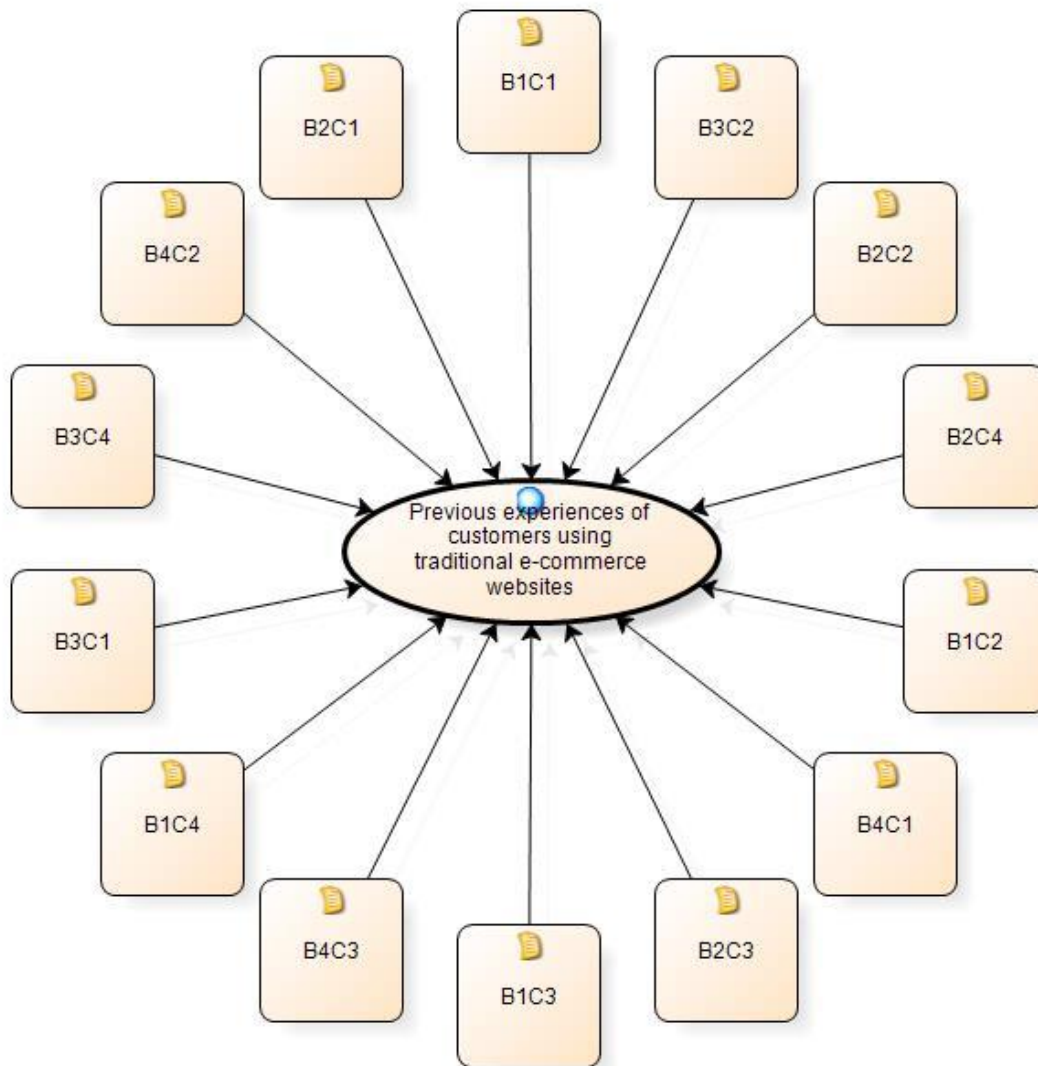
Diagram 9: An illustration of the 9th theme 'Previous experiences of customers using traditional e-commerce websites', with the coded names of the participants who raised issues relating to this theme.
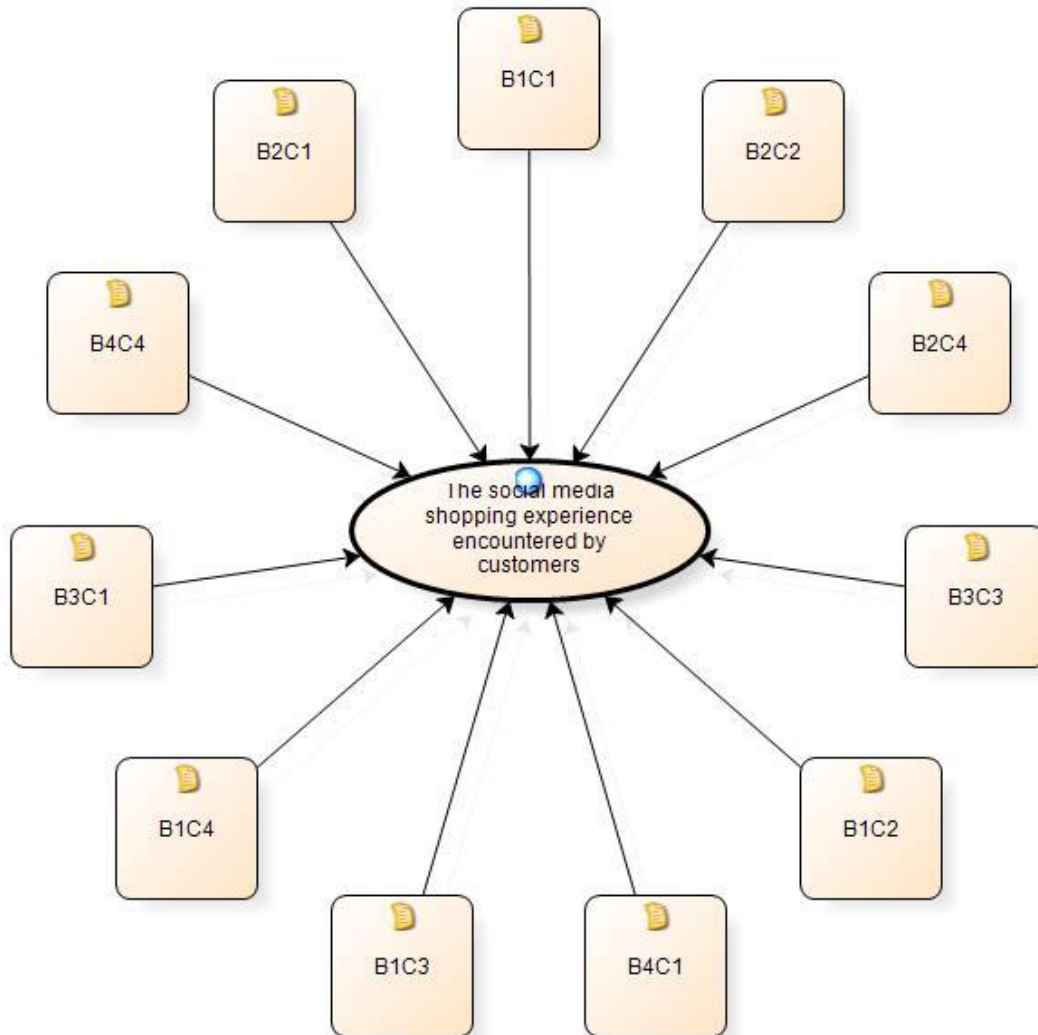
Diagram 10:   An illustration of the 10th theme 'The social media shopping experience encountered by customers', with the coded names of the participants who raised issues relating to this theme.
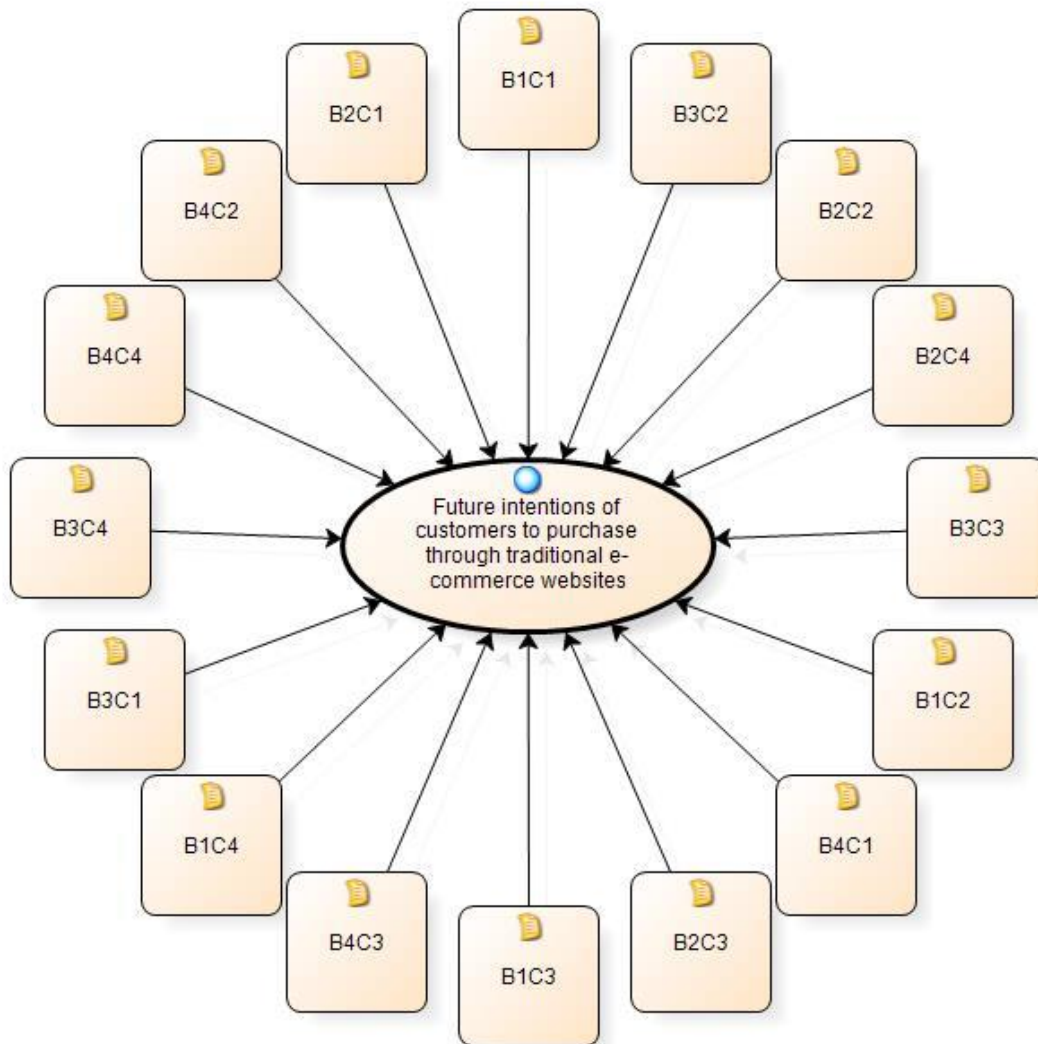
Diagram 11: An illustration of the 11th theme 'Future intentions of customers to purchase through traditional e-commerce websites', with the coded names of the participants who raised issues relating to this theme.