

## Social Media and Marketing Performance of Micro, Small and Medium Enterprises: The Moderating Role of Entrepreneurial Competencies

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### Abstract

*The study examined social media and marketing performance of micro, small and medium enterprises (MSMEs): The moderating role of entrepreneurial competencies. The study adopted cross-sectional survey research design. A structured questionnaire was used to obtain data from 327 operators of MSMEs. The hypotheses were tested using multiple linear regression and hierarchical regression. Findings from the study revealed that social network and media-sharing network had a significant positive effect on the marketing performance of MSMEs. It was also found that entrepreneurial competencies had a significant moderating effect on the relationship between social media and the marketing performance of MSMEs. The study recommends need for operators of MSMEs to intentionally acquire entrepreneurial competencies such as risk-taking, innovation, technical expertise and resilience through mentorship, personal development and sponsored skills acquisition programmes to enhance their marketing performance.*

**Keywords:** Social Media, Social Network, Media-Sharing Network, Marketing Performance, Entrepreneurial Competencies.

### Introduction

At its emergence, social media was developed to facilitate communication of information and sharing of contents between and among people in societies around the world (Tuten, 2020). The initial intention was to have a virtual platform that would integrate the world into a global community where individuals could interact, socialize, learn from each other and share contents meant for personal uses (Juan & Sydney, 2016). However, as social media tools became more advanced, far-reaching, interactive and widely circulated, business organizations realized new opportunities to target, reach and bring their products and services closer to millions of customers in a speedy, less expensive and more effective manner. The application of social media by business organizations for marketing purposes, therefore culminated in the emergence of a new marketing tool known as social media marketing (Carlos, 2018). The adoption of social media by business organizations has also drawn the attention of the business community towards social media with the intention of harnessing it to improve the performance of business organizations (Pongwe & Churk, 2022).

As a marketing tool, social media is utilized by business organizations to elicit customers' feedback regarding their products and services; deliver advertising campaigns to specific target audiences; elicit and resolve customers' complaints/enquiries; and persuade customers to patronize their products and services (Savitri *et al.*, 2022). Social media has been referred to as a catalyst for growth and improved performance of business organizations around the globe since its adoption as a marketing tool (Charoensukmongkol & Sasatanun, 2017; Suharto *et al.* 2022). In the view of Zawadi and Makena (2019), social media is increasingly gaining prominence in the business world as it provides an enormous opportunity for companies to closely connect with millions of customers, communicate with them and retrieve customers' feedback about their products, services and promotional campaigns. In advanced societies, social media platforms such as Facebook, Twitter, Instagram, YouTube and WhatsApp have been responsible for the growth of micro,

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small and medium enterprises; however, the application of social media by MSMEs in developing African countries, such as Nigeria is still confronted by constraining factors such as computer illiteracy and lack of technical know-how (Ihemebiri *et al.*, 2022 & Adegbuyi *et al.*, 2015).

However, the application of social media as a marketing tool by micro, small and medium enterprises (MSMEs) is still limited, because presumably most MSMEs lack the entrepreneurial competencies to fully adopt and utilize social media for marketing purposes despite its enormous potential. The non-adoption of social media by MSMEs may be as a result of technical competencies such as lack of computer literacy among MSMEs operators, which entails that they may not have adequate knowledge of how to effectively market their products and services on social media platforms. Also, the risk of cybersecurity breaches, hacking and online theft of business information online may also prevent MSMEs from adopting internet marketing tools such as social media. For the foregoing reasons, some MSMEs do not have a functional social media channel through which they can communicate with customers and make quick sales.

Consequently, they continue to operate with the traditional marketing communication methods relying on word of mouth, and personal relationships with customers in an attempt to grow their businesses, which may be less effective than social media. Overall, due to the inability of MSMEs to harness and exploit the potential of social media for marketing purposes, their performance (in terms of customer satisfaction, sales volume and profitability) may be adversely affected. Against this backdrop, this study examines social media and marketing performance of micro, small and medium enterprises: the moderating role of entrepreneurial competencies.

## Literature Review

### *Theoretical Framework*

#### *Dynamic Theory of Innovation*

The dynamic theory of innovation was developed by Taylor *et al.* (2002) in response to the high rate of failure experienced by conservative business organizations brought on by environmental changes and globalization. The theory arose to provide an explanation as to why conservative business organizations were left behind as the environment evolved with time. The basic assumption of the dynamic theory of innovation is that organizations exist in a dynamic environment; one that is fast moving, fast changing and fast evolving, therefore achieving sustainable competitive advantage in such a dynamic environment requires organizations to adapt, adjust and innovate in order to keep abreast of latest trends in the industry (Taylor *et al.*, 2002). According to the theory, a successful organization is one that is constantly in the process of adapting, adjusting and innovating in order to achieve sustainable competitive advantage. The theory posits that organizations can adapt and innovate in four (4) ways, namely: technology, methods and processes, corporate orientation and personnel.

**Technology:** Technology is the application of science and scientific methods to the production of goods, provision of services and betterment of human life. As time advances, new technologies are being developed and commercialized on the open market. It is essential for organizations to be apprised of new technological trends in their chosen industries and to consistently adopt these technologies in their operations (Taylor *et al.*, 2002). As a result of the advent of new technologies, most business operations are mechanized and controlled electronically using the internet or some software programmes.

**Methods and processes:** As human education and ingenuity increases, new methods and processes of conducting business operations are developed (Taylor *et al.*, 2002). Technology also revolutionizes business operations, giving rise to new ways and processes of doing things. Businesses are constantly switching from manual business operations to automatic processes in order to save cost, time and increase productivity and efficiency.

**Corporate orientation:** Corporate orientation is the guiding philosophy prevailing in a particular organization. While some organizations are conservative in their philosophies and cultures, modern

organizations are liberal; open to change and adjustments as time goes on. For an organization to be successful in today's environment, Taylor *et al.* (2002) argued that rigid corporate norms should be eliminated. The organization needs to be free thinking, forward looking and open to new ideas, orientations and philosophies that are compatible with the mission and objectives of the organization.

**Personnel:** It is imperative to note that an organization is as good as the quality of personnel it employs. Employees are the interior pillars of an organization; they possess the power to make or break an organization from within. Hence, to achieve sustainable competitive advantage, Taylor *et al.* (2002) argued that an organization needs to have a set of pre-recruitment and regular on-the-job training programmes designed to consistently educate, enlighten and equip employees with the knowledge, behaviour, skills and expertise required in the present and future times.

The relevance of the dynamic theory of innovation to the study is that it suggests that micro, small and medium enterprises (MSMEs) exist in a dynamic environment – one that is fast moving, fast changing and fast evolving, therefore achieving sustainable competitive advantage (in terms of improved marketing performance) in such a dynamic environment requires them to adapt, adjust and innovate in order to keep abreast of latest industry trends. It can be implied from the theory that a successful MSME is one that is constantly in the process of adapting, adjusting and innovating its marketing strategies in order to achieve sustainable competitive advantage. As such, the theory posits that MSMEs could adapt and innovate in four (4) ways, including technology, which is the central focus of this study. Accordingly, the theory suggests that MSMEs can adapt and innovate technologically using social media such as social networks and media-sharing networks to enhance their marketing performance in the Nigerian MSMEs industry.

#### Conceptual Framework

This study examined the effect of social media on marketing performance of micro, small and medium-scale enterprises (MSMEs): The moderating role of entrepreneurial competencies. Its purpose was to explore the moderating effect of entrepreneurial competencies on the relationship between social media and marketing performance of MSMEs.

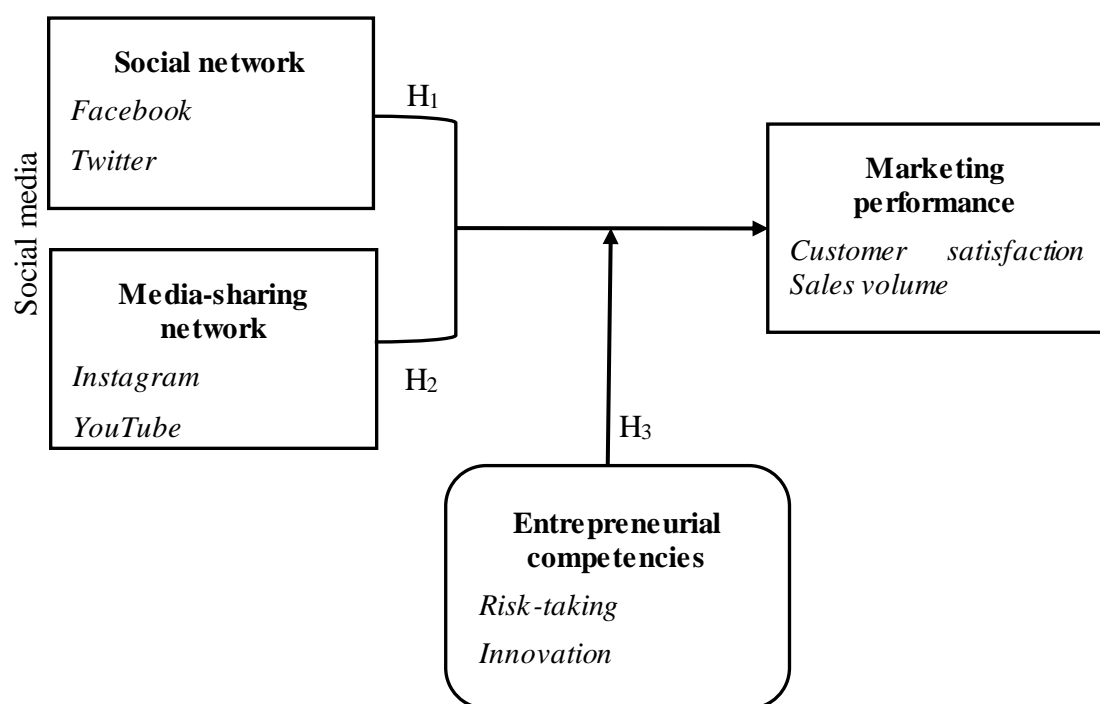


Fig. 1: Conceptual Model of the Study

**Source:** Parameters of independent variable adapted from Kakkar (2018). Parameters of dependent variable adapted from Gotteland *et al.* (2020). Parameters of moderating variable adapted from Ahmad *et al.* (2018); Kimani and Mobango (2021).

### *Social Media*

Social media is a collection of online communications channels dedicated to community-based input, interaction, content-sharing and collaboration. It includes interactive computer-mediated technologies that facilitate the creation and sharing of information, ideas, career interests and other forms of expression via virtual communities and networks. Social media is a computer-based technology that facilitates the sharing of ideas and information and the building of virtual networks and communities (Strauss & Frost, 2018; Carr & Hayes, 2015 & Parker, 2016). Social media marketing is the way organizations reach their customers with information about their brand or product on the web using tools and websites that allow a conversation to take place between the organization and its target audience. It provides a virtual space where people can express and exchange opinions; disseminate and control messages; reach out to friends or family on a daily basis. By design, social media is internet based and offers users easy electronic communication of personal information and other content, such as videos and photos. Users engage with social media via computer, tablet or Smartphone via web-based software or web application, often utilizing it for messaging. It is a tool used to describe the type of media that is based on conversations and interactions between and among people online (Fuchs, 2021).

According to Nisrina (2019), the emergence of social media tools (such as Facebook, Twitter, Instagram and YouTube) has created platforms for individuals and organizations to create or shape certain behavioural tendencies in their audiences by enabling the rapid, far-reaching, and widespread dissemination of messages and other contents from the comfort of their homes or business places. The characteristics of social media are what differentiate social media from other forms of mass communication such as television and radio. According to Chen (2014), these social media characteristics include: community, social connection, openness, speed, accessibility, participation and conversation. These unique characteristics have made social media a highly-preferred communication channel by business organizations in this digital age, therefore facilitating the practice of social media marketing (Zuhdi *et al.*, 2019). Social media marketing has become the most popular and commonly adopted marketing strategies especially among small, and medium-sized enterprises because of its reach, accessibility, flexibility, controllability and cost-efficiency (Charoensukmongkol & Sasatanun, 2017).

### *Social Network and Marketing Performance of Msmes*

A social network is an internet-based media programme that facilitates connections with friends, family, colleagues, or customers. It allows people with similar interests to come together and share information, photos and videos (Kenton *et al.*, 2022). Alternatively known as a virtual community or profile site, a social network is a website that brings people together to talk, share ideas and interests, or make new friends. This type of collaboration and sharing is known as social media. Unlike traditional media that is created by no more than ten people, social media sites contain content created by hundreds or even millions of different people. According to Goulart (2022), people engaged in social networking may be doing so as a personal or a business endeavor. Those who engage on social network sites as a personal endeavor interact by using various forms of media to discuss their lives and interests. The most popular social networks for this type of familiar interaction include Facebook, Google+ and Twitter. For Kenton *et al.* (2022), the term social networking refers to the use of internet-based social media sites to stay connected with friends, family, colleagues, customers, or clients. Social networking can have a social purpose, a business purpose, or both, through sites like Facebook, Twitter, LinkedIn, and Instagram.

Social networking is also a significant base for marketers seeking to engage customers. Facebook remains the largest and most popular social network, with 2.91 billion people using the platform on a monthly basis, as of Dec. 31, 2021 (Mohsin, 2021). Twitter, WhatsApp and Pinterest are the next most popular, according to Statista (2021). In Nigeria, Facebook is estimated to have a total population of 43.65 million users as of 2023 (Kemp, 2023). Twitter amassed a total of 4.95 million users in Nigeria in the same period, while

WhatsApp was estimated to serve up to 90 million users as of the end of 2022 (Sasu, 2022). As more Nigerians get access to mobile communication technologies and as internet band-width access expands in the country, social networking sites are getting more site visitors and users than ever before. This is also a business opportunity for companies, including MSMEs to target and promote their offerings to a wide base of customers without geographical barriers. As such, Gavino *et al.* (2019) argued that as a major form of social media, social networks are increasingly being adopted and used by businesses to accelerate the effectiveness and efficiency of their marketing processes. This viewpoint implies that social networks can be utilized by businesses to improve marketing performance. Thus, this study hypothesizes that:

H<sub>1</sub>: Social network has no significant effect on the marketing performance of MSMEs

#### *Media-Sharing Network and Marketing Performance of Msme*

A media-sharing network is a website that enables users to create, store and share their multimedia files (photos, videos, and music) with others (Randy, 2021). Such sites are often freemium-based, providing a modest amount of free storage and paid subscriptions for greater storage. The media is played/viewed from any web browser and may be selectively available via password or to the general public. A media sharing site can also be used to back up files. In the view of Henderson (2019), media-sharing sites permit users to upload photos, videos as well as audio to a website which can be retrieved from anywhere in the world. It is then possible for users to share that media with the world or just a select group of friends. According to Randy (2021), media-sharing platforms allow businesses to create images and videos that portray the image and value of the brand as well as to expand their influence and support to a targeted base of users. Media-sharing networks are important components of social media used by business organizations to interact with target customers and to promote their brands in the face of competitive pressures.

Some of the most prominent ones are Instagram, YouTube and TikTok. Instagram has grown to become a versatile media-sharing network that allows businesses, including MSMEs to create and share short videos, texts, images, photos and branded content useful in promoting their business profiles (Wang *et al.*, 2017). Unlike Instagram, YouTube enables businesses, including MSMEs to create and share both long and short video clips with a global pool of followers at the click of a button (Burgess *et al.*, 2017). TikTok is also a media-sharing channel that allows businesses to create and share short but engaging video clips and photos to followers in order to grow their online presence. Business organizations around the world and in Nigeria are fast taking advantage of these media-sharing sites to market their products and services. In the early part of 2023, Instagram was estimated to serve a total subscriber base of 7.10 million in Nigeria (Kemp, 2023). In the same period, YouTube was estimated to have a total subscriber base of 31.60 million in Nigeria, while TikTok's total subscriber base was estimated to be 16.21 million in the same period (Pelina, 2023). These statistics indicate that there is a growing market for social media-based businesses in Nigeria, which is currently being exploited by businesses for marketing gains. Thus, this study conjectures that:

H<sub>2</sub>: Media-sharing network has no significant effect on the marketing performance of MSMEs.

#### *Entrepreneurial Competencies*

Entrepreneurial competencies comprise a set of knowledge, skills, abilities, values, attitudes, personality and expertise possessed by entrepreneurs, which enable them to compete and grow their business effectively and efficiently (Al Mamun *et al.*, 2016). It is the totality of learned and natural skills, talent, personality, attitude, habit, expertise and behaviours that are required by entrepreneurs to enable them navigate their daily commercial operations profitably, effectively and efficiently. Generally, they fall into the following broad categories: body of knowledge, set of skills and cluster of appropriate motives/traits. In the views of Ibidunni *et al.* (2021), entrepreneurial competencies can be defined as underlying characteristics such as generic and specific knowledge, motives, traits, self-images, social roles and skills that result in venture birth, survival, and/or growth. Competence is a combination of knowledge, skills and appropriate motives or traits that an individual must possess to perform a given task. Thus, the success of an entrepreneur is governed by entrepreneurial competencies. If they have all the requisite competencies, then they can be



expected to achieve their entrepreneurial goals. This entails that the success of an entrepreneurial venture depends on the inherent viability of the venture, and the way it is planned, implemented and managed.

According to Tehseen and Ramayah (2015), entrepreneurs must have a set of competencies that enables them to manage their businesses effectively. These competencies include communication skills, financial management, marketing, leadership, and strategic planning. Effective communication skills are crucial in building relationships with customers, suppliers, and employees, and in negotiating deals. Financial management skills are vital for managing cash flow, budgeting, and forecasting. Effective financial management skills enable entrepreneurs to avoid financial distress and bankruptcy, which is a leading cause of MSMEs' failure. Marketing skills help entrepreneurs to identify customer needs, create brand awareness, and promote their products or services effectively. In addition, marketing skills enable entrepreneurs to understand customer needs and preferences, develop products or services that meet those needs, and create strong brand awareness. Leadership skills are essential in guiding and motivating employees towards achieving business objectives, while strategic planning enables entrepreneurs to set long-term goals and develop strategies to achieve them.

Competent entrepreneurs can identify and exploit business opportunities, mitigate risks, and make informed decisions. As the global economy becomes more complex, businesses must continuously innovate, adapt, and improve to remain competitive. MSMEs that lack the necessary competencies to succeed are at risk of failure or stagnation. Thus, this study hypothesises that:

H<sub>3</sub>: Entrepreneurial competencies have no significant moderating effect on the relationship between social media and marketing performance.

#### *Marketing Performance and Its Dimensions*

Marketing performance is the effectiveness and efficiency of the marketing function or efforts of an organization over a specific period of time (Zawadi & Makena, 2019). It is how cost-efficient and revenue-effective the marketing activities of an organization have been in comparison with its marketing objectives and goals. It measures the degree to which a company's established marketing objectives and goals are achieved by its marketing initiatives over a period of time. According to Abdul *et al.* (2016), while assessing marketing performance, an organization evaluates the contributions of its marketing mix strategy to performance in order to determine the most significant contributing elements and the least contributing elements so that remedial actions can be taken. In the event where certain marketing mix elements are found to be positively and significantly contributing to marketing performance, such elements are intensified and reinforced so as to enhance performance. Alternatively, if the elements are not contributing significantly, a strategic marketing manager should withdraw them from the marketing mix in order to prevent them from subverting performance over the long haul.

In the view of Zawadi and Makena (2019), periodic evaluation of marketing performance is fundamental to a firm's ability to achieve competitive advantage in its chosen industry in the following ways: periodic performance assessment enables an organization to know how marketing resources are being spent and whether or not they yield meaningful returns on investment; it enables a firm to carefully allocate its resources to strategies, campaigns and programmes that are contributing significantly to performance; it exposes the weaknesses or ineffectiveness of some marketing strategies, campaigns and programmes, thereby enabling managers to take corrective measures; it provides information on the marketing initiatives and strategies of a company over the past years with a view to developing a new set of strategies to effectively achieve marketing objectives in the future, among others. According to Hacıoğlu and Gök (2013), companies evaluate marketing performance because of the following reasons: monitoring marketing progress towards its annual goals; determining what areas of the marketing mix – product, price, place, and promotion – need modification or improvement to increase some aspect of performance; and assessing whether company goods, services, and ideas meet customer and stakeholder needs. The dimensions of marketing performance measurement, in the view of Abdul *et al.* (2016) include: return on investment, profitability, sales volume, market share, customer patronage, customer retention, and innovation.

## Methodology

This study adopted cross sectional survey research design by using a structured questionnaire to obtain data from operators of MSMEs (eateries, convenience stores and rentals). In applying cross-sectional survey research design, the data-collection procedure was not repeated over an extended period of time. Instead, data were obtained from respondents on a one-time basis within a short period of time, thereby minimizing time and effort involved in data collection. The study was conducted in Calabar, the capital of Cross River State. Since the population of the study was numerically unknown or infinite, the researcher relied on the Topman sample size determination procedure to statistically determine the sample size of the study. This procedure is based on the Topman formula which states thus:

$$n = \frac{Z^2Pq}{e^2}$$

Where	n:	Sample size required
	Z:	Tabular statistical unit (1.96)
	P:	Probability of positive response (0.44)
	q:	Probability of negative response (0.56)
	e:	Margin of error (5 percent)

To obtain the probabilities of positive and negative responses (P and q respectively), the researcher conducted a pilot survey in April, 2023 by interviewing a random selection of 50 shop owners in four major business hubs in Calabar, namely: Etta-Agbor, Marian, Goldie and Mount Zion Roads. The shop owners were asked to identify the enterprise category they belong to, based on their capital base (not more than N100 million Naira) and number of employees (less than 100 employees). Out of the 50 respondents interviewed, 22 respondents or 44 percent said that their capital base was below N100 million and employee population was below 100; while 28 respondents or 56 percent said that their capital base was above N100 million and employee population above 100. From the result of the pilot survey above, the Probability of Positive Responses (P) is 0.44, while the Probability of Negative Responses is 0.56. By simple substitution, the Topman formula was applied thus:

$$\begin{aligned} n &= \frac{1.96^2(0.44 \times 0.56)}{0.05^2} \\ &= \frac{3.8416(0.2464)}{0.0025} \\ &= \frac{0.9466}{0.0025} \\ &= 378.64 \end{aligned}$$

n = 379 MSMEs operators approximately

This study adopted cluster random sampling to locate operators of MSMEs to participate in the questionnaire survey. Given that MSMEs are not all operating in a single location within the study area, but are scattered across, the study area was broken into 2 distinct clusters – Calabar South and Municipality.

Following this procedure, a total of 379 MSMEs operators were selected to participate in the questionnaire survey for the study.

This study was based on primary data obtained from operators of MSMEs Metropolis with the aid of a structured questionnaire. To obtain primary data for the study, the researcher used a 5-point Likert scale questionnaire adapted from existing studies. The instrument comprised two sections; namely: Section A (which collected data on respondents' demographic characteristics such as age, gender, marital status, and educational qualifications) and Section B (which contained statements adapted from existing studies to measure the variables of the study). The statements (1-6) measuring the independent variables (social network and media-sharing network) were adapted from Kakkar (2018). The statements (7-9) measuring the dependent variable (marketing performance) were adapted from Gotteland *et al.* (2020), while the statements (10-13) measuring the moderating variable (entrepreneurial competencies) were adapted from Ahmad *et al.* (2018); Kimani and Mobango (2021). The opinions of respondents were measured on the following 5-point Likert scale: Strongly Agree (SA = 5 points), Agree (A = 4 points), Undecided (U = 3 points), Disagree (D = 2 points) and Strongly Disagree (SD = 1 point).

The instrument of the study was confirmed for reliability through the Cronbach alpha reliability procedure. A pilot survey was conducted by administering draft copies of the questionnaire to a random selection of 50 shop owners at Watt Market, Calabar, who were ultimately excluded from the actual study. The selected respondents were debriefed and guided on how to accurately respond to the questionnaire statements to minimize erroneous responses. Subsequently, the data obtained were coded and entered into the Statistical Package for the Social Sciences (SPSS 23) for reliability analysis. The questionnaire was hence deemed reliable and adopted for the study, because all its measurement scales generated Cronbach's alpha coefficients not less than the benchmark of 0.7 as displayed in Table 1.

**Table 1.** Summary of Reliability Results

SN	Variables	No. of items	Alpha coefficients
1	Social network	3	.791
2	Media-sharing network	3	.871
3	Entrepreneurial competencies	4	.739
4	Marketing performance	3	.776
		<b>13</b>	

Source: Student's analysis via SPSS 2023

The study used descriptive statistics to analyze and interpret primary data obtained from respondents during the questionnaire survey. To generate findings for the study, hypotheses one and two were tested using multiple linear regression, while hypothesis three was tested using hierarchical regression with the aid of Process Macro in the Statistical Package for the Social Sciences (SPSS 23). Moderated regression or hierarchical regression was considered necessary for this study because of the addition of a moderating variable to the regression model. This type of regression is used to determine the moderating effect of a variable on the relationship between an independent variable and a dependent variable (Anser *et al.*, 2018), which is the case in this study.

## Results and Discussion of Findings

### *Test of Hypotheses*

Hypothesis one: Social network has no significant effect on the marketing performance of MSMEs.

Hypothesis two: Media-sharing network has no significant effect on the marketing performance of MSMEs.



**Table 2.** Model Summary of The Effect of Social Media on The Marketing Performance of Micro, Small and Medium Enterprises (Msmes)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.613 <sup>a</sup>	.376	.372	.78779

a. Predictors: (Constant), social media

Source: Student's analysis via SPSS 2023

**Table 3:** ANOVA<sup>a</sup> of the effect of social media on the marketing performance of micro, small and medium enterprises (MSMEs)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	121.078	2	60.539	97.548	.000 <sup>b</sup>
	Residual	201.077	324	.621		
	Total	322.155	326			

a. Dependent Variable: Marketing performance

b. Predictors: (Constant), Social media

Source: Student's analysis via SPSS 2023

**Table 4:** Coefficients<sup>a</sup> of the effect of social media on the marketing performance of micro, small and medium enterprises (MSMEs)

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.177	.167		1.059	.000
	Social network	.116	.060	.307	1.928	.001
	Media-sharing network	.784	.081	.541	9.709	.000

a. Dependent Variable: Marketing performance

Source: Student's analysis via SPSS 2023

The results presented in Tables 2 to 4 explain the effect of social media on the marketing performance of MSMEs. From the correlation coefficient ( $R = 0.613$ ) presented in Table 2, it can be seen that social media is related with the marketing performance of MSMEs by 61.3 percent. This is a high degree of relationship between the variables. From the regression coefficient ( $R^2 = 0.376$ ), it can be said that social media accounts for up to 37.6 percent of the variation in the marketing performance of MSMEs. This indicates that if other variables remain constant, a unit change in social media usage will result in a 37.6 percent increase in the marketing performance of MSMEs. The results presented in Table 3 indicates that the effect of social media on the marketing performance of MSMEs is statistically significant ( $F = 97.548$ ;  $p$ -value  $< 0.05$ ). Furthermore, the results presented in Table 4 displays the contribution of all social media dimensions to the regression model. With a standardized beta coefficient of 0.541 (or 54.1 percent), the result shows that media-sharing network had the highest contribution to the model. Social network emerged the second-highest contributor to the model with a standardized beta coefficient of 0.307 (or 30.7 percent). Also, given that the  $p$ -values of both social network ( $p$ -value = 0.001;  $t = 1.928$ ) and media sharing network ( $p$ -value = 0.000;  $t = 9.709$ ), both null hypotheses are rejected for the corresponding alternative hypotheses. Hence, this led to the conclusion that social network and media-sharing network had significant positive effects on the marketing performance of MSMEs.

Hypothesis three: Entrepreneurial competencies have no significant moderating effect on the relationship between social media and marketing performance of MSMEs.

**Table 5:** Model summary of the relationship between social media and the marketing performance of MSMEs as moderated by entrepreneurial competencies

R	R Square	MSE	F	df1	df2	P
.7548	.5687	.4292	142.5407	3.0000	323.0000	.0000

Source: Student's analysis via SPSS Process Macro 2023

**Table 6:** Model showing the moderating effect of entrepreneurial competencies on the relationship between social media and marketing performance of MSMEs

	Coefficients	SE	T	P	LLCI	ULCI
Constant	-1.0611	.3706	-2.8633	.0000	-1.7903	-.3320
Social media	.8545	.1673	5.1088	.0000	.5255	1.1836
Marketing performance	1.2608	.1960	6.4332	.0000	.8752	1.6463
Interaction_1	-.2584	.0794	-3.2559	.0013	-.4145	-.1023

Product terms key:

Interaction\_1: Social media x marketing performance

Source: Student's analysis via SPSS Process Macro 2023

Table 6 presents the results of the relationship between social media and the marketing performance of MSMEs as moderated by entrepreneurial competencies. The correlation coefficient ( $R = 0.7548$ ), indicates that with the introduction of the moderator (entrepreneurial competencies), the relationship between social media and marketing performance of MSMEs increased to 75.5 percent. The R-square value of 0.5687 indicates that the effect of social media on the marketing performance of MSMEs increased to 56.9 percent with the introduction of entrepreneurial competencies as moderator. This implies that a unit change in the acquisition of entrepreneurial competencies will result in a 56.9 percent increase in the effect of social media on the marketing performance of MSMEs. Similarly, the results presented in Table 6 revealed that the entrepreneurial competencies (interaction\_1) significantly moderates the relationship between social media and the marketing performance of MSMEs, because the  $p$ -value = 0.0013, which is less than the error margin of 0.05. Hence, null hypothesis three is rejected and the corresponding alternative hypothesis is accepted.

## Discussion of Findings

From the test of hypothesis one, it was revealed that social network has a significant positive effect on the marketing performance of MSMEs. This finding is supported by the study of Ainin *et al.* (2020), which revealed that the adoption of social networks by SMEs significantly and positively influenced their performance during COVID-19 in Bangladesh. The finding is also backed by the study of Alananzeh *et al.* (2021), which revealed that social networks had significant positive relationships with the marketing performance of SMEs in the Jordanian textile industry. In the context of this study, the implication of this finding is that the adoption of social networks such as Facebook, Twitter and WhatsApp could enable operators of MSMEs to substantially improve their firms' marketing performance.

Similarly, the test of hypothesis two revealed that media-sharing network has a significant positive effect on the marketing performance of MSMEs. This finding is reinforced by the study of Bruce *et al.* (2022), which revealed that media-sharing networks had a significant positive impact on SMEs resilience and sustainability in the Ghanaian manufacturing industry. The finding is also supported by the study of Abu-Fatool and Habeeb (2019), which revealed that media-sharing platforms had a significant positive effect on

the marketing performance of Iranian SMEs. In the context of this study, the implication of this finding is that the adoption of media-sharing networks such as Instagram, YouTube and TikTok could enable operators of MSMEs to substantially improve their firms' marketing performance.

Finally, the test of hypothesis three revealed that entrepreneurial competencies have significant moderating effects on the relationship between social media and marketing performance of MSMEs. This is an emerging empirical evidence supporting the moderating effect of entrepreneurial competencies on the relationship between social media and marketing performance in the context of MSMEs in Nigeria. The implication of this finding in the context of this study is that the possession of entrepreneurial competencies such as risk-taking, innovation, technical expertise and resilience increases the ability of operators to utilize social media to improve marketing performance. As such, the acquisition of more entrepreneurial competencies will improve the effect of social media campaigns on the marketing performance of MSMEs.

## Conclusion

In the face of intense competition, dynamic technological trends and changes in the business ecosystem, commercial enterprises have adopted several innovative strategies to support their operations. Social media is one of such innovative systems, which has witnessed monumental adoption by business organization as a consequence of the growing pace of global digitization. This study was designed to explore how the application of social media influenced the marketing performance of MSMEs with entrepreneurial competencies as a moderator. Its purpose was to determine the moderating effect of entrepreneurial competencies on the relationship between social media and marketing performance of MSMEs. Through a structured questionnaire survey, primary data were obtained from 327 operators of MSMEs. Using descriptive and inferential statistics, the data obtained were analyzed and tested statistically. The findings emerging thereof revealed that social network and media-sharing network had a significant positive effect on the marketing performance of MSMEs. It was also found that entrepreneurial competencies had a significant moderating effect on the relationship between social media and the marketing performance of MSMEs. As such, the study concluded that the relationship between social media and marketing performance of MSMEs is significantly moderated by entrepreneurial competencies. This implies that the acquisition of competencies like risk-taking, innovation, technical expertise and resilience by operators of MSMEs will improve the effectiveness of their social media campaigns at boosting marketing performance. Consequently, a competent MSMEs operator is more likely to achieve more marketing success from social media campaigns than one with less competencies.

## Recommendations

In consideration of the findings of the study, the following recommendations are presented for possible implementation:

1. Operators of MSMEs should intensify their utilization of social networks such as Facebook, Twitter and WhatsApp for marketing purpose such as promotion and customer service in order to boost customer patronage, satisfaction and loyalty. Social networks are becoming ubiquitous and used daily by tons of customers around the world. As such, it provides an inexpensive and flexible platform for MSMEs to promote their offerings, take and deliver customers' orders and satisfy customers' demands in an efficient manner.
2. Operators of MSMEs should increase the roles of media-sharing networks in their marketing campaigns by utilizing tools such as Instagram, YouTube and Tiktok to promote video content about their offerings to customers to encourage patronage. The key advantage of media-sharing networks is their ability to create and promote engaging video and image content capable of attracting the attention of customers. By using these networks for promotional purposes, operators of MSMEs can take advantage of a variety of multimedia tools to create and share promotional content with customers around the world to attract patronage and make sales.

3. There is need for operators of MSMEs to intentionally acquire entrepreneurial competencies such as risk-taking, innovation, technical expertise and resilience through mentorship, personal development and sponsored skills acquisition programmes. The acquisition of more skills, especially digital skills will increase the ability of operators to better utilize social media tools to boost their marketing performance in today's rapidly digitized society.

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