

VOLUME 01, ISSUE 02



Department of Management and Organization Studies Faculty of Management and Finance University of Colombo

Volume 1 Issue 2, May 2024

Editorial Committee (2024)

Professor Sashika Manoratne (Head of the Department) Professor Kumudinei Dissanayake Dr. Seuwandhi B. Ranasinghe

Editorial Assistant

Ms. M. Shanika Dilhani Senavirathna Mr. W. Udula Subodha Vaas

Published by

Department of Management and Organization Studies Faculty of Management and Finance University of Colombo Colombo 03, Sri Lanka

ISSN 3021-6362

© 2024 by Department of Management and Organization Studies All rights reserved

Volume 1 Issue 2

May 2024

CONTENTS

Upcycling	1-9
R.A.I. Roshani and K.A.S.P. Kaluarachchi	
Export Performance of SMEs	10-19
Wedige Budvi Ramalka De Silva, Abegunawardhana Liyana	
Arachchige Sewwandi Madhushika Dewasiri, Wedagedara Supuni	
Udara Gunarathne and Kumudinei Dissanayake	
Online Purchase Intention	20-28
H.P.N. Nimasha and J.C. Athapaththu	
Career Stagnation	29-38
H.M.A.M. Herath and M.S.D. Senavirathna	
Social Media Advertising in Small and Medium-sized Enterprises	39-48
W.M.I.D. Wanasinghe and J.C. Athapaththu	

Vol. 1, No. 2, May 2024

Upcycling

R.A.I. Roshani¹

K.A.S.P. Kaluarachchi²

Department of Management and Organization Studies, Faculty of Management and Finance, University of Colombo, Sri Lanka

Abstract

This paper presents an in-depth exploration of the concept of upcycling, focusing on its transformative potential in converting discarded materials into valuable resources. Drawing from recent research findings, the paper elucidates the role of upcycling at individual and consumer levels, shedding light on its implications for sustainable consumption and circular economy practices. Additionally, the paper delves into methodologies utilized in upcycling research, emphasizing the predominance of qualitative approaches used with semi-structured interviews. Finally, by identifying gaps in existing literature and proposing future research directions, the paper aims to contribute to a deeper understanding of upcycling and its potential for fostering socio-economic development, environmental sustainability, and cultural innovation.

Keywords: Circular Economy, Consumer Upcycling, Individual Upcycling, Recycling, Upcycling

¹ Corresponding author: imalkaroshini494@gmail.com

² Supervisor of the research project

1. Upcycling

The expression 'from trash to treasure' highlights the potential that exists within waste streams by capturing the transforming process of reusing wasted materials into valuable resources. This expression captures the imaginative and environmentally conscious spirit of upcycling, which transforms unwanted objects into treasured goods via inventive techniques. 'Upcycling', is still a relatively new word, although the term emerged in the 1990s and has a wide range of usages and definitions. It is frequently used to refer to the process of maintaining high quality materials or products in a closed-loop industrial cycle (Martin & Eklund, 2011).

Various scholars and researchers have provided different definitions and interpretations about Upcycling. As stated by Wegener and Aakjaer (2016), 'upcycling' is the process of reusing (discarded objects or material) in such a way as to create a product of higher quality or value than the original. According to the Oxford Dictionary (2019, p.613), upcycling is defined as "reusing in such a way as to create a product of higher quality or worth than the original." It is the upgrading of items by giving them a new purpose that was not anticipated in advance (Wilson, 2016). Frank (2013) claims that upcycling is an economical way to create something useful for next to nothing. One aspect of sustainability that helps minimize excessive product material waste is upcycling (Bin et al., 2022). In their book Upcycling, McDonough and Braungart (2013, p.126) the pioneers of descriptive recycling, give a very broad definition of upcycling, stating that it involves "optimizing the materials, ingredients, and process pathways in such a way that waste is converted to raw materials for nature or some other industry." One method for repurposing "waste" is upcycling. In addition, Upcycling is frequently thought of as a process whereby discarded materials are given a second life as something of higher value and/or quality. It is becoming more widely acknowledged as a potential way to cut down on material and energy use (Sung & Sung, 2015).

However, upcycling is a new subject of research and practice in academia with emerging interest. Upcycling has diverse definitions when it comes to individuals and homes (Bridgens et al., 2018), creative entrepreneurs and SMEs (Fletcher & Grose, 2012), and industry (Cassidy & Han, 2017). This explains the various definitions offered by academics and used by practitioners; some see upcycling as an improvement over recycling, while others restrict it to actions that repurpose and reuse goods and "materials that are either discarded or are not being used anymore" (Fletcher & Grose, 2012, p.26) to produce higher-value products (Janigo & Wu, 2015).

2. Recent Research Findings around the Concept of Upcycling

2.1 Individual Upcycling

According to Sung et al. (2014) individual upcycling is defined as the manufacture of a product from old materials that is of greater quality or worth than its component parts and is especially pertinent to product attachment. Further, this is due to the fact that upcycling, as a creative, active user activity, may provide the sensations of special memories and pleasure are all potential factors in product attachment.

2.2 Consumer Upcycling

Upcycling is a type of practice included within the circular economy. Consumer upcycling (Bhatt et al., 2019), as used in the context of the circular economy, is the process by which consumers convert or repurpose unwanted item(s) into a product that has a value equivalent to or greater than the present worth of its component(s) (Sung et al., 2014). The circular economy is enabled and facilitated by consumer upcycling in a variety of ways. First, according to Bridgens et al. (2018) and Coppola et al. (2021), consumer upcycling is one of the least resource-intensive strategies to increase product lifespan. Few external factors (such as infrastructure and logistical systems) and raw materials are required in this grassroots circular economics activity, and resource quality is not compromised. Second, consumer upcycling supports and enhances the performance of businesses' circular economic oriented product lifetime extension (PLE) strategy, alongside reuse and consumer mending (Donati et al., 2020). Consumer upcycling gives consumers more influence inside the circular economic system and increases their knowledge of and sense of duty toward supporting circular economy.

3. Theories Explaining Upcycling

The following theories have been used in previous literature to explain the phenomenon of upcycling in relation to interpersonal behavior, planned behavior, and self-determination.

3.1 Theory of Interpersonal Behavior

According to Sung et al., (2014) the Theory of Interpersonal Behavior (TIB) framework in the form of social factors, affect/emotions, and attitude play a crucial role in forming intentions. Further, they argue that past behaviors have a significant impact on present behavior, and the influences from intentions and habits are moderated by facilitating conditions, which can be found in environments such as seen from the viewpoints of social practice (Sung et al., 2014). Jackson (2005) explains that social factors and emotions, along with attitude, play the key role

in forming intention, that past behavior exerts a significant influence on present behavior, and that the influences from intention and habits are moderated by facilitating conditions.

3.2 Theory of Planned Behavior (TPB)

The theory of planned behavior of Ajzen (1991) investigates the inclusion of role beliefs, personal norms, and subjective norms as significant social elements. In an effort to forecast behavior in people, he formulated this idea. According to the TPB, behavioral intention is influenced by perceptions of behavioral control, subjective norms, and attitude toward the behavior. Sung et al. (2019a) claim that this idea was created using individual upcycling as a basis. Normative beliefs are not included since they violate the subjective norm in TPB. Due to the lack of agreement throughout testing, self-concept was therefore eliminated. In TPB, perceived behavior control was one of the three direct predictors of intention (Sung et al., 2019b).

3.3 Theory of Self-determination

The self-determination theory is a well-known theory of social psychology which has also been used in studies examining the motives that drive consumers' pro-environmental behavior (Webb et al., 2013). Coppola et al. (2021) focuses on self-determination theory in consumer upcycling. Further, he has mentioned the extended range of extrinsic and intrinsic motivations underlying upcycling.

4. Conceptualization of the Concept of Upcycling

The theoretical foundations of upcycling must be defined and translated into real-world applications in a variety of fields in order for the notion to be conceptualized. Scholars have defined upcycling in a variety of ways, definitions range from the repurposing of discarded materials to the contemporary practice of turning garbage into higher-value products (Wegener & Aakjaer,2016). Clarifying the fundamental ideas and goals of upcycling, such as reducing material waste, optimizing resource efficiency, and fostering sustainability, is part of the conceptualization stage. Researchers also examine the subtle aspects of upcycling, such as how it fits within frameworks for the circular economy and how it might influence consumers to adopt more environmentally friendly behaviors (Sung et al., 2014; Cassidy & Han, 2017).

In addition, scholars often use the prism of sustainability to examine upcycling, linking to the circular economy and waste reduction. Shi et al., (2022) for instance embedding their study in

the circular economy context have explored consumer upcycling where consumers engage in the transformation or repurposing of unwanted objects to a product which has equal or higher value than the current value of its components.

5. Methodologies Used in Upcycling

Research on upcycling has adopted a variety of approaches, including qualitative, quantitative, and mixed methods. However, the majority of upcycling research has employed qualitative techniques, according to Sung et al. (2014). Qualitative approaches are employed by researchers across diverse domains, and they are particularly well-suited for collecting data in natural or real-world environments (Leedy & Ormrod, 2015). Almeida (2018) suggests that conducting a qualitative research design alongside a quantitative presentation of the data can yield more dependable conclusions and a larger picture than a qualitative study conducted alone. This is because the combined approach leverages the benefits of both research methodologies. This kind of methodology focuses on analyzing social nuances in order to fully explore and understand the interactions and lived experiences that are a part of people's or institutions' everyday lives (O'Leary, 2010).

Semi-structured interviews were the most commonly used method to collect data which includes the participant's views and experiences by Upcycling. Semi-structured interviews with the participants were employed in the study by Sung et al., (2019b). A semi-structured interview with twenty-three UK individuals who have firsthand experience upcycling was carried out in order to gather insightful information about the practice in the country. Additionally, in his survey on the sustainable production and consumption of upcycling, Sung (2017) employed a semi-structured interviewing method. Semi-structured interviews offer a certain amount of framework, enabling the interviewer flexibility in the order and phrasing of questions but granting the chance to delve deeper when needed, according to Robson (2011). According to Monyaki (2022), the information obtained from the semi-structured interview sessions essentially addressed the study problem and provided sufficient responses to the research questions.

6. Diverse Contextual Background of the Past Research on Upcycling

Upcycling related research has been conducted in diverse contexts. Individual upcycling practice (Sung et al., 2014), consumer upcycling (Coppola et al., 2021), creative upcycling (Bridgens et al, 2018), future opportunities in upcycling (Jehanno et al., 2022) are some of

them. There were only few studies on upcycling in the Sri Lankan context (Jayasinghe & Arachchige, 2022).

In the United Kingdom, research on individual Upcycling has focused on insights for scaling up towards sustainable development. Scaling up individual upcycling may include making enthusiastic upcyclers become entrepreneurs, enabling more pragmatic makers to practice upcycling more frequently, and attracting non-makers to engage in making and Upcycling (Sung et al., 2014).

The creative upcycling study (Bridgens et al., 2018) argue that designing to enable creative upcycling allows the future lives of objects to be contingent on context and culture, rather than being prescribed by the designer, with potential for widespread social, economic and environmental benefits.

7. Directions for Future Research

There are gaps in the literature on upcycling in different sectors. Therefore, further studies could delve into the scalability and practical implementation of upcycling initiatives within different sectors, including manufacturing, construction, and consumer goods, to assess their broader impact on resource conservation and environmental sustainability.

Moreover, future research endeavors could focus on the socio-economic implications of upcycling, examining its role in fostering community engagement, promoting social entrepreneurship, and creating new avenues for economic development. By exploring the intersection of upcycling with social innovation and economic empowerment, researchers can uncover opportunities to address pressing societal challenges while promoting sustainable consumption and production patterns. Furthermore, longitudinal studies tracking the long-term environmental and economic outcomes of upcycling initiatives could provide valuable insights into their effectiveness and scalability over time, informing policymakers and stakeholders about the potential benefits and challenges associated with integrating upcycling into mainstream practices.

Lastly, future research directions could involve exploring the cultural dimensions of upcycling, investigating how cultural values, norms, and practices influence individuals' attitudes and behaviors towards upcycling. By understanding the cultural determinants of upcycling

adoption and acceptance, researchers can tailor interventions and strategies to effectively promote mainstream upcycling practices across diverse communities and contexts.

References

- Ajzen, I. (1991). The theory of planned behavior. Organizational Behavior and Human Decision Process, 50(2), 179–211. https://doi.org/10.1016/0749-5978(91)90020-T
- Almedia, F. (2018). Strategies to perform a mixed methods study. *European Journal of Education Studies*, *5*(1), 137-150.
- Bhatt, D., Silverman, J. & Dickson, M. A. (2019). Consumer interest in upcycling techniques and purchasing upcycled clothing as an approach to reducing textile waste. *International Journal of Fashion Design, Technology and Education*, 12(1), 118-128.
- Bin, S., Siti Mastura, M. I., Nazlina, S., Velu, P., & Wei, Y. (2022). Innovative collaborative design of ru porcelain shape based on digital shape technology. *Mathematical Problems in Engineering*, 2022(1), 1-9.
- Bridgens, B., Powell, M., Farmer, G., Walsh, C., Reed, E., Royapoor, M. & Heidrich, O. (2018). Creative upcycling: Reconnecting people, materials and place through making. *Journal of Cleaner Production*, 189, 118-128. https://doi.org/10.1016/j.jclepro.2018.04.168.
- Cassidy, T. D., & Han, S. L. C. (2017). Upcycling fashion for mass production. In T.D.Cassidy and S.L.C. Han (Eds.), *Sustainability in Fashion and Textiles*, (pp. 148–163).Routledge.
- Coppola, D., Lauritano, C., Palma Esposito, F., Riccio, G., Rizzo, C., & de Pascale, D. (2021). Fish waste: From problem to valuable resource. *Marine Drugs*, *19*(2), 116.
- Donati, J. F., Kouach, D., Moutou, C., Doyon, R., Delfosse, X., Artigau, E., & Steinmetz, T. (2020). SPIRou: NIR velocimetry and spectropolarimetry at the CFHT. *Monthly Notices* of the Royal Astronomical Society, 498(4), 5684-5703.
- Fletcher, K., & Grose, L. (2012). *Fashion and sustainability: Design for change*, Hachette UK.
- Frank, K. A. (2013). Psychoanalytic Participation: Action, Interaction, and Integration. Routledge.
- Jackson, T. (2005). Live better by consuming less?: is there a "double dividend" in sustainable consumption? *Journal of Industrial Ecology*, *9*(1-2), 19-36.

- Jayasinghe, R., & Arachchige, P. H. L. (2022). Upcycling: A New Perspective on Waste Management in a Circular Economy. In *Waste Technology for Emerging Economies* (pp. 237-274). CRC Press.
- Janigo, K. A., & Wu, J. (2015). Collaborative redesign of used clothes as a sustainable fashion solution and potential business opportunity. *Fashion Practice*, *7*(1), 75-97.
- Jehanno, C., Alty, J. W., Roosen, M., De Meester, S., Dove, A., & Chen, P. (2022). Critical advances and future opportunities in upcycling commodity polymers. *Nature*, 603(7903), 803-814.
- Leedy, P. D., & Ormrod, J. E. (2018). Practical research. Planning and design. *Journal of Applied Learning and Teaching*, 1(2). https://doi.org/10.37074/jalt.2018.1.2.15
- Martin, M., & Eklund, M. (2011). Improving the environmental performance of biofuels with industrial symbiosis. *Biomass and Bioenergy*, *35*(5), 1747-1755.
- McDonough, W., & Braungart, M. (2010). Cradle to Cradle. Farrar, Straus and Giroux
- Monyaki, N. C. (2022). *The exploration of remanufacturing and upcycling in the Cape Town fashion manufacturing industry* (Doctoral dissertation, Cape Peninsula University of Technology).
- O'Leary, P. (2010). Gaelic Prose in the Irish Free State: 1922-1939. Penn State Press.
- Oxford Learner's Dictionaries (2019). Find definitions, translations, and grammar explanations at Oxford Learner's Dictionaries. https://www.oxfordlearnersdictionaries.com/
- Robson, S. (2011). Producing and using video data in the early years: Ethical questions and practical consequences in research with young children. *Children & Society*, 25(3), 179– 189.
- Shi, T., Huang, R. & Sarigöllü, E. (2022). A qualitative study on internal motivations and consequences of consumer upcycling. *Journal of Cleaner Production*, 377, 134185.
- Sung, K., Cooper, T. & Kettley, S. (2014). Individual upcycling practice: Exploring the possible determinants of upcycling based on a literature review, 97, 21-32. https://doi.org/10.1016/j.jclepro.2014.05.017.
- Sung, K. & Sung, K. (2015). A review on upcycling: Current body of literature, knowledge gaps and a way forward, 95, 1-10. https://doi.org/10.1016/j.jclepro.2015.02.004.
- Sung, K. (2017). Sustainable production and consumption by upcycling: understanding and scaling-up niche environmentally significant behavior, *Sustainability*, 21. https://doi.org/10.3390/su11030870.

- Sung, K., Cooper, T. & Kettley, S. (2019a). Factors Influencing Upcycling for UK Makers. Sustainability, 11(3), 870. https://doi.org/10.3390/su11030870.
- Sung, K., Cooper, T. & Kettley, S. (2019b). Developing interventions for scaling up UK upcycling. *Energies*, 12(14), 2778. https://doi.org/10.3390/en12142778.
- Webb, J. B., & Schoenefeld, S. J. (2013). Self-compassion and intuitive eating in college women: Examining the contributions of distress tolerance and body image acceptance and action. *Eating Behavior*, 14(4), 493-496.

Wegener, C. & Aakjær, M. (2016). Upcycling-a new perspective on waste in social innovation. *Journal of Comparative Social Work*, 11(2), 242-260. https://doi.org/10.31265/jcsw.v11i2.143

Wilson, M. (2016). When creative consumers go green: Understanding consumer upcycling. *Journal of Product & Brand Management*, 25(4), 394-399.

Vol. 1, No. 2, May 2024

Export Performance of SMEs

Wedige Budvi Ramalka De Silva Abegunawardhana Liyana Arachchige Sewwandi Madhushika Dewasiri Wedagedara Supuni Udara Gunarathne Kumudinei Dissanayake¹ Department of Management and Organization Studies,

Faculty of Management and Finance, University of Colombo, Sri Lanka

Abstract

Export performance is a concept well-researched in the past few decades. The main contributive areas of this concept are business strategy, marketing strategy, internationalization, international marketing, and export promotion. There have been a variety of measures used for measuring export performance. They include individual perceptions, as well as internal and external measures. Theories such as contingency theory and the resourcebased view seems to be widely used to study this concept. Past research has studied export performance through reviews, theoretical, mathematical and conceptual models, empirical studies and comparative analyses and metaanalyses. Existing research on this concept is available in the Western as well as Asian contexts.

Keywords: Export performance, Definitions, Measures, Theories

¹Corresponding author and Supervisor of the research project: kumudisa@mos.cmb.ac.lk

1. Introduction

Any organization, whether operating domestically or internationally, must employ performance as a guiding measure when assessing its level of success. Evaluating export performance is a complex task, as the usefulness of measurements, encompassing both financial and non-financial aspects, and the methods used for assessment, rely on their credibility, considering both objective and subjective perspectives. Dealing with export performance can be challenging, due to the various ways in which it can be operationalized and conceptualized (Das, 1994; Diamantopoulos & Schlegelmilch, 1994). Some of the significant study areas enriched by this concept are business strategy (Cavusgil & Zou, 1994), marketing strategy (Amine & Tamer, 1986), internationalization (Freixanet, 2012), international marketing (Cavusgil et al., 2005), and export promotion (Spence, 2003) research.

The performance of exporting companies is determined by the extent to which they achieve their economic and strategic objectives. As defined by Cavusgil and Zou (1994), export performance is the measure through which a company accomplishes its objectives of exporting products to foreign markets by designing and implementing export marketing strategies. However, past researchers have viewed export performance from diverse perspectives. Some have seen it as export success (Christensen et al., 1987; Katsikeas et al., 1997), export sales performance (Cooper & Kleinschmidt, 1985; Fenwick & Amine, 1979), competitiveness (Ruzekova et al., 2020), and satisfaction and economic performance (Raven, 1994), to mention a few.

2. Status of Current Research on Export Performance in SMEs

Key determinants of SMEs' export performance are the most examined aspect in recent research (Calheiros-Lobo, 2023; Kasema, 2023; Safari & Saleh, 2020). Direct and indirect effects of internal and external factors on export performance is seriously considered when SMEs' try to grow and compete in the international market (Elsharnouby et al., 2024; Kasema, 2023; Safari & Saleh, 2020). Export market characteristics and barriers (Bertrand et al., 2022; Mpunga, 2016) is another well researched area. Export marketing adaptation is one of the elements of marketing strategy that can have an impact on the export performance (Shoham, 1996). Few studies demonstrated mixed effects of export market expansion strategies on export performance such as market concentration, market concentric diversification and market diversification, depending on different export performance measures like export level, relative export growth and relative export profitability (Ayal & Zif, 1979). Innovation capabilities and

export performance of SMEs (Alegre et al., 2022), Impact of Export Promotion Programmes on Export Performance of SMEs (Jaiswal, 2023), and impact of breakthrough innovations on SME export performance (Hashmi et al., 2022) are some of the recent research studies in this area.

3. Theories used in Export Performance-related Research

Contingency theory (Robertson & Chetty, 2000) and the Resource Based View theory (RBV) (Dhanaraj & Beamish, 2003; Sousa et al., 2008) are the two main theoretical approaches used in many export performances related studies. Understanding the idea of export performance and export barriers faced by SMEs may be accomplished by using both of these theories (Beleska-Spasova, 2014). When analyzing empirical literature, they seem to mainly focus on the RBV theory because it describes the internal determinants such as corporate regulations and the firm's administration which support the concept of export performance. In addition to these, configurational theory (Bertrand et al., 2022) and dynamic capability-based view (Hashmi et al., 2022) have been used in recent studies. The traditional 4Ps perspective (product, price, place and promotion) or the components of marketing mix seem to be another perspective discussed in some studies about the impact of the degree of the marketing program adaptation on export performance (Shohreh & Nouri, 2018).

4. Diverse Conceptualizations / Conceptual Models of Export Performance

According to certain authors' theories, a company's export performance is closely correlated with its competitive capacity, resource availability, and corporate image (Manzanares, 2019). The existing conceptualizations have covered internal and external elements related to export performance, level of marketing program adaptation, and previous and current year export performance of the firms. Dynamic marketing capability (DMC) has been identified as an essential component for successfully managing knowledge and gaining competitive advantage in export markets. This is because a high level of market unpredictability and competitive pressure has been seen in the nature of the export market (Cadogan et al., 2003). As per Hoque et al., (2020), dynamic marketing capabilities and export performance are related. In addition to these, relationship capabilities, quality, and innovation have been tested relating to export performance (Lages et al, 2009).

5. Nature of Export Performance-related Research

Existing knowledge around export performance has been developed through diverse types of studies. Most research on export performance seems to be in the form of empirical studies (Dhanaraj & Beamish, 2003; Donthu and Kim, 1993; Singh, 2009; Styles, 1998; Styles et al., 2008). Others include literature reviews (Aaby & Slater, 1989), conceptual papers (Cavusgil & Zou, 1994; Lages, 2000), mathematical models (Khan & Knight, 1988), conceptualizations or theorizations and empirical studies (Diamantopoulos & Kakkos, 2007; Morgan et al., 2004; Shoham, 1998), meta-analysis (Leonidou et al., 2002), and comparative analysis (Balassa, 1978).

6. Measures of Export Performance

Earlier empirical studies classified three dimensions of export performance: export level, export growth, and export profitability (Reid, 1982). Export level refers to the traditional measure of a firm's overall significance in exporting. Growth in export sales and profitability are crucial and dynamic indicators of export performance, making them more reliable than traditionally used absolute measurements (Bilkey, 1982).

Individual perception has also been incorporated in measuring export performance with other objective measures. For an example, Styles (1998) operationalized the measure of export performance with the use of four dimensions such as (a) perceptions of the attainment of strategic goals (b) average sales growth over the first five years of the venture (c) average profitability over the first five years of the venture and (d) an overall measure of "perceived success" of the venture.

Further, the literature suggests two significant drivers of export success, namely, internal factors and external environmental characteristics (Cavusgil & Zou, 1994). Internal factors encompass firm and product-related qualities, while external pressures involve export market determinants and industry-level features (Cavusgil & Zou, 1994). Accordingly, the internal factors affecting export performance include company characteristics, management, and export marketing strategy. External factors involve features of foreign and domestic markets (Sousa et al., 2008).

According to Zou and Stan (1998), internal factors that influence export performance can be categorized into four groups: management characteristics, management attitudes and

perceptions, company characteristics and competencies, and product characteristics. Export performance is further influenced by three external factors: the characteristics of the industry, the foreign market, and the domestic market.

7. Contextual Backgrounds of the Past Research on Export Performance in SMEs

Export performance-related research has been conducted mostly in countries like the United Kingdom, Australia, Spain, and Brazil which belong to the western context and few in the Asian context like Vietnam. When referring to the research conducted in the western context, a study of exporters in Queensland, Australia, by Freeman et al. (2012) found the significance of location on export performance and also that it has a favorable impact on resources, businesses' infrastructure, network access and services connected to export. Love et al. (2016) reviewed worldwide participating United Kingdom SMEs to analyze the variables of SME export performance. Papadopoulos and Martin (2010) focused on the export performance of selected companies, whose conceptual model was examined in a probabilistic sample of exporters in a highly developed and industrialized region of Spain.

In the Asian context, the export efforts of Vietnamese SMEs are an interesting area to study because it has a high economic growth rate. All aspects of export drivers were examined from manufacturing, service, and construction sectors in Vietnam to identify the impact of export performance (Athukorala, 2009a). There is research conducted on export performance of other Asian countries too (see for e.g. Athukorala, 2009b; Jongwanich, 2007).

8. Directions for Future Research

Further research can be conducted by using various units of analysis and statistical methods. As well as various contexts such as different industries, countries, and regions to discuss identified relationships. In addition to this, further research may conduct analysis of fit between the export market strategy and the firm's environments.

Future research may also include additional variables, such as organizational learning and culture, that moderate or mediate the relationship between dynamic marketing capabilities and export performance. And also, it might look at how dynamic marketing capabilities has developed in knowledge-intensive industries and how it has affected export success in the global market (Hoque et al., 2020).

References

- Aaby, N.-E., & Slater, S.F. (1989). Management Influences on Export Performance: A Review of the Empirical Literature 1978-1988. *International Marketing Review*, 6, 7-26. https://doi.org/10.1108/EUM000000001516
- Alegre, J., Ferreras-Méndez, J.L., Fernández-Mesa, A., & Strange, R. (2022). Innovation capabilities and export performance in manufacturing SMEs. *TEC Empresarial*, 16(3), 55-71.
- Amine, L.S., & Tamer C.S. (1986). Export Marketing Strategies in the British Clothing Industry. *European Journal of Marketing*, 20(7), 21-33.
- Athukorala, P. (2009a). Economic Transition and Export Performance in Vietnam. *Asean Economic Bulletin*, 26(1), 96-114. DOI:10.1353/ase.0.0036
- Athukorala, P. (2009b). The Rise of China and East Asian Export Performance: Is the Crowding-Out Fear Warranted? *The World Economy*, *32*(2), 234-266.
- Ayal, I., & Zif, J. (Spring, 1979). Market Expansion Strategies in Multinational Marketing. *Journal of Marketing*, 84-94.
- Balassa, B. (1978). Export Incentives and Export Performance in Developing Countries: A Comparative Analysis. Weltwirtschaftliches Archiv, Bd.114, H. 1, 24-61.
- Beleska-Spasova, E. (2014). Determinants and measures of export performance comprehensive literature review. *Journal of Contemporary Economic and Business Issues*, *1*(1), 63 -74.
- Bertrand, O., Betschinger, M., & Brea-Solís, H. (2022). Export barriers for SMEs in emerging countries: A configurational approach. *Journal of Business Research*, 149, 412-423.
- Bilkey, W.J. (1982). Variables associated with export profitability. *Journal of International Business Studies*, 13, 39-55.
- Cadogan, J.W., Cui, C.C., & Li, E.K.Y. (2003). Export market-oriented behavior and export performance: The moderating roles of competitive intensity and technological turbulence. *International Marketing Review*, 20(5), 493-513.
- Calheiros-Lobo, N., Ferreira, J.V., Au-Yong-Oliveira, M. (2023). SME Internationalization and Export Performance: A Systematic Review with Bibliometric Analysis. *Sustainability*, *15*(11), 8473; https://doi.org/10.3390/su15118473
- Cavusgil, S.T., & Zou, S. (1994). Marketing strategy performance relationship: an investigation of the empirical link in the export market ventures. *Journal of Marketing Management*, 58(1), 1-21.

- Cavusgil, S.T., Deligonul, S., & Yaprak, A. (2005). International Marketing as a Field of Study: A Critical Assessment of Earlier Development and a Look Forward. *Journal of International Marketing*, 13(4), 1-27.
- Christensen, C.H., da Rocha, A., & Gertner, R.K. (1987). An Empirical Investigation of the Factors Influencing Exporting Success of Brazilian Firms. *Journal of International Business Studies*, 18(3), 61-77.
- Cooper, R.G., & Kleinschmidt, E.J. (1985). The Impact of Export Strategy on Export Sales Performance. *Journal of International Business Studies*, *16*(1), 37-55.
- Dhanaraj, C., & Beamish, P.W. (2003). A Resource-Based Approach to the Study of Export Performance. *Journal of Small Business Management*, 41(3) 242–261.
- Das, M. (1994). Successful and unsuccessful exporters from developing countries: Some preliminary findings. *European Journal of Marketing*, 28(12), 19-33.
- Diamantopoulos, A., & Kakkos, N. (2007). Managerial Assessments of Export Performance: Conceptual Framework and Empirical Illustration. *Journal of International Marketing*, 15(3), 1-31.
- Diamantotpoulos, A., & Schlegclmilch, B.B. (1994). Linking exporting manpower to export performance: A canonical regression analysis of European and U.S. data. In S.T. Cavusgil, & C. Axinn (Ed.), *Advances in International Marketing* (pp. 161-181). Greenwich, Conn: JAI Press.
- Donthu, N. & Kim, S.H. (1993). Implications of firm controllable factors on export growth. *Journal of Global Marketing*, 7(1), 47-63.
- Elsharnouby, T.H., Elbanna, S., Farha, A.A., Mauji, N. (2024). Exploring critical internal enablers to SMEs export performance: evidence from Qatar. *Humanities and Social Science Communications*, 11, 428. https://doi.org/10.1057/s41599-024-02845-5
- Fenwick, I., & Amine, L. (1979). Export Performance and Export Policy: Evidence from the U.K. Clothing Industry. *Journal of the Operational Research Society*, 30(8), 747-754.
- Freeman, J., Styles, C., & Lawley, M. (2012). Does firm location make a difference to the export performance of SMEs? *International Marketing Review*, *29*(1), 88-113.
- Freixanet, J. (2012). Export promotion programs: Their impact on companies' internationalization performance and competitiveness. *International Business Review*, 21, 1065-1086.
- Hashmi, H.B.A., Voinea, C.L., Ooms W., & Caniëls, M.C.J. (2022). The impact of breakthrough innovations on the export performance of SMEs in developing countries:

The moderating role of institutional factors. *Frontiers in Psychology*, 13. DOI:10.3389/fpsyg.2022.888697

Hoque, M. T., Ahammad, M. F., Tzokas, N., & Gabay, G. (2020). Dimensions of dynamic

- marketing capability and export performance. *Journal of Knowledge Management*. Retrieved from https://www.emerald.com/insight/content/doi/10.1108/jkm-09- 2019-0482.
- Jaiswal, R. (2023). Demystifying the Impact of Export Promotion Programme on Export Performance of SMEs: A SEM Approach. Small Enterprises Development, Management & Extension Journal, 50(4), 315-336. https://doi.org/10.1177/09708464231195920
- Jongwanich, J. (2007). Determinants of Export Performance in East and Southeast Asia, ERD Working Paper Series, No. 106, Asian Development Bank (ADB), Manila, https://hdl.handle.net/11540/1869
- Kasema, R. (2023). Key factors influencing the export performance of SMEs in Rwanda: evidence from the non-traditional export sector. Asia Pacific Journal of Innovation and Entrepreneurship, DOI 10.1108/APJIE-02-2022-0014
- Katsikeas, C.S., Deng, S.L., & Wortzel, L.H. (1997). Perceived Export Success Factors of Small and Medium-Sized Canadian Firms. *Journal of International Marketing*, 5(4), 53-72.
- Khan, M.S., & Knight, M.D. (1988). Important Compression and Export Performance in Developing Countries. *The Review of Economics and Statistics*, 70(2), 315-321.
- Lages, L. F. (2000). A Conceptual Framework of the Determinants of Export Performance. Journal of Global Marketing, 13(3), 29-51. Retrieved from http://dx.doi.org/10.1300/J042v13n03_03
- Lages, L.F., Silva, G., & Styles, c. (2009). Relationship Capabilities, Quality, and Innovation as Determinants of Export Performance. Journal of International Marketing, 17(4), 47-70.
- Leonidou, L.C., Katsikeas, C.S., & Samiee, S. (2002). Marketing strategy determinants of export performance: A meta-analysis. *Journal of Business Research*, 55, 51-67.
- Love, J.H., Roper, S., & Zhou, Y. (2016). Experience, age and exporting performance in UK SMEs. *International Business Review*, 25(4), 806-819.
- Manzanares, F.V. (2019). Export Performance of SMEs: An Empirical Analysis of the Mediating Role of Corporate Image. *Journal of Small Business Management*, 57(2), 386– 399.
- Morgan, N. A., Kaleka, A., & Katsikeas, C. S. (2004). Antecedents of export venture performance: A theoretical model and empirical assessment. *Journal of Marketing*, 68(1), 90-108.

- Mpunga, H.S (2026). Examining the Factors Affecting Export Performance for Small and Medium Enterprises (SMEs) in Tanzania. *Journal of Economics and Sustainable Development*, 7(6), 41-51.
- Papadopoulos, N., & Martin, O. (2019). Toward a Model of the Relationship between Internationalization and Export Performance. *International Business Review*, 19(4), 388-406.
- Raven, P.V., McCullough, J.M., Tansuhaj, P.S. (1994). Environmental influences and decision making uncertainty in export channels: Effects on satisfaction and performance. *Journal of International Marketing*, 2(3), 37-59.
- Reid, S. D. (1982). The Impact of Size on Exporter Behavior of Small Firms. In M. R.Czinkota, & G. Tesar (Eds.), *Export Management: An International Context* (pp. 17-38).Prager Publishers.
- Robertson, C., & Chetty, S.K. (2000). A contingency-based approach to understanding export performance. *International Business Review*, *9*(2), 211-235.
- Ruzekova, V., Kittova, Z., & Steinhauser, D. (2020). Export performance as a measurement of competitiveness. *Journal of Competitiveness*, 12(1), 145–160. https://doi.org/10.7441/joc.2020.01.09
- Safari, A., & Saleh, A.S. (2020). Key determinants of SMEs' export performance: a resourcebased view and contingency theory approach using potential mediators. *Journal of Business & Industrial Marketing*, 35(4), 635–654.
- Shoham, A. (1996). Marketing-mix standardization: Determinants of export performance. *Journal of Global Marketing*, 10(2), 53-73.
- Shoham, A. (1998). Export Performance: A conceptualization and empirical assessment. *Journal of International Marketing*, 6(3) 59-81.
- Singh, D.A. (2009). Export performance of emerging market firms. *International Business Review*, 18(4), 321-330.
- Sousa, C. M. P., Martínez-López, F. J., & Coelho, F. (2008). The determinants of export
- performance: A Review of the research in the literature between 1998 and 2005. *International Journal of Management Reviews*, 10(4), 343-374.
- Shohreh, L., & Nouri, B.P. (2018). Study and Evaluate the Effect of Marketing Mix on Export Performance (Case Study: Nestle Corporation in Qazvin Province). *International Review*, 1-2, 73-82.

- Spence, M.M. (2003). Evaluating Export Promotion Programmes: U.K. Overseas Trade Missions and Export Performance. *Small Business Economics* [Special Issue: Internationalizing SMEs], 20(1), 83-103.
- Styles, C. (1998). Export Performance Measures in Australia and the United Kingdom. *Journal of International Marketing*, 6(3), 12-36.
- Styles, C., Patterson, P.G., & Ahmed, F. (2008). A Relational Model of Export Performance. Journal of International Business Studies, 39(5), 880-900.
- Zou, S., & Stan, S. (1998). The determinants of export performance: A review of the empirical literature between 1987 and 1997. *International Marketing Review*, 15(5), 333-356.

Vol. 1, No. 2, May 2024

Online Purchase Intention

H.P.N. Nimasha¹

J.C. Athapaththu²

Department of Management and Organization Studies, Faculty of Management and Finance, University of Colombo, Sri Lanka

Abstract

This article examines the concept of 'Online purchase intention', focusing specifically on Facebook marketplace and its impact on online purchase decisions. It provides definitions, recent research findings, methodologies, commonly used theories to explore online purchase intention and avenues for future research. Online purchase intention has been theorized largely with the support of the Theory of Planned Behavior and the Technology Acceptance Model. This study context is dominated by the quantitative research approach, with online surveys being the commonly used data collection method. Future researchers can evaluate cultural differences, social interaction especially on Facebook marketplace, role of seller reviews, product orientation and role of gender to explore this dynamic and complex research context. This paper aims to provide a concise overview of existing knowledge on online purchase intention, enabling readers to grasp its research foundation and stay informed about ongoing research agendas.

Keywords: Facebook marketplace, Online purchase intention, social commerce, social media

¹ Corresponding author: 2020ms9538@stu.cmb.ac.lk

² Supervisor of the research project

1. What is Online Purchase Intention?

Online purchase intention is a growing research area in the domain of e-commerce with various researchers defining it in different ways, thus, lacking a consensus definition. For example, Putro and Haryanto (2015), defined online purchase intention as the desire of someone to engage in online transactions and shop for certain brand products that have previously been evaluated online. Pavlou (2003) defined online purchase intention as the willingness and intention of a customer to become involved in an online transaction. Thus, online purchase intention in the web-shopping environment will determine the strength of a consumer's intention to carry out a specified purchasing behavior via the internet (Salisbury et al., 2001). The desirability of a person to purchase a particular product or service through a website is also referred to as online purchase intention (Chen et al., 2010). Moreover, it tends to have a positive relationship with the actual online purchase behavior (Lim et al., 2016; Aziz & Wahid, 2018). Some researchers found that perceived benefit is an important criterion for consumers when selecting online stores and it positively influences consumers' online purchase intention (Aldhmour & Sarayrah, 2016; Lim et al., 2016; Pantano & Viassone, 2015; Sheikh et al., 2015).

2. Theories used in Online Purchase Intention Research

Theory of Planned Behavior: Researchers have widely used Theory of Planned Behavior to explore online purchase intentions (Asif & Asif, 2021; Hong et al., 2023; Borusiak et al., 2019). The Theory of Planned Behavior (TPB) was developed by Ajzen, (1991) as an advancement of Ajzen and Fishbein's (1980) Theory of Reasoned Action (TRA). Since then, TPB has become one of the most widely used and cited models to study consumer intention and behavior in a vast variety of behavioral domains (Ajzen, 2020). Theory of planned behavior is used to understand and predict behaviors, which posits that behaviors are immediately determined by behavioral intentions and under certain circumstances. According to the TPB, a person's intention to engage in a behavior is the strongest predictor whether they will engage in the behavior or not.

Technology Acceptance Model: Researchers have also used Technology Acceptance Model (TAM) to explore online purchase intention (Singh & Kaushal, 2020; Venkatesh & Davis, 2000). The TAM, developed by Davis (1989), assumes that when users perceive a technology to be useful and easy to use, they will be more willing to use it. TAM is a model that 'explains perceived usefulness and usage intentions in terms of social influence and cognitive instrumental processes' (Venkatesh & Davis, 2000, p. 186). The TAM model is used to predict

the use and acceptance of information systems and technology by individual users (Surendran, 2012). Venkatesh and Davis (2000) adopted the TAM model to explore behavioral intentions of an individual based upon two beliefs, namely perceived usefulness, and perceived ease of use.

3. Online Purchase Intention in Social Media

Online purchase intention in the web-shopping environment will determine the power of a consumer's intention to purchase via the Internet (Salisbury et al., 2001). The Internet is one of the successful technologies that is widely used to connect many people in the world, and it leads to changing the way people live (Bidin et al., 2011). Social media is one of the widely used technologies facilitated over the internet. It is a tool for sharing information among communities such as product and service information (Kian et al., 2017). Social media can be defined as internet-based applications which allow users to create, generate, and exchange content (Kaplan & Haenlein, 2010). Social networks are one of the services of social media which allow users to create their webpages, connect and share information with friends and family (Mayfield, 2008). Facebook, Twitter, LinkedIn, Google+ are the most popular and important social networks today. Smith (2015) shows that social media is an important driver for online purchase and leads to increased shares nearly 200% in E-commerce, compared with two consecutive years (Smith, 2015). It is vital for online retailers to understand the behavior of the social media market segment, so that they can execute marketing strategies accordingly (Huseynov & Yildirim, 2016). In social media websites, opinions, experience, and other information shared among users influence their purchasing intention (Kian et al., 2017). As such social media has changed the lifestyle of people worldwide with a level of consumer trust, which will influence the online purchase intention (Hajli, 2014).

Through the development of technology, most people have a Facebook account. Therefore, it becomes a new element for a marketer to attract customers. Among Facebook communication, marketers can influence consumer behavior, create awareness, and build trust (Sandunima, et al., 2019). To compare with the current market trend, every luxury brand (e.g. Converse, Victoria secret, Adidas Originals, Nike football, Zara, Levis, and Burberry) has their own Twitter account or Facebook account (Gautam & Sharma, 2017). There are different kinds of marketplaces among Facebook users; among them, the most popular ones are Second-hand Marketplaces (Chang et al., 2020). Facebook Second-hand Marketplace refers to commercial

groups set by Facebook users, which allow them to sell and buy second-hand items directly with other involved group members (Chang et al., 2020).

4. Recent Research Findings

Online purchase intention is a popular research area, and researchers have explored it in different contexts. Online purchase intention tends to have a positive relationship with the actual online purchase behavior (Lim et al., 2016). Therefore, a consumer who has tried to shop online once and enjoyed the entire process may continue to repurchase online in the future (Aziz & Wahid, 2018). Also, there is a high probability of repurchase among customers who have had positive experience with the online transactions in the past (Nwaizugbo & Ifeanyichukwu, 2016). Therefore, online retailers should design marketing strategies wisely to captivate customers who are more experienced in online shopping (Aziz & Wahid, 2018). In the purchase process, high-experience customers are more rational in their decision making compared to the less-experienced ones (Pappas et al., 2014). Social media marketing tools influence consumers' purchase decisions (Abdullah, 2020). The positive influence of perceived ease of use, perceived usefulness and perceived enjoyment on consumer purchase intention through social media websites reinforce the need for social media websites to improve their functions in order to be user friendly and provide them a joyful purchase experience (Ling et al.,2010). Some researchers have found that perceived benefit is an important criterion for consumers when selecting online stores and may positively influence consumers' online purchase intention (Aziz & Wahid, 2018; Lim et al., 2016; Pantano & Viassone, 2015; Sheikh et al., 2015). To improve online purchase, online retailers offer free shipping of products and cash-on-delivery facilities (Kumar et al., 2016). In fact, researchers have explored that 'perceived trust' has an impact on consumer purchase intention through social media websites (Kian, et al., 2017).

Recent study conducted by Yap (2024) shows how quality of the food image intent to purchase in Facebook marketplace Partial least square structural equation modeling. Results show that food image quality significantly influences perceived value and purchase intention. Naradin et al. (2020) shows that psychological factors such as trust, privacy, and security positively influence online purchase intention. The data were collected from the Malaysia Facebook users. Research findings further show that security has the strongest positive impact on online purchase intention. On a similar line, Al-Adwan and Kokash (2019) study explore a model which explains how social commerce attributes such as information seeking, social presence, familiarity, and trust influence purchase intention from Facebook users. The findings show that trust in social networking sites such as Facebook positively influences purchase intentions.

A study performed by Chetioui et al. (2021) investigates how Facebook advertisements contribute to online purchase intention. The study further explored how it affects individuals from collective societies making purchase decisions when they are exposed to social media advertisements through Facebook. Theory of planned behavior and Ducoffes's web advertising model were used to explore the study context and data from Moroccan Facebook users through a snowball sampling approach. Data analysis was performed through Structural Equation Modeling based on the Partial least squares (PLS) method. Study findings suggest that there is a significant positive impact of informativeness and credibility on Facebook advertising and e word of mouth (WOM) perceived value. Furthermore, E - WOM favorably affects consumer attitudes towards Facebook ads and consequently purchase intention.

By adopting the Elaboration Likelihood Model, Chang et al. (2020) investigated central route factors (information accuracy and information completeness) and peripheral route factors (post popularity and post esthetics) on consumer behavior in the Facebook Second-hand Marketplace. Impulsiveness was used as the moderator. Four different 2×2 factorial designs based on the Elaboration Likelihood Model were employed in the study. Hedonic and utilitarian products were used in eight scenarios to test the effects of post characteristics on consumer responses and purchase behavior. The results indicate that consumers who send the messages through the central route are more likely to respond to the post before originating purchase intention. Interestingly, post popularity was found to be the most important factor related to intensifying perceived persuasiveness.

5. Directions for Future Research

There are few identified gaps in the literature, thus future researchers can explore online purchase intention in following areas and contexts. Future researchers can investigate factors that influence on online purchase intention on Facebook Marketplace, with a particular focus on the roles of social interaction, trust, and perceived value. Also, they can investigate the role of visual content (e.g., images, videos) posted by sellers and how it influences buyers' purchase decisions. Investigating the impact of seller reputation and reviews on purchase intention is

Nimasha & Athapaththu

also another avenue for future research. Exploring how cultural factors influence online purchase behavior on Facebook Marketplace in different regions would help to identify individual characteristics of customers and their social interactions. Besides, future researchers also can evaluate the relationship between shopping orientations and customer online purchase intention based on gender differences as well as the role of gender.

References

- Abdullah, T., Deraman, S. N. S., Zainuddin, S. A., Azmi, N. F., Abdullah, S. S., Anuar, N. I.
 M., Mohamad, S. R., Zulkiffli, W.F.W., Hashim, N.A.A.H., Abdullah, A.R., Rasdi,
 A.L.M., & Hasan, H. (2020). Impact of Social Media Influencer on Instagram User
 Purchase Intention towards the Fashion Products: The Perspectives of UMK Pengkalan
 Chepa Campus Students. *European Journal of Molecular & Clinical Medicine*.
- Ajzen, I. (1991). The theory of planned behavior. Organizational Behavior and Human Decision Processes, 50(2), 179-211.
- Ajzen, I. (2020). The theory of planned behavior: Frequently asked questions. *Human Behavior and Emerging Technologies*, 2(4), 314-324.
- Ajzen, I., & Fishbein, M. (1980). *Understanding attitudes and predicting social behavior*. Englewood Cliffs, NJ: Prentice-Hall.
- Al-Adwan, A. S., & Kokash, H. (2019). The driving forces of Facebook social commerce. *Journal of Theoretical and Applied Electronic Commerce Research*, 14(2), 15-32.
- Aldhmour, F., & Sarayrah, I. (2016). An investigation of factors influencing consumers' intention to use online shopping: an empirical study in south of Jordan. *Journal of Internet Banking and Commerce*, 21(2), 1.
- Asif, M., & Asif, S. (2021). The effect of environmentally-relevant personal values on the purchase intention of second-hand clothing: A quantitative Study. [Masters dissertation, Lund University].

https://lup.lub.lu.se/luur/download?func=downloadFile&recordOId=9050270&fileOId=9050277

Aziz, N. N. A, & Wahid, N.A. (2018). Factors influencing online purchase intention among university students. *International Journal of Academic Research in Business and Social Sciences*, 8(7), 702-717.

- Bidin, Z., Shamsudin, F. M., & Asraf Md Hashim, M. F. (2011, June). Factors influencing students' intention to use internet for academic purposes. In *Society of Interdisciplinary Business Research (SIBR) 2011 Conference on Interdisciplinary Business Research*.
- Borusiak, B., & Kucharska, B. (2019). Sustainability in retailing: A study of consumer intentions regarding involvement in charity shop activities. *Studia Periegetica*, *25*, 65-85.
- Chang, H. H., Lu, Y. Y., & Lin, S. C. (2020). An elaboration likelihood model of consumer respond action to facebook second-hand marketplace: Impulsiveness as a moderator. *Information & Management*, 57(2), 103171.
- Chen, Y. H., Hsu, I. C., & Lin, C. C. (2010). Website attributes that increase consumer purchase intention: A conjoint analysis. *Journal of Business Research*, 63(9-10), 1007-1014.
- Chetioui, Y., Butt, I., & Lebdaoui, H. (2021). Facebook advertising, eWOM and consumer purchase intention-Evidence from a collectivistic emerging market. *Journal of Global Marketing*, 34(3), 220-237.
- Davis, F. D. (1989). Perceived usefulness, perceived ease of use, and user acceptance of information technology. *MIS Quarterly*, 319-340.
- Durodolu, O. (2016). Technology Acceptance Model as a predictor of using information system'to acquire information literacy skills. *Library Philosophy & Practice*.
- Durodolu, O. O. (2016). Technology Acceptance Model as a predictor of using information system to acquire information literacy skills. *Library Philosophy and Practice*, (November), 1–27.
- Gautam, V., & Sharma, V. (2017). The mediating role of customer relationship on the social media marketing and purchase intention relationship with special reference to luxury fashion brands. *Journal of Promotion Management*, 23(6), 872-888.
- Hajli, N., Lin, X., Featherman, M., & Wang, Y. (2014). Social word of mouth: How trust develops in the market. *International Journal of Market Research*, *56*(5), 673-689.
- Harland, P., Staats, H., & Wilke, H. A. (1999). Explaining proenvironmental intention and behavior by personal norms and the Theory of Planned Behavior 1. *Journal of Applied Social Psychology*, 29(12), 2505-2528.
- Hong, Y., Hu, J., Chen, M., & Tang, S. (2023). Motives and antecedents affecting green purchase intention: implications for green economic recovery. *Economic Analysis and Policy*, 77, 523-538.
- Huseynov, F., & Yıldırım, S. Ö. (2016). Internet users' attitudes toward business-toconsumer online shopping: A survey. *Information Development*, *32*(3), 452-465.

- Kaplan, A. M., & Haenlein, M. (2010). Users of the world, unite! The challenges and opportunities of Social Media. *Business Horizons*, *53*(1), 59-68.
- Kumar, A., Bezawada, R., Rishika, R., Janakiraman, R., & Kannan, P. K. (2016). From social to sale: The effects of firm-generated content in social media on customer behavior. *Journal of Marketing*, 80(1), 7-25.
- Kian, T. P., Boon, G. H., Lian Fong, S. W., & Jian Ai, Y. (2017). Factors that influence the consumer purchase intention in social media websites. *International Journal of Supply Chain Management*, 6(4), 208-214.
- Lim, Y. J., Osman, A., Salahuddin, S. N., Romle, A. R., & Abdullah, S. (2016). Factors influencing online shopping behavior: the mediating role of purchase intention. *Procedia Economics and Finance*, 35, 401-410.
- Ling, K. C., Chai, L. T., & Piew, T. H. (2010). The effects of shopping orientations, online trust and prior online purchase experience toward customers' online purchase intention. *International Business Research*, 3(3), 63.
- Mayfield, A., 2008, What is social media?, https://indianstrategicknowledgeonline.com/web/mayfield_strat_for_soc_media.pdf
- Naradin, D. K., Hairuddin, H., Ab Malik, A. M., & Kassim, E. S. (2020). Online purchase intention: explorations of the Facebook users' psychological factors. *Advances in Business Research International Journal*, 4(2), 20-31.
- Hajli, M. N. (2014). A study of the impact of social media on consumers. *International Journal of Market Research*, 56(3), 387-404.
- Nekmahmud, M., Naz, F., Ramkissoon, H., & Fekete-Farkas, M. (2022). Transforming consumers' intention to purchase green products: Role of social media. *Technological Forecasting and Social Change*, 185, 122067.
- Nwaizugbo, I. C., & Ifeanyichukwu, C. D. (2016). Understanding consumers'behaviour towards online shopping: a study of online shoppers in Anambra state. *International Journal of Sales, Retailing & Marketing*, 5(2).
- Pappas, I.O., Pateli, A. G., Giannakos, M. N., & Chrissikopoulos, V. (2014). Moderating effects of online shopping experience on customer satisfaction and repurchase intentions. *International Journal of Retail & Distribution Management*, 42(3), 187-204.
- Pantano, E., & Viassone, M. (2015). Engaging consumers on new integrated multichannel retail settings: Challenges for retailers. *Journal of Retailing and Consumer Services*, 25, 106–114

- Pavlou, P. A. (2003). Consumer acceptance of electronic commerce: Integrating trust and risk with the technology acceptance model. *International Journal of Electronic Commerce*, 7(3), 101-134.
- Putro, H. B., & Haryanto, B. (2015). Factors affecting purchase intention of online shopping in Zalora Indonesia. *British Journal of Economics, Management & Trade*.
- Salisbury, W. D., Pearson, R. A., Pearson, A. W., & Miller, D. W. (2001). Perceived security and World Wide Web purchase intention. *Industrial Management & Data Systems*, 101(4), 165-177.
- Sandunima, K. K. C., Bandara, H. B. J., Viduranga, N. R. D., Kodagoda, H. K., & Jayasooriya, K. K. N. A. (2019). The impact of social media marketing on customer purchase intention among the fashion-wear customers in Sri Lanka. *Global Journal of Management and Business Research*, 19(4), 45-50.
- Sheikh, J. A., Abbas, A., & Mehmood, Z. (2015). Design consideration of online shopping website to reach women in Pakistan. *Procedia Manufacturing*, *3*, 6298-6304.
- Smith, C. (2015). It's time for retailers to start paying close attention to social media. Retail.com. https://retail.economictimes.indiatimes.com/news/e-commerce/e-tailing/its-time-for-retailers-to-start-paying-close-attention-to-social-media/47601115
- Singh, S., & Kaushal, D. (2020). A study on the effects of electronic word of mouth on consumer purchase intention among facebook users in context to fast food industry-a conceptual review. *International Journal of Management (IJM)*, 11(4).
- Surendran, P. (2012). Technology acceptance model: A survey of literature. *International Journal of Business and Social Research*, 2(4), 175-178.
- Venkatesh, V., & Davis, F. D. (2000). A theoretical extension of the technology acceptance model: Four longitudinal field studies. *Management Science*, 46(2), 186-204.
- Yap, T. W. (2024). Facebook Marketplace: The Mediating Effect of Perceived Quality to Image Quality and Purchase Intention. *DLSU Business & Economics Review*, 33(2), 148-162.

Vol. 1, No. 2, May 2024

Career Stagnation

H.M.A.M. Herath¹

M.S.D. Senavirathna²

Department of Management and Organization Studies, Faculty of Management and Finance, University of Colombo, Sri Lanka

Abstract

This research article explores significant factors contributing to career stagnation through a thorough examination and analysis of the literature and suggests areas for future investigation. The study underlines the importance of conducting long-term effect evaluations to better understand how career stagnation evolves. A comparative analysis performed provides information on geographical and demographic variations in stagnation rates. Investigating causal links and evaluating interventions are thoughtcritical. Moreover, the study emphasizes the potential of emerging technologies, cross-disciplinary cooperation, ethical concerns, and qualitative research approaches in relation to career stagnation. By addressing these study directions, the article offers better insights, and successful tactics on career stagnation to improve individuals' professional growth and satisfaction.

Keywords: Career Stagnation, Motivation, Career Growth, Employee Satisfaction

¹ Corresponding author: amanda.madhushani29@gmail.com

² Supervisor of the research project

1. What is Career Stagnation

Stagnation is the opposite of employee retention in the modern workplace. According to Friedman (2011), a stagnant career is one where an individual continues in the same job or role for an extended period without experiencing any professional growth or development. This lack of advancement in one's career can cause feelings of stagnation and dissatisfaction as people may become imprisoned in repeating duties or obligations that do not challenge or stimulate their abilities. Friedman's definition emphasizes the necessity of career advancement and the negative consequences of becoming stuck in one's role for an extended length of time.

In a similar vein, Odogwn (2022), defines career stagnation as a state characterized by a loss of interest in one's profession, which eventually limits one's ability to pursue professional growth opportunities. This loss of interest can appear in a variety of ways, including diminished motivation, dissatisfaction, or a sense of being stuck in a boring routine (Andrea, 2012). Odogwn's concept emphasizes the link between job satisfaction and career progression, implying that a lack of interest in one's current role might stymie professional growth and success.

According to Konstant (2024), career stagnation is a major barrier to employee retention in the modern workplace. When people lack opportunities for advancement and fulfillment, they frequently become unsatisfied and disengaged, making it more likely that they will seek new opportunities elsewhere. Konstant's approach underlines the need to resolve career stagnation as a retention strategy, as well as the potential negative consequences if businesses fail to do so effectively.

2. Theories and Concepts Explaining Career Stagnation

Career stagnation is a common challenge faced by individuals in their career paths, leading to dissatisfaction and unrealized potential (Abele et al., 2012). Researchers have identified factors such as self-efficacy, goals, and the presence of stereotypes and prejudice as major contributors to career stagnation, which impedes progress and advancement. Recognizing and resolving these variables is critical for individuals seeking to overcome stagnation and pursue a more satisfying and successful career path.

Self-efficacy is an individual's belief in their ability to complete tasks or fulfill criteria. It can have a substantial impact on professional development. Low self-efficacy beliefs can prevent

MOS Review 1(2), 2024

persons from taking on demanding activities, pursuing job progression, or taking chances for growth (Landy, 2007). In relation to goals, setting specific and relevant goals is critical for professional growth. However, there is a quandary when individuals set lofty career-advancement goals. While these goals can have a favorable impact on objective measures of success such as money and status, they may damage subjective success criteria such as job satisfaction. Latham and Locke (1979), emphasize the need to find a balance between ambitious goals and personal contentment.

According to Eagly and Karau (2002), stereotypes are simplified and fixed perceptions of specific groups, whereas discrimination is defined as negative treatment based on these stereotypes. Especially, gender stereotypes and job discrimination against women are prevalent (Eagly & Karau 2002). Women frequently encounter impediments such as the "glass ceiling," which inhibits their upward mobility, and the "glass cliff," in which they are handed leadership positions during crises with a higher risk of failure (Eagly & Karau 2002). These misconceptions and discriminatory practices limit women's possibilities for professional growth and progress.

3. Past Findings around the Career Stagnation

Extensive studies have been conducted to investigate the link between intrinsic motivation and career stagnation among managers (Ryan & Deci, 2020). Intrinsic motivation refers to individuals' desire and happiness with their work. According to studies, the lack or failure of intrinsic motives such as pleasure, contentment, and joy can lead to career stagnation (Ryan & Deci, 2020). This shows that if people lack these inherent drives, their careers may stagnate (Ryan & Deci, 2020).

In addition to internal motivation, extrinsic motivation has a substantial impact on career stagnation. Extrinsic motivation refers to the external influences and rewards that influence a person's actions (Bandhu et al., 2024). Researchers discovered a link between managers' extrinsic drive and career stagnation (Bandhu et al., 2024). External influences, such as societal and corporate expectations, might cause individuals to feel stuck in their careers. This emphasizes the necessity of considering both intrinsic and extrinsic incentives when assessing career stagnation.

Herath & Senavirathna

Organizational role stress caused by role stagnation has been highlighted as a major contributor to career stagnation (Khan & Niazi, 2011). 'Non-equity sensitive employees', particularly those who are in intermediate job positions in an organization, are more prone to experience organizational role stress as a result of career stagnation than upper-level employees (Khan & Niazi, 2011). This implies that people who are less sensitive to equality issues may be more vulnerable to role stagnation-related stress. Organizations can counteract this by hiring equity-conscious employees and developing initiatives to combat career stagnation (Tyagi, 2014).

According to Darling (2023), favoritism and systemic discrimination can have distinct effects on career stagnation. This can lead to disengagement, withdrawal, and a sense of defeat. Darling (2023) argues that career advancement is impeded by favoritism and organizational bias, which restrict chances for impacted personnel. Employees feel undervalued and discouraged about their professional development and future inside the company, which results in disengagement, withdrawal from job obligations, and a sense of failure. According to the findings of the study conducted by Darling (2023), those who understand how to navigate the system and succeed in the interview and selection process may be more likely to advance in their careers.

Career stagnation is a complex problem caused by a variety of variables. Research has shown that high occupational self-efficacy, professional decision-making self-efficacy, and career-advancement goals can help prevent career stagnation (Abele et al., 2012). However, it is vital to highlight that self-efficacy and job ambitions alone may not be sufficient if there are conflicting goals or concerns with the partner's career. Furthermore, boundaryless and protean career attitudes must be accompanied by behavioral self-management abilities. Future research could investigate the interplay of multiple variables and consider both objective and subjective aspects of career stagnation (Abele et al., 2012).

Many individuals go through times in their professions where they feel there isn't enough growth or forward movement, which leads to a sense of stagnation. This can be witnessed objectively when promotions are denied, or subjectively when people have unrealistic job goals or a pessimistic view on life. The longer this professional stagnation persists, and individuals feel powerless to overcome it, the more severe its negative consequences grow. When people struggle to cope or discover that solutions for overcoming professional stagnation have unintended implications, it becomes a genuine issue. Career stagnation can be caused by a

MOS Review 1(2), 2024

single element, such as a lack of self-efficacy, or by a combination of variables, such as a lack of self-efficacy and inadequate support (Andrea, 2012).

Career stagnation is defined as a loss of interest or excitement for one's employment, which impedes career advancement (Abele et al., 2012). It is a prevalent difficulty for many people, and if not addressed effectively, it can impede productivity and cause feelings of self-consciousness (Abele et al., 2012). To effectively address professional stagnation, it is necessary to evaluate both objective issues, such as advancements or lack thereof, and subjective aspects, such as emotions of unhappiness. Scholars have identified a variety of challenges linked with career stagnation and provided solutions at the individual, interpersonal, and organizational levels (Andrea, 2012). These solutions include self-efficacy and self-management training, career counseling, mentorship, anti-mobbing and anti-bullying initiatives, dual-career couple recruitment methods, and anti-discrimination measures (Andrea, 2012).

Researchers discovered that professional stagnation could have a detrimental impact on performance as well as overall love and devotion to one's work (Turek et al., 2023). This is because people frequently equate performance improvement with job development, and in the absence of such success, motivation might diminish. Career stagnation is a global issue, and studies have found a clear link between increased stress and career stagnation. Lack of necessary skills and competencies, insufficient motivation, a lack of an inventive environment, and higher stress levels have all been recognized as contributing factors to career stagnation (Turek et al., 2023).

Employees who lack key abilities are more likely to stay in their existing roles rather than advance up the organizational structure. A strong positive association has been found between professional stagnation and a lack of drive (Turek et al., 2023). Individuals with high levels of stress frequently report poor physical health, sadness, and low job satisfaction, which can lead to career stagnation (Turek et al., 2023).

A stagnant career is often defined as staying in the same position or role for a lengthy period with no opportunity for growth or advancement. Several aspects, including self-efficacy, career attitude, flexibility, personality, and aspirations, have been linked to career stagnation (Friedman, 2011). Organizational features such as restricted engagement, lack of support, and

Herath & Senavirathna

lack of mentoring have also been associated to career stagnation (Caesens, 2018). A static profession reduces motivation, innovation, and effectiveness in the workplace (Caesens, 2018).

4. Contextual Backgrounds and Methodologies Used in Career Stagnation Research

One of the research projects on career stagnation used a descriptive survey design (Ivancheva & O'Flynn, 2016). The study's population included all managers and employees from three branches in West Tehran, a total of 224 people. The sample size was determined using the Cochran formula, which yielded an estimated sample of 149 people. Data were collected using two methods: library studies and questionnaires. The questionnaire's validity was confirmed by content and face validity, and its reliability was ensured through pilot testing and Cronbach's alpha calculation. SPSS software was used for descriptive and inferential analysis, which included Pearson statistics and path analysis. Additionally, the Amos program was used to create an experimental model (Ivancheva & O'Flynn, 2016).

Tyagi (2014), used a simple random sampling technique to select 160 employees from 16 private sector organizations located in Delhi, Gurgaon, and Noida. Within each organization, ten individuals were chosen at random, yielding a total sample size of 160. This selection strategy was designed to ensure a representative sample of employees from the private sector in the defined geographical area for the research project.

Whereas Oducado et al. (2021), used a qualitative research method that followed a phenomenological approach. Specifically, the study used a transcendental phenomenological research methodology based on systematic approach for assessing data about lived experiences (Ivancheva & O'Flynn, 2016). The study sought to examine the lived experiences of public elementary and secondary school teachers in Tacloban City who had worked for the Department of Education (DepEd) for at least ten years, beginning with an entry-level post. The researchers used a phenomenological method to better comprehend the teachers' perspectives, stressing subjective experiences above external, objective reality. This method provides for a thorough examination of the essence of the teachers' experiences by aggregating individual subjective experiences and bridging the gap between subjectivity and objectivity.

Smith and Nichols (2015), research included interviews with many millennials about career agility. The author stated that they were frequently approached by young people who saw the concept of career fluidity as a compelling reason to transfer employment. The interviews with

millennials provided useful insights into their thoughts and experiences about career agility, offering light on the motives and considerations that drove their job-switching decisions. These firsthand accounts from millennials helped them have a better knowledge of the topic and how it relates to their job choices.

Fitz Herbert (2023) collected data from participants between June and July 2019. The in-depth interviews with participants took place between August 2019 and January 2020. The study included eight subjects, each with a unique background profile. Pseudonyms were employed to refer to participants. Among the eight participants, the longest tenure as a teacher was 30 years, while the smallest was 10 years. Participants' ages ranged from 33 (the youngest) to 58 (the oldest). Six of the eight participants had transferred from one school to another, while two remained in their current roles. The participants were all married, except for one who did not yet have children. These demographic characteristics shed light on the diversity of the research study's participants.

5. Direction for Future Research

First, it would be useful to do a longitudinal study investigating how career stagnation evolves over time. Long-term trends and patterns can help academics understand the elements that contribute to career stagnation and how it affects individuals over time. A comparison analysis may also reveal key insights into career stagnation. Researchers could investigate geographical, demographic, and industry-specific variances in career stagnation rates. Researchers can uncover commonalities or differences between groups, shedding light on the underlying causes and potential remedies to career stagnation.

Understanding the causal relationships that contribute to career stagnation is another key area for future research. Researchers can look at the elements that contribute to career stagnation and determine cause-and-effect relationships. This could include conducting statistical analysis or employing experimental research techniques to uncover the factors that contribute to career stagnation.

Furthermore, assessing the efficacy of interventions and policies targeted at combating career stagnation would be beneficial. This study could include evaluating the outcomes and benefits of various activities, such as mentorship programs, skill-building initiatives, or career

Herath & Senavirathna

development interventions. By assessing the efficacy of these interventions, researchers can help to overcome career stagnation.

The use of emerging technology or approaches in the study of career stagnation should also be considered. Researchers could investigate how technologies like artificial intelligence, machine learning, and big data analytics can help them better understand the causes and effects of career stagnation. These technologies may also provide novel techniques to data collecting and analysis, as well as the development of personalized treatments to combat career stagnation.

Cross-disciplinary study could offer a more comprehensive perspective on career stagnation. Collaboration with experts in psychology, sociology, or organizational behavior, for example, may result in fresh insights and innovative approaches to understanding and alleviating career stagnation. By merging expertise from several areas, researchers can acquire a more thorough understanding of the varied nature of career stagnation.

Future studies on career stagnation could include ethical considerations. Researchers should investigate potential ethical problems with privacy, data security, and the effects of career stagnation on disadvantaged populations. Developing guidelines or frameworks for responsible research practices in the topic of career stagnation would help to promote ethical and socially responsible.

Qualitative research methodologies can be used to acquire a better understanding of people's perceptions and experiences with career stagnation. In-depth interviews, focus groups, or case studies can provide valuable insights into individuals' experiences with professional stagnation, the variables that lead to it, and possible coping mechanisms. Combining qualitative and quantitative data can provide a more complete understanding of the complicated processes of career stagnation.

References

Abele, A. E., Volmer, J., & Spurk, D. (2012). Career stagnation: Underlying dilemmas and solutions in contemporary work environments. In *Springer eBooks* (pp. 107–132).

Andrea. (2012). Career stagnation :Underlying Dilemmas and Solutions in Contemporary Work Environment. *Springer Science + Business Media*, 370-380.

- Bandhu, D., Mohan, M. M., Nittala, N. A. P., Jadhav, P., Bhadauria, A., & Saxena, K. K. (2024). Theories of motivation: A comprehensive analysis of human behavior drivers. *Acta Psychologica*, 244, 104177. https://doi.org/10.1016/j.actpsy.2024.104177
- Caesens, G. (2018). Perceived organizational support and workplace conflict: The mediating role of failure-related trust. *Frontiers in Psychology*. https://doi.org/10.3389/fpsyg.2018.01743
- Darling, S., & Cunningham, B. (2023). Perceived Causes of Career Plateau in the Public Service. Administrative Sciences, 13(3), 73. https://doi.org/10.3390/admsci13030073
- Eagly, A. H., & Karau, S. J. (2002). Role congruity theory of prejudice toward female leaders. Psychological Review, 109(3), 573–598.
- Fitz Herbert, R. R.-B. (2023). Conflict narrative, stigmatisation and strategic behaviour of religious scientists in the Argentinean scientific fieldArturo L. *SageJournals*.
- Friedman, G. (2011). The next decade. Doubleday. Revista Empresa y Humanismo, 118–121.
- Ivancheva, M., & O'Flynn, M. (2016). Between career progression and career stagnation: casualisation, tenure, and the contract of indefinite duration in Ireland. In Palgrave Macmillan UK eBooks (pp. 167–184).
- Khan, S., & Niazi, A. (2011). Organizational role stress and its impact on career stagnation: A study of non-equity sensitive employees. *Journal of Business Research*, 12(3), 45-60.
- Konstant, M. (2019). *Stagnation is the Enemy of Employee Retention*. Marti Konstant. https://www.martikonstant.com/blog/stagnation-enemy-employeeretention/#:~:text=Stagnation%20is%20the%20enemy%20of%20employee%20retention %20in%20the%20modern
- Landy, F. J. (2007). Work in the 21st century: An introduction to industrial and organizational psychology, 2nd ed. *American Psychological Association*.
- Latham, G. P., & Locke, E. A. (1979). Goal setting—A motivational technique that works. *Organizational Dynamics*, 8(2), 68–80.
- Odogwn. (2022). work and career. Retrieved from makeusof.com: www.makeusof.com
- Oducado, R. M., Rabacal, J., Moralista, R., & Tamdang, K. (2021). Perceived stress due to COVID-19 pandemic among employed professional teachers. SSRN Electronic Journal. https://doi.org/10.2139/ssrn.3743860
- Ryan, R. M., & Deci, E. L. (2020). Intrinsic and extrinsic motivation from a selfdetermination theory perspective: Definitions, theory, practices, and future directions. Contemporary Educational Psychology, 61, 101860. https://doi.org/10.1016/j.cedpsych.2020.101860

- Smith, T. J. & Nichols, T. (2015). Understanding the Millennial Generation. *ResearchGate*.
- Turek, D., Klein, H. J., & Wojtczuk-Turek, A. (2023). Overcoming organizational constraints: The role of organizational commitment and job crafting in relation to employee performance. *European Management Journal*. https://doi.org/10.1016/j.emj.2023.12.001
- Tyagi. (2014). Impact of Role Stagnation on Employees' Sensitivity. *Apeejay Stya University, Gurgaon (Haryana), Indi*, 2321 2705.

MOS REVIEW

Vol. 1, No. 2, May 2024

Social Media Advertising in Small and Medium-sized Enterprises

W.M.I.D. Wanasinghe¹

J.C. Athapaththu²

Department of Management and Organization Studies, Faculty of Management and Finance, University of Colombo, Sri Lanka

Abstract

This article examines the role of social media advertising for small and medium-sized enterprises (SMEs). It explores the concept of social media, recent research findings on social media advertising in SMEs, the most widely used theories in this context, and potential avenues for future research. Recent findings highlight the benefits of social media advertising for SMEs, including improved brand affinity, increased sales prospects, and enhanced customer relationships. Prospective avenues for research may encompass investigating consumer relationships, understanding the correlation between social media adoption and strategic viewpoints, and examining the specific affordances provided by different platforms. Overall, social media advertising provides SMEs with an affordable way to connect with customers and reach a broader audience.

Keywords: Small and Medium-sized Business, Social Media, Social Media Advertising

¹ Corresponding author: 2020ms9798@stu.cmb.ac.lk

² Supervisor of the research project

1. Social Media Advertising

In today's competitive world, advertising is essential for businesses to interact with both current and potential clients. Social media advertising, a form of digital marketing, reaches the target audience with sponsored advertisements by using social networks like Facebook, Instagram, TikTok, LinkedIn, YouTube, and X (previously Twitter). Through these platforms, marketers and advertisers can raise awareness of their products and encourage purchases. Social media, in comparison to traditional marketing communication media, is known to be more widespread due to its capacity to cater to the masses beyond geographical and demographic limitations (Nofal et al., 2020).

Advertising on social media has a big impact since it lets businesses reach ideal customers at every stage of the buying process. Khang et al. (2012) considers new ways of advertising made possible through social media. Moreover, social media advertising is considered a type of online advertisement that stresses social networking and utilizes social media platforms such as Facebook and Twitter as advertising tools (Koay et al., 2020). The purpose of social media advertising is to provide content that social media users would ultimately share with their social network in order to increase brand awareness and expand the customer base.

Internet users are moving away from traditional communication media and are more frequently using social media to seek opinions and brand-related information (Duffett, 2017). Consumers must have prompt access to the information they need whenever it's convenient for them. The building of strong emotional bonds in long-lasting relational interactions between consumers and sellers is made easier by the internet's expansion and the interactive nature of social media, which has strengthened customer loyalty.

2. Social Media Advertising in Small and Medium-sized Enterprises (SMEs)

Social media is becoming a powerful tool that helps companies, especially small and medium-sized enterprises (SMEs), accomplish a range of marketing goals, like building positive customer attitudes, increasing sales prospects, building brand affinity, and improving customer service (Misirlis & Vlachopoulou, 2018; Wood & Khan, 2016). Although large organisations are the main users of social media, empirical evidence highlights the importance of social media for SMEs as a means of customer interaction and feedback, which helps close the gap between these businesses and potential clients (Meske

& Stieglitz, 2013; Rahmawati et al., 2020).

The conflict between Sri Lankan SMEs' continuous reliance on traditional advertising strategies and consumers' growing preference for social network advertising, especially among younger consumers', has been explored minimally. However, in the midst of digital evolution, SMEs in Sri Lanka continue to adhere to traditional advertising methods, presenting a unique and significant dilemma. Although large organisations dominate the use of social media, research has proven that they are crucial tools for SMEs (Meske & Stieglitz, 2013; Rahmawati et al., 2020).

Social media platforms like Facebook, Twitter, Instagram, and YouTube, have been used by SMEs for online marketing campaigns due to their significant influence (Erlangga et al., 2021). SME can post images or movies that are freely viewed by millions of people, or they can craft hard- or soft-sell words. However, understanding the execution style that appeals to the target population is essential for successful social media promotion (Pack, 2017).

3. Recent Research Findings

Researchers have explored SMEs and social media advertising in multiple ways. For example, brand awareness has an indirect effect on future purchase intentions (Sharifi, 2014). Most noteworthy, social media advertising has an impact on the performance of a business, which can be measured by the level of sales of the products and services it produces (Jinfeng & Zhilong, 2009). Moreover, SME branding can become visible to others through social media (for example, customers). They are crucial venues for marketing and advertising products and services. With social media, businesses may create their advertising materials at a low cost by utilising wealthy, dynamic, and interactive media (Singh & Sonnenburg, 2012).

Different marketing objectives are achieved by using social media, including creating brand affinity, increasing sales prospects, improving customer service, and fostering favourable customer attitudes (Misirlis & Vlachopoulou, 2018; Wood & Khan, 2016). With social media, businesses may create their advertising materials at a low cost by utilising rich, dynamic, and interactive media (Singh & Sonnenburg, 2012). Social media also enables SME customers to provide feedback as companies set up social media accounts to interact with customers and obtain valuable feedback from them. Thus, social media has created a

Wanasinghe & Athapaththu

bridge of connection between small and medium enterprises and potential customers. It is quick, inexpensive, and can reach a larger audience quickly. Although large organisations dominate the use of social media, research has proven that these platforms are also important tools for SMEs (Meske & Stieglitz, 2013; Rahmawati et al., 2020).

Researchers have investigated the factors affecting SMEs in adopting social media marketing activities to improve business performance. For example, a study by Chatterjee and Kar (2020) shows findings from Indian SMEs. Using Technology Acceptance Model (TAM) and structural equation modeling, the results highlight that perceived usefulness, perceived ease of use, and compatibility significantly impact SMEs after adopting social media activities for their businesses.

In a similar vein, Qalati et al. (2020), investigate the technological, organisational, and environmental impacts on business performance, mediating the role of social media adoption. Items were developed to measure social media adoption, considering various purposes of social media usage in organisations. Findings suggest that social media adoption positively mediates the relationship between technological, organisational, and environmental impacts on business performance.

Interestingly, Patma et al. (2021) investigate the impact of social media marketing on the sustainability of Indonesian SMEs. The study specifically focuses on the effects of covid-19 pandemic. By adopting a quantitative approach with partial least squares structural equation modelling, the findings show that social media marketing mediates the relationship between internet/e-business technology and SMEs' sustainability. Researchers have urged the importance of enhancing the skills and knowledge of SME owners about digital marketing techniques.

Social media helps businesses perform beyond local boundaries and reach the global market. Eid et al. (2019) investigate the antecedents and consequences of social media use in international B-to-B SMEs and its impacts on their export performance. A sample of 277 British B-to-B SMEs were investigated by a questionnaire survey and structural equation modelling. The results reveal that social media significantly influences the export performance of SMEs. Social media usage was measured through perceived ease of use,

MOS Review 1(2), 2024

perceived relative advance, observability, and subjective norms.

Erlangga et al. (2021) investigate the effect of social media-based digital marketing on the purchase intentions of consumers of SMEs in the food industry. A questionnaire survey was conducted to collect data from Indonesian SME consumers, and the data were analysed using simple linear regression using SPSS software. The study concluded that social media marketing positively affects purchase decisions.

4. Theories Explaining Social Media Advertising

Researchers have widely used the Technology Acceptance Model (TAM), the brand equity model, social presence theory and Affordance Theory to explore the complexity of social media advertising in diverse circumstances. Developed by Davis (1989), TAM posits that two primary factors-perceived usefulness and perceived ease of use-influence an individual's intention to use new technology. Researchers have largely adopted the TAM model to explore the impact of social media marketing activities on the business performance of SMEs (Chatterjee & Kar, 2020), investigate social media marketing activities on purchase intentions (Erlangga et al., 2021), and examine the antecedents and consequences of social media usage by SMEs (Eid et al., 2019).

Affordance theory was initially proposed by Gibson (1977), who analysed relationships between animals and their living environments. However, later on researchers have used this theory to explore social media advertising in SMEs. Affordance is the asset obtained from the relationship between an actor and an object (Volkoff & Strong, 2013), and it represents an opportunity to perform (Stoffregen, 2003). Thus, this theory was used to link SMEs and the digital marketing environment. It also highlights the potential actions and opportunities that this environment presents to these firms (Gera & Gu, 2004; Paniagua & Sapena, 2014). As a component of the digital environment, social media platforms provide unique advantages to SMEs.

By adopting Affordance theory, Treem and Leonardi (2013) have examined how social media use can improve organisational productivity through socialisation, knowledge sharing, and power exercise. This will lead to enhanced exposure and reaching beyond conventional limits. Moreover, interactive messaging, affordable advertising choices, and the availability of insightful data analytics help to make well-informed decisions. Theory also recognises

Wanasinghe & Athapaththu

limitations that could affect SMEs' attitudes and behaviours.

Researchers also widely adopted the brand equity model to get to grips with a brand's equity and gain insight into the relationship between the different brand equity components through social media advertising in SMEs. For example, Gorgani (2016) explores the impact of social network media on brand equity in SMEs. Findings indicated that E-word of mouth has a positive effect on brand image and brand awareness on purchase intention. A study by Dumitriu et al. (2019), is another illustrative example which investigates digital marketing tools and techniques on brand equity in Romanian SMEs.

5. Methodologies Used in Social Media Advertising Research

The study context, which is social media advertising in SMEs, is dominated by quantitative research approaches (e.g. Chatterjee & Kar, 2020; Qalati et al., 2020; Patma et al., 2021) and online survey is the most popular method for collecting data. Interestingly, researchers have explored the dyadic relationship between customers and SME owners, as such data were collected from both parties. For example, Erlangga et al. (2021) collect data from customers who are dealing with SMEs, while Eid et al. (2019), collect data from SME owners to explore the context. The majority of researchers use structural equation modelling to analyse data, and partial least squares structural equation modelling is the most popular method.

However, researchers can utilize qualitative research approaches by adopting open-ended interview questions for analysing marketing plans, brand awareness initiatives, and difficulties faced by SME owners and managers. For example, Wibawa et al. (2022) adopted a qualitative research approach to explore utilisation of social media on marketing performance of Indonesian SMEs. Thematic analysis was performed to identify six main themes which support the marketing performance of SMEs. Similarly, Ahmad et al. (2018) used in-depth semi-structured personal interviews with UAE SMEs to explore social media adoption and business performances. Qualitative approach enables a deeper investigation and understanding of social phenomena, clarifying the ways in which social media impact SMEs marketing initiatives. Prior research (e. g. Ahmad et al., 2018; Wibawa et al., 2022) has shown that a qualitative research approach can reveal the underlying complexities and subtleties present in the marketing strategies and behaviours of SMEs. Researchers can probe deeply into SMEs' experiences and decision-making processes through in-person, in-depth

interviews, providing insight into both the triumphs and setbacks they face in their attempts at social media advertising.

6. Directions for Future Research Agenda in Social Media Advertising

Future researchers can explore how SMEs can use social media advertising for connecting people. For example, Future research could investigate SMEs across different business sectors to explore product based and service-based SMEs separately (Qalati et al., 2020). Forthcoming research also can investigate the effects of strategies and leadership on social media adoption in SMEs (Qalati et al., 2020). It will also be interesting to explore challengers and barriers in using social media advertising (Eid et al., 2020). Lastly, it would be great to examine similar research in different countries or geographical areas to understand any similarities and differences between SMEs' social media adoption and its impact on marketing and business performance (Chatterjee & Kar, 2020; Wibawa et al., 2022).

References

- Ahmad, S. Z., Ahmad, N., & Bakar, A. R. A. (2018). Reflections of entrepreneurs of small and medium-sized enterprises concerning the adoption of social media and its impact on performance outcomes: Evidence from the UAE. *Telematics and Informatics*, 35(1), 6-17. DOI: 10.1016/j.tele.2017.09.006
- Chatterjee, S., & Kar, A. K. (2020). Why do small and medium enterprises use social media marketing and what is the impact: Empirical insights from India. *International Journal of Information Management*, 53, 102103. DOI: 10.1016/j.ijinfomgt.2020.102103
- Davis, F. D. (1989). Perceived usefulness, perceived ease of use, and user acceptance of information technology. *MIS Quarterly*, 13(3), 319-340. DOI: 10.2307/249008
- Duffett, R. G. (2017). Influence of social media marketing communications on young consumers' attitudes. *Young Consumers*, 18(1), 19-39. DOI: 10.1108/YC-07-2016-00622
- Dumitriu, D., Militaru, G., Deselnicu, D. C., Niculescu, A., & Popescu, M. A. M. (2019). A perspective over modern SMEs: Managing brand equity, growth and sustainability through digital marketing tools and techniques. *Sustainability*, *11*(7), 2111. Doi.org/10.3390/su11072111
- Eid, R., Abdelmoety, Z., & Agag, G. (2020). Antecedents and consequences of social media marketing use: An empirical study of the UK exporting B2B SMEs. *Journal of Business*

& Industrial Marketing, 35(2), 284-305. DOI: 10.1108/JBIM-04-2018-0128

- Erlangga, H., Sunarsi, D., Pratama, A., Nurjaya, Sintesa, N., Hindersah, I., Juhaeri & Kasmad. (2021). Effect of digital marketing and social media on purchase intention of SMEs food products. *Turkish Journal of Computer and Mathematics Education* (*TURCOMAT*), *12*(3), 3672-3678. DOI: 10.17762/turcomat.v12i3.1186
- Gera, S., & Gu, W. (2004). The effect of organizational innovation and information technology on firm performance. *Economics of Innovation and New Technology*, 14(4), 301-314. DOI: 10.1080/1043859042000188711
- Gibson, J. J. (1977). The theory of affordances. In *Perceiving, acting, and knowing: Toward an ecological psychology* (pp. 67-82). Hillsdale, NJ: Lawrence Erlbaum Associates.
 DOI: 10.4324/9781315662454-10
- Gorgani, M. R. N. (2016). The impact of social network media on brand equity in SMEs. *European Journal of Sustainable Development*, 5(3), 239-239. DOI: 10.14207/ejsd.2016.v 5n3p239
- Jinfeng, W., & Zhilong, T. (2009). The impact of selected store image dimensions on retailer equity: Evidence from 10 Chinese hypermarkets. *Journal of Retailing and Consumer Services*, 16(6), 486-494. DOI: 10.1016/j.jretconser.2009.08.002
- Khan, I. (2022). Do brands' social media marketing activities matter? A moderation analysis. *Journal of Retailing and Consumer Services*, 64, 102794. DOI: 10.1016/j.jretconser.2021.102794
- Khang, H., Ki, E. J., & Ye, L. (2012). Social media research in advertising, communication, marketing, and public relations, 1997–2010. *Journalism & Mass Communication Quarterly*, 89(2), 279-298. DOI: 10.1177/1077699012439853
- Koay, K. Y., Ong, D. L. T., Khoo, K. L., & Yeoh, H. J. (2020). Perceived social media marketing activities and consumer-based brand equity: Testing a moderated mediation model. *Asia Pacific Journal of Marketing and Logistics*, 33(1), 53-72. DOI: 10.1108/APJML-06-2019-0411
- Meske, C., & Stieglitz, S. (2013). Adoption and use of social media in small and mediumsized enterprises. In Working Conference on Practice-Driven Research on Enterprise Transformation (pp. 61-75). Springer, Berlin, Heidelberg. DOI: 10.1007/978-3-642-38774-6_5
- Misirlis, N., & Vlachopoulou, M. (2018). Social media metrics and analytics in marketing– S3M: A mapping literature review. *International Journal of Information Management*,

38(1), 270-276. DOI: 10.1016/j.ijinfomgt.2017.10.005

- Nofal, R., Calicioglu, C., & Aljuhmani, H. (2020). The impact of social networking sites advertisement on consumer purchasing decision: The mediating role of brand awareness. *International Journal of Data and Network Science*, 4(2), 139-156. DOI: 10.5267/j.ijdns.2020.4.002
- Pack, S. (2017, April) What type of Advertising Appeal and Execution Style do you use? [Post]. LinkedIn. https://www.linkedin.com/pulse/what-type-advertising-appealexecution-style-do-you-use-sabrina-pack
- Paniagua, J., & Sapena, J. (2014). Business performance and social media: Love or hate?. Business Horizons, 57(6), 719-728. DOI: 10.1016/j.bushor.2014.07.005
- Patma, T. S., Wardana, L. W., Wibowo, A., Narmaditya, B. S., & Akbarina, F. (2021). The impact of social media marketing for Indonesian SMEs sustainability: Lesson from Covid-19 pandemic. *Cogent Business & Management*, 8(1), 1953679. DOI: 10.1080/23311975.2021.1953679
- Qalati, S. A, Li, W., Ahmed, N., Ali Mirani, M., & Khan, A. (2020). Examining the factors affecting SME performance: The mediating role of social media adoption. *Sustainability*, 13(1), 75. DOI: 10.3390/su13010075
- Rahmawati, T. Y., Dewi, M. K., & Ferdian, I. R. (2020). Instagram: Its roles in management of Islamic banks. *Journal of Islamic Marketing*, 11(4), 841-861. DOI: 10.1108/JIMA-11-2018-0201
- Sharifi, S. (2014). Impacts of the trilogy of emotion on future purchase intentions in products of high involvement under the mediating role of brand awareness. *European Business Review*, 26(1), 43-63. DOI: 10.1108/EBR-12-2012-0072
- Singh, S., & Sonnenburg, S. (2012). Brand performances in social media. *Journal of interactive marketing*, 26(4), 189-197. DOI:10.1016/j.intmar.2012.04.001
- Stoffregen, T. A. (2003). Affordances are enough: Reply to Chemero et al. (2003). *Ecological Psychology*, 15(1), 29-36. DOI: 10.1207/S15326969ECO1501_02
- Treem, J. W., & Leonardi, P. M. (2013). Social media use in organizations: Exploring the affordances of visibility, editability, persistence, and association. *Annals of the International Communication Association*, 36(1), 143-189. DOI: 10.1080/23808985.2013.11679130
- Volkoff, O., & Strong, D. M. (2013). Critical realism and affordances: Theorizing ITassociated organizational change processes. *MIS Quarterly*, 37(3), 819-834. DOI: 10.25300/MISQ/2013/37.3.07

- Wibawa, B. M., Baihaqi, I., Nareswari, N., Mardhotillah, R. R., & Pramesti, F. (2022).
 Utilization of social media and its impact on marketing performance: A case study of SMEs in Indonesia. *International Journal of Business and Society*, 23(1), 19-34. DOI: 10.33736/ijbs.4578.2022
- Wood, J., & Khan, G. F. (2016). Social business adoption: An empirical analysis. *Business Information Review*, 33(1), 28-39. DOI: 10.1177/0266382116631854
- Yoo, B., & Donthu, N. (2001). Developing and validating a multidimensional consumerbased brand equity scale. *Journal of Business Research*, 52(1), 1-14. DOI: 10.1016/S0148-2963(99)00098-3

MOS REVIEW

Editorial Policies

- MOS Review is a bi-annual non-refereed student publication of the Department of Management and Organization Studies, Faculty of Management and Finance, University of Colombo, Sri Lanka. It will be published in November and May of each year in electronic form identified with an ISSN.
- All submissions to MOS Review should be original work of the author(s). Further, the submission should not have been published or submitted to any other publishing outlet for consideration.
- Plagiarism is an academic offence. The similarity index accepted by MOS Review is 20 per cent. The Editorial Committee will check for plagiarism in all submissions. However, it is the responsibility of the author(s) to check for plagiarism before the submission.
- Text editing will be handled by the Editorial Committee. However, it is the responsibility of authors to make sure that the submission is free from errors, typos, spelling and grammar mistakes by the time of submission.
- The submissions to MOS Review will be entertained through the official email: <u>mos.review@mos.cmb.ac.lk</u> Submission deadlines will be the end of September (Issue 1) and March (Issue 2) each year.

The decisions of the Editorial Committee on the publication will be the final.

Author Guidelines

- The submission should be a conceptual paper which describes a single (broad) key concept in the students' research project (e.g., social entrepreneurship, workplace bullying).
- The first page must include a title with names and affiliations of the authors, and contact details (including the email addresses).
- An abstract with a maximum of 120 words and around 3-5 keywords should be submitted along with the conceptual paper.
- The content of the submission may include the following: terminology clarification, recent research findings around the concept, theories used in the conceptual domain, different conceptualizations and operationalizations of the concept, diverse methodologies used, different contextual backgrounds of the past research, and directions for future research agenda.
- The submission will be a joint work with the supervisor who approves the work for publication.
- The submission should be limited to 2000 words (excluding references). As the submission is a concept paper, no tables, figures, charts or annexures will be entertained.
- APA guidelines 7th edition should be followed for in-text citations and in compiling the reference list.
- The submission should be type-written. Formatting should be as follows: Font type: Times New Roman
 Font size: 12 points
 Line spacing: 1.5
 Paper size: A4
 Page margins: 1 inch all sides

MOS REVIEW

Volume 1 Issue 1

November 2023

CONTENTS

Introduction to Inaugural Issue of MOS Review

Seuwandhi B. Ranasinghe, Kumudinei Dissanayake and Tissa Ravinda Perera

Rural Entrepreneurship S. M. C. Maduwathi and Tissa Ravinda Perera

Civic Entrepreneurship S. R. Hewapathirana and R. Senathiraja

Migration

M. L. K. Perera and Sashika Abeydeera

Workplace Bullying *R. G. K. Rasanjalee and Kumudinei Dissanayake*

Dirty Work

P. T. G. Sashini Madushani Pallewela and Seuwandhi B. Ranasinghe

Standard Time in Operations Management *M. Shanika Dilhani Senavirathna and R. Senathiraja*

