

Use of social media in Free State tourism small, medium and micro enterprises to widen business networks for competitiveness



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Background: While the proliferation of social media is hailed for increasing corporate business networking and competitiveness, this claim has not been sufficiently tested in tourism small, medium and micro enterprises (SMMEs) in African emerging economies where traditional communication modes tend to dominate.

Setting: This study investigates the use of social media in tourism SMMEs to widen their business networks to increase competitiveness.

Aim: This study contributes to the debate on business networking among stakeholders within the tourism sector.

Methods: To close the research gap, the current study employed stakeholder theory and survey data of 123 hospitality SMMEs to explore the influence of social media utilisation for business networking with stakeholders and its effect on business competitiveness.

Results: Findings showed that the majority of tourism SMMEs used social media technologies to retain their customer base, solicit feedback from customers, assert their dominance in the market, maintain contact between their co-workers and share information. Moreover, the findings indicate that there is a significant positive relationship between social media business networking and competitiveness of these firms. The study recommended that tourism SMMEs should create a policy framework for comprehensive stakeholder engagement that serves the interests of all individuals.

Conclusion: To increase the competitiveness of such firms, SMMEs should incorporate social media into their formal internal and external information strategy.

Keywords: Social media; networking; stakeholder; small, medium and micro enterprises; business competitiveness; SMMEs.

Introduction

Social media networking, which denotes the use of social media to engage with a business' internal and external stakeholders, seems to have attracted the attention of large corporations that have resource endowments to generate a large customer base and shape the public image of their brands. The established body of literature focuses on large corporations' use of social media for advancing business competitiveness (Aimiwu 2012; Pereira Medina 2014). However, the emerging phenomenon of small, medium and micro enterprises (SMMEs) in developing economies using social media to advance their competitiveness has been under explored in literature (Meske & Stieglitz 2013). For the purpose of this study, business competitiveness describes the ability of a business to regularly and successfully yield products or services that meet the requirements of an open market and enable the business to stay operational by gaining market share (Sipa, Gorzeń-Mitka & Skibiński 2015). Yet the need to understand the influence of social media business networking on the competitiveness of SMMEs cannot be ignored as it promotes and markets business brands (Ananda, Hernández-García & Lamberti 2015) and develops new products and improves customer service for business (Arca 2012). Antoldi, Cerrato and Depperu (2011) suggest that a network indicates a social structure that includes a set of relationships between different individuals. The popularity of social media networking as a field of study seems to stem from the important role it plays in binding and bringing individuals and businesses together. In the context of this study, this network includes employers and employees

(internal network) and customers, suppliers, competitors, regulators and surrounding communities (external network). Furthermore, social media are platforms that can smoothe the construction of social interactions among these different networks and provide opportunities for them to share suggestions, concerns, interests and activities through connections (Oyza & Edwin 2015).

Tourism SMMEs are small businesses that employ fewer than 200 employees and offer tourism products or services to consumers (Pierce 2011) in emerging economies. However, SMMEs' lack of a competitive plan to improve the sustainability of their business operations and their failure to utilise the increasing importance of social media as interaction and communication tools undermine their competitiveness. Dahnil et al. (2014) concur that SMMEs are known to have limitation and acceptance barriers in utilising emerging technologies such as social media for networking. One of the major limitations to SMMEs' use of technologies stems from the poverty of resources within these businesses (Ghobakhloo et al. 2012). Despite this failure by tourism SMMEs, social media networking gives businesses a voice and a way to communicate with stakeholders (Ndekwa & Katunzi 2016). It personalises the brand and assists businesses to spread their message in a relaxed and conversational way (Ndekwa & Katunzi 2016). Hence, technological innovation is a significant component in today's knowledge economy. Ludmila and Stanislava (2015) state that social media technologies (SMTs) are important resources of competitiveness for businesses; thus the use of social media may play an important role in the competitiveness of SMMEs. Lim (2010) observes that the tourism sector is slowly gaining momentum with regard to technology adoption and SMMEs are unwilling to adopt these technological advances. Besides, the tourism sector also fears social media because they think that it could be detrimental to employee productivity or fear that social media has the potential to harm the business' reputation. Social media may have negative implications on employee productivity in the workplace (Hettiarachchi 2017; Mohamed et al. 2017). Furthermore, Zeng and Gerritsen (2014) add that the tourism sector is faced with the possibility that social media, if not managed properly, can be a source of negative influence from dissatisfied customers. Therefore, the industry has not taken advantage of the power of social media and they have not incorporated it in their marketing initiatives. Lim (2010) posits that social media is an alternative platform for tourism SMMEs to enrich their knowledge and extend their network of connection. Therefore, these SMMEs should take advantage of these emerging technologies to expand and influence both their internal and external network to gain competitiveness. In view of the above, this study addresses the following research questions:

1. To what extent do tourism SMMEs utilise social media to broaden their business networks (i.e. supply chain networks)?
2. What impact does SMMEs' utilisation of social media technologies have on business competitiveness?

Background to the study

Small, medium and micro enterprises play a substantial part in the creation of employment and are considered one of the key drivers of economic growth (Brand, Du Preez & Schutte 2007; Dahnil et al. 2014). This assertion also includes tourism SMMEs.

Tourism seems to be a growing sector in South Africa to address the nation's social challenges of overcoming poverty, unemployment and inequality. Xasa (2017) concurs that the South African tourism economy is one of the best performing economic sectors in South Africa, outperforming many of the traditional South African sectors, and also creating permanent jobs as well as stimulating job creation. This is because tourism is labour intensive (Aynalem, Birhanu & Tesefay 2016; Meyer & Meyer 2015). In many developing and transition economies, tourism has emerged as the dominant tool for economic growth. This is supported by Mihalic (2014) who states that most developing economies conceive tourism development as their chance for economic development. The same applies to the Free State province of South Africa. Tourism SMMEs in the Free State are mostly bed and breakfast establishments and guesthouses. Some of these SMMEs are informal establishments that have turned their homes into a business. This micro focus might be the reason these businesses may not be using social media for networking with their business stakeholders.

The desirability of business networking for small, medium and micro enterprises

The globalisation and growing competitiveness of the tourism market demand greater flexibility within tourism businesses (Borodako & Kožić 2016). Borodako (2011) affirms that in a tourism sector dominated by SMMEs, flexibility may be realised by support for a range of stakeholders internal and external to the business. Even so, the literature concerning ways of cooperation in the tourism business is rather uncommon (Borodako & Kožić 2016). Nevertheless, internal and external networking within this sector is important for its competitiveness. Sosa, Roy and Bautista (2015) concur that social media business networks are central in demonstrating what the business stands for and this indicates that they are involving their internal and external networks. The social media business networks have evolved to a point that they now allow people to use them to generate sales and increase the competitiveness of enterprises. Tourism SMMEs should also utilise this prominent phenomenon in order to increase their competitiveness.

Networking is often an informal way of attaining a mutual goal, but its time frame is not usually limited (Borodako & Kožić 2016). According to Borodako and Kožić (2016) the external drive of networking is created by the business environment, in particular globalisation, rapid technological changes, climate change, humanity's increasing mobility, and escalating competition between tourism destinations and businesses. The internal drive for cooperation networks

is mostly dependent on resources, the need for a cooperating partner in the market is especially prevalent among SMMEs. This is especially predominant in the tourism sector as customers are globalised and therefore the competition is high. Hence, De la Garza and Contreras (2016) hypothesise that networks are an option for competitiveness enhancement, giving basis to multiple interactions, internal and external, for the benefit of all stakeholders. Tourism SMMEs' use of SMTs as a channel of communication to different networks can ease the interaction described above.

The plethora of SMTs are among the opportunities available to businesses in their bid to connect with existing and prospective customers and other stakeholders. Moreover, Oyza and Edwin (2015) advance that relationship building and interactions are the main motives for embracing of SMTs by individuals. However, businesses can also take advantage of this phenomenon by using it to build relationships with their stakeholders. Oyza and Edwin (2015) concur that businesses leverage the universal usage of these technologies and see them as platforms on which to interact directly with existing and new stakeholders. Also, Floyd (2015) suggests that the use of emerging technologies to promote modern communication enhances interactivity and significance within the business environment both internally and externally. Thus, social media connects people globally irrespective of differences and geographical boundaries (Sawyer 2011). In the same breath, businesses can also use social media to link them with different players within the organisation (internal) as well as outside the organisation (external) and thus affect competitiveness.

Therefore, from the above assertions, the authors postulate that SMTs may facilitate the internal and external networks between a business and its stakeholders for business competitiveness.

Social media and business networks

Esse, Szántó and Wimmer (2012:99) postulate that the domination of internal performance indicators has been disappearing and a growing emphasis on external factors has emerged. Based on this, SMMEs should also use external networks to increase performance without neglecting internal networks. Thus, tourism SMMEs may utilise SMTs as a channel to engage both internal and external networks. Furthermore, Walters, Bhattacharjya and Chapman (2011) affirm that there is increasing evidence for the suggestion that shifting customer markets are increasing the significance of flexibility for business success and that SMTs are easing the development of business models that embody this characteristic. This means SMTs have an indirect influence on competitiveness of businesses as it serves as a channel to internal and especially external networks. Hence SMTs give businesses an opportunity to engage with their different stakeholders wherever they are. Walters, Bhattacharjya and Chapman (2011) concur that the critical part is how

businesses use the capacity that technology offers to generate opportunities for richer communication and global reach.

Therefore, a well facilitated cooperation of tourism SMMEs with its internal and external networks will likely lead to competitiveness. In concurrence, De la Garza and Contreras (2016) posit that networks are a choice for competitiveness enhancement, being a source of several relationships, internal as well as external, which will define the relationships' strength to the benefit of all stakeholders, especially in matters of innovation. If tourism SMMEs use SMTs to engage in networking, more businesses will reach a wider stakeholder base thus achieving competitiveness. Hence, Curley and Noormohamed (2014) speculate that there is much excitement about social media platforms and their possible effect on global marketing. Tourism SMMEs should also take advantage of this opportunity by adopting these emerging technologies to be able to compete with other larger businesses by networking with their various stakeholders. In relation to this assertion, Curley and Noormohamed (2014) advise that social media marketing is becoming a richer vehicle to allow businesses to network with various stakeholders. This is because of the view that in today's connected world, people are not just observing the shifting environment; they are active and willingly devoting more time online (Sedereviciute & Valentini 2011). This assertion is especially critical for tourism SMMEs who compete internationally as well. Sedereviciute and Valentini (2011) posit that the most significant opportunity of networking through social media is the prospect of communicating directly with stakeholders without the mediation of other entities. Businesses are gradually becoming keen to use social media for business purposes, in particular for communication, marketing and recruitment. Likewise, tourism SMMEs' customers, stakeholders and regulators are able to communicate and share information in inexpensive ways from anywhere around the world. As such, tourism SMMEs' underutilisation of social media can contribute to the limited effectiveness of their competitive strategy.

Business networks and competitiveness

Competitiveness is crucial for a business's sustenance as it displays a business's ability to innovate and fulfil customers' changing needs thus giving a positive signal to business networks. Competitiveness is the ability to generate and sustain superior performance relative to competitors (Centenaro & Laimer 2016:67). Lakhal et al. (1999) state that business networking to become internationally competitive forms the base of strategic decisions in many businesses. This can be true especially for tourism SMMEs who compete internationally. Tourism SMMEs use informal networks to collect information on a mix of issues. Ludmila and Stanislava (2015) concur that networks are strategic for development and expansion of new ideas and innovations and thus the attainment of competitiveness. Networks provide access to

resources, knowledge and skills required for the development and exploitation of new business opportunities (Ludmila & Stanislava 2015). Through a business's access to stakeholders, whether internal or external, it can acquire the resources essential for increasing its competitiveness.

Centenaro and Laimer (2016:67) affirm that competitiveness is associated with the business' capability to compete in the market and gain superior performance to its competitors. Consequently, competitiveness is related to a number of factors in a given market, which is part of the interdependence between companies (Centenaro & Laimer 2016). Equally, for businesses, a competitive factor (e.g. cooperative relationships through networking) becomes viable for a business that is measured by their performance. In the tourism sector, relationships and cooperation of different stakeholders can be crucial for increasing sustainability, competitiveness or even survival in terms of destination competitiveness, but also at the level of individual tourism businesses (Perić, Đurkin & Lamot 2014). Moreover, Centenaro and Laimer (2016:67) postulate that network relationships can then provide an increase in the business' competitiveness and, as a consequence, vary its performance in relation to those businesses that do not network with others. Ludmila and Stanislava (2015) concur that using business networking has resulted in crafting solid relationships in firms, thus building a stronger network and gaining competitiveness for SMMEs. Accordingly, cooperative relationships are a determining factor of business competitiveness, enabling the business to engage in cooperation for superior performance in relation to its competitors that operate in isolation (Centenaro & Laimer 2016).

In view of the above, it is imperative that tourism SMMEs should formalise their business networking internally and externally in order to become competitive. In accordance with this, Ludmila and Stanislava (2015) affirm that networking appears to have a positive effect on growth and it is a foundation of benefits for businesses. The simplest way to achieve this is through the utilisation of SMTs as a channel to access different stakeholders in this network.

This article has presented literature on how tourism SMMEs may employ social media to increase their business networks to gain competitiveness. The next section discusses the theory underpinning the study.

Stakeholder theory

Stakeholder theory is a useful perspective for addressing important issues in business (Harrison, Freeman & Abreu 2015). These authors further maintain that this theory is effective in that stakeholders that are well taken care of tend to reciprocate with a positive attitude towards the business. Stakeholder theory involves attending to the interests and well-being of all business stakeholders (Harrison, Bosse & Phillips 2010). Hence, this theory's purpose is to create value not only for business owners but for stakeholders as well. Thus, stakeholder theory is drawn on in this article to show

how it could be relevant to understanding tourism SMMEs' stakeholders within social media environments.

Since its emergence, social media has reached into the business world and taken over (Pietarinen 2014). It offers easy, interactive and cost-efficient possibilities to interact with various stakeholders (Krumay & Geyer 2016). It is evident from practice to suggest that social media is a suitable way to establish stakeholder involvement within a business. Pietarinen (2014) states that many businesses have difficulties grasping what social media is and why it has become such a phenomenon, although they aim to benefit from it through developing strategic goals and reaching specific stakeholder groups to become competitive.

Competitiveness is the core issue of strategic management in which stakeholder theory is rooted (Wu 2012). Wu (2012) further states that a business' competitiveness is achieved by its strategic choice. Therefore, the competitiveness of the business can be achieved through the integration of social media and stakeholder theory.

The next section discusses the methodology followed in the research.

Research design

This article adopted a quantitative descriptive research method. The researchers conducted a thorough literature review and developed a Likert scale based questionnaire. The Free State Department of Economic Development, Tourism and Environmental Affairs estimated that there were approximately 600 tourism SMMEs in the Free State province. Using a sample size calculator at a confidence level of 95%, the researchers established a target sample of 234 tourism SMME owners or managers. They employed probability sampling to select a simple random sample to ensure the probability of generalising to the study population (Maree 2013).

Data collection

A closed-ended structured questionnaire was developed based on reviewed literature and research questions used to collect data. Through the process of constructing the instrument, different phases were followed and a statistical expert's advice was adhered to. Only 123 questionnaires were completed correctly, representing a 53% response rate. A response rate of 50% is adequate for analysis (Bryman & Bell 2011) as there is growing evidence that achieving a good response rate may be difficult when surveying a small business population. The study also considered ethical issues such as informed consent and privacy of the participants. With the help of research assistants, it took approximately 2 months to collect data. The authors also administered the data collection instrument to the SMME owners and managers at times convenient to them to avoid disturbances of their routine business.

Data analysis

Data from collected questionnaires was coded and captured into Excel and exported into Statistical Package for the Social Sciences (SPSS) version 21 for detailed analysis. The study employed descriptive statistics such as frequency tables to establish the extent of use of SMTs for external and internal networking. Inferential statistics, in particular correlation analysis and regression analysis, were employed to examine the relationships between competitiveness and stakeholder variables (which comprise internal and external networks and stakeholder variables relating to SMTs).

Reliability of data

A preliminary check ensured reliability of the variables used in the analysis. The variables constructed for analysis are external networking, internal networking, suppliers, competitors and investors, regulators and competitiveness. Cronbach's alpha coefficient calculations determined whether the variables are reliable. The coefficients are presented in Table 1.

A Cronbach's alpha value above 0.6 indicates a reliable variable (Rahimnia & Raude 2013). Table 1 shows that all the constructed variables have a Cronbach's alpha coefficient that is above 0.6 which means that these variables are reliable and further statistical analysis could be conducted.

Validity of data

To address the objectives of this study, factor analysis was instrumental in determining the validity of the constructs used in the analysis. The variables constructed for further analysis are external networking and internal networking. The results in Tables 4 and 5 indicate that the latent factor (factor loading) for the items measuring each construct were predominantly above 0.6. Rahn (2018) considers this valid to measure the constructs in question for a factor analysis.

Presentation and discussion of findings

Demographic data

Table 2 indicates that 62.6% of respondents were managers and only 17% were owners. The interpretation of this could mean owners prefer to hire managers rather than run their own business. About 63% of respondents were between 21 and 40 years old, showing that the majority were in the economically active population. The majority

of respondents (65.6%) studied up to tertiary education. Also, the number of years in business as illustrated in Table 2 indicates that the majority (78.3%) of businesses have been in operation between 1 to 10 years. This indicates that the tourism SMMEs in the province have survived long enough.

The majority (82.9%) of respondents indicated that they use SMTs while only 17.1% do not use it. The willingness of tourism SMME owners and managers to adopt SMTs resonates with Meske and Stieglitz's (2013) revelation that these technologies are significant to the routine operations of tourism SMMEs. Moreover, Table 3 shows that 67.5% (22.8% advanced and 44.7% intermediary) of respondents were knowledgeable about SMTs. It further illustrates that several respondents (15.4%) used these technologies despite being beginners or novices. This indicates the importance of these emerging technologies and respondents' willingness to use them for business operations.

Table 3 shows that almost half of respondents (46.7%) use SMTs to attract new customers while only 10.7% of respondents use them to network. This attitude is confirmed by Cesaroni and Consoli (2015) who postulate that the popularity of SMTs among SMMEs disturbingly coexists with the failure to utilise them effectively. Consistent with this finding, only 30.1% of respondents consider social media important for their business. Despite 46.7% of respondents considering SMTs important for business, only 15.4% use them to communicate with stakeholders. The findings indicate that irrespective of the majority (82.9%) of owners and managers using social media, most do not see social media as important for business operations. Clearly, there is a lack of stakeholder approach as evidenced from this finding. Siti-Nibiha and Saad (2015) concur with this statement that the stakeholder engagement practice in tourism is selective in nature.

TABLE 2: Sample demographics.

Variables	Category	Frequency	%
Role in the business	Owner	21	17.1
	Manager	59	48.0
	Owner/Manager	18	14.6
	Other	25	20.3
Age	21–30 years	39	32.0
	31–40 years	38	31.1
	41–50 years	32	26.2
	Above 50	13	10.7
Education	High school	42	34.4
	Tertiary	60	49.2
	Postgraduate	20	16.4
Years business has been in operation	1–5 years	40	33.3
	6–10 years	54	45.0
	11–15 years	15	12.5
	16–20 years	2	1.7
	Over 20 years	9	7.5
Number of employees in the business	None	8	6.5
	1–5	63	51.2
	6–9	29	23.6
	10+	23	18.7

TABLE 1: Cronbach's alpha's reliability test.

Constructed variables	Cronbach's alpha	Number of items
External networking	0.881	8
Internal networking	0.864	5
Suppliers	0.939	3
Competitors and investors	0.915	5
Regulators	0.881	4
Competitiveness	0.693	2

Business external networking

Table 4 presents frequencies and descriptive statistics for statements related to businesses' use of SMTs for external networking. The frequency distribution shows that 67.5% of the businesses respond to questions and comments

TABLE 3: Status and utilisation of social media technologies.

Variables	Categories	Frequency	Percentage
The business uses social media technologies.	Yes	102	82.9
	No	21	17.1
How do you rate your social media knowledge?	No knowledge	21	17.1
	Beginner/Novice	19	15.4
	Intermediary	55	44.7
	Advanced	28	22.8
How often does your business use social media technologies?	Once/more a day	35	28.5
	Once/more a week	28	22.8
	Once/more every month	42	34.1
	Never	18	14.6
What are the reasons for your business's use of social media technologies?	Do not use social media	19	15.6
	Marketing products/service	21	17.2
	Build credibility	12	9.8
	Attracting new customers	57	46.7
	Network	6	4.9
	Listen to customers	4	3.3
	Provide feedback	3	2.5
To what extent does your business consider social media technologies important for its operations?	Not at all	15	12.2
	To a little extent	18	14.6
	Neutral	53	43.1
	Moderate extent	37	30.1
How do you rate your staff's knowledge of social media?	Novice	35	28.5
	Beginner	20	16.3
	Intermediary	56	45.5
	Advanced	12	9.8
Who are your business trying to reach through social media technologies?	Existing customers	81	71.1
	Prospective customers	21	18.4
	Suppliers	11	9.6
	Competitors	1	0.9
Which methods do the business use to communicate with stakeholders?	None	8	6.5
	Telephone	22	17.9
	E-mail	70	56.9
	Letter	4	3.3
	Social media technologies	19	15.4

from customers and potential customers posed on SMTs. In support, Leung et al. (2013) posit that Facebook offers an alternative web-based tool for tourism SMMEs to provide information, promote products and services, and respond to customer inquiries. Leung et al. (2013) add that a probable reason for this finding is that practitioners usually regard SMTs as a marketing and information distribution channel. Table 4 further illustrates that 62.6% of respondents agree that their businesses are significantly broadening customers' awareness of their products using SMTs. These statistics illustrate many tourism SMMEs use SMTs to network externally with their stakeholders especially customers. Such external networking with external stakeholders will provide SMMEs with a wide range of benefits in additional areas, including consumer marketing (Bughin, Chui & Manyika 2012). Table 4 further indicates that about 57.9% of the businesses use SMTs intensively to retain existing customers. The interpretation is that communication is a key to business success as it assists businesses in communicating with existing stakeholders. Baruah (2012) concurs that SMTs are good for customer interaction, customer feedback and customer support, and new business contacts are necessary for networking purposes.

The frequency distribution shows that 49.6% of the businesses use Facebook discussion forums to increase their dominance in the market. About 44.3% of the businesses collaborate with customers on WhatsApp to interact and improve their brand. Moreover, 41.5% of the businesses use Google+ to connect with and increase their market share. Although the usage of SMTs could increase the market share as indicated in the findings, the percentage is not satisfactory bearing in mind the popularity of SMTs among the customers and potential customers. A further 25.2% of the businesses employ LinkedIn to connect their product range to potential customers, whereas 18.7% of the businesses encourage customers to follow their personnel on Twitter. The above findings show that social media bridges the space among different business stakeholders through external networking (Baruah 2012).

TABLE 4: External networking.

External networking		Frequency distribution						Descriptive		Latent factor: Factor loading
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	% agree and strongly agree	Mean	Standard deviation	
The business uses Facebook discussion forums to increase its dominance in the market	<i>n</i>	11	26	25	36	25	49.6	3.31	1.27	0.80
	%	8.9%	21.1%	20.3%	29.3%	20.3%				
The business encourages customers to follow its personnel on Twitter.	<i>n</i>	16	59	25	12	11	18.7	2.55	1.13	0.62
	%	13.0%	48.0%	20.3%	9.8%	8.9%				
The business employs LinkedIn to connect its product range to potential customers.	<i>n</i>	14	64	14	18	13	25.2	2.63	1.20	0.58
	%	11.4%	52.0%	11.4%	14.6%	10.6%				
The business uses Google+ to connect with stakeholders and increase its market share.	<i>n</i>	7	44	21	35	16	41.5	3.10	1.18	0.58
	%	5.7%	35.8%	17.1%	28.5%	13.0%				
The business collaborates with customers on WhatsApp to interact and improve its brand.	<i>n</i>	10	42	16	38	16	44.3	3.05	1.24	0.66
	%	8.2%	34.4%	13.1%	31.1%	13.1%				
The business uses social media technologies intensively to retain existing customers.	<i>n</i>	4	28	19	41	29	57.9	3.54	1.17	0.87
	%	3.3%	23.1%	15.7%	33.9%	24.0%				
The business uses social media technologies to increase the base of prospective customers.	<i>n</i>	5	22	14	49	33	66.7	3.69	1.16	0.91
	%	4.1%	17.9%	11.4%	39.8%	26.8%				
The business is significantly broadening customers' awareness of its products using social media technologies.	<i>n</i>	5	21	20	45	32	62.6	3.64	1.17	0.87
	%	4.1%	17.1%	16.3%	36.6%	26.0%				

TABLE 5: Internal networking.

Internal networking		Frequency distribution						Descriptive		Latent factor – Factor loading
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	% agree and strongly agree	Mean	Standard deviation	
The business responds to questions and comments from customers and potential customers posed on social media technologies.	<i>n</i>	8	22	10	47	36	67.5	3.66	1.25	0.87
	%	6.5%	17.9%	8.1%	38.2%	29.3%				
The business's personnel are actively present in social media technologies for marketing purposes.	<i>n</i>	11	39	27	24	22	37.4	3.06	1.26	0.82
	%	8.9%	31.7%	22.0%	19.5%	17.9%				
The business's employees use social media to contact co-workers when they are unreachable by other means.	<i>n</i>	11	28	18	42	24	53.7	3.33	1.27	0.82
	%	8.9%	22.8%	14.6%	34.1%	19.5%				
The business's employees maintain contact with other people in the organisation through social media.	<i>n</i>	10	22	29	43	19	50.4	3.32	1.18	0.88
	%	8.1%	17.9%	23.6%	35.0%	15.4%				
The business's employees are free to engage with customers on SMTs.	<i>n</i>	13	22	31	41	16	46.3	3.20	1.19	0.63
	%	10.6%	17.9%	25.2%	33.3%	13.0%				

Business internal networking

Table 5 presents frequencies and descriptive statistics for statements related to business use of SMTs for internal networking.

About 53.7% of the businesses agree that their employees use social media to contact co-workers when they are unreachable by other means. Employees need each other to be productive and clearly SMTs are useful in connecting them when unreachable. In addition, just over half (50.4%) of the businesses agree that their employees maintain contact with other people in the organisation through social media. This can help employees to share information that will help in production processes. Chin et al. (2015) concur that an internal employee network not only promotes camaraderie but it also promotes information sharing which will lead to productivity. Kasavana, Nusair and Teodosic (2010) further agree and propose that SMTs utilised among employees constitute a collaboration of organisational intelligence, optimisation of employee talents, facilitation of communication, and shared insights related to the work environmental situation. It must, therefore, be stressed that social media impact on the nature and quality of employees' job performance (Mohamed et al. 2017), thus aiding competitiveness of the business.

About 37.4% of the businesses surveyed agree that their personnel are actively present in SMTs for marketing purposes. Contrary to the results for external networking on Table 4, these findings indicate that tourism SMMEs in the study area do not adequately utilise social media to communicate internally.

Social media utilisation to broaden business networks

In order to address this objective, the mean percentages of the statements of external and internal networking, suppliers and competitors and investors in relation to SMTs were calculated. Table 6 presents the means and percentages of networked stakeholders.

The percentage of internal networking is 66.2%, which is a high percentage indicating that most businesses use SMTs

TABLE 6: Mean percentages of networking, suppliers, competitors and investors.

Variables	Mean	%
External networking	25.51	63.8
Internal networking	16.56	66.2
Suppliers	7.86	52.4
Competitors and investors	14.53	58.1

for internal networking. This finding is substantiated by Meske and Stieglitz's (2013) survey on German SMMEs, which affirms SMMEs' use of SMTs to support collaboration among employees and to improve knowledge management. The percentage of external networking is 63.8%, indicating that most of the businesses use SMTs for external networking. However, Table 3 indicates that tourism businesses network mainly with customers. This is perhaps because tourism SMMEs perceive customers as the most important stakeholders for their business. In support of this view, Popp and Woratschek (2017) affirm that to manage relationships with customers is a common driver of large enterprises and SMMEs. However, Harrison and Wicks (2013) affirm that SMMEs should network with all stakeholder groups such as customers, suppliers, competitors and investors rather than focusing on just one.

Furthermore, the percentage for competitors and investors is above half (58.1%) while for suppliers it is 52.4%, which indicates that about half of the businesses use SMTs to communicate with their suppliers. Similarly, these findings illustrate that these businesses are indeed using SMTs to generally network with their stakeholders. Moreover, Fosso-Wamba and Carter (2014) concur that social media tools can assist with improved communication and collaboration between the business and its stakeholders. However, those tourism SMMEs (a sizeable number) that do not use social media to network with their stakeholders stand to miss these advantages. This is based on the assertion that social media is important and can improve the competitiveness of any business (Gomez, Chalmeta & Sosa-Varela 2012; Lutz & Hoffmann 2013). Furthermore, Gomez et al. (2012) advance that through social media channels, businesses can create and promote two-way communication processes where they can include and engage stakeholders in discussions that can profit both parties.

TABLE 7: Regression analysis (competitiveness versus stakeholder variables relating to SMTs).

Dependent variable: Competitiveness	Coefficients		T statistic	p
	Unstandardised	Standardised		
Intercept	4.912	-	10.400	0.000
External networking	0.018	0.088	0.662	0.509
Internal networking*	0.088	0.300	2.195	0.030
Competitors and investors	-0.019	-0.071	-0.458	0.648
Regulators	-0.011	-0.032	-0.215	0.830
Adjusted R-square	0.247	-	-	-

*, significant variables

The influence of stakeholder networking on competitiveness

Table 7 indicates that only the p-values for internal networking are below 0.1 which means that the businesses' use of SMTs for internal networking has a significant impact on competitiveness. Moreover, the coefficient of the variable internal networking is 0.088, which is a positive impact on competitiveness. The positive coefficient means that an increase in the business's use of SMTs for internal networking will lead to an improvement in the competitiveness of the business. In support of this finding, Bulankulama, Khatibi and Shokri's (2014) study on the effect of the utilisation of social media on competitive advantage affirms that employee interaction and exchange of knowledge and information will increase tourism SMMs' competitiveness. In concurrence, Mohamed et al. (2017) establish that social media has become a common channel of communication for employees to join forces, integrate and share information with colleagues within the business. Furthermore, Gomez et al. (2012) claim that utilising social media to network offers countless advantages for a business competitiveness.

The networking of different stakeholders within the tourism sector can assist SMMs in encouraging collective promotion of tourism products and overcoming issues that are the result of competition (Pjerotić, Radenović & Tripković-Marković 2016). When it comes to managing competitiveness of tourism, the role of networking, especially externally, should be highlighted.

Recommendations

Although internal networking had significant positive influence on competitiveness, there is a need to balance the internal and external networking of these tourism SMMs and stakeholders. Besides, if tourism SMMs improve their networking with all their stakeholders and do not focus mainly on customers it will be of benefit not only to their businesses but to all the stakeholders as well, and will further increase competitiveness through spillover effects, such as building of social trust, creation of entrepreneurial social capital and building social cohesion.

The results show that the tourism SMMs' external networking is focused predominantly on customers rather than other stakeholders. In view of this, there is a need for more inclusive and robust stakeholder engagement and

business management should therefore identify all relevant stakeholders. The engagement policy framework would assist most tourism SMMs to cease focusing on customers solely and target other stakeholders. Tourism SMMs can also benefit from clearly articulating their needs, expectations and desires to their stakeholders through the creation of an inclusive stakeholder engagement policy framework that serves their interests and reconciles perceived conflicts of interest among stakeholders.

Given the importance of tourism in the South African economy and the proliferation of SMTs in recent years, this study sought to establish interventions for increasing the competitiveness of tourism SMMs in such a highly competitive complex globalised sector. Sharing of technological knowledge, information, processes and systems through networking can further improve the competitiveness of the SMMs. Most scholars generally concur that the use of social media is important to the competitiveness of tourism SMMs (Aspasia & Ourania 2014; Baruah 2012; Királ'ová & Pavlíčka 2015; Surugiu & Surugiu 2015). In view of the above, there is a need for tourism SMM managers and owners to ensure their business's competitiveness through networking with business stakeholders. Therefore, for competitiveness to occur, stakeholder management needs to be part of the tourism SMMs' strategy. To increase the competitiveness of such firms, the formal internal and external information strategy of these businesses can be integrated into social media to improve their competitiveness. Networking relationships with stakeholders are an important foundation for competitiveness of businesses.

Conclusion and implications for future research

This study examined the utilisation of social media to broaden business networks and its impact on competitiveness. The utilisation of social media on an ad hoc and informal basis by tourism SMMs in the study area indicates that there are no formal policies on the use of these technologies. Perhaps future studies should investigate the formalisation of SMTs within SMMs. Additionally, the findings indicated that there was over-concentration of the use of social media on customers. Perhaps, future studies may also need to do a comparison study on competitiveness of SMMs adopting social media for one purpose and those adopting SMTs for wider use.

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Competing interests

The authors declare that they have no financial or personal relationships that may have inappropriately influenced them in writing this article.

Authors' contribution

L.M. was responsible for the conception or design of the work as well as the data collection, data analysis, interpretation, and drafting of the article. P.R. did a critical revision of the article and D.D. contributed towards the revision and the final approval of the version published.

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