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Understanding ICT strategy of women small business owners in developing countries: Linking social media use, business strategy and well-being

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Abstract

Micro and small businesses comprises more than 70-95% of all business globally, provide important contributions to social and economic development and have been at the forefront of job creation (OECD, 2017). The use of mobile internet technology such as social media by small businesses has been receiving much attention, particularly for its potential in reaching wider customer base. The research aims to explore the use of social media by women small business owners in relation to business strategies and objectives from human development perspective. In doing so, we are guided by the interrelating concept of personal value, business strategy and women entrepreneurships. This paper reports a preliminary result of the study based on three interviews with women small business owners. The findings show social media strategy are directed towards fulfilling business objective and at the same time achieving valued goals around family commitments and other social well-being.

Keywords social media, capability approach, women small business owners, ICT strategy.

1   Introduction

Women small business owners are increasingly adopting social media. Female business owners generally show strong enthusiasm for using social media to benefit their business than their male counterparts. More female entrepreneurs than male entrepreneurs use social media to benefit their business (Ukpere, 2015). Research on social media and their impact on business success of women small business owners particularly in developing countries have not been fully explored. As an emerging technology, we have only starting to uncover the role of social media in supporting small business operation. Research needs explore more closely at the many ways in which this particular application is being used. More importantly, the recent technology has opened up opportunities for enabling women to participate more in entrepreneurial activity, something that might be difficult, twenty years ago.

Most studies on social media use focus on large organizations but increasing numbers of publications are looking at SMEs (Cherotich, 2016; Hassan et al., 2015). Social media is seen as beneficial for business growth and providing affordable channels for marketing practices for SMEs and as a potential source of revenue for small business (Qualman, 2010). Social media use is common amongst small businesses but they might not always take a full advantage of these tools. Many are trying to reach their target audience while others are still not fully aware of the potentials of social media. Having strategies around social media use particularly for marketing will assist women entrepreneurs in achieving business success.

Business strategies have been related to personal values. Personal values are closely linked to aspirations and it is the measure of well-being achievement (Olson and Currie, 1992). For small business, it is the personal values of the owner that will influence strategy uptake. In understanding how small business utilising ICT, it is therefore necessary to look at the link between personal values and goal, strategy and ICT as the tool. Guided by this reasoning, this article will explore the use of social media by women small business owners. This study emphasize the socio-cultural aspect of social media practices among women small business owners, observing that the importance of technology appears in many dimensions of people's lives. Doing so would contribute to better comprehension of the strategies that shape the daily use of technology by the women entrepreneurs. "Evaluation of information systems in developing country contexts could be broadened by wider definitions of development such as those proposed by Sen (1999), looking at how freedoms of opportunity and choice can be extended" (Walsham, 2006 p.15). This paper reviews existing literature and experience on this topic, whilst also reporting preliminary findings from recent data collection undertaken in Indonesia.

2   Linking strategy, personal values and well-being

Unique characteristics of small businesses have been identified which suggest that, "a small business is not a little big business" (Welsh, 1981 p. 18). Jones et al. (2014) argue that because of size and resource issues, very small (micro) enterprises cannot be studied in the similar fashion as larger SMEs. The main difference between small and large businesses is the role of owners who are often also the manager. In small businesses, the owners have a strong influence in the direction of the business as they contribute most or all of the operating capital. Consequently, their goals, abilities and geographical characteristics affect the operation and the culture of the organization. From this perspective, small businesses are often seen as operated and managed in a personalized way (Kuwayama, 2001) where activities and operations are governed more informally. This potentially make them more adaptable than larger businesses, especially in implementing new technologies (Cataldo, Sepúlveda & McQueen 2012). Gorgievsky et.al. (2011) advise to use additional criteria, to also include eg. personal satisfaction, family, contributing to society in assessing small business success.

Olson and Currie (1992) proposed correlations between strategy, values and women entrepreneurs.. They suggested that female entrepreneurs personal value systems had a greater influence on the strategy choices compared to male. In other words, being an entrepreneurs is regarded by women as a life strategy. Sharafizad (2014) found that women small business owners chose the networking strategy that best suited their business, lifestyle and future business plans. Research into aspects of women business ownership, their motivations and networks continues to develop but more is needed in particular to see how these motivations related to their personal and social well-being. In order to do that, it is beneficial to look for an alternative framework whereby these relationship can be better explained.

The Capability Approach (CA) is a framework that can be used for the evaluation and assessment of individual wellbeing and social benefits. Contrasts with the income focus of welfare economic models, the CA includes a wide range of dimensions of human and social life, including the social, cultural, and ethical alongside the economic. According to the CA, goods and services (such as ICTs) are important only in the sense that they enable people to do and to be, namely, in relation to how a person generates

capabilities from these goods and services (Robeyns 2005). The relationship between a commodity and the functionings to achieve certain beings and doings is influenced by three groups of conversion factors namely personal, social and environmental (Robeyns, 2005). The actual achievement of functionings (ie. capability set) is a result of personal choice which is influenced by personal values and other factors in the decision making process. Studies have provided links between ICTs and their interaction with capabilities which are mostly made in relation to mobile phones. Anwar (2015) asserted that micro-entrepreneurs are running business around their personal goals and commitments. While many are fulfilling livelihood needs, others have more intangible objectives, like status within society or religious achievements. The authors also stated that their adoption and use of mobile technology is highly influenced by these personal goals and other factors pertaining to micro-entrepreneurs' personal circumstances, social context and the collective practices in their communities.

From the CA perspective, the central question in the case is to see how social media can expand women small business owners' capabilities in order to achieve what business goals they valued. In other words, the social media is important in the light of the capabilities that she can generate from it. The achieved capability set are chosen in terms of her own values and goals. How social media has been used by small business owners and how to match ICT strategies with business aims will be discussed in the next section.

3   Social media use and women small business owners

A few studies have observed that social media platforms have been adopted by micro and small business. Social media is used as a "medium for keeping in touch and getting current feedback on products or services from existing and prospective clients" (Ukpere, 2015, p.551). Social media networks have provided enabling environments to micro-entrepreneurs to reach wider and dispersed audience (Mehta and Anand 2012). Engaging in social media can support brand building (Edosomwan et al. 2011) and that social media marketing has positively resulted in increase of sales revenue and number of customer (Cherotich, 2016).

Although small businesses are using social media, they are not always able to take full advantage of the tool. Small businesses that are able to take full advantage of social media can do so particularly due to the entrepreneurs' ability to doing business creatively and willingness to try new things (Caesaroni and Consoli, 2015). Lacho & Marinello (2010) stated that women small business owners could use social networking to market their business and to network online. Due to its ability in reaching a wider audiences, Hassan et al. (2015) posited that social media can be a powerful advertising tool. Their study also argued for an effective role that social media can play in the relationship marketing. Consistent communication with customers regarding new products and services and after sales-related issues are supported well by the social media features.

Understanding how small business use these trends can be useful to uncover different ways in which social media is used to promote small businesses. Burgess et.al (2009) developed a generic framework to provide small businesses with guidance to develop effective strategies for ICT that match their business aims. In regards to business aim however, here, ICT strategy model can benefit from CA as it provides a way to view business aims with broader perspective to include other non-economic well-being elements. ICT strategy framework ensures that all relevant factors are considered in their correct sequence, from the readiness of a small business to adopt certain ICT, through consideration of its business aims and strategies, selection of ICT implementation options, and evaluation (Burgess et.al, 2009). In their ICT strategy small businesses and in particular those in developing context needs to consider ICT access, literacy, support and infrastructure (Sellitto, 2016).

4   Methodology

This study adopted an exploratory case study approach (Yin, 2003). Data collection is being conducted through the use of semi-structured, face to face interviews with women small business owners from various industries. At the time of the writing, data collection is still ongoing. Participants are solicited from existing relations, then snowballing techniques. The use of semi-structured interviews were developed based on aspects from CA and ICT strategy framework described above. Interview data was triangulated with data obtained from the social media outputs, such as material posted on Facebook, Instagram and web sites. The preliminary findings reported here are based on interviews of three women small business owners in urban areas of Makassar, Indonesia. The women were interviewed during the preliminary study in late 2017. The three women are in fashion retail industry.

Women SBO	Business type	Emp No	Social media (year implemented), friends/follower
Ani, the Islamic scholar	Women clothing	3	Facebook (2007), 5000; Instagram (2013), 875; Whatsapp (2014)
Hilda, the model	Women clothing	8	Facebook (2010), 5000; Instagram (2014), 22,000; Whatsapp (2014)
Rima, the expert	Women accessories	0	Facebook (2010), 2000; Instagram (2013), 787; Whatsapp (2013)

Table 1. Women small business owners and their characteristics

5   Findings

5.1   Business strategy, goals and well-being

As mentioned previously, small business owners/managers play an important role in determining the direction of the business. Often the nature and operation of the business tends to reflect owners' personal objectives. Being mothers, wives and scholars with various responsibilities and limitations, the women are assisted by social media in running their business while fulfilling their family and social obligations. While having an income is the main goal for business, there are other aspect of well-being taken into consideration. Rima for example who said:

"I started business because I want to have my own money that I can use however I like, for example to give some to my parents" (Rima)

Hilda, who is very much into family commitment, run her business to suit her family circumstances. Running business mostly from home, Hilda strive to succeed in business without compromising her responsibilities as a wife and a mother. Although business opportunities have presented itself in the past, it was not taken because of family commitments which have always been her main priority:

"Then, I thought of starting my own women fashion business and in fact tried to but at the time my children were young. I had to be a full time mum so it was not possible" (Hilda).

Doing business on social media can at the same time expand personal goals. By modelling her own collection, Hilda not only found a way to connect to her customers in an elevated level but sees this as a way for self-expression as people are commenting not only on her outfit but intermingled with personal remarks. Ani who thinks religion and therefore *dakwah* (preaching of Islam) is very important and started her business as a way of spreading *dakwah* in the first place. Ani's business objectives include this religious element. Ani has managed to reach a wider audience for dakwah activities through her large number of 'friends' on Facebook.

"As a Muslim it is my responsibility to spread *dakwah*. I believe the messages can help Muslims to find spiritual guidance so they can get peace and happiness in life" (Ani)

5.2   ICT skills

Women small business owners' adoption and use of ICT is determined by their knowledge, preference and the community in which they interact. Many of their approach are mostly based on instinct or through what they see done by others. This affect their social media strategy and how they use it, and so too the support that they have or will need. Different level of ICT literacy and support results in different approach.

Having difficulties finding suitable staff that she could trust with the task, Ani has been self-managing her social media activities. Although not extensively, Ani has some understanding on the type of social media she has been using. She uses Instagram occasionally to post information but use Whatsapp extensively to communicate with customers, suppliers and tailors.

"I do not use Instagram that often, I guess because I feel that the quality of my pictures are not that good whereas if you see Instagram photos, they're all very nice pictures. I use it solely for information, to let people know about my shop" (Ani)

As her knowledge about the industry grows, Rima has been venturing towards different ways of online retailing, on a local marketplace like *Shopee* (an Indonesian marketplace) and specialised group on Facebook selling and buying branded products. With more advanced ICT skills and good understanding of English, Rima was able to browse for various online marketing tools that lead her to utilised a

marketplace rather than relying only on her Facebook page and Instagram. On the other hand, Hilda who is managing Facebook page herself does not use it for marketing activities other than brand awareness. Instead she relies on staffs to support marketing through Instagram and Whatsapp.

The women have different degree in their understanding on social media benefits and how to use it for marketing activities and that this is influenced by various factor including ICT skills, support and language. Having an understanding of which social media is most appropriate for which type of activities are crucial in being able to convey and target information effectively.

5.3 Social media strategy

Different social media strategies were observed. They are depending on skills but also on personal circumtances, preferences and how the women positioned social media within their businesses.

5.3.1 Intertwining of social and business connections

The use of personal social media page (such as a personal Facebook page) instead of specialised business fan page is usually adopted. This is utilised as the women businesses are home-based and the first point of interactions is with personal networks. 'Friends' in Facebook for example, in this case include everyone from family and relatives, friends to those very distanced acquaintances. As a result, the number of friends and followers in their pages can be large

Personal and business purposes of social media are often mixed. Personal account is also used where personal status are intermingled with business offerings and or promotion. An example was demonstrated by Hilda who purposely use personal Facebook accounts to promote and create brand awareness of products. A notable strategy that Hilda used, was posting regular, personal, everyday status but accompanied by self-photos or videos wearing her brand. This can be done only because she started business in a similar fashion and already known so within her network. She said:

"Yes, I actively posts on social media, to show what I'm doing, for my self-expression and at the same time promoting my goods by wearing them. Customers will usually contact me for more information." (Hilda).

Ani on the other hand utilise a social media personal account for business use where she posts photos and provide information on her products. Interestingly, she uses business name for a personal account and interspersed product promotion postings with religious messages and advice. As an Islamic scholar, Ani would like to also spread *dakwah* (religious preach) and thought that it would be effective to do so using her business' social media outlet because of its large followers' base.

5.3.2 Building trust and brand awareness

Social media has been used in particular to build brand awareness and trust from customers/friends. This is achieved by maintaining relationships to existing and potential customers through frequent and regular posting. Posting on social media will invite comments and various reactions from network. These opportunities can be used to provide information about products. Posting a statement, product photos or other items on a daily basis keeps the conversation going on the business owners' page. It not only provides product information but also shows the willingness of the business to communicate.

"I try to post a status on Facebook every day so people see my posting on a daily basis. I post photos on products, a story or quotes. The idea was that even if someone is not planning to buy anything, next time they need *Muslimah* (Muslim women) clothing, they will, hopefully, remember my brand." (Ani)

Often, innovations emerge within the network itself that will elevated trust to a higher degree. One example was demonstrated by Ani who gained trust by posting *dakwah* messages. Ani posts stories or paragraphs in the form of advice taken Islamic text. She thought she gain customer trust from religious postings. She let people in her network know that she is doing business the Islamic way and therefore can be trusted. She also posts detailed description about her products to show customers that she is providing good quality products. Hilda, wears her own clothing line and posts photos on social media She thinks that wearing the product herself provide convincing testimony of the product quality. Hilda look at comments and reactions to know what people think about her product.

5.3.3 Being up to date with social media trends

Strategies are adopted around business activities and the network in which the brand is marketed. As mentioned before, strategies used often mimicking what is trendy within the small business owner's network or as offered by particular platform. For example, when Facebook was offering 'live' video, Hilda also used this opportunity to provide more exposure of her products to customers by posting live video

of 'catwalk like show' wearing her product. This she learned get more reactions and comments from the network.

"Yeah.. I like to go live, its instant and for some reason I get more reactions.. I do not know why (laugh). Sometimes I also create a short fashion show videos using other application but my friend help with that." (Hilda)

Rima on the other hand has been doing 'live shopping' whenever she can. She learned about this from other people in one of her Whatsapp network. Specialising on branded products, often there are particular items that are not available for sale in Indonesia. Rima offers 'live shopping' where she would advertise whenever she is going overseas and let people know that she can buy particular brands with additional delivery cost. She would take pictures or videos while in the store and people can choose which item they like on the spot.

6 Discussion

As mentioned previously, small business owners/managers play an important role in determining the direction of the business. In relating between strategy, values and women entrepreneurs, this paper in support of previous research has shown how women valued goals are embedded in their business strategies. Concurring with Sharafizad (2014) women small business owners chose the networking strategy that best suited their business and lifestyle. Social media is used as an entry point to business for its ease of access and ability to connect to potential customers through personal network. The findings also support the role of social media for marketing especially relationship marketing (Hassan et.al, 2015). Indeed, by maintaining regular communication with their network, the women were able to benefit from this marketing strategy. Regular and up to date posting on Facebook and Instagram provide avenues customer communication. Interaction through comments and reactions is useful to provide additional information on product and getting feedback from customers as suggested by Ukpere (2015). Using Facebook's "live" feature and live shopping through Whatsapp the women show an aptitude for new initiatives an important quality in order to take a fuller advantage social media platform as suggested by Caesaroni and Consoli (2015). They were aware of some possibilities that social media offered and are able to match their choice with the expected outcome. Although small businesses typically do not have formal ways of measuring these outcome, simple techniques can provide some measures, albeit crude ones such as number and content of comments and share. More than previously covered, this article provide insight on the use social media to assist small business owners to advance personal goals (e.g., dakwah, self expression) through business and personal networks.

From the CA perspective, women small business owners' valued capabilities include income, self-expression, balanced life with family commitment and advancing religious practices. Livelihoods are important, but the broader aspect of well-being may represents integral parts of the business practices. The women are relying on self-learning and personal experience to drive business practices and use of ICT. While access to ICT devices and infrastructure is often no longer a problem in urban areas where the women conduct business, different level of ICT literacy and support results in different approach. We can see how the social media strategies are directed towards fulfilling their valued goals. Social media has the potential to increase their 'social assets'. Intertwining the social and business connections enabled business communication patterns to evolve. As the benefits from personal networks 'spilled' into other networks, an enhanced communication and relationship patterns benefits both business and personal agendas. Building trust and brand awareness are seen as a way to attract more and to keep existing customers while keeping up to date with the trends are providing innovative ways to marketing practices. More importantly, the use of social media has enabled women small business owners to run business around family commitments. While many of these are expected, the emphasis on linking them to a broader, valued goals potentially give new insights into strategizing social media use by women small business owners.

7 Conclusion

The preceding discussions have drawn plausible relationships between the broader business aims which include wider, more personal objectives and the ICT strategies and implementation as well as the possibilities offered by ICT to improve capabilities. Three cases of women business owners and their social media use have illustrated these relationships and improved capabilities. Mobile phones in tandem with social media have provided motivation and opportunities for women to start a small business. Various strategies are used by women small business owners to build brand awareness and trust within their network. Social media is an important marketing tool for small businesses that rely on informal networks. ICTs can enhance the capabilities of small businesses to achieve business aims and

at the same time be instrumental in fulfilling women small business owners' personal objectives e.g., religious achievements, self-esteem and other social well-being.

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