

# The Role of Social Support and Actual Social Ties in Social Commerce: An Exploratory Study in Malaysia

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## ABSTRACT

Commercial transactions within the social media are now getting a high attention among its users worldwide including Malaysians. People involve in these transactions or also known as the social commerce, with or without their conscious. The main intention of using social media in the first place is to socialize with friends and families. However, due to the trusted environment within their social network group, this has led them to acquire some additional information regarding the products or services from the group before making any advance commitment. Instead of getting information from the company website, social media has been an open and unstructured knowledgebase which managed to change the users' style of making a purchasing decision. Hence, this study is an exploratory research that examines the level of social commerce involvement among the social media users in Malaysia. By using a convenience sample size of 120 drawn from the staff of Politeknik Tuanku Sultanah Bahiyah, Kulim, Kedah, this study aims to explore in details the role of social support (recommendation and information sharing) and actual social ties (friends and families) in social commerce particularly in Malaysia setting. The findings show that the social support given each other in the social media and the actual social ties that the users already possessed plays an important role towards Malaysians involvement in social commerce.

**Keywords:** Social media, social commerce, social support, actual social ties.

## I INTRODUCTION

Social media is a tool which utilizing the web 2.0 technologies. It "supports the creation of informal users' networks facilitating the flow of ideas and knowledge by allowing the efficient generation, dissemination, sharing and editing/refining of informational content" (Constantinides & Fountain, 2008). The two ways knowledge sharing between the users increase their knowledge through informal interaction. Today, the influence of social media is getting more significant into people's life. The world

spend over 110 billion minutes each day on social media with various purposes (Lai, 2010). At the end of 2010, the European social media users were achieving 84% from the total of the Internet users (European Commission, 2012). Meanwhile, 94% of Malaysians referred to the social media as a source of products or services information before deciding to buy them (Nielsen, 2011). Most of the social media are Internet or web based application which manage various types of data such as text, photograph, audios and videos (Cortizo, Carrero, & Gómez, 2011). These include social networking sites (Facebook, LinkedIn, MySpace), microblogs (Twitter, Plurk), blogs (Blogger, WordPress), video (YouTube), photographs (Flickr, Picasa) and many more. The rise of all these social media has created a new dimension on e-commerce which is known as the social e-commerce or shortly, social commerce.

Based on the technology of the current social networks, a change from the traditional online purchasing through an e-commerce to a purchasing through a social media or social commerce is inevitable. In a simple word, social commerce can also be known as the social shopping as it has becoming a comfortable avenue for the consumers whether to shop or to collect the prior information pertaining to particular products and services (Liang, Ho, Li, & Turban, 2011). Social commerce generally can be defined as the purchasing decision or transactions that have been made through the interaction from the social media. This phenomenon is becoming a trend nowadays due to the arising of social media such as Facebook, LinkedIn, Twitter, YouTube, Instagram and many more. Apart from being a social interaction medium, the use of social media as a commercial activities platform seems to be in a real high demand among the social network users in the future (Liang et al., 2011). Although there are many studies done on the arising of social commerce (Hajli, 2012; Liang et al., 2011; Siau & Erickson, 2011; Wang & Chang, 2013), but a lot of them are conducted outside Malaysia and the real perspective on the social commerce involvement among Malaysians are remain uncertainties. Therefore it is necessary to explore the level of social commerce involvement among Malaysians as it can help to chart the course for future economic planning both for the academicians and practitioners. Hence, this study aims to explore

descriptively the role of social support and actual social ties towards social commerce in Malaysia.

## II LITERATURE REVIEW

Social commerce is quoted as 'the use of social technologies to connect, listen, understand, and engage to improve the shopping experience' (Cacere et al., 2010). It is a subset of three main components namely e-commerce, social media and web 2.0 technology (Lai, 2010). Social commerce leverages the social media as a tool to assist in buying and selling activities of the products and services. Nevertheless, those transactions are not necessarily occurred in the social media directly but may happen so. Sometimes, social media would be seen as the agent or mediator as well as the catalyst to push the sales transactions. It is taking the advantages of the online social capital to conduct various commercial activities in the social media such as referral, recommendation, information sharing, feedback, customer rating and product reviews (Stratmann, 2010). Various studies have been conducted to model the social commerce transactions or intention. For example, a study by Liang et al. (2011) indicated that social support, website quality and relationship quality have been identified as the antecedents to social commerce intention and social media continuance use. While the other study mentioned that the power of friends, and the power of word-of-mouth have accelerated the growth of social commerce (Lai, 2010). Besides, a study on consumer's purchasing intention is shown that the strong online tie strength is more significant in social commerce experiment (Wang & Chang, 2013). In this study, the role of social media usage, the social support and the actual social ties are taken as the scope to explore its effect in social commerce. Social tie is defined as the relationship between two people in the society such as friends and families. This tie could influence the individuals' actions on a particular decision making processes. Therefore, actual social ties here are defined as the actual relationship between two or more people in the social media. Meanwhile, social support is defined as an individual's experiences of being cared for, being responded to and being help in his or her social group (Cobb, 1976; House, 1981). It is a psychological need to every human nature. Therefore, social support in the social media can be in the form of sincere feedback, information sharing and experiences sharing such as shopping and travelling experiences.

Social media enables people to interact and support each other through advising, recommendation, experience and information sharing. These actions are indirectly contributing to the commercial information

and lead others to the commercial benefits. The natural social support has coincidentally becoming a consumer review on behalf products or services. Many studies have shown that consumer review could gave a big impact on the purchasing processes (Chevalier & Mayzlin, 2006; Dellarocas, 2003; Koh, N. S., Hu, N., and Clemons, 2010; Park & Kim, 2008). However a consumer review in e-commerce and social commerce gave a difference impact as the reviewing in the social commerce is providing by the recognized friends (Marsden, 2009). It is believed that the social commerce is spreading very fast due to this social ties factor whereby the users are trying to support each other in the social media environment.

The main difference between e-commerce and social commerce is their size of targeted prospects or consumers. It is more likely the open approach to get the consumers to visit the e-commerce websites or portals. While e-commerce is approaching to a wider targeted consumers and almost anonymous, a social commerce is approaching to a slightly small targeted consumers which consist of close friends and families in the social media. This is referred as the online social ties. The strong social ties among the users in the social media could give a big impact in their purchasing decision. This has been proved by the earlier researches a long time ago (Arndt, 1967; Brown & Reingen, 1987) as strong social ties among the users gave a significant impact in users' next actions or behaviour (Wen, C., Tan, B. C. Y., and Chang, 2009).

## III METHODOLOGY

A survey has been used as a method of data collection. Online self-administered questionnaire has been disseminated to the respondents due to several advantages such as cost effectiveness; easy to analyse the data, covers wider area, supports a high degree of secrecy and reduced biasness as they are not influenced by personal qualities of researcher (Robson, 1993). A convenience sampling is chosen as it is suitable for the exploratory study type as well as the data can be collected in quickly and efficient manner (Sekaran, 2003). The instruments were adapted from (Bhattacharjee, 2001; Coyle & Thorson, 2001; Jiang & Benbasat, 2005, 2007; Kempf, D. S., and Smith, 1998). A tool of Google Docs online application has been used to create the online questionnaire form. The survey was sent to the staff group email of Politeknik Tuanku Sultanah Bahiyah, Kulim, Kedah. A total of 142 responses were received, but 22 were dropped due to incomplete data. According to (Roscoe, 1975), a sample size that is larger than 30 and less than 500 are appropriate for

most research. All the data collected has been analysed using a descriptive statistical approach.

The survey consisted of four parts; first, the demographic information; second, the social media usage; third, the social media and business experience; and lastly, the social media and business experience with friends and families. The survey questions in the second part aim to examine the social media usage experience among the respondents. They are specifically intended to see the mostly used social media among the respondents and the purpose of using it. The third part of the survey investigates the respondent's tendency in asking or giving their social support within social media. The social support in this study is referring to two types of activities and they are recommendation and information sharing. Meanwhile, the last part of this survey is intended to investigate the role of actual social ties such as friends and families in committing the purchasing activities within the social media.

#### IV RESULTS AND DISCUSSIONS

Out of 142 questionnaires received, 22 were rejected due to incomplete data. The data from the remaining of 120 questionnaires were then analyzed using a statistical package. The respondents' demographic information is tabulated in Table 1. Majority of the respondents are the adults with the ages range from 31-40 (63.3%). This is followed by the adults whose ages are range from 20-30 (25%) and above 40 (14%). There is no respondent at all for the adolescent. 66.7% of the respondents are female and the remaining 33.3% of them are male. Meanwhile, majority of the respondents are Malays (90.8%) and followed by Chinese (3.3%), Indians (1.7%) and others (4.2%). In term of marriage status, majority of the respondents are married (82.5%). Most of the respondents possessed Bachelor Degree (58%) and followed closely by Master (43%). Regarding the job, monthly salary and Internet usage experience, majority of the respondents work in a government sector (80%), earn RM3,000 – RM4,000 a month and possessed more than 3 years of experience in the Internet usage. Based on this demographic information, it was found that the obvious difference on the races and job type representatives would give a little bit limitation in the generalization of the findings later on.

Table 1: Respondents' Demographic Information

Statistical Category	Frequency on 120 respondents		
Age	20 – 30:	30	25%
	31 – 40:	76	63.3%
	Above 40:	14	11.7%
	Below 20:	0	0%

Gender	Female	80	66.7%
	Male	40	33.3%
Race	Chinese:	4	3.3%
	Indian:	2	1.7%
	Malay:	109	90.8%
	Others:	5	4.2%
Marriage Status	No:	20	16.7%
	Widow:	1	0.8%
	Yes:	99	82.5%
Highest Educational Level	Bachelor Degree	58	48.3%
	Diploma	11	9.2%
	Master	43	35.8%
	PhD	2	1.7%
	SPM/MCE	5	4.2%
	STPM	1	0.8%
	Others	0	0%
Job	Government	96	80%
	Others	8	6.67%
	Own Private Company	6	5%
		10	8.3%
Monthly Salary (in RM)	1,000 - 2,000	15	12.5%
	3,000 - 4,000	52	43.3%
	Above 4,000	46	38.3%
	Below 1,000	7	5.8%
Internet Usage Experience	1 - 3 years	9	7.5%
	Above 3 years	111	92.5%
	Below 1 year	0	0%

The social media usage among the respondents is summarized in the Table 2 as shown below:

Table 2: Social media usage

Statistical Category	Frequency on 120 respondents		
Know about social media?	Yes:	119	99.2%
	No:	1	0.8%
Know friends use social media?	Yes:	120	100%
	No:	0	0%
Using social media?	Yes:	120	100%
	No:	0	0%
Type of social media used?	Facebook:	118	32.1%
	Blog:	59	16%
	YouTube:	85	23.1%
	LinkedIn:	13	3.5%
	Twitter:	22	6%
	Forum:	19	5.2%
	MySpace:	5	1.4%
	Friendster:	11	3%
Device used to access	Others:	36	9.8%
	Laptop, netbook,	106	35.7%

social media?	tablet PC:		
	Mobile Phone:	101	34%
	PC:	82	27.6%
	Others:	8	2.7%
Purpose of using social media?	Communicate:	116	31.1%
	Recent info:	108	29%
	Sell product:	29	7.8%
	Product info:	84	22.5%
	Others:	36	9.7%
Buy directly from social media?	Yes:	100	83.3%
	No:	20	16.7%
Expenses 3 months ago (in RM)	Below 1,000	91	91%
	1,000-2,000	5	5%
	Above 2,000	4	4%
Types of product/service bought?	Food	21	12.1%
	Clothing & Shoes	70	40.2%
	ICT gadget	28	16.1%
	Tour services	14	8%
	Others	41	23.6%
Intention to sell in social media?	Yes:	67	55.8%
	No:	53	44.2%
Promoted or sold in social media?	Yes:	41	34.2%
	No:	79	65.8%
Monthly sales (in RM)	Below 2,000	39	92.9%
	2,000-4,000	2	4.8%
	Above 4,000	1	2.4%
Own online shop in social media?	Yes:	26	21.7%
	No:	94	78.3%
Registered with SSM?	Yes:	12	23.5%
	No:	35	68.6%
	Will register:	4	7.8%

Majority (100%) of the respondent is currently using the social media and has heard about the term before. They are aware that some of their friends are using the social media too (100%). As expected, Facebook is the mostly social media used among the respondents. This is consistent with many studies (Baboo, 2013; Harris & Dennis, 2011; Nielsen, 2010; Shahizan, 2013) which were indicated that Facebook is the popular social media tool nowadays. The other widely used social media are YouTube (23.1%) and Blog (16%). They are accessing the social media by using various types of device mostly laptop and tablet PC as well as mobile phone. Most of them are using the social media mainly to connect and communicate with their friends and families (31.1%). Surprisingly, they also use the social media as the source of product

or service information which has fallen into the third ranking after the intention to get the recent information (29%). Meanwhile, few of the respondents engage with the social media to promote or sell their products or services (7.8%). Most of the respondents have done the purchasing transactions over the social media and spent mostly below RM1,000 (91%). The most item bought are clothing and shoes followed by others, ICT stuff, food and tour services. When asked about their tendency to make money by selling through the social media, 55.8% showed their intention to do it. However, only 34.2% of them are really selling and promoting their products or services through social media and collected sales income below RM2,000 per month. This is parallel with the online shop ownership in the social media which is only 26%. Most of them are not registered with the Companies Commission of Malaysia– SSM (35%) but 7.8% are keen to register soon with them.

The first finding is tabulated in Table 3. The result will lead this study to explore the role of social support given in the social media towards the social commerce in Malaysia. The social support examined here are only the recommendation and information sharing written through the social media platform. It was found that majority of the respondents did asked (88.3%) and shared their experience (60.8%) relating to product or service information in the social media. Most of them were changing their purchasing decision (79.2%) and seduced to buy product or service outside the social media (78.3%) after following an information or conversation from it. Surprisingly, 87.1% spent below RM1,000 outside the social media as a result of their knowledge gains from the social media. Meanwhile, majority of them have an intention to buy after gone through the promotion or marketing published in the social media.

**Table 3: Social support role in social commerce**

Statistical Category	Frequency on 120 respondents		
Asked information through social media?	Yes:	106	88.3%
	No:	14	
Shared products or services experiences through social media?	Yes:	73	60.8%
	No:	47	39.2%
Changed purchasing decision after discover information through social	Yes:	95	79.2%
	No:	25	20.8%

media?			
Bought products or services outside social media after following conversation or information through social media?	Yes:	94	78.3%
	No:	26	21.7%
Purchasing expenses since last 3 months? (in RM)	Below 1,000:	81	87.1%
	1,000-2,000:	10	10.8%
	Above 2,000:	2	2.2%
Intention to buy after read the promotion or marketing through social media?	Yes:	97	80.8%
	No:	23	19.2%

The second finding is shown in Table 4. The finding will lead this study to explore the role of actual social ties among the social media users towards social commerce in Malaysia. It was found that at least 50% of the respondents like to ask friends and families recommendation (50.8%), intended to read in details a product or service information shared by them (67.5%) and buy a product or service sold by their friends and families in the social media as a sign of support (50%). Indeed, they also have an intention to buy a product or service recommended by their friends and families through the social media (49.2%). 41.7% of respondents believed that the quality of product or service recommended by friends and families, while 38.3% trust the information provided by them.

In general, the above findings show that Malaysians are involving direct or indirectly in the social commerce particularly in the purchasing transactions. The findings indicated that the social media usage, the social support and the actual social ties are playing an important role in the Malaysians social commerce growth. Their involvement as the seller or the social entrepreneur is slightly low which is consistent with the findings from the previous study (Shahizan, 2013). However, the generalization from this finding must be done carefully since the respondent races are unequally represented. Furthermore, the role of social support in this study is limited to two types of activities only and the future research need to be done to study the other types of activities. There is also a room for future research for the role of actual social ties as this study is focus only to friends and families in general.

Table 4: Actual social ties role in social commerce

Statistical Category	Frequency of "Agree" and "Strongly Agree"	%
Ask friends and families recommendation in social media before purchasing decision.	61	50.8
Information by friends and families are trusted.	46	38.3
Intention to read in details product and services information shared by friends and families.	81	67.5
Intention to buy recommended product or service by friends and families.	59	49.2
Quality of recommended product or service by friends and families is believed	50	41.7
Buy a product or service sold by friends and families as a sign of support	60	50

## V CONCLUSION

The explosion of social media as a new medium to interact, communicate and exchange the information has reshaped the e-commerce into the social commerce model. Instead of communication as the main purpose of using the social media, to gain the products and services information has also contributing to the social commerce growth in Malaysia. In fact, most people already buy directly from social media while socializing with their friends. As shown from the finding, social commerce is predicted to be one of the key contributors to Malaysia's economic growth as the sense of giving and asking a social support through social media is a part of human nature and needs. People like to ascertain things from their friends and families before making any decision. Meanwhile, friends and families possess the actual social ties with the social media users. This strong tie will give more positive impact in purchasing intention or transaction.

Overall the role of social support and actual social ties in the social media do contribute an impact towards the social commerce in Malaysia. This is also an opportunity to the organizations to get engage with social knowledge management in expanding their

business ventures in social commerce. The authorized government agencies should see that social commerce as the best platform to cultrate the business minded among Malaysians.

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