

SOCIAL MEDIA AS A WAY TO START AND RUN AN INFORMAL BUSINESS

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DECLARATION:

In accordance with Rule G5.6.3, I hereby declare that the above-mentioned treatise/dissertation/thesis is my own work and that I have not previously been submitted to another University or for another qualification

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ABSTRACT

The informal sector is a vital component of South Africa's economy, contributing nearly 20% of the national GDP and providing nearly 17% of the nation's employment. Despite the significant economic and social impact, limited research has been done on how informal businesses can strategically use social media platforms such as Instagram to mitigate traditional challenges. Informal businesses face a lack of formal registration, limited access to financial services, and technological infrastructure, presenting significant challenges for these businesses. This study addresses this knowledge gap by exploring how Instagram can be utilised, with its low barriers to entry, minimal cost, and visual driven approach, to start and run an informal business in South Africa. Using a qualitative, exploratory case study design, this research analyses publicly available data from two informal businesses to demonstrate how Instagram can be used to start and run a business. The findings indicate that strategic content, effective integration of Instagram's features, and active customer engagement are crucial for success. The significance of this study is in its contribution to the limited body of knowledge on the informal sector and its use of social media platforms, and it ultimately provides a framework for informal businesses to adopt Instagram in starting, growing, and running their business.

KEYWORDS: informal sector, social media, Instagram, case study, economic development.

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CHAPTER ONE

INTRODUCTION AND BACKGROUND TO STUDY

1.1 INTRODUCTION AND BACKGROUND

The emergence of social media has impacted every industry, particularly businesses, as a communication medium. Social media has profoundly impacted society, acting as a beneficial tool that has evolved connectivity and communication, information access, awareness, education, community building and a marketing medium (Fraccastoro, Gabrielsson, Pullins, 2021). The informal sector represents economic activity from individuals with no formal contractual capacity and their economic units. The activities operate outside the norms of a structured society and are therefore not registered nor directly taxable (Etim & Daramola, 2020). The informal sector is vital to South Africa, contributing nearly 20% to the national GDP while providing 15-17% of total employment (Musara & Nieuwenhuizen, 2020).

Instagram is an effective platform for the informal sector due to the offering of unique features for smaller informal business accounts rather than solely focussing on major firms (Herzallah, Levia, Cabanillas, 2022). The social media platform has become an integral part of communication and information sharing with a widespread adoption across the globe. Instagram particularly stands out due to its visual driven approach that allows content such as photos, videos and direct messaging offering unique opportunities for direct marketing and brand building (Alkhowaiter, 2016). Informal businesses in South Africa that offer visually appealing products or services can use Instagram as a distinct medium to showcase their offerings through the platform's imagery and video posts. The rise of online shopping has become the preferred option among younger generations due to its speed, convenience and accessibility. This segment usually turns to social media platforms such as Instagram to make informed decisions by the means of reviews and word of mouth through the interactive search feature. The presence of a widespread consumer base on Instagram makes it an invaluable tool for businesses to start or grow their business (Bharti, 2021).

The advancement of technology has resulted in a revolutionary variety of ways to operate a business digitally, social media platforms allow digital advertising and an effective direct way to communicate with customers. Instagram has rapidly become one of the most effective marketing and communication tools and it is particularly suitable for informal businesses due to its low barriers to participate, minimal cost and the ease of use (Odoom, Dorson,

Acheampong, 2017). Therefore, this study will focus on how to start and run an informal business on Instagram. This chapter begins with the problem statement followed by the research objectives such as primary, secondary and methodological objectives. The chapter will conclude with the structure to follow and the significance of the study.

1.2 PROBLEM STATEMENT

Most research has shown that informal businesses play a key role in the South African economy (Etim & Daramola, 2020). These economic units contribute to 15-17% of total employment, acting as a vital source for addressing poverty and unemployment (Musara & Nieuwenhuizen, 2020). Social media platforms such as Instagram have had a great impact on digital and social media marketing as well as e-commerce.

Despite the significant contribution to the South African economy, formal sector usage and strategic use of social media is well documented and researched however limited has been done to focus on how it can be used in the informal sector. Incorporating new technologies poses difficult challenges for the informal sector, which are characterised by operations outside formal regulatory frameworks. The lack of registration, limited access to financial services, and technological infrastructure. Social media can mitigate such challenges through effective use (Musara & Nieuwenhuizen, 2020). Instagram in particular can mitigate such challenges, the visual-driven approach, low barriers to entry, minimal cost, and ease of use make it a tool suitable to informal businesses (Alkhowaiter, 2016).

The purpose of this study is to provide a desktop analysis of social media, specifically the platform Instagram and how it can be used to start and run an informal business in South Africa.

1.3 RESEARCH OBJECTIVES

1.3.1 PRIMARY RESEARCH OBJECTIVE

To conduct a desktop analysis of the social media platform Instagram and how it can be used to start and run an informal business in South Africa.

1.3.2 SECONDARY RESEARCH OBJECTIVES

To achieve the primary objective, the following secondary research objectives (SO) have been formulated:

SO¹: To clarify key concepts of informal businesses in South Africa and the concepts of the social media platform Instagram.

SO²: To identify and discuss how Instagram can be used to start and run an informal business in South Africa.

SO³: To prepare a case of an informal business on Instagram and report how social media can be used to start and run an informal business.

1.3.3 METHODOLOGICAL RESEARCH OBJECTIVES

To achieve the mentioned primary and secondary objectives, the following methodological objectives (MO) have been formulated:

MO¹: To conduct a literature overview of Instagram as a mean to start an informal business in South Africa.

MO²: To select an appropriate research methodology and research method for the study.

MO³: To collect and analyse primary data on a case of an informal business on Instagram.

MO⁴: To provide pertinent conclusions and recommendations to whether Instagram can be used to run an informal business.

1.4 SIGNIFICANCE OF THE STUDY

It is envisioned that the findings of this study and the framework of utilising Instagram to start and scale an informal business in South Africa. This field of the informal sector employing social media as business medium has relatively limited research. It is hoped that the findings of this study could contribute to the body of knowledge regarding social media as business platform for informal businesses. This study could also benefit informal businesses wishing to scale their sales or marketing by offering the framework to start and run a business on social media.

1.5 CHAPTER DEMARCATION

CHAPTER	OVERVIEW OF CHAPTER
CHAPTER ONE: INTRODUCTION AND BACKGROUND	Chapter one introduces the topic and gives context for this study. It further presents the problem statement and primary and secondary research objectives. The key terms are defined providing a basis for this study. This is followed by a discussion pertaining to the significance of the study. The chapter demarcation is discussed; this chapter concludes with a summary.

<p>CHAPTER TWO: LITERATURE REVIEW</p>	<p>Chapter two will provide an insight into social media, specifically Instagram, its history and features, and how it can be used as a tool to start and run an informal business in South Africa. This section will analyse the key components of an informal business as well as the goals of this sector, additionally the importance of informal businesses in South Africa is discussed alongside challenges these businesses face. This chapter concludes with a summary.</p>
<p>CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY</p>	<p>Chapter three will follow detailing the methodology and design adopted for this study. The research paradigms, the research approach, methodological choice, data collection, and population and sampling will be discussed. The chapter concludes with ethical considerations and a summary.</p>
<p>CHAPTER FOUR: DISCUSSION OF FINDINGS</p>	<p>Chapter four will follow detailing the research findings of the case study cross case comparison. The comparison will explore similarities and differences while addressing the ethical considerations and expected contribution.</p>
<p>CHAPTER FIVE: CONCLUSION</p>	<p>Chapter five will follow detailing the study's findings. The chapter will evaluate how the research objectives were met, discuss the implications of the research, and provide a practical framework for informal businesses. This chapter concludes with a conclusion that ties the previous chapters together and takeaways from this study.</p>

SOURCE: AUTHOR'S OWN CONSTRUCTION

1.6 CHAPTER SUMMARY

This chapter provided a foundational introduction to the research topic. The chapter began by establishing the context of the informal sector's significance in South Africa's economy and identified the research problem. The chapter outlined the primary, secondary, methodological objectives, and addresses the significance of this study. The chapter concludes presenting the overall structure of the study, providing a roadmap for the subsequent chapters.

CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

The previous chapter outlined and detailed the introduction and background to the study. The problem statement was defined, highlighting the research question. The research objectives, primary, secondary as well as methodological objectives were stated. The significance of study was discussed and followed a structure of the study.

The rise of social media has fostered a digital age of commerce where platforms such as Instagram initiate a business model that can be utilized by businesses to create opportunities, offering tools for starting and scaling a business (Ali Kamali, 2018).

This chapter provides the literature review, and an overview of the importance of informal businesses in South Africa. This is followed by key components of informal businesses; an historical overview of social media and Instagram is provided. Subsequently the nature of how to start a business and how Instagram can be utilised as a tool for businesses will be presented. The following described above outlines the theoretical framework of this study.

DEFINITIONS OF KEY CONCEPTS

2.1.1.1 *Social media*

Social media is the complex facilitation, creation, and sharing of user generated content. Social media is characterized by the digital platforms that facilitate such services of social software that forms a communicative network (Lomborg, 2017).

2.1.1.2 *Informal business*

Informal businesses are characterised by a business line that operates outside of a formal, regulated sector. The activities are not inherently illegal yet rather form through individuals seeking to identify and exploit opportunities. The businesses operate outside of the legal and regulatory framework (Musara & Nieuwenhuizen, 2020).

2.2 OVERVIEW OF INFORMAL BUSINESS IN SOUTH AFRICA

The informal sector plays a crucial role in the South African economy, according to the International Monetary Fund informal businesses contribute nearly 20% of the national gross domestic product (Etim & Daramola, 2020). The informal sector provides employment

opportunities accounting to 16% of the total employment in South Africa (Musara & Nieuwenhuizen, 2020). The contribution of employment is a vital source of livelihoods, providing goods and services that might otherwise be unavailable in communities while alleviating poverty. In South Africa a significant portion of micro enterprises are in residential areas, this includes townships. The enterprises are a combination of small convenience stores, street vendors, and household-based services (Etim & Daramola, 2020). These activities provide income generating opportunities for individuals who are excluded from the formal labour market due to lack of skills or education availability. The sector provides vital opportunities for vulnerable groups such as woman, youth, and individuals living below the poverty threshold (Godfrey, 2011). The resilience and adaptability of the informal sector is particularly important, the informal sector serves as a buffer during economic shocks and fluctuating formal employment rates. Environments characterised by high unemployment and limited opportunities to enter the formal sector, informal businesses provide essential goods and services to undeveloped communities (Etim & Daramola, 2020).

The informal sector plays a critical role in providing social stability, allowing individuals to create their own employment fostering entrepreneurship. Entrepreneurship addresses the socio-economic challenges South Africa faces, moreover social entrepreneurship is increasingly recognised as a mechanism sustainable development in South Africa (Littlewood & Holt, 2018). The social entrepreneurs combine economic and social objectives, driving change and addressing issues such as poverty and unemployment.

2.3 HISTORICAL OVERVIEW OF SOCIAL MEDIA AND INSTAGRAM

The idea of social media has become an evolving concept with routes in computer supported social networks and virtual communities. The definition of social media has been subject to academic discourse, the term gained traction in the early 1990s with a focus on utilising technology for social interaction. Academic studies have traced how the definition shifted from a basic form of online communication to a sophisticated online user generated interactive content platform (Lomborg, 2017).

The rise of social media platforms began in the early to mid-2000s, the first major platform launched in 2003 known as MySpace which quickly became a dominant platform amongst younger people, the platform focused on customizable profiles with an emphasis on music sharing. In 2004, Facebook offered users a social networking platform. The rapid growth of Facebook saw emerging platforms such as YouTube in 2005 offering video-based content and

Twitter in 2006 offering users to share short messages in real time communication. The launch of Instagram in 2010 saw a combination of popular features amongst the emerging platforms. Instagram distinguished itself through its primarily visual content designed for mobile smartphones allowing it to quickly gain popularity. Instagram had emerged as a platform for visual communication and photo editing and has since evolved to include a range of features that transform its functionality beyond a communication tool (Ali Kamali, 2018). The avenue of social media fundamentally democratised how marketing as well as communication channels can be accessed, the shift from traditional marketing avenues particularly assisted small businesses. Prior to social media the marketing avenues were expensive prohibiting small businesses with limited funds, social media allows businesses to create compelling narratives without a significant investment in digital complexes (Bala & Deepak Verma, 2018).

2.4 KEY COMPONENTS OF AN INFORMAL BUSINESS

2.4.1 CLASSIFICATION

Informal businesses are characterised by a set of features that differentiate it from the formal enterprises. The defining characteristic of an informal business is their operation outside of the formal regulatory framework. The operations are unregistered without relevant government authority and may not comply with labour, tax or other legal requirements limiting their access to financial services. (Godfrey, 2011). Informal businesses are classified by typically small-scale operations often consisting of individual entrepreneurs or family run enterprises. The lack of registration and small-scale operations puts constraints on access to financial and technological infrastructure hindering the ability to invest in new technologies. The informal sector frequently conducts their business in cash-based transactions which can pose financial management challenges. (Musara & Nieuwenhuizen, 2020). Furthermore informal businesses heavily rely on established informal networks within their communities, relationships built on trust over formal contracts (Godfrey, 2011).

2.4.2 E-READINESS

According to Etim and Daramola (2023) e-readiness is defined by the extent to which individuals or organisations are prepared to utilise information and communication technologies. There are several deterrents that outline how informal businesses can be successful through e-readiness, however accessing such technology presents unique challenges. The key factors that influence e readiness for informal businesses include the perception of technology, effort expectancy, performance expectancy, social influence and

facilitating conditions. The performance expectancy is a crucial factor, focussing on the perceived usefulness of the technology. The effort expectancy relates to the perceived ease of use of the technology. Etim and Daramola (2023) addressed concerns regarding the complexity of technology and the provision of adequate training to increase the effort expectancy. The facilitating conditions of informal businesses in South Africa prompts for the use of Instagram as it demonstrates a performance expectancy within the resource constraints (Etim & Daramola, 2023). Research has shown that the adoption of Instagram and its usage yields benefits that are profound for small and medium enterprises. Marketers have the opportunity to transmit information about their product offering, conduct market research, and receive useful customer feedback (Akbar, 2021).

The small scale of operation, combined with financial constraints drives Instagram as a business model for informal businesses. The advantage of utilising Instagram is the application’s free of charge and it has the power to reach customers on a global market (Alkhowaiter, 2016).

2.5 PREVIOUS RESEARCH CONDUCTED ON SOCIAL MEDIA AND INFORMAL BUSINESSES

In this section the previous research is examined to determine key ideas, trends, and approaches informal businesses take to operate, additionally looking at social media to create context and a relevant research foundation. The following information will be presented in 2.1 which tabulates previous research.

TABLE 2.1. PREVIOUS RESEARCH CONDUCTED

TITLE	AUTHOR	CONTRIBUTION	RELEVANCE
Effect of social media marketing on small-scale business performance	Adegbuyi, Akinyele F, Akinyele S 2015	Investigated the impact of social media on small-scale business performance. This highlights the specific benefits of increased market research, improved customer engagement, and cost-effective marketing	Highlights the impact of social media on small businesses, relevant to informal businesses that share similar resource constraints. This sets precedence for analysing the return on investment or benefits gained by using platforms such as Instagram.

TITLE	AUTHOR	CONTRIBUTION	RELEVANCE
The power of Instagram in building small businesses	Alkhowaiter, 2016	This study reinforces Instagram's role as a low barrier, accessible platform for business creation and growth. Furthermore, it demonstrates conceptual models that illustrate how small enterprises are leveraging Instagram.	Addresses informal business suitability and the low barriers to entry.
Antecedents of social media usage and performance benefits in small- medium sized enterprises	Odoom, Anning-Dorson, Acheampong, 2017	This study investigates how Instagram is suitable for Informal business, identifying the visual nature, user friendliness, and direct messaging capabilities.	Provides arguments for Instagram's suitability as a business model.
Assessing Instagram as a business model	Ali Kamali, 2018	This study examines how Instagram can be utilised by businesses to create opportunities that can offer tools to start a business. Furthermore, the study examines the platform as a complete business tool, beyond a marketing tool.	Reinforces Instagram's potential as a business model beyond a promotional tool, exploring its features to facilitate business operations.
A critical review of digital marketing	Bala & Deepak Verma, 2018	Cost effective avenues for marketing and communication.	Provides context of the importance of social media.
The informal sector and economic growth of South Africa	Etim & Daramola, 2020	Informal businesses contribute nearly	Provides background on the significance of the informal sector in South Africa.

TITLE	AUTHOR	CONTRIBUTION	RELEVANCE
		20% national GDP.	
Factors influencing the usage of Instagram for businesses and its effect on financial and non-financial performance	Akbar, 2021	This research specifically examines Instagram, detailing key factors that drive its adoption and effective use by businesses.	Directly relevant to Instagram as a business tool and its impact on performance. This provides a deeper understanding of the specific dynamics which Instagram contributes to operational and strategic success.
E-business through social media	Bharti, 2021	Example of successful business model.	Offers insight into sales processes, customer service, and e-business.
Investigating the E-Readiness of informal sector operators to utilize web technology	Etim & Daramola, 2023	Defines E-readiness and Instagram-related concepts.	Directly addresses the informal sector and the capacity to adopt social media.

SOURCE: AUTHOR'S OWN CONSTRUCTION

Table 2.1 highlights previous research conducted on informal businesses regarding social media, addressing existing academic work to establish a foundational understanding for this study. The impact of social media on small-scale business performance and the factors that influence the use of social media, particularly Instagram for business, and additionally the effects on financial and non-financial outcomes. The table also outlines the viability of Instagram as a business model, emphasizing the low barriers to entry paired with the cost effectiveness of digital marketing channels such as Instagram. Furthermore, context is provided on the significant contribution of informal businesses and their effect on the South African economy, while investigating the e-readiness of the informal sector and their ability to utilize web technology to reinforce Instagram's suitability as a business model for informal businesses.

2.6 INSTAGRAM AS A BUSINESS TOOL IN THE SOUTH AFRICAN CONTEXT

Instagram has evolved from a platform routed in communication, social interaction and entertainment to a powerful tool that can be utilised by businesses, including small medium enterprises (SMEs) and informal businesses. According to Musara and Nieuwenhuizen (2020) small medium enterprises face financial constraints, limiting their ability to invest in new

technologies. For SMEs with resource constraints, Instagram offers a cost-effective marketing and sales solution. Instagram allows businesses to reach large audiences and share content with minimal financial investment. The cost-effective nature of Instagram as a tool allows SMEs in South Africa to compete effectively, expand their reach, and achieve substantial growth with minimal marketing budgets (Odoom et al., 2017). Informal businesses can benefit from social media usage as it is relatively free in terms of accessibility for enterprises and the consumer base.

Instagram offers a variety of key features that businesses can utilise, these enable customers to be connected with businesses, market their products, and build their brand. The visual content sharing is the platform's primary medium, characterized by its emphasis on photos and videos, allowing businesses to showcase their offerings in a visual and appealing manner. Instagram can be utilized as a tool for marketing and promotion, a communication channel enabling businesses to advertise their offerings, and conduct effective market research on the application (Alkhowaiter, 2016). The platform additionally has e-commerce integration, this allows businesses to sell products directly through the Instagram shop. Beyond product promotion and sales, Instagram offers a distinct avenue for businesses to cultivate their brand identity through a sense of community with their followers. Businesses can create visual storytelling through Instagram's stories feature, a useful avenue allowing real time engagement with their audience (Bharti, 2021). Instagram additionally offers short video content, integrated into the application Reels explores editing tools, music integration algorithmic reach. Furthermore, the Instagram Live feature provides direct and interactive communication, businesses can leverage this for product launches, demonstrations, and engaging with customers to foster trust. Businesses can utilise these tools to form dynamic ways to participate in trending ideas (Akbar, 2021).

Furthermore, the visual appeal is particularly important for informal businesses to transcend language barriers and connect with a diverse consumer base. The platform's direct messaging feature further facilitates direct consumer-business interaction, crucial to building trust, loyalty, and to establish a feedback loop that allows businesses to respond to market trends in real-time (Virtanen et al., 2017).

The integration of artificial intelligence (AI) by Instagram has reshaped the digital landscape for businesses, presenting opportunities for businesses operating within resource constrained environments. The core functionality of Instagram relies on AI algorithms to generate content that personalises what users' access (Park, Oh, Kim, 2024). The algorithms analyse user behaviour through interactions and determines content that is likely to be engaging. Businesses

can gain increased visibility by algorithms generating their content to wider audiences without substantial marketing budgets (Bala & Deepak Verma, 2018). This integration of AI allows smaller or informal businesses to compete with larger established enterprises on Instagram.

2.7 HOW TO START AND GROW A BUSINESS ONLINE

The establishment of an online business requires a systematic approach of a business plan and according to Truong (2018) there must be a robust value proposition. This involves a business firstly defining the product or service that will be offered while assessing the specific problem it addresses for the target market. The value proposition of a business on Instagram should offer a unique position that is crafted to differentiate their offerings from competitors, thus establishing the basis of a competitive advantage. Instagram offers a platform focussed on visuals offering a unique opportunity to communicate the value proposition through compelling visuals (Truong, 2018). Following the definition of the value proposition, the target market must be identified through an analysis of customer demographics and behavioural patterns to focus the marketing efforts on Instagram.

Instagram as the business medium requires content to be frequent with optimization of the business profile for enhanced discoverability. High quality visuals are crucial on Instagram due to the visual nature of the platform, furthermore active engagement with followers and direct messages is crucial for fostering a customer relationship (Herzallah et al., 2022). The operational framework for an online business must address the logistical considerations, including inventory management, shipping procedures and the payment processing system (Truong, 2018). Revenue generation is a fundamental aspect of an online business model, Instagram's shopping features can assist informal businesses by streamlining the sales process with direct sales within the application, customer service can additionally be delivered through the direct messaging and facilitate as customer support (Bharti, 2021).

The efforts of starting and growing the presence of an online business requires effective marketing and page management to ensure the target audience is reached. Instagram serves as a primary marketing channel for informal businesses utilising the platform, necessitating a comprehensive marketing strategy (Bharti, 2021). The marketing strategy encompasses content generation, influencer collaborations and word of mouth through content sharing (Ahmad S, Ahmad N, Abu Bakar, 2018). According to Odoom (2017) a critical factor in leveraging Instagram for business growth is interactivity. Instagram facilitates two-way communication, enabling businesses to directly engage with customers. The interactivity through direct

messaging, commenting, and live sessions builds and cultivates customer loyalty that is key to growing a business. Compatibility with a business's existing values and targeted objectives is critical for successful growth online. The integration of Instagram strategies with business goals fosters a cohesive brand message and enhances the marketing effectiveness by aligning the mission, fostering trust with consumers to ensure sustainable growth (Odoom et al., 2017). Furthermore, beyond showcasing products or services, effective online growth requires cultivating authenticity. The compelling narratives regarding the products, processes, and passion must be conveyed to build a genuine connection to the audience (Herzallah et al., 2022). Effective engagement is crucial to running a business on Instagram, customers must be interacted with through liking and commenting. The engagement can increase awareness of the business while simultaneously improve the follower count of the business, this creates a positive perception of credibility for the business (Virtanen, Bjork, Sjostrom, 2017).

2.8 CHALLENGES FOR INFORMAL BUSINESSES USING INSTAGRAM

Informal businesses leveraging social media can encounter challenges due to limited resources and financial constraints. Informal businesses with inadequate cash flow and insufficient resources find it difficult to invest in digital technology. Despite the perceived ease of use on Instagram, a lack of digital literacy skills can hinder the effective use of social media for informal businesses (Adegbuyi, Akinyele F, Akinyele S, 2015). The financial constraints of informal businesses translate directly into an inadequate cash flow and insufficient access to funds, furthermore the typical reliance on cash-based transactions poses financial management challenges hindering the ability to integrate digital payments on Instagram (Akbar, 2021). The perceived ease of use with regards to Instagram positively impacts purchase intention, however creating quality, visual driven appealing content, and utilising editing tools requires a level of digital proficiency (Herzallah et al., 2022). The integration of artificial intelligence into the Instagram platform additionally utilizes algorithms, maximising the content visibility requires knowledge on how to engage with the platform (Park et al., 2024). The digital proficiency and algorithm knowledge may pose challenges to informal businesses starting their business on the platform. Furthermore, the compounding challenges exceed beyond the digital infrastructure and internet access, the cost of data, reliability of connectivity, and the future obsolescence of devices that may render some of Instagram's features unavailable (Ali Kamali, 2018).

2.9 CHAPTER SUMMARY

This chapter has defined the key concepts of this study, provided a comprehensive literature review detailing the historical evolution of social media and Instagram. Furthermore, the crucial overview of the role of informal businesses in South Africa is discussed, key concepts related to informal businesses and their classification are detailed, establishing a theoretical foundation for the study. The chapter additionally explored how Instagram can effectively be used in the context of South Africa as a tool for business growth, highlighting features and advantages. The strategies for starting and running a business were presented, alongside challenges informal businesses may face utilising Instagram. This chapter concludes with a summary of the literature review.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 INTRODUCTION

Chapter two offered a comprehensive literature review, revealing the importance of the informal sector in South Africa, a historical overview of social media, and an overview of social media, particularly Instagram and how it is a tool in the South African context.

The research methodology can be categorized into three primary types, quantitative, qualitative, and the mixed method. Qualitative research involves an interpretative and naturalistic approach, this method studies the natural setting while attempting to make sense of the phenomena regarding the meanings people bring to them. This method analyses contextual data and is often exploratory research involving fewer participants (Patnaik & Pandey, 2019). Quantitative research focuses on numerical data as its basis, focussing on measuring and analysing such data. This approach is used to test the cause-and-effect relationship between varying values to generate predictions and generalise findings to broader areas (Patnaik & Pandey, 2019). The mixed method combines both the quantitative and qualitative approaches. This study adopts a qualitative approach, particularly a mono-methodological case study design to explore under-researched areas concerning informal businesses in South Africa and their utilisation of Instagram to start and run their business.

Chapter 3 of this study will detail the research design and methodology utilised. The methodology will serve as a link to the first two chapters and further outline and address the primary and secondary objectives. The research design, paradigm, approach, chosen typology, methodology, population and sampling, data collection, analysis, ethical considerations, and conclusion will follow.

3.2 RESEARCH DESIGN

A research design serves as a blueprint that fills a comprehensive plan for conducting a study. The design connects the initial research questions to the final conclusions, detailed steps ensure that the study is focused and are crucial to maintain rigor and structure throughout the research process (Hollweck, 2015). This study implements a case study design, which allows for an in-depth investigation of the use of Instagram by informal businesses. This design is particularly appropriate because it enables explorative research, which is crucial to understand the implications of informal businesses leveraging Instagram in South Africa. With the focus on

specific cases, this study will uncover insights with practical applications to a limited research area.

3.3 RESEARCH PARADIGM

The research paradigm is a fundamental framework that is used to guide a researcher process. The paradigm influences the researcher's perception and their interpretation of phenomena, influencing what is studied, the methods used, and how the results are interpreted (Khatri, 2020). There are different types of research paradigms, namely the positivism, critical theory, interpretivism and realism. The positivism paradigm is grounded in the notion that knowledge is gathered from empirical observation and experimentation, it is used for quantitative research. The interpretive paradigm emphasizes interpretation and comprehension of text and meanings, focussing on the subjective and complex understanding of human interpretations. This perspective displays interest in how knowledge is applied within practical scenarios. The realism paradigm defines the framework for perceiving, acquiring, and validating knowledge across fields, supporting an objective reality (Molina & Eduardo, 2023). This study will adopt a qualitative research approach with the interpretivism paradigm as this seeks to uncover the meanings behind individual actions, behaviour, and interactions. The paradigm additionally supports the qualitative method of content analysis, allowing the researcher to capture the complexity of social phenomena constructed by individuals (Patnaik & Pandey, 2019). The interpretivism paradigm is suited to this study due to the qualitative nature, with the purpose of conducting a desktop analysis on social media, specifically the platform, Instagram to assess how it can be used to start and run an informal business in South Africa.

3.4 RESEARCH APPROACH

Research can primarily be qualitative and quantitative in the nature of an exploratory study. Traditionally quantitative research is rooted in positivism, seeking to uncover truth through empirical methods of research dominated by observation and measurement. The contrasting qualitative research is subject to individual experiences, suggesting reality is socially constructed and interpreted. The interpretivist perspective focuses on understanding meanings of people and their experiences, subject to qualitative research (Antwi & Hamza, 2015). The two approaches also differ in their methods and how they understand knowledge. The quantitative research rooted in positivist epistemology, aims to seek objectivity. The techniques employed are experiments and surveys to gather numerical data, establishing generalisable findings. Qualitative research embraces the in depth understanding over generalisability, using

methods such as interviews and observations to explore the complexities of social contexts (Queirós, Faria, Almedia, 2017). The research approach of this study involves a qualitative approach, due to the research being concerned with how perspective informal businesses perceive and utilise social media, specifically Instagram to start and run their business.

3.5 RESEARCH PURPOSE

The research purpose of a study can consist of an exploratory, explanatory or descriptive nature. In the essence of exploratory research, the aim is to define questions of a subsequent study while researching a under researched area (Patnaik & Pandey, 2019). The contrasting explanatory research aims to establish a cause-and-effect relationship. The primary purpose is to examine events while understanding which events influence one particular outcome of interest. Descriptive research aims to present complete descriptions of a phenomenon, describing data as it occurs (Patnaik & Pandey, 2019). This study conducts exploratory research seeking to explore an area of informal businesses in South Africa and their utilisation of Instagram to start and run a business through case studies of two businesses.

3.6 RESEARCH METHODOLOGY

The research methodology outlines the systematic framework that guides the research process, encompassing the paradigms, techniques, and epistemological stance of a study. The methodology determines the overall approach to the data collection and analysis, this consists of three methods, the mono-method, multi-method, and the mixed-method. The mono-method involves using a single method within a study, quantitative or qualitative. The mixed-method combines both quantitative and qualitative methods within the study, the multi-method combines multiple methods of quantitative and qualitative research, this differs from the mixed-method as it doesn't necessarily integrate the two approaches (Queirós et al., 2017). The methodological choice is a mono- method in the form of a case study. This uses a methodological approach focussing on a qualitative data seeking to understand phenomena through observation (Patnaik & Pandey, 2019). This study draws observations through case studies of informal businesses and their practices, additionally supported by a comprehensive literature review.

3.6.1 RESEARCH POPULATION AND SAMPLING

In case study research the population differs from quantitative research consisting of a large group that statistically represents a sample. In case study research the population refers to a specific universe of cases that meet the criteria for the study. The focus of such research is identifying specific entities of interest, which consists of individual, group, organization, phenomenon, or process (Hollweck, 2015). The sampling in case study research refers to deliberate, purposeful selection rather than randomised selection. There are two main categories of sampling methods, namely the probability sampling and non-probability sampling methods. The probability sampling involves a randomised approach, while non-probability sampling uses concise cases instead, suited to qualitative case study research. The goal of such research is to select cases that are relevant to the research question, involving decisions for analytical generalisation, where findings are relevant to theory and not a statistical generalisation of a population (Patnaik & Pandey, 2019). For this study, a non-probability method, specifically the convenience sampling approach will be employed. Convenience sampling involves selecting readily available cases that are accessible publicly to the researcher (Golzar & Tajik, 2022). This method will conduct case studies on two deliberately selected informal business in South Africa, that utilise particularly Instagram as a business platform. The information pertaining to the selected informal businesses is publicly available online content.

3.6.2 DATA COLLECTION

The methodology determines the overall approach to the data collection and analysis, this consists of primary and secondary data (Molina & Eduardo, 2023)(Molina & Eduardo, 2023). Primary data refers to information that is collected for the purpose of a study, directly by the researcher. The data is collected firsthand and is gathered through interviews, experiments, surveys, and observations (Patnaik & Pandey, 2019)(Patnaik & Pandey, 2019). Secondary data on the other hand consists of information that already exists and has been collected by researchers for a specific purpose. The sources of such information include reports, publications, and documents valuable for providing background information or data relevant to the current study (Molina & Eduardo, 2023)(Molina & Eduardo, 2023). The data collection of this study consists of a case study utilizing secondary, publicly available data on informal businesses operating on Instagram, additionally journals and credible internet sources.

3.6.3 DATA ANALYSIS

Data analysis is the process of systematically applying techniques to describe, illustrate, and evaluate data (Antwi & Hamza, 2015)(Antwi & Hamza, 2015). Case study data analysis consists of observations requiring data organisation, analytic strategies to realise patterns, and interpretation of observations to understand the meanings and contexts of a particular case(Patnaik & Pandey, 2019)(Patnaik & Pandey, 2019). The primary analytical approach of this study will employ thematic analysis, through a cross case-comparison. Thematic analysis is widely used across qualitative studies, identifying and analysing patterns as they arise, supporting case study analysis and observations (McLeod, 2024)(McLeod, 2024). The data analysis of this study involves an in-depth review of various sources that construct a comprehensive literature review, applying to social media, Instagram, informal businesses, how to start, and run a business online. The data collection will consist of secondary sources of publicly available information online, including informal businesses on Instagram to conduct a case study and draw observations.

3.6.4 ETHICAL CONSIDERATIONS

The ethical consideration involves principles to ensure that the researcher and the methodology of a study are ethically sound. The principles include informed consent, confidentiality, and respect for all participants (Molina & Eduardo, 2023)(Molina & Eduardo, 2023). The ethical considerations of this study include adherence to the professional standards of Nelson Mandela University regarding appropriate research, avoiding plagiarism, credible sources, and appropriate Harvard referencing. This study additionally has no human participants, requiring no ethical clearance as it draws from publicly available secondary sources.

3.7 CHAPTER SUMMARY

Chapter three has described the research design and methodology in depth, detailing a variety of insights on the research process. The research paradigms were described, outlining the nature of this exploratory study. The research approach of a mono-method qualitative study was described. The case study population and sampling were discussed and subsequently outlined primary and secondary data collection. The final section discussed the ethical considerations, the chapter to follow will present the findings of this study while interpreting the data.

CHAPTER FOUR

FINDINGS AND INTERPRETATION OF DATA

4.1 INTRODUCTION

Chapter three outlined the research methodology and design employed by this study. It detailed the adoption of a qualitative, mono-method case study design, guided by the interpretivism paradigm and an exploratory research purpose. Furthermore, the chapter explained the research approach, the strategy for data collection using secondary publicly available information, the study's population and sampling methods, and the planned thematic analysis for interpreting observations.

Building upon this theoretical framework and methodological groundwork, this chapter presents the findings from the case studies of informal businesses utilizing Instagram in South Africa. The preceding chapters laid the groundwork by outlining key concepts and related information of social media and informal businesses. This chapter will present the empirical observations gathered from two selected informal businesses that will be referred to as business one and business two, focusing on how they leverage Instagram for their operations. The analysis will interpret the collected data in relation to the primary and secondary objectives, providing practical insights into the application of Instagram as a tool for starting and running a business in South Africa.

4.2 RESEARCH METHODOLOGY

The research methodology employed in this study is qualitative, utilizing a mono-methodological case study design. This approach is chosen to explore under-researched areas surrounding informal businesses in South Africa and their utilisation of Instagram. The research population and sampling is deliberate and purposeful, focussing on two publicly available informal businesses in South Africa that utilize Instagram as business platform. The primary analytical approach will be thematic analysis, employing a cross-case comparison. The thematic analysis will be used to identify and analyse patterns to support case study observations.

4.2.1 CASE STUDY SUBJECTS

CASE STUDY SUBJECTS

Case 1: A male owned local, sustainable clothing brand. It commenced operations in 2017 focussing on offering customers consciously crafted leisurewear.

Case 2: A female owned business specialising in hand-crafted, knitted toys and animals. This business began operations in February of 2015.

DATA COLLECTION METHODS

The data collection method for this study primarily involves the use of secondary, publicly available data. The study utilises document analysis to gather data on Instagram as well as the information from informal business operating on Instagram, data will be collected directly from the public profiles of the selected business one and business two on Instagram.

4.3 DATA ANALYSIS

The data analysis of this study is conducted through a cross-case comparison to explore similarities and differences across the two cases. Tables 4.1, 4.2, 4.3, 4.4 will outline the case study subjects, detailing a cross-business comparison.

Table 4.1 provides demographic information for business one and business two, which are the informal businesses being studied. The demographics detailed are their industry type, location, and the date of observation.

TABLE 4.1 DESCRIPTION OF INFORMAL BUSINESSES INCLUDED IN THE STUDY.

DEMOGRAPHICS	BUSINESS ONE	BUSINESS TWO
INDUSTRY TYPE	Sustainable clothing brand that focuses on creating consciously crafted leisurewear. This extends to the entire product line, reflecting ethical production and environmental awareness.	Unique specialised, hand-crafted knitted toys and animals. Each item is carefully made, reflecting a strong emphasis on individual craftsmanship.
LOCATION	This business was founded in the Western Cape, located in Plettenberg Bay.	This business was founded in the Western Cape, located in Cape Town.
DATE OF OBSERVATION	22 June 2025.	22 June 2025.

SOURCE: AUTHOR'S OWN CONSTRUCTION

Table 4.2 outlines the background of the businesses, specifically focusing on the products offered and when each business commenced their operations.

TABLE 4.2. RESULTS OF HOW INFORMAL BUSINESS STARTED.

BACKGROUND	BUSINESS ONE	BUSINESS TWO
PRODUCTS	Leisure wear clothing line focusing on ethical practices offering apparel for both men and women, constructed of linen and cotton blends.	Hand crafted children’s toys and animals, consisting of a range of knitted products.
BUSINESS COMMENCEMENT	This business was established in 2017, outlining their ability in developing a market presence.	This business commenced operations in 2015, building on a long-standing artisanal toy market.

SOURCE: AUTHOR’S OWN CONSTRUCTION

Table 4.3 details the social media presence of each business, covering variables such as the content types used, posting frequency, engagement metrics, marketing strategies, sales methods, and customer feedback to measure the social media presence.

TABLE 4.3. RESULTS OF HOW INFORMAL BUSINESS OPERATES

SOCIAL MEDIA PRESENCE	BUSINESS ONE	BUSINESS TWO
CONTENT TYPES USED	The content strategy relies on high-quality photos and videos to showcase their apparel. They also utilize Instagram reels to showcase new product offerings and present a dynamic and engaging style of content.	The content strategy is diverse, featuring detailed photos of their knitted creations with descriptions outlining the inspiration behind each product. Videos demonstrate the craftsmanship involved, and Instagram stories are used for timely updates and glimpses into the creative process.
POSTING FREQUENCY	The general posting schedule is irregular; the frequency often increases to daily posts during new product launches or specific promotional campaigns to maximise their visibility.	The posting schedule is typically irregular, with increased posting weekly during product launches to generate interest in new product offerings. Stories are posted daily to create continued engagement.
ENGAGEMENT	Typical engagement on posts includes over 300 likes on posts, demonstrating a strong visual	Engagement on posts typically ranges from five to thirty likes on product photos, with an

SOCIAL MEDIA PRESENCE	BUSINESS ONE	BUSINESS TWO
	appeal. Comments range from five to ten per post, suggesting an active but smaller community that engages in discussions about the products on offer.	average of two comments, suggesting a dedicated but more niche audience that appreciates the specialised products.
MARKETING	The business implements targeted sales promotions on clothing items through paid Meta advertisements, expanding their reach and engagement.	The marketing and promotional campaigns are limited as the business explicitly states that it does not offer discounts or promotions. Due to the labour-intensive nature and high cost of specialised materials the marketing strategy reflects the intrinsic value of the artisanal work.
SALES	The sales are monitored and done through the Instagram built-in shop feature and additionally through direct messaging on the platform.	Sales are driven through the Instagram shop feature where each unique toy design can be purchased with delivery options.
CUSTOMER FEEDBACK	Positive feedback is frequently received, with customers often praising the high quality of the products, and the appealing design.	Positive feedback is consistently observed, with praise directed towards the product designs and craftsmanship. No negative comments were identified during the observation period.

SOURCE: AUTHOR'S OWN CONSTRUCTION

Table 4.4 highlights challenges that are faced by the businesses, such as managing stock levels and competitive pressures. The table additionally outlines the unique tactics of each business to further their customer engagement.

TABLE 4.4. RESULTS OF CHALLENGES AND UNIQUE TACTICS

RESULTS	BUSINESS ONE	BUSINESS TWO
CHALLENGES	The business has encountered operational challenges, including effectively managing stock levels to meet customer demand during peak holiday season, which can impact sales and customer expectations.	The business has faced significant challenges including the Covid-19 pandemic. Furthermore, they express concerns about the competitive pressure from “Black Friday” and other major sales holidays, as these pose significant threats to small businesses.
UNIQUE TACTICS	A key unique tactic that the business utilizes is the strategic use of Instagram reels to create dynamic and engaging content. The business also proactively collaborates with influencers or brand ambassadors on Instagram to leverage their reach.	A notable unique tactic is how the business utilises Instagram stories to highlight and curate positive customer feedback, they provide comprehensive answers and frequently asked questions.

SOURCE: AUTHOR’S OWN CONSTRUCTION

4.3.1 SYNTHESIS OF ANALYSIS

This study examines two distinct informal businesses. Both businesses demonstrate a reliance on Instagram’s visual driven approach to showcase their offerings. Business one, a high-quality clothing brand utilises high-quality photos and videos, including Instagram Reels to create dynamic visual content. This approach aligns with Alkhowaiter's (2016) Alkhowaiter's (2016) assessment that Instagram’s visual format offers unique opportunities to showcase products for direct marketing and brand building. Business two specialises in hand crafted knitted toys, employing a diverse content strategy including photos, videos, and daily stories. This use of stories to engage customers is a key tactic that Bharti (2021) notes that stories are a unique tool for real-time engagement. Both businesses leverage the Instagram shop feature to streamline their sales process; this is a core component of how Instagram can be used as a business model beyond simply a promotional tool, noted by Ali Kamali (2018).

4.4 ETHICAL CONSIDERATIONS

In conducting this study, several ethical considerations were addressed to ensure the integrity of the research and to act in accordance with Nelson Mandela University’s policy on research. Given the nature of this research as a qualitative case study focusing on informal businesses’

use of Instagram in South Africa, a critical principle was the anonymity of the research subjects. This study received ethical clearance for a non-human participant study, which directed that no identifying information related to the business, or its owners would be disclosed. The businesses examined were thus referred to as business one and business two and no specific names or directly identifiable details are included.

Furthermore, the research exclusively utilised publicly available data from Instagram on the selected informal businesses, as well as information from academic journals. This approach adheres to ethical guidelines for data collection, as all information gathered was already available in the public domain.

4.5 CHAPTER SUMMARY

This chapter introduces two informal businesses in a case study design, providing a cross-business comparison. Business one and business two's operations, products, and their extensive use of Instagram for business application is detailed. Similarly, both businesses utilise the Instagram shop feature to streamline their sales and facilitate purchases directly through the application. Furthermore, both businesses face challenges and employ unique tactics to address them, while using irregular posting schedules that increase near product launches to maximise visibility. Differences surround the content and engagement of the businesses and the marketing strategies. Business one uses paid advertisements and collaborates with influencers and brand ambassadors to expand its reach while business two has a limited marketing and promotional approach and does not offer discounts due to high costs and labour-intensive-work. It outlines the ethical considerations, emphasising the anonymity and the exclusive use of publicly available data. The chapter concludes, with the study's expected contributions, including addressing knowledge gaps in informal business social media usage and providing practical insights for both academia and business entrepreneurs to be addressed in chapter five.

CHAPTER FIVE

SUMMARY, RECOMMENDATIONS AND CONCLUSION

5.1 INTRODUCTION

In chapter four the findings and interpretation of data collected was documented and discussed. This study aimed to conduct a desktop analysis of Instagram's potential as a business platform for informal businesses in South Africa through a case study analysing two businesses. Chapter five provides a comprehensive summary of the findings of this study, specifically on how Instagram can be used as a tool for starting and running an informal business. The chapter begins with an overview of the study, followed by a summary of how research objectives were met, limitations, and a conclusion of the study will be provided.

5.2 OVERVIEW OF THE STUDY

Chapter one, the introduction and background to the study. This chapter introduced the study, providing background information, and the problem statement. This chapter set the context for the research, highlighting the significance of the informal sector in the South African economy. The chapter included the primary, secondary, and methodological objectives of the study to address the research problem. This chapter concluded with the chapter demarcation of the study.

Chapter two, the literature review. This chapter provided a comprehensive literature review following definitions of key concepts for the study. The chapter explores existing academic literature related to informal businesses and social media, outlining the gap of literature on South African informal businesses use of social media.

Chapter three, the research methodology. This chapter detailed the research approach of the study, detailing the use of a qualitative, exploratory case study design. The rationale for selecting case study specific businesses was analysed through the exploratory design and data collection of the research process.

Chapter four, the data analysis and findings. This chapter presents the detailed analysis of two case studies. The chapter highlights how businesses effectively utilised Instagram's features and showcases strategies employed to successfully run a business on social media.

5.3 THE ACHIEVEMENT OF PRIMARY AND SECONDARY OBJECTIVES

Table 5.1 outlines the primary, secondary, and methodological objectives of this study and outlines how the set objectives were met.

TABLE 5.1. ACHIEVEMENT OF STUDY OBJECTIVES

OBJECTIVE TYPE	OBJECTIVE	HOW OBJECTIVE WAS MET
PRIMARY	To conduct a desktop analysis of the social media platform Instagram and how it can be used to start and run an informal business in South Africa.	The entire study from chapters one to five, served as the desktop analysis. The study explored how Instagram can be leveraged by informal businesses in South Africa.
SECONDARY OBJECTIVE 1	To clarify key concepts of informal businesses in South Africa and the concepts of the social media platform Instagram.	This was achieved in chapter two, which provided a comprehensive literature review. The chapter defined key concepts such as social media, informal businesses, and e-readiness. The chapter additionally provided a historical overview of Instagram and the informal sector in South Africa.
SECONDARY OBJECTIVE 2	To identify and discuss how Instagram can be used to start and run an informal business.	Chapter four addresses this objective by discussing Instagram and its use in a South African context through two cases in a case study analysis. The chapter highlighted how businesses can leverage the platform's visual content, integrated shop feature, and direct messaging to reach a large audience and engage customers.
SECONDARY OBJECTIVE 3	To prepare a case of informal businesses on Instagram and report how social media can be used to start and run a business.	Chapter four presents a detailed analysis of two cases of informal businesses utilising Instagram for their operations. The chapter highlighted how these informal businesses used the platform's features to showcase and successfully run their business on Instagram.

OBJECTIVE TYPE	OBJECTIVE	HOW OBJECTIVE WAS MET
METHODOLOGICAL OBJECTIVE 1	To conduct a literature overview of Instagram as a mean to start an informal business in South Africa.	The literature review in chapter two fulfils this objective. The chapter provided an overview of existing research while establishing a theoretical foundation for the study.
METHODOLOGICAL OBJECTIVE 2	To select an appropriate research methodology and research method for the study.	Chapter three addressed the research design and methodology. The chapter justified and provided rationale for the adoption of a qualitative, mono-methodological case study approach.
METHODOLOGICAL OBJECTIVE 3	To collect and analyse primary data on cases of informal businesses on Instagram.	Chapter four presented a detailed analysis of the data collected from two case study businesses. The analysis focused on the businesses use of Instagram, their content strategy, and their engagement with customers.
METHODOLOGICAL OBJECTIVE 4	To provide pertinent conclusions and recommendations	Chapter 5 met this objective, providing a comprehensive summary of this study's findings, limitations, and recommendations for future research. The chapter also offers a practical framework for informal businesses to start and grow on Instagram.

SOURCE: AUTHOR'S OWN CONSTRUCTION

5.4 FRAMEWORK AND RECOMMENDATIONS

The main research question of this study: *how can social media specifically Instagram be used to start and run an informal business in South Africa*. This study aimed to examine informal businesses on Instagram operating in South Africa, supported by a literature review that provided an overview of social media and Instagram's applicable use in a business context.

The findings demonstrate how businesses utilised various aspects of Instagram to start and grow their business ventures, thus the following framework is offered to assist informal businesses in expanding or starting out on Instagram.

Table 5.2 details the various elements that are crucial to starting and running a business on Instagram. The table analyses how informal businesses should incorporate these aspects to operate successfully.

TABLE 5.2. FRAMEWORK FOR STARTING AND RUNNING A BUSINESS.

SOCIAL MEDIA ASPECT	HOW BUSINESSES SHOULD INCORPORATE IT
CONTENT TYPES USED	Informal businesses should prioritise developing a strong visual content strategy on Instagram. Platforms such as Instagram are inherently visual, high quality, and photos or videos are crucial to capture the audience's attention and encourage engagement with posted content. Informal businesses should leverage Instagram with frequent weekly posting to not only showcase their products but also tell the story behind the business.
POSTING FREQUENCY	The key takeaway regarding posting frequency is that consistency is more important than a rigid posting schedule. For informal businesses, posting frequently can be unsustainable, while posting too little can lead to a loss of engagement. The study found and thus recommends that while businesses may have an irregular posting schedule, they should significantly increase their frequency during key events like product launches. This suggests that the posting schedule is tied to the businesses operational cycle rather than set calendar dates.
ENGAGEMENT	It is recommended that informal businesses prioritise fostering customer engagement and building a community on Instagram. Active and consistent engagement is a cornerstone of success on social media platforms such as Instagram. Informal businesses should go beyond passively posting on the platform and actively interact with the audience. This includes responding to comments, acknowledging customer feedback, and utilising Instagram's direct messaging to provide customer support. The case study analysis demonstrated that stories should be used to showcase customer feedback and frequently asked questions to build trust and transparency.
MARKETING	The study demonstrates that marketing for informal businesses is integrated directly into the day-to-day use of the platform. The cases demonstrate that traditional marketing tactics of running promotions or discounts are not always necessary, however the marketing efforts should outline the storytelling and visual presentation. The primary marketing tool will be the photo and videos, crucial to build a strong brand identity and appeal to customers. Furthermore, features such as Instagram reels and stories should be used for dynamic content beyond advertising. The posting of reels and stories should give behind-the-scenes insights into the business to increase customer engagement while providing a real time connection to the audience.
SALES	Informal businesses should utilise Instagram's integrated application features to move beyond simply using a marketing tool. The analysis showed that businesses should strategically use Instagram's built-in shop feature to streamline and create a seamless e-commerce experience. It is recommended

SOCIAL MEDIA ASPECT	HOW BUSINESSES SHOULD INCORPORATE IT
	that businesses that are new and growing explore the shop feature to manage their product catalogue, facilitate direct sales and transactions, and streamline the sales process for customers.
CUSTOMER FEEDBACK	Customer feedback is vital for informal businesses; the study indicates that businesses should actively use features like story highlights to share customer feedback. This practice builds social proof and trust for customers, identifying and addressing frequently asked questions promoting transparency. Due to the direct nature of Instagram, it is recommended that comments and direct messages on the platform are managed and responded to, thus maintaining an open channel of communication with their customers. This is vital to businesses starting and growing on Instagram as communication is crucial to building customer loyalty.

SOURCE: AUTHOR’S OWN CONSTRUCTION

The foundation of this framework lies in the content types used. The businesses in this study do not rely on a single format but rather use a strategic mix of photos, dynamic videos, text-only posts, and interactive stories. The diverse content strategy is supported by a mindful approach to the posting frequency. This study found that a rigid, daily posting schedule is often unsustainable for informal businesses. Successful businesses prioritise maintaining a steady, though often irregular flow of content during normal operations and increased frequency during key periods. This targeted approach ensures content is relevant with businesses remaining visible to its customers. The core of online engagement is beyond simply attracting likes on posts but rather it is critical to building trust and brand loyalty. Informal businesses must actively manage and respond to comments and direct messages, effectively streamlining sales while utilising the Instagram shop feature.

Overcoming challenges: For informal businesses, social media platforms such as Instagram offer low barriers to entry, however businesses must adopt a strategic mindset to overcome challenges. It is recommended that informal businesses maintain a separate business account from their personal one to build a clear brand identity. To manage irregular posting, businesses should consider a content calendar or increase posting frequency around product launches or events. To address competitive pressures, informal businesses should explore collaborations with other businesses to expand their reach thereby fostering growth and sustainability.

5.5 EXPECTED CONTRIBUTION

This exploratory qualitative study aims to make several contributions to the existing body of knowledge regarding informal businesses, social media utilisation, and business development through social media in South Africa.

Firstly, the research aims to address a knowledge gap by focusing on informal businesses in South Africa and their engagement with Instagram. This area remains under researched, and the study's findings will provide valuable insights into how these businesses start, run, and grow. By shedding light on the unique dynamics of the informal sector enterprises and their digital presence, this study contributes to a more comprehensive understanding of their challenges, opportunities, and strategic approaches to digitalisation.

Secondly, an exploratory case study design is expected to provide preliminary and foundational insights. By investigating two distinct informal businesses, this study offers in-depth observations and qualitative data that can define key questions on this topic.

This study aims to contribute to the body of knowledge by providing a framework for other informal businesses or entrepreneurs to allow for tools such as Instagram to be used as a business platform to enhance, start or grow informal businesses.

5.6 LIMITATIONS OF THE STUDY AND SUGGESTIONS FOR FURTHER RESEARCH

This study attempts to accurately display informal businesses in South Africa on Instagram and draw conclusions as to how a successful business is run on the platform. The primary limitation of the study stems from the qualitative, exploratory case study design which focuses on only two informal businesses. This approach has allowed for in-depth analysis however the findings cannot be generalised to the broader population of informal businesses. Furthermore, the study relies on publicly available data, limiting the scope of the analysis to information that businesses choose to share on social media.

To provide a comprehensive understanding of this topic, future research should include a larger sample of informal businesses for analysis across various sectors beyond retail. This would allow for a comparative analysis of how different types of informal businesses leverage social media, identifying common challenges and success factors beyond the experiences of the two businesses analysed in this study.

5.6 CONCLUSION

This chapter provided conclusions and recommendations for informal businesses utilising Instagram to start and grow their business operations. This study successfully addressed the research problem of understanding how Instagram can be used to start and run an informal business in South Africa. The desktop analysis conducted through two case studies demonstrated that platforms like Instagram provide viable and accessible avenues for entrepreneurs to overcome traditional barriers to entry. The findings confirmed that leveraging a strategic visual strategy and utilising Instagram's features, informal businesses can effectively enhance their visibility, foster direct relations with customers, and reach a wider audience. This study ultimately, provides a foundational understanding of the critical role social media plays in empowering entrepreneurship in the informal sector of South Africa. The recommendations thus set a framework for informal businesses to start and grow their business.

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ANNEXURE 1: LEARNING AGREEMENT



FACULTY OF BUSINESS AND ECONOMIC SCIENCES

LEARNING AGREEMENT BETWEEN STUDY LEADER AND POSTGRADUATE STUDENT FOR BCOM HONS MINI -TREATISE QUALIFICATIONS

The aim of this learning agreement is to provide postgraduate students and their study leaders an opportunity to develop a sound and productive working plan. This document should be read in conjunction with the following Nelson Mandela University Policy documents:

- The General Prospectus
- Faculty of Business and Economic Sciences Prospectus
- University Code of Ethics Policy
- Policy on Intellectual Property
- Promotion of Academic Integrity and Prevention of Plagiarism

These documents are available on the Nelson Mandela University's website (<http://my.mandela.ac.za/default.asp?id=308&IRCno=>)

The Faculty of Business and Economic Sciences requires all postgraduate students and their study leader(s) to complete a learning agreement within **TWO** months of the commencement of the research degree programme. Postgraduate students and their study leader(s) should discuss the issues outlined in this agreement, to have clarity and consistency regarding the conduct of the Postgraduate student and study leader(s).

The postgraduate student and study leader should keep a copy of this learning agreement, including a copy send to Prof Shelley Farrington (Shelley.Farrington@mandela.ac.za).

PART A: DETAILS OF THE POSTGRADUATE STUDENT, STUDY LEADER(S) AND QUALIFICATION

NAME & SURNAME:	Craig Pienaar
STUDENT NUMBER:	225625601
QUALIFICATION:	BCOM HONS (BUSINESS MANAGEMENT)
FIRST YEAR OF REGISTRATION:	2025
DEPARTMENT:	BUSINESS MANAGEMENT
STUDY LEADER:	Miss. Leigh Stear

PART B: ROLES AND RESPONSIBILITIES OF THE POSTGRADUATE STUDENT AND STUDY LEADER(S)

POSTGRADUATE STUDENT:

As a postgraduate candidate, the student is expected to apply him- or herself to meeting the following reasonable responsibilities.

The postgraduate Student accepts and undertake the following responsibilities:

DESCRIPTION	INITIAL
Complete all the required components of the academic programme as stipulated.	C.M.P
Plan and execute the research study as agreed to with the guidance of the study leader (and co-study leader, where applicable).	C.M.P
Ensure that the research proposal (Chapter 1-3) is submitted at the stipulated date.	C.M.P
Adhere to the principles of accepted safety and health standards, ethical research practice as per Nelson Mandela University Code of Conduct for Researchers (IRC 404.01), Policy on Research Ethics (IRC 404.02), specific codes of the discipline (where applicable) and conventions regarding plagiarism as per Nelson Mandela Policy for the Promotion of Academic Integrity and Prevention of Plagiarism (IRC 305.04).	C.M.P
Make regular appointments with study leader(s) to update study leader(s) on progress or any difficulties encountered in executing the academic project as planned to ensure timeous remedial action where required.	C.M.P
Keep written record of supervision sessions and the decisions agreed to.	C.M.P
Submit regular outputs from the academic project to ensure effective guidance and input by study leader(s).	C.M.P
Ensure that written work submitted has been proofread and of an acceptable academic standard.	C.M.P
Ensure that the necessary amendments or revisions decided upon with study leader(s) are made regularly and resubmitted as agreed for further guidance.	C.M.P
Take responsibility for the final production of the treatise for examination and final submission at specified dates.	C.M.P
Submit a manuscript to the study leader prior to the time of the approval of examiner reports (for purpose of awarding the doctoral degree).	C.M.P
The postgraduate student has read all the relevant strategic and policy documents related to their relevant qualification.	C.M.P
The postgraduate student has familiarised him- or herself with the internet-based plagiarism detection service; Turnitin software.	C.M.P
The postgraduate student endeavours to partake in workshops and training related to the research project	C.M.P

STUDY LEADER / CO- STUDY LEADER:

The responsibilities outlined below are reasonable expectations of academics or any other persons who are undertaking the supervision of candidates.

The study leader(s) accepts and undertake the following responsibilities:

DESCRIPTION	INITIAL
Clarify respective roles of student, study leader, and co-study leader (where relevant) to ensure that student and study leader(s) are clear about channels of communication as well as expectations. Preferably such clarification should be contained in a supervisory or learning agreement.	LCS
Confer or make contact with the student regularly (minimum once a month) to provide academic guidance to ensure the development of research skills and competencies relevant to the discipline and the specific study, and to ensure adherence to university requirements and/or discipline standards.	LCS
Monitor progress of the student and submit reports on student progress as required by the university and by relevant scholarship funding bodies.	LCS
Keep a record of supervision sessions and provide feedback, within the timeframe agreed upon, to enable student progress.	LCS

Study leaders must maintain an adherence to accepted safety and health standards, as well as ethical research practice as per Nelson Mandela University Code of Conduct for Researchers (IRC 404.01), Policy on Research Ethics (IRC 404.02), specific codes of the discipline (where applicable) and conventions regarding plagiarism as per Nelson Mandela Policy for the Promotion of Academic Integrity and Prevention of Plagiarism (IRC 305.04) and advise their students to maintain these standards as well.	LCS
Provide the relevant information to the student so that the candidate submits the treatise for examination and final submission on the correct date and format.	LCS
The study leader (s) to consult Turnitin report submitted by the student to the internet-based plagiarism detection service; Turnitin software.	LCS

PART C: TERMS OF LEARNING AGREEMENT



FREQUENCY OF COMMUNICATION			
The contact details of the study leader (s) were provided to the postgraduate student.	<table border="1"> <tr> <td style="text-align: center;">YES <input checked="" type="checkbox"/></td> <td style="text-align: center;">NO <input type="checkbox"/></td> </tr> </table>	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>		
Specify frequency and communication channel for meetings (i.e. telephone, email, face-to-face).	Face to face and online meetings		
In case of the appointment of a co- study leader (s), how will meetings and communication between all be organised?	N/A		
Specify who is responsible for scheduling meetings and how far in advance these meetings should be scheduled.	Student is responsible for scheduling meetings		
Specify the procedure for changing the meeting date and time.	Email must be sent out prior to the meeting.		
Specify frequency and duration of meetings (approx.).	30 – 90 minutes		
Specify who will set the agenda and take notes.	N/A		
Clarify whether there will be any expectation regarding regular email communication.	Student to update study leader every second week on their progress		
Indicate the availability of communication of study leader during period of research and/or ordinary leave.	The study leader will inform the student prior to leave and guide the student on the availability of communication		
List the roles, responsibilities of study leader, co- study leader (s) and student.	As per the module outline		
Comments:			
RESEARCH PLAN / TIMEFRAME			
Specify the research plan and timeframe	Final due date: 29 September 2025		
Specify how changes to the research plan / timeframe will be dealt with.	Via email		
Was the postgraduate student informed of the timeframes?	<table border="1"> <tr> <td style="text-align: center;">YES <input checked="" type="checkbox"/></td> <td style="text-align: center;">NO <input type="checkbox"/></td> </tr> </table>	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>		
Specify remedial action if schedule is not adhered to?	Student will be unable to finalise the treatise before due date and will result in the student being unable to graduate.		
Comments:			
SUBMISSION OF WRITTEN MATERIAL AND FEEDBACK			
Specify how often written work should be submitted to the study leader (s).	Every two weeks or as per agreement otherwise		
Specify the timeframe for feedback.	10 days		
Specify remedial action if feedback agreement is not adhered to?	Reported to the treatise coordinator		

ETHICS APPROVAL		
	YES	NO
The postgraduate student was informed that all research projects require ethical approval?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The postgraduate student was informed that it is his/her responsibility to apply for ethics?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Comments:	Form E was completed	
INTELLECTUAL PROPERTY		
	YES	NO
The postgraduate student was informed that all intellectual property resulting from research conducted for postgraduate degrees, including all publications, is governed by the Intellectual Property Policy (IRC 401.01)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The student was informed that the intellectual property rights resulting from a postgraduate's research shall vest in the University	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Comments:	N/A	

The **STUDENT** and the **STUDY LEADER** confirms that:

1. They have read and understood this Learning Agreement,
2. They agree to accept its content for the duration of the study period as per the qualification stipulated above.

SIGNATURES:

Student	
Study Leader	

ANNEXURE 2: ETHICAL CLEARANCE



FACULTY OF BUSINESS AND ECONOMIC SCIENCES DEPARTMENT OF BUSINESS MANAGEMENT

ETHICAL CONSIDERATION FOR HONOURS TREATISE –

INSTRUCTIONS

- Should be completed by study leader and student.
- Must be signed off by the student, study leader and HoD.
- Submit completed form to Ms Kim Alexander.
- Please ensure that a summary of the research methodology section of the treatise is attached to this form (*Complete Annexure A*).
- **Please note that by following this ethics route, the study will NOT be allocated an ethics clearance number.**

SECTION A – STUDENT ACKNOWLEDGMENT

- The student acknowledges that their research project is for academic qualification purposes only. As such, the research report or any sections thereof **may not be published**.
- The student also acknowledges that their research project **will be a desktop study** and will **make use of publicly available documents or secondary data**. No human subjects will be involved in the study as primary sources of data.

Secondary data, in this instance, refers to data that was collected and processed by someone else for some other purpose but is now being used by the researcher for another reason (Tripathy, 2013). Research utilising secondary data that both exists and has been collected in a public, academic database, for example Google Scholar, is considered desktop research, and generally does not require full ethical approval (Creswell & Poth 2017).

SECTION B – STUDENT AND RESEARCH PROJECT DETAILS

Student name & surname	CRAIG PIENAAR
Student number	225625601
Title of treatise	Social media as a way to start and run an informal business
Qualification	BCOM HONOURS (Business Management)
Department	Business Management
Study leader	Prof Struwig/ Dr Watson / <u>Ms Stear</u>

SECTION C – ETHICS CRITERIA

<i>(Please tick the appropriate block)</i>		YES	NO
1.	Is there any risk of harm, embarrassment of offence, however slight or temporary, to the participant, third parties or to the communities at large?		x
2.	Is the study based on a research population defined as 'vulnerable' in terms of age, physical characteristics and/or disease status?		x
2.1	Are subjects/participants/respondents of your study:		
2.1.1	Children under the age of 18?		x
2.1.2	NMU staff?		x
2.1.3	NMU students?		x
2.1.4	The elderly/persons over the age of 60?		x
2.1.5	A sample from an institution (e.g. hospital/school)?		x
2.1.6	Handicapped (e.g. mentally or physically)?		x
3.	Does the data that will be collected require consent of an institutional authority for this study? (An institutional authority refers to an organisation that is established by government to protect vulnerable people)		x
3.1	Are you intending to access participant data from an existing, stored repository (e.g. school, institutional or university records)?		x
4.	Will the participant's privacy, anonymity or confidentiality be compromised?		x
4.1	Are you administering a questionnaire/survey that:		
4.1.1	Collects sensitive/identifiable data from participants?		x
4.1.2	Does not guarantee the anonymity of the participant?		x
4.1.3	Does not guarantee the confidentiality of the participant and the data?		x
4.1.4	Will offer an incentive to respondents to participate, i.e. a lucky draw or any other prize?		x
4.1.5	Will create doubt whether sample control measures are in place?		x
5.	Do you wish to publish any research output (i.e. article) from this study?		x

Please note that if ANY of the questions above have been answered in the affirmative (YES) the student will need to complete the full ethics clearance form (MEOS REC-H application) and submit it with the relevant documentation to the Faculty RECH (Ethics) committee.

The student hereby certifies that he/she has given his/her research careful ethical consideration and full ethics approval is not required.

SECTION D – INFORMATION TO BE INCLUDED INTO THE RESEARCH REPORT

(The section below should be edited and aligned to the specifics of the study)

1. ETHICAL CONSIDERATIONS

This study will follow the ethical research considerations that apply to all research in the social sciences, which are defined as moral rules and professional codes of conduct to the collection, analysis, reporting, and publication of information about research subjects (Pietilä, Nurmi, Halkoaho & Kyngäs, 2020:49). The research will, at all times, adhere to the following ethical considerations:

1.1 Informed Consent

Where data is freely available on the Internet, books or other public forum, permission for further use and analysis is implied, however, the ownership of the original data must be acknowledged (Tripathy, 2013).

1.2 Anonymity and Confidentiality

To ensure privacy and to protect individuals or institutions within the secondary data, a privacy plan or protocol will be in place to protect the confidentiality of the users. This may include removing identifiable information, securely storing the data and removing any sensitive information prior to distribution of the outcome of the study (where needed).

1.3 Action and Competence of Researchers

The study will be undertaken in an ethically correct manner. Under no circumstances would the researcher in this study make judgments about data, falsify data or plagiarise.

1.4 Respect of Intellectual Property

Intellectual property is the creation arising from intellectual activity, and this study will acknowledge and reference all ideas and sources used in the study.

1.5 Beneficence

The study topic being researched is for degree purposes only and will not be published.

1.6 Non-Maleficence

Non-maleficence makes sure that what is being done is not harmful and that harm is not done by omitting care or treatment. This study will make sure that no harm will come to anyone connected to the study. This body of work and the documents consulted will also adhere to the Protection of Personal Information Act (PoPIA). POPIA governs the collection, processing and sharing of personally identifiable information (PII).

1.7 Applying for ethical consideration

The researcher will apply for ethical consideration from the **Department of Business Management** (Nelson Mandela University) to have the right to research within the intended domain. The research process, in particular data collection, may only be conducted once ethical clearance has been granted, i.e., the ethics form has been signed by the student, the study leader and the Head of Department.

SECTION E – SIGNATURES AND DATES

Pienaa
STUDENT

9 April 2025
DATE

huroh
STUDY LEADER

14/04/2025
DATE

G. Kinsman
HEAD OF DEPARTMENT

29 April 2025
DATE

REFERENCES

- Cilliers, L. & Viljoen, K. (2021). A framework of ethical issues to consider when conducting internet-based research. *South African Journal of Information Management*, 23(1).
- Creswell, J.W. & Poth, C.N. (2017). *Qualitative inquiry and research design: Choosing among five approaches*, Sage, London.
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- Tripathy, J.P. (2013). Secondary Data Analysis: Ethical Issues and Challenges. *Iran Journal of Public Health*. 42(12): 1478–1479.

ANNEXURE A: BCOM HONOURS TREATISE

Summary of research design and methodology employed in the study

Treatise details	Title of treatise
	Social media as a way to start and run an informal business
Background to the study	Introduction and background
	Informal businesses contribute significantly to South Africa’s economic activity, particularly in underserved communities. With the rise of digital connectivity, social media platforms offer cost-effective tools for marketing and sales. While much research has explored their use in the formal sector, there is a need to understand how informal businesses leverage these platforms to grow, engage customers, and operate sustainably (Fraccastoro, Gabrielsson, Pullins, 2021).
Background to the study	Problem statement
	Informal business contributes and plays a crucial role in the South African economy. Social media platforms such as Instagram have had a great impact on digital and social media marketing as well as e-commerce. Social media and its role in the formal sector in South Africa have been researched and documented, -however there is limited research on how it can be used in the informal sector.
Objectives of the study	Primary objective
	To investigate the social media platform Instagram to start and run an informal business.
	Methodological objectives
	The methodological research objectives of this study are: <ul style="list-style-type: none"> • To conduct a literature overview of social media as a way to start an informal business in SA • To select an appropriate research methodology and research methods for the study. • To collect and analyse primary data of a case of an informal business on Instagram. • To provide pertinent conclusions and recommendations to whether social media and the platform Instagram can be used to run an informal business.
Objectives of the study	Secondary objectives
	To achieve the primary objective the following secondary objectives have been formulated:

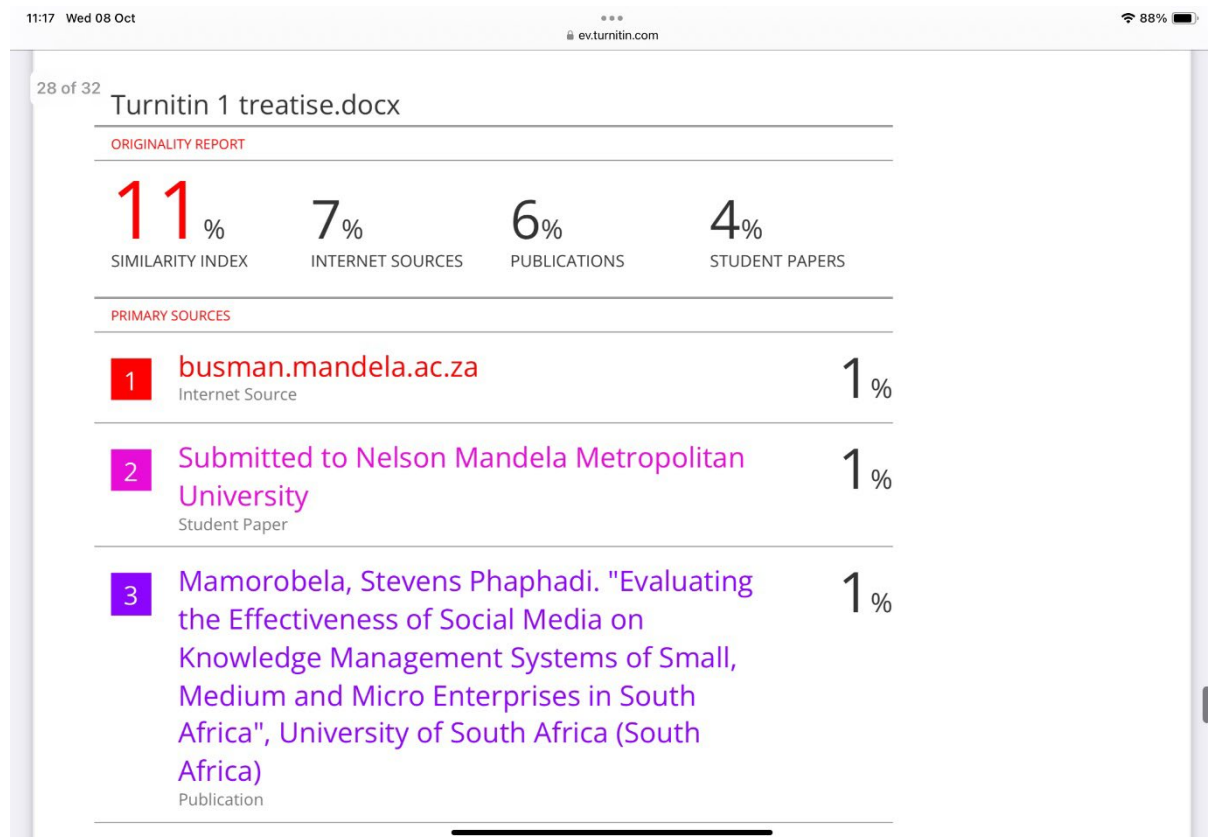
	<p>SO1: Clarify key concepts of informal business and the social media platform Instagram in South Africa.</p> <p>SO2: Identify (steps) and discuss how Instagram can be used as a means to start an informal business in South Africa.</p> <p>SO3: To prepare a case of an informal business on Instagram and report how social media can be used to start and run the informal business.</p>
Research design & methodology	Research philosophy / Paradigm (positivism, interpretivism etc.)
	Interpretivism The study aims to understand how informal business owners interpret and use social media platforms within their unique contexts. Interpretivism supports exploring meaning and behaviour in real-world settings, which is ideal for case-based, non-numerical insights.
	Approach to theory development (inductive, deductive, abductive)
	Inductive The study will generate insights from the analysis of observed practices in informal businesses.
	Purpose of study (descriptive, exploratory, comparative)
	Exploratory This research seeks to explore a relatively under-researched area — the use of social media in the informal sector — and aims to understand patterns, behaviours, and strategies rather than test a hypothesis.
	Methodological choice (mono, multi, mixed methods)
	Mono method Only qualitative methods will be used to collect and analyse data — specifically through a case study approach using secondary (publicly available) data.
	Research approach (quantitative, qualitative, mixed)
	Qualitative The research will focus on understanding processes, meanings, and behaviours.
	Research strategy (SLR, literature review, archival research, case study)
	Case Study A case study approach will allow for in-depth exploration of selected informal businesses that operate primarily through social media platforms. The study will also include a supporting literature review.
	Time dimension (cross-sectional, longitudinal)
Cross-sectional The data will be collected at a single point in time, focusing on current practices rather than changes over time.	
Data collection	Technique and procedures (desktop study / desk research)
	Desktop Study / Desk Research Publicly available online content such as: <ul style="list-style-type: none"> • Business pages on Instagram
	Search strategy: Data inclusion criteria Only informal South African businesses operating primarily on social media Instagram will be used.
	Search strategy: Sources of data (databases, websites etc.)

	Instagram: Public business profiles, posts, highlights, and community comments
	Search strategy: Search terms or word strings
	Small business using social media in South Africa
	Data analysis techniques (content analysis, thematic analysis)
Data analysis	Thematic Analysis Qualitative data from the two case studies will be analysed to identify common themes such as: <ul style="list-style-type: none"> • How social media is used to launch a business • Strategies for customer engagement and retention • Sales and delivery methods via social media • Challenges and opportunities faced Findings will be synthesised to extract insights and propose a basic framework or checklist for informal business owners looking to use social media effectively.
	Quality criteria (credibility, dependability, transferability, and confirmability) (How will each of the aforementioned be ensured?)
Trustworthiness	Credibility: Adoption of appropriate, well-recognised research methods.
	Transferability: Provision of background data to establish context of study and detailed description of phenomenon in question to allow comparisons to be made
	Dependability: In-depth methodology description to allow study to be repeated
	Confirmability: In-depth methodological description to allow integrity of research results to be scrutinised

REFERENCES:

Fraccastoro, S., Gabrielsson, M., & Pullins, E. B. (2021). The integrated use of social media, digital, and traditional communication tools in the B2B sales process of international SMEs. *International Business Review*, 30(4). <https://doi.org/10.1016/j.ibusrev.2020.101776>

ANNEXURE 3: TURNITIN SUMMARY REPORT



ANNEXURE 4: GENERATIVE AI AND AI-ASSISTED TECHNOLOGIES IN WRITING PROCESS – USAGE DECLARATION

ANNEXURE X: GENERATIVE AI AND AI-ASSISTED TECHNOLOGIES IN WRITING PROCESS – USAGE DECLARATION

According to Nelson Mandela University's Institutional Position Statement on the use of Generative Artificial Intelligence (D_71_24_(2024-02-07), the following are considered recommended uses and unacceptable uses of AI by students and staff.

Recommended uses:

- Search engine
- Enhancing understanding
- Gaining insights
- Gathering information
- Clarifying concepts
- Critically evaluating information

Unacceptable uses:

- Copy and paste generated intellectual work.
- Claiming a generated product (text, image, creation) as your own.
- Generating information for assessments, projects, and assignments, unless this is explicitly instructed by the academic, who has provided clear guidelines in the form of permissions and prohibitions as to the appropriate use thereof as part of an assessment designed around the use of AI.
- Used for unfair advantage – when you are determined to deceive and do not use something in an appropriate manner.
- Making use of AI and not appropriately referencing the sources represented in the generated text, image and/or other product.
- Makes use of AI and does not ensure that the sources represented in the generated text, image and/or other product are accurate and represent the actual work of existing sources.
- Generating information via AI that may or may not represent the intellectual work of another person, people or AI and thereafter making further use of AI to disguise this information and then present it as one's own.
- When you do not follow permissions and prohibitions provided in assessment guidelines.
- When you are not transparent about its use, do not reference and acknowledge your sources.

Student declaration:

During the undertaking of preparing and writing this mini treatise,

I Craig Pienaar, with student number 225625601, declare that *I have not used AI in an unacceptable manner as described by Nelson Mandela University's Institutional Position Statement on the use of Generative Artificial Intelligence.*

in my treatise.

I *also acknowledge* that I am ultimately responsible and accountable for the contents of this mini treatise.

SIGNATURE STUDENT:

Pienaa

DATE:

20 September 2025

[NOTE: Students must declare in their mini treatise the use of AI and AI-assisted technologies in the process of writing their treatise by completing this declaration statement. This statement must be included as an Appendix/Annexure in their mini treatise. AI and AI-assisted technologies do not include basic tools for checking grammar, spelling, references etc. Should AI and AI-assisted technologies not have been used in the process of writing, *not applicable (N/A)* can be entered where the NAME of the AI and the REASON used is requested. Using AI and AI-assisted technologies in their mini treatise without completing this declaration amounts to academic dishonesty. Students should note that the use of AI is detected by Turnitin and in addition to this declaration a Turnitin report is required as an Appendix/Annexure to their mini treatise

ANNEXURE 5: case study business one

1. BASIC INFO

Business Name: Business One

Social media (Instagram)

Industry/Type: sustainable fashion

Location (City/Country): Plettenberg Bay, South Africa

Date of Observation: 22 June 2025

2. BUSINESS OVERVIEW

What products/services do they offer? Leisurewear

- Shirts, sweaters & jackets, knitwear, pants & shorts, swim wear, dresses
- Fabric based items: cotton, knitwear and linen

When did they start the business?

- 2017

Who runs the business (owner name, if public)?

- /
-

3. SOCIAL MEDIA PRESENCE

Content Types Used: photos, videos, text-only posts, stories

Posting Frequency: typically, twice a week. (new product launches daily.)

Engagement Examples: average 300 likes on photos, 4 comments on individual posts.

. MARKETING AND SALES

Marketing promotions include paid Meta advertisements on Instagram to expand their customer reach.

Any unique tactics observed?

- Salt make use of the Instagram Shop feature where their clothing catalogue can be browsed and orders can be placed directly, this streamlines the customer experience.

How do they respond to customers online?

- Customer queries in the comment section on posts are directly responded to in the comments section.
- Customers can direct message Salt for queries.

5. CUSTOMER FEEDBACK

Positive Comments Noted: excitement for upcoming product releases, compliments regarding product quality and appeal.

Negative Comments/Complaints: none

7. KEY TAKEAWAYS OR INSIGHTS

The business aims to source and produce sustainable fashion for both males and females through their Instagram page boasting 14 thousand followers. The business uses Instagram's Shop feature to showcase products and allow for direct purchases while utilising paid Meta advertisements on Instagram to grow their business.

ANNEXURE 6: CASE STUDY BUSINESS TWO

1. BASIC INFO

Business Name: In Stitches

Industry/Type: handmade products

Location (City/Country): Cape Town, South Africa.

Date of Observation: 22 June 2025

2. BUSINESS OVERVIEW

What products/services do they offer?

- Hand crafted, knitted toys and animals

When did they start the business?

- February 2015.

Who runs the business (owner name, if public)?

- /
-

3. SOCIAL MEDIA PRESENCE

Content Types Used: photos, videos, text-only posts, stories.

Posting Frequency: irregular, product launches increased frequency to weekly.

Engagement Examples: 5-30 likes on product photo, 2 comments on average post.

4. MARKETING AND SALES

Any promotions, discounts, or campaigns?

- No, it is stated that products cannot be discounted due to the cost of materials and labor intensive nature of making hand crafted goods.

Any unique tactics observed?

- Story highlights are used to engage customer feedback and frequently asked questions.
- Utilize the Instagram built in shop feature to showcase their catalogue.

How do they respond to customers online?

- In the comment section on posts and through direct messaging on Instagram.
-

5. CUSTOMER FEEDBACK

Positive Comments Noted: praise for new products.

Negative Comments/Complaints: none.

6. BUSINESS CHALLENGES (IF KNOWN OR SHARED)

(BASED ON POSTS)

- Covid-19 pandemic led to business challenges stated in a post, additionally “black Friday” and other sale holidays are said to threaten small businesses such as this one where prices cannot be reduced.
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7. KEY TAKEAWAYS OR INSIGHTS

The business aims to create sustainable toys for kids that showcases a story behind each hand made toy identifying the inspiration behind each product.