

**INFORMAL TRADERS AND THEIR INTENTION TO USE SOCIAL MEDIA FOR
BUSINESS IN THE NELSON MANDELA BAY AREA**

BY

CHIMWEMWE HAMI

CHIFUNDO MAZENGERA

Treatise submitted in partial fulfilment of the requirements for the degree of

BACHELOR OF COMMERCE HONOURS: BUSINESS MANAGEMENT

in the Faculty of Business and Economics Sciences

at the Nelson Mandela University

PORT ELIZABETH

SUPERVISOR

DR S. BECK

OCTOBER 2019

DECLARATION

We, Chimwemwe Hami and Chifundo Mazengera, hereby declare that:

This treatise entitled “Informal traders and their intention to use social media for business in the Nelson Mandela Bay Area”, is a representation of our own original work. All sources used within this treatise have been documented and referenced and this treatise has not been submitted for assessment in full or partial fulfillment of the requirements of for an equivalent or higher qualification at any other recognised institution.

The opinions expressed and the conclusions arrived at are those of the researchers and not necessarily of the Nelson Mandela University.



Chimwemwe Hami



Chifundo Mazengera

ACKNOWLEDGEMENTS

We would like to acknowledge and express our sincere gratitude to all those who played an important role in the compilation and completion of this treatise. In particular:

- Our study leader, Dr S Beck for her continuous enthusiastic guidance, patience and motivation throughout the completion of this treatise. Thank you for your patient advice and unwavering support.
- The respondents for taking their time and effort to complete the questionnaires. Without them this study would not have been possible.
- Our families and friends for the constant love, support and encouragement throughout our tertiary education. Their source of strength and joy went a long way in pushing us.

ABSTRACT

In the second quarter of 2019, South Africa recorded an unemployment rate of 29 per cent, which was the highest unemployment rate since the first quarter of 2003 (Statistics South Africa, 2019). One solution to the high unemployment rate was entrepreneurship, which was recorded to have created over three million job opportunities in South Africa between the years 1994 and 2012 (Herrington & Kew, 2013:19). The poor state of the South African economy has thus been driving people to create their own job opportunities through the development of their own business(es) (Fundie, Chisoro & Karodia, 2015:46). Informal traders are one group in South Africa who have notably embraced the call to start their own businesses.

Informal traders are said to be big players in solving the rising unemployment rates in South Africa. Statistics South Africa (2013:3) defines an Informal trader as any business entity that is not registered for VAT. The informal traders help in promoting entrepreneurship and making it a more viable option. The lack of regulations and no VAT gives informal traders benefits that would be seen as obstacles for an aspiring entrepreneur. On a greater scale, The African Development Bank estimates that the informal sector (which is made up of a majority of informal traders) contributes about 55 per cent of Sub-Saharan Africa's GDP and 80 per cent of the labour force. Highlighting the role informal traders play. However, informal traders face some challenges. The main challenge being marketing.

Research done has revealed that marketing is of great influence on the success of small businesses such as those owned by informal traders (Oji, Iwu & Tengeh, 2017:2). Marketing helps create demand for the products and services on offer by the business through communication to their target market (Kotler & Keller, 2012:3). Social media is the most commonly used online marketing technique (Chaturvedi & Gupta, 2014:81). Social media marketing brings particular advantage to small businesses over traditional marketing techniques because of its low cost (Shah, 2011). Entrepreneurs who own small businesses do not have enough resources to dedicate to marketing and this has been one of the main reasons contributing to their high failure rate.

In an attempt to understand how informal traders can be more successful in the Nelson Mandela Bay Area, the purpose of the study and the primary objective thereof is to

investigate the intention of informal traders to make use of social media marketing for their business. To achieve this objective, data was gathered from 100 informal traders in the Nelson Mandela Bay Area. These respondents were asked a series of questions pertaining to the demographic information of the respondents, the nature of their business and their intention to use social media marketing within their business. A measuring tool was developed and assessed for validity and reliability when undertaking a test for uni-dimensionality and calculating the Cronbach alpha coefficient. The data was then analysed using descriptive and inferential statistics.

To help with evaluating the data, the Technology Acceptance Model (TAM) was applied to the study. The empirical results indicated that intention to use social media, *Perceived ease of use*, *Perceived usefulness* and *Attitude towards use* were all found to be reliable and valid for the study. It was also found that majority of the respondents agreed with the items measuring *Perceived usefulness* and *Attitude towards use* of social media in the study. Furthermore, a moderately positive association was reported between the dependent variable (*Intention to use social media*) and all the independent variables (*Perceived usefulness*, *Perceived ease of use* and *Attitude towards use*).

In conclusion, it offers recommendations to the problem that informal traders face and their intention to use social media for their business. With most of the informal traders belonging in the age range between 18-24, skills were the main problem that was found to hinder the efficient use of social media. The study recommends that more information should be shared and made available for informal traders in using social media in order for them to learn the best ways of implementing social media in their businesses. The information will also provide the drawbacks of using social media incorrectly, as it was found that more people use smartphones and therefore it is definitely a tool that has to be used for the success of any business.

However, as a study that was only taken for informal traders in the Nelson Mandela Bay area, future researchers should partake in having a wider sample population for the study together with different models in carrying out the study.

TABLE OF CONTENTS

	PAGE
DECLARATION	i
ACKNOWLEDGEMENTS	ii
ABSTRACT	iii
TABLE OF CONTENTS	v
LIST OF TABLES	ix
LIST OF FIGURES	x
LIST OF ANNEXURES	xi

CHAPTER 1

INTRODUCTION AND BACKGROUND TO THE STUDY

1.1 INTRODUCTION AND BACKGROUND TO THE STUDY	1
1.2 PROBLEM STATEMENT	3
1.3 RESEARCH OBJECTIVES	4
1.3.1 PRIMARY RESEARCH OBJECTIVES	4
1.3.2 SECONDARY RESEARCH OBJECTIVES	4
1.3.3 METHODOLOGICAL OBJECTIVES	4
1.3.4 RESEARCH HYPOTHESES AND QUESTIONS	5
1.4 RESEARCH DESIGN AND METHODOLOGY	6
1.4.1 SECONDARY RESEARCH	6
1.4.2 PRIMARY RESEARCH	6
1.4.3 DATA ANALYSIS	8
1.5 SCOPE AND DEMARCATION OF THE STUDY	9
1.6 CONTRIBUTION OF THE STUDY	10

1.7	DEFINITION OF KEY CONCEPTS	11
1.8	STRUCTURE OF THE STUDY	11
1.9	STUDY TIME FRAME	12

CHAPTER 2

LITERATURE REVIEW

2.1	INTRODUCTION	13
2.2	DEFINING ENTREPRENEURSHIP	14
2.2.1	THE IMPORTANCE OF ENTREPRENEURSHIP	14
2.2.2	BARRIERS TO ENTREPRENEURSHIP	15
2.2.3	REWARDS OF ENTREPRENEURSHIP	17
2.3	INFORMAL TRADERS	18
2.3.1	BENEFITS	19
2.3.2	CHALLENGES	20
2.4	NATURE OF MARKETING	21
2.5	SOCIAL MEDIA	23
2.5.1	BENEFITS OF SOCIAL MEDIA MARKETING	24
2.5.2	CHALLENGES OF SOCIAL MEDIA MARKETING	24
2.6	SOCIAL MEDIA PLATFORMS	25
2.6.1	FACEBOOK	26
2.6.2	YOUTUBE	26
2.6.3	WHATSAPP	27
2.6.4	INSTAGRAM	27
2.6.5	TWITTER	27
2.6.6	LINKEDIN	28
2.7	FACTORS AFFECTING SOCIAL MEDIA ADOPTION	28

2.7.1	PERCEIVED USEFULNESS	29
2.7.2	PERCEIVED EASE OF USE	29
2.7.3	ATTITUDE TOWARDS USE	30
2.8	SOCIAL MEDIA MARKETING IN SOUTH AFRICA	30
2.9	SUMMARY	31

CHAPTER 3

RESEARCH DESIGN AND METHODOLOGY

3.1	INTRODUCTION	33
3.2	RESEARCH DESIGN	34
3.2.1	SECONDARY RESEARCH	34
3.2.2	PRIMARY RESEARCH	34
3.2.3	PARADIGM	34
3.2.4	APPROACH	36
3.3	POPULATION STUDIED	37
3.4	SAMPLING METHOD	37
3.5	SAMPLING SIZE	39
3.6	DATA COLLECTION METHODS	39
3.6.1	MEASURING INSTRUMENT DEVELOPMENT	40
3.6.2	QUALIFYING QUESTIONS	40
3.6.3	SCALE DEVELOPMENT AND OPERATIONALISATION	41
3.6.4	ADMINISTRATION OF MEASURING INSTRUMENT	46
3.7	ETHICAL CONSIDERATIONS	46
3.8	METHOD OF DATA ANALYSIS	46
3.8.1	VALIDITY AND RELIABILITY	47

3.8.2	DESCRIPTIVE STATISTICS	49
3.8.3	INFERENCEAL STATISTICS	49
3.9	SUMMARY	51

CHAPTER 4

EMPIRICAL RESULTS

4.1	INTRODUCTION	53
4.2	DEMOGRAPHIC INFORMATION	53
4.3	VALIDITY AND RELIABILITY RESULTS	57
4.3.1	DEPENDENT VARIABLE	57
4.3.2	INDEPENDENT VARIABLES	58
4.4	RE-OPERATIONALISATION	62
4.5	EMPIRICAL RESULTS	63
4.5.1	DESCRIPTIVE ANALYSIS	63
4.5.2	INFERENCEAL STATISTICS	65
4.6	SUMMARY	68

CHAPTER 5

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1	INTRODUCTION	70
5.2	OVERVIEW OF STUDY	70
5.2.1	CONCLUSION	77
5.2.2	RECOMMENDATIONS	78
5.2.3	SHORTCOMINGS OF THE RESEARCH	81
5.2.4	FUTURE RESEARCH	82
5.2.5	SELF REFLECTION	83

LIST OF TABLES

	PAGE
Table 3.1: Demographics of respondent	42
Table 3.2: Demographics of business	42
Table 3.3: Operationalisation – intentions to use social media	43
Table 3.4: Operationalisation – perceived ease of use of social media	44
Table 3.5: Operationalisation – attitudes towards use	45
Table 4.1: Demographic information of respondents	54
Table 4.2: Employment information of respondents	55
Table 4.3: Business operations	56
Table 4.4: Validity and reliability of intention to use social media	58
Table 4.5: Validity and reliability of perceived ease of use	59
Table 4.6: Validity and reliability of perceived usefulness	60
Table 4.7: Validity and reliability of attitudes towards use	61
Table 4.8: Restructured operational definitions	62
Table 4.9: Descriptive statistics	64
Table 4.10: Pearsons correlation coefficients	66
Table 4.11: Influence of independent variable on intended use of social media	67
Table 5.1: Summary of hypotheses tested	76
Table 5.2: Secondary objectives achieved and relevant chapters	76
Table 5.3: Methodological objectives achieved and relevant chapters	77

LIST OF FIGURES

	PAGE
Figure 1.1: Proposed hypothesised model on factors influencing intention to use social media for business	5
Figure 2.1: Technology acceptance model	15
Figure 4.1: Proposed hypothesised model on factors influencing intention to use social media for business	61

LIST OF ANNEXURES

	PAGE
ANNEXURE A – COPY OF COVER LETTER	97
ANNEXURE B – COPY OF QUESTIONNAIRE	98
ANNEXURE C – ETHICS FORM E	104
ANNEXURE D – TURNITIN REPORT	107

CHAPTER 1

INTRODUCTION AND BACKGROUND TO THE STUDY

1.1 INTRODUCTION

In the second quarter of 2019, South Africa recorded an unemployment rate of 29 per cent, which was the highest unemployment rate since the first quarter of 2003 (Statistics South Africa, 2019). With more people having no jobs in South Africa, the pursuit of entrepreneurship is becoming more important (Horn, 2011:1). It can be argued that entrepreneurship is one of the leading solutions to help reduce the high unemployment rates as well as contribute to economic growth (Ayankoya, 2016:2-3). Where people create their own employment opportunities by starting their own business(es) (Fundie, Chisoro & Karodia, 2015:46). Between 1994 and 2012, entrepreneurship reportedly helped to create over three million new job opportunities in South Africa (Herrington & Kew, 2013:19).

Entrepreneurship in the informal sector of South Africa has seen a significant increase between 2000 to 2011 (Horn, 2011:2). Informal traders embraced the call to start their own businesses (Fundie *et al.*, 2015:48). Most informal traders are driven by the aim of gaining an income given the economic hardships in the South African economy that affect the availability of employment in the formal sector (Fundie *et al.*, 2015:48). Informal traders have been forced to operate in the informal sector due to the increasing need for South African residents to use their own “resources and resourcefulness” in order to generate their own income stream (Horn, 2011:1).

Although entrepreneurship has been noted to play a very vital role in the South African economy, entrepreneurs do however encounter a number of challenges (Chimucheka & Mandipaka, 2015:311). Some of the top challenges faced by entrepreneurs operating in South Africa are the fast-paced markets (Leboea, 2017:68-70). Entrepreneurs also face the challenge of access to resources and funding (Chimucheka & Mandipaka, 2015:311). An even bigger challenge is that they fail to market their products and services properly (Chimucheka & Mandipaka, 2015:311). Marketing is influential in helping entrepreneurs and business owners achieve their business goals successfully (Kim & Ko, 2012:1480).

There are various aspects that exist in contributing to the success of any business, whether informal or formal (Mokhtar, Hasan & Halim, 2017:184). One important

component is having an effective marketing strategy in place (Mokhtar *et al.*, 2017:184). Having a lack of effective marketing strategies in place has been said to be a big contributor to the high failure rates of small businesses (Hæreid & Indregård, 2015:1). Marketing is important because it determines how a business makes its potential customer base aware of the products or services that the business has to offer (Kim & Ko, 2012:1480). The reason most businesses are started is with the aim of providing a certain value to customers by satisfying any needs they may have, in the form of products or services (Kim & Ko, 2012:1480).

It would be difficult for any business to become successful without efficient marketing practices because its target market would be unaware that they are offering products or services that they want and would be interested in (Mokhtar *et al.*, 2017:184). Several informal traders do not market their products at all (Hæreid & Indregård, 2015:1). This is caused by the common misconception that all marketing practices would be costly beyond the resources available to informal traders (Morgan, 2011:105).

Needing a large amount of funding for advertising is true in the case of traditional marketing practices such as advertising on the television or radio (Morgan, 2011:105). Fortunately, with the ever-developing internet, online marketing has been established which provides small businesses with an effective, low cost alternative to reach their target market (Kim & Ko, 2012:1480). Social media is an example of an online marketing platform that has been particularly impactful in the way businesses make themselves known to their customers (Opreana & Vinerean, 2015:29). Marketing has helped provide a channel where various firms can connect with their consumers and vice-versa in a low-cost manner that doesn't require substantial resources (Trainor, 2013:321).

With social media being used as a marketing tool to help businesses introduce their products and services to their target market, the intention to use social media for business is likely to increase (De Vries, Gensler & Leeflang, 2012:85). Social media is a way that businesses can eliminate the middle man that comes with traditional marketing methods and connect with its target market directly (Afolabi, 2016:3). More and more multinational companies such as Coca Cola and Dell have begun to integrate social media into their marketing practices which have led them to gain the attention

of more of their customer base as well as lowered their marketing costs (Afolabi, 2016:3).

Due to the impact that entrepreneurs such as informal traders have on the South African economy and the major challenges they face, finding a way to effectively market their products or services is extremely important. Therefore, the purpose of this study is thus to determine which factors influence the intention of informal traders to use social media for business purposes in the Nelson Mandela Bay Area (Chimucheka & Mandipaka, 2015:311). The use of social media marketing is a practice that is increasingly becoming more popular in the South African economy (Kemp, 2018:12). Although there have been some related studies done on the topic, there has not been much done on the topic relating to the intention of informal traders to make use of social media for business purposes in the Nelson Mandela Bay Area in the Eastern Cape province of South Africa (Kemp, 2018:12).

1.2 PROBLEM STATEMENT

Informal traders have not been able to use social media to its fullest capability because of the lack of information and expertise (Fuchs, 2017:104-106). Unlike larger companies, informal traders are unable to hire employees who specialise on social media advertising and online content (Paquette, 2013:20-21). Which correlates with Chingono (2016) on the emphasis of the lack of funds being a crucial challenge that informal traders face. On a larger note, social media in general needs a certain level of critical understanding (Fuchs, 2017:42-43).

According to Blanchard (2011:207-214) the basic aim of an organisation is to make a profit. Informal traders who are constantly monitoring profits and losses operate on a limited budget which means they deal with limited resources. Therefore, they are forced to make opportunity cost decisions (Blanchard, 2011:207-208). With the lack of expertise and education, there is significant information and emerging methods that can go unnoticed and unused by informal traders (North, 2002:24-27). Social media being one and a good example is Facebook, where marketing costs are customised to fit the owner's budget as ads vary from individual to corporate level (Pearlman & Abram, 2010: 275-283). Khang, Ki and Ye (2012:287) mention that there is an 89 per cent dominance on the topic of social media as a marketing tool in marketing journals. A marketing tool that is not being used to its full potential by small businesses as they

are slow to adopt to new technological changes (Michaelidou, Siamagka, Christodoulides, 2011:1153-1155).

There is a limited number of studies of the impact of social media on informal traders. Therefore, this study will investigate the significance of the intention of informal traders to use social media for business purposes.

1.3 RESEARCH OBJECTIVES

1.3.1 PRIMARY OBJECTIVES

The primary objective of this study is to identify, investigate and empirically test the intention of informal traders to use social media for business purposes.

1.3.2 SECONDARY RESEARCH OBJECTIVES

In order to address the primary objectives of the study, the following secondary objectives have been developed:

- SO¹: To investigate the *Perceived usefulness* of social media for informal traders.
- SO²: To investigate the *Perceived ease of use* of social media for informal traders.
- SO³: To investigate informal traders *Perceived attitude* towards the use of social media for their businesses.

1.3.3 METHODOLOGICAL OBJECTIVE

In order to achieve the above-mentioned primary and secondary objectives, the following methodological objectives have been formulated:

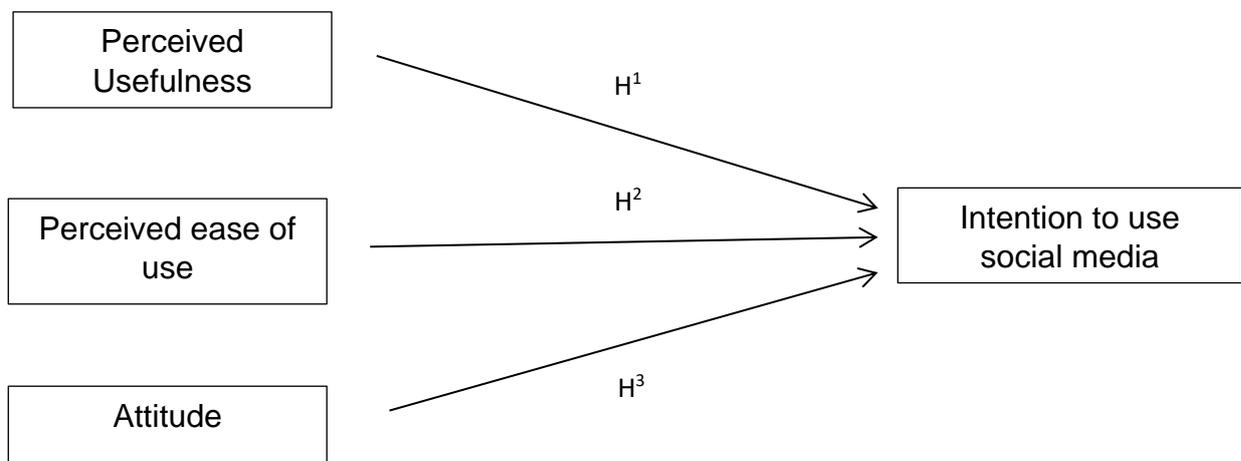
- MO¹: To develop a hypothetical model and suggest appropriate hypotheses for the relationships between the independent variables (*Perceived usefulness, Perceived ease of use and Attitude*) and dependent variable (Intention to use social media);
- MO²: To develop a measuring instrument that will empirically test the relationships in the hypothetical model;
- MO³: To source primary data from a predetermined sample of informal traders in the Nelson Mandela Bay area and statistically analyse the data, and test the proposed hypotheses; and

MO⁴: To provide conclusions and recommendations based on the findings of this research, which could assist informal traders on business performance through the use of social media.

1.3.4 RESEARCH HYPOTHESIS AND QUESTIONS

Since the primary objective of this study is to identify, investigate and empirically test the intention of informal traders to use social media for business purposes Figure 1 provides an illustration of the hypothesised relationship.

Figure 1.1: Proposed hypothesised model on factors influencing intention to use social media for business.



Source: Researcher's own construction

1.3.4.1 Research questions

Based on the problem statement, primary, secondary and methodological objectives of the study, as the hypothesised framework, the following research questions are posed:

- H¹: What is the *Perceived usefulness* of social media for informal traders for their businesses?
- H²: What is the *Perceived ease of use* of social media for informal traders for their businesses?
- H³: What is informal traders' *Perceived attitude* towards using social media for their businesses?

1.4 BRIEF RESEARCH DESIGN

The following section will discuss the various primary and secondary research methods that will be gathered.

1.4.1 SECONDARY RESEARCH

Secondary research methods involve making use of data that has already been collected for other purposes to see what data already exists on a topic (Johnston, 2014:620). Secondary research will be carried out to analyse the definition of informal traders as well as to highlight the importance of social media and The intention to use social media for business purposes, based on intention and adoption based model. Secondary data sources to be utilised will be obtained from online databases available from the Nelson Mandela University library such as Sabinet, Emerald and EBSCOhost. Online journal articles will be obtained through google searches and relevant books on the topic will also be used where applicable.

1.4.2 PRIMARY RESEARCH

Obtaining primary data involves using scientific methods to gather first hand data on a specific topic. Primary data is usually gathered using methods such as observation, interviews and surveys (Driscoll, 2011:154). The primary research for this study will involve four sub components, namely; the study's research methodology, sampling, data collection and data analysis.

1.4.2.1 Research methodology

A research paradigm can be defined as a perspective or pattern based on world views, beliefs and assumptions (Kivunja & Kuyini, 2017:30). Two types of paradigms exist; a positivistic as well as an interpretive paradigm (Kivunja & Kuyini, 2017:30-33). For the chosen topic, the research paradigm identified is one of a positivistic nature, which is said to include observation of human behaviour and makes use of scientific methods to establish an explanation for it (Kivunja & Kuyini, 2017:30-31).

There are two approaches of how data can be collected under the positivistic approach, quantitative and qualitative (Mertler, 2015:108). For the research study, a quantitative research approach will be carried out. Quantitative research involves the collection of information in numerical form and making sense of this data using mathematical or statistical means (Yilmaz, 2013:312). Quantitative data in this study will be gathered

through means of a survey in the form of a structured questionnaire which will be distributed to all the available informal traders in the Nelson Mandela Bay Area. Thereafter the data will be analysed and converted into useful information through statistical means.

1.4.2.2 Sampling and Data collection

In research, a population can be defined as all individuals of interest in a particular study (Levy & Lemeshow, 2008:11). In this study, the population consists of all informal traders in the Nelson Mandela Bay Area. When attempting to gather data for a research topic, it is almost impossible to reach every individual in a certain population. Instead, a sample of the population should be chosen (Struwig & Stead, 2017:114). A sample includes a fraction of the total target population (Struwig & Stead, 2017:114). When sampling is done correctly, the results of the subset should be able to be generalised to the whole population (Levy & Lemeshow, 2008:18). For this study the sample population include 100 informal traders operating in the Nelson Mandela Bay Area.

There are two main ways sampling can be undertaken; either non probability sampling or probability sampling (Struwig & Stead, 2017:114). Probability sampling is when all the individuals in a population have the same chance at getting chosen to take part in the study (Etikan & Bala, 2017:2). On the other hand, non-probability sampling makes use of non-randomised methods to select the sample (Etikan & Bala, 2017:1).

For this research study, non-probability sampling techniques will be used, specifically convenience sampling (Struwig & Stead, 2017:116). Convenience sampling is chosen when a sample is chosen based on the respondents that are available and those located in close proximity to the researcher (Struwig & Stead, 2017:116). Convenience sampling can be used in situations where the target population share a lot of similar characteristics and are also easily accessible i.e in the Eastern Cape (Struwig & Stead, 2017:116). When carrying out the convenience sampling technique in this study, to ensure a sufficient number of respondents are reached informal traders will be reached by exploring the streets of the Nelson Mandela Bay Area.

During the data gathering phase, physical copies of the questionnaires will be handed out to the informal traders in the Nelson Mandela Bay Area.

1.4.3 DATA ANALYSIS

During the data collection phase of the study, a lot of raw quantitative data is gathered (Levy & Lemeshow, 2008:11). Once this data has been collected, data analysis takes place whereby this data must be converted into useful information that would help state whether a relationship exists between the dependent and independent variables (Struwig & Stead, 2017:156). In this study the data will be gathered from the questionnaires. The data from these questionnaires will be collected on Microsoft Office Excel 2016 and will then be analysed using a program called Statistica version 13.

1.4.3.1 Validity and Reliability

Research is said to be valid if it accurately measures what it had set out to Hair, Black, Babin and Anderson (2014: 602). Three types of validity exist. The first, content validity, refers to whether a measuring instrument measures everything that it should in relation to the variables (Hair *et al.*, 2014: 602). Face validity which is the second type refers to when a researcher is asked whether they think a measuring instrument covers what it is intended to (Struwig & Stead, 2017:143). The third type, construct validity looks at whether conclusions can be drawn from the results gathered by the measuring instrument (Struwig & Stead, 2017:143).

To measure validity, a factor analysis will be carried out. Factor analysis encompasses various methods that can be used to see how various theories will have an effect on the variables of the study (Yong & Sean, 2013: 80). There are two main factor analysis methods that exist, namely; explanatory factor analysis and confirmatory factor analysis (Matsunaga, 2010:98). Explanatory factors analysis aims at establishing relations and patterns that exist within the data whereas confirmatory factor analysis seeks to verify already existing theories or hypotheses (Matsunaga, 2010:98). In this study, to test for validity, a test for uni-dimensionality will be carried out and scores of 0.5 and higher will be seen as acceptable, showing a correlation in variables (Izquierdo, Olea & Abad, 2014:396).

Reliability on the other hand refers to whether if a study were to be repeated similar results would be achieved (Struwig & Stead, 2017:138). One commonly used way to analyse the reliability of the measuring instrument is using Cronbach's alpha coefficient

where the results are between 0 and 1. The measuring instrument is considered to be reliable if the result is 0.7 or higher (Heale & Twycross, 2015: 67).

1.4.3.2 Descriptive statistics

Descriptive statistics are a summary and description of the data that has been collected (Hussain, 2012: 741). No inferences are drawn from this data (Hussain, 2012:741). The descriptive statistics in this study will include calculating the mean, standard deviation and frequency (Hussain, 2012:741). The mean is defined as a measure of central tendency representing the average of the data (Watier, Lamontagne & Chartier, 2011:3). Standard deviation is used to measure the variability of data gathered and how far from the mean they are (Wan, Wang, Liu & Tong, 2014:). Frequency distribution involves grouping the collected data into various categories and then recording how often a certain category of data occurs (Manikandan, 2011:54).

1.4.3.3 Inferential Statistics.

Inferential statistics will be used in this study to test whether there is a relationship between the independent and dependent variables. Inferential statistics involve techniques that make use of the raw data collected and develop assumptions or conclusions from this data (Hussain, 2012: 741). One inferential statistics test that will be used in this study is Pearson's product-moment correlation which is used to establish any possible associations between two or more variables (Hussain, 2012:741) . Another way the relationships between the variables can be tested is through multiple regression analysis which will look at the straight line relationship between the dependent and independent variables (Uyanik & Guler, 2013:235).

1.5 SCOPE AND DEMARCATION OF THE STUDY

As discussed in the introduction, informal traders are a growing, popular form of entrepreneurship in South Africa that attempts to fight the high unemployment rates. Small businesses such as those operating in the informal sector are continuously playing an important role in the development of South Africa's economy (Abor & Quartey, 2010:218).

Several factors can be noted to affect the business performance of informal traders but the focus of this study will be the influence of social media on the business performance of informal traders in the Nelson Mandela Area, particularly looking at Port Elizabeth.

Informal traders vary on a few different variables such as ownership terms, scale and type of business.

The empirical research of this study was limited to informal traders in Nelson Mandela Bay Area for a number of reasons. One reason is that there is great presence of informal traders in this Area. Secondly, with the growing use of social media as a marketing tool for businesses, it is thus an important objective of this study to investigate the intention to use social media of informal traders in the Nelson Mandela Area, Port Elizabeth, for business purposes. The effects would be less significant and dynamic for larger businesses.

1.6 CONTRIBUTION OF THE STUDY

Bank and Schalkwyk (2018) mention that the Nelson Mandela Bay area has a 30.2% unemployment rate and it is heavily influenced by universities. With a growing activity of entrepreneurship in South Africa most of it is contributed by Students. Therefore, through its findings this study will contribute to knowledge on how emerging entrepreneurs and more specifically our informal traders can use social media to improve their business performance by making the most out of social media. A lot of researchers say there is not enough information out there on the best way to use social media as an informal trader. This study will add to the research and findings that are already there and more specifically it comes with its own context of the Nelson Mandela Bay Area of which other researchers can use to contrast or add on to what is already out there.

The study will serve as an inspiring document where informal traders and a lot of young entrepreneurs can use to see and understand how fortunate they are to live in a time where there is such a thing called no cost marketing. They can see the potential of their business reaching wider communities without spending any money on advertising costs. In a time where everyone has the world in their fingertips, this study provides its own unique knowledge on how to make the most of this advantage. The study will give recommendations based of findings as to what encourages informal traders to adopt social media use for business purposes.

1.7 DEFINITION OF KEY CONCEPTS

This study focuses on the intention of informal traders to make use of social media for business purposes. The definition of key terms are given below:

1.7.1 INFORMAL TRADERS

Informal traders can be defined as entrepreneurs who operate in the informal sector of the economy. They most often exist as family businesses or sole traders commonly seen operating along the streets as vendors or public markets (Fundie *et al.*, 2015:48).

1.7.2 SOCIAL MEDIA

In this study, Social media is referred to as an online platform that facilitates interaction, communication and sharing of photographs, videos and text. The most commonly used social media applications include Twitter, Facebook, Instagram and Youtube (Kim & Ko, 2012:1481).

1.7.3 MARKETING

For the purpose of this study, marketing will be defined as the way a business communicates and connects with its target customers (Trainor, 2013:321).

1.8 STRUCTURE OF STUDY

The structure of the study will be as follows:

Chapter 1 will firstly consist of the introduction of study followed by a detailed problem statement, background, hypotheses and primary and secondary objectives of the study. The research design and methodology will be discussed as well. Lastly the scope and significance of the study will be also given outlining the particular reason for the study, and the definition of concepts will also be indicated.

Chapter 2 will provide a detailed discussion of Informal traders and social media, sourced from various sources. It will further go into specific detail of the sample population which is in the Nelson Mandela Bay area.

Chapter 3 the research design and methodology is outlined. The research paradigms and the approach that will be used are discussed. The sampling and methods of data collection are identified. The measuring instrument and data analysis will also be discussed. Ethics will also be discussed in detail.

Chapter 4 the focus is on the results of the empirical investigation. The results include those pertaining to the validity and reliability of the variables. The demographic information and a descriptive and inferential statistics will be discussed.

Chapter 5 the summary of the study will be devised, recommendations will be made on the empirical research and conclusions will be done. Limitations of the study will be concluded, and a self- reflection will be done.

10 STUDY TIME FRAME

A detailed proposed time schedule for the completion of this study is as follows:

ACTIVITIES	DATES UNDERTAKEN
Theoretical investigation	March - April 2019
Writing up theory chapters	April - May 2019
Finalising methodology	May 2019
Finalising database	June 2019
Empirical investigation	June - July 2019
Data analysis	July - August 2019
Writing up final report	September - October 2019
Proposed completion	October 2019

CHAPTER 2

LITERATURE REVIEW

2.1 INTRODUCTION

In chapter 1 the concepts and topic of this study were introduced. The problem statement and research objectives of the study were discussed. Formulation of the research questions and hypotheses were also included, followed by a section on the research and methodology utilised in this study. In Chapter 2, various sources, such as books, journal articles and reports were consulted in order to carry out a literature review on the concepts included in the study. The numerous literature sources helped provide definitions of entrepreneurship, informal traders and social media. The study will also help to formulate a discussion encompassing the three topics; *The nature of entrepreneurship, Informal traders and Social media marketing.*

Despite all the benefits that the various social media platforms provide, a lot of informal traders and small business owners do not use online platforms for their businesses. Several factors can be held accountable for this such as; lack of resources, lack of information, lack of skills and various other determinants (Fuchs, 2017:104-106). Most of these small business owners are ignorant of the opportunity that social media provides for them such as a creative way to directly reach their customers. The ignorance of the small business owners could be due to their lack of expertise, which inevitably leads them to miss out on opportunities that social media provides in creating a direct link with their target market (Paquette, 2013:20-21).

In the section to come the nature of entrepreneurship, informal traders and social media marketing is reviewed. The section will start by discussing the importance of entrepreneurship, the barriers of entrepreneurship and the importance of entrepreneurship. With entrepreneurship starting from an individual level the section will also discuss entrepreneurship from an informal traders' point of view, providing details on the benefits and challenges of informal traders. Finally, the section will also look at social media marketing, which is discussed as a low cost marketing technique that can be used by these informal traders.

2.2 DEFINING ENTREPRENEURSHIP

Herrington, Kew and Kew (2010:11) highlight that entrepreneurship is a universal debate, especially in academia and public press. Murphy (2010:30-31) defines entrepreneurship as the pursuit of opportunity simply by belief and commitment, it does not depend on external factors such as resource availability or particular skills. Martin and Marcus (2010:85) argue that entrepreneurship is a process that adds value and it is often linked to innovation. According to Singer, Amaros and Moska (2015:12-13) entrepreneurship is defined as any attempt at new business or venture creation, from self-employment to expansion of existing business or a completely new business. Kurato (2017) on the other hand interpretes entrepreneurship to revolve around a dynamic process of vision, change and creation where a lot of energy and passion is required towards the creation and implementation of innovation.

There are four major dimensions that are pivotal to the accomplishment of the process, namely individual, organisation, education and institutions. The individual which is the main focus of this section will be discussed in the form of informal traders. An individual becomes an entrepreneur when he/she develops a disruptive mindset which makes a huge difference with small things such as running a business with limited resources (Thembekwayo, 2017). The same mindset is required for entrepreneurship on an organisational level, where employees are required to have human qualities such as risk taking, boldness and self-reliance in order to find innovative solutions that help the organisation (Farias, Fernandez, Hjorth & Holt, 2019:555-557).

Farrington, Venter and Neethling (2012:17-20) suggest that an entrepreneur with such human qualities can be made and developed through education thus promoting the provision of entrepreneurs. However, education and institutions have been found to work hand in hand (Ayankoya, 2016:3-4). Where there would have to be a whole institutionalized change with ideas implemented in three strategies which are; (1) create a vision, (2) mobilize allies in supporting the change in ideas and (3) motivate the institutional members to support the process of change (Rozaidy & Siti-Nabiha, 2018:209).

2.2.1 THE IMPORTANCE OF ENTREPRENEURSHIP

Entrepreneurship is an impactful activity that sets people up for a better quality of living with improved income and more independence from work (Bosma & Kelley, 2018:29).

According to Meyer and Meyer (2017:439) entrepreneurship has an impact on the economic growth of a country, that is the more entrepreneurship activities are taking place the more the economic growth. Important factors such as finding solutions to development and economic problems are core in entrepreneurship (Örnek & Danyal, 2015:1148)

The increasing interest in entrepreneurship has been a result of a diverse range of contributory factors including the belief that it can act as a recipe for economic prosperity and that it can reduce unemployment (Ball, 2005:1-2). A report by Statistics South Africa (2019) shows a correlation between entrepreneurship and unemployment where it was recorded that South Africa hit an unemployment high rate of 27.7 percent in 2017. The high unemployment rate caused an economic reaction which resulted in South Africa's highest level of entrepreneurial activity of 11 per cent in the following year of 2018 (Ndlendle, 2018). The increase in entrepreneurial activity played as an important contributor in South Africa's economic rise of 1.4 per cent in the fourth quarter of 2018 (Statistics South Africa, 2019).

However, entrepreneurship is a complex topic to tackle on a global level, considering the different dynamics in firms and the region of countries (Singer, Harrington, Menipaz, 2018:13-33). Picking the correct approach for the theoretical framework is necessary (Skopelitis, 2017:7-8). Nonetheless, Cowling and Bygrave (2005:632-634) mention that even though countries have contrasting systems and structures, there have been notable trends that are similar such as that of the increase in entrepreneurship after high rates of unemployment in the previous year. However, there are a number of barriers/challenges that come with entrepreneurship.

2.2.2 BARRIERS TO ENTREPRENEURSHIP

This section provides a discussion of the barriers to entrepreneurship.

a) Environmental barriers

Environmental barriers are external limitations, such as lack of skilled labour which is valued as the most important resource needed in any organisation (Lebambo, Sambo, Berg, 2017:13). Entrepreneurs would rather do a range of tasks themselves than delegate to unskilled workers who are more likely to make mistakes (Bosch, Tait & Venter, 2018:88).

b) Machinery and infrastructure

Baba (2013:54-55) claims that machinery and infrastructure are key factors of entrepreneurial and economic growth. Good machinery is required for effective and efficient production of goods and services. In addition to infrastructure such as land and buildings, transportation, water and any other facilities that are needed during the entrepreneurial process to carry out business activities (Lebambo *et al.*, 2017:13). The entrepreneurs find the machinery and infrastructure to be high priced for their small businesses, which now becomes more of a funding problem (Hossen, 2019:75).

c) Lack of Funds

The biggest challenge in South Africa for entrepreneurs is funding, the South African approach towards loans and acquiring capital does not favour most of the entrepreneurs (Bhorat, Asmal, Lilenstein & Der Vee 2018:29-28). Generally, in Sub-Saharan Africa funding is in the top five barriers of entrepreneurship and mainly because funding institutions view small businesses as a high risk investment (Mahadea & Pillay, 2008:433-434). Financial organisations and other institutions take into account available financial assets and skills when an aspiring entrepreneur or a small business is looking for a capital (SchoemanLaw Inc, 2018:2).

The lack of funds is the reason some entrepreneurship activities don't even start, with starter costs higher than initial profit and no availability of other sources of finance (Lebambo *et al.*, 2017:13). The banks set high requirements that are hard to meet and often tied to high interest rates (Baba, 2013:56-58). After a 0.25 percent rise in the South African interest rate to 6.75 per cent, Head (2018) mentions that businesses and investors had lower expectations and confidence, and this lead to high prime rates from financial institutions.

d) Personal barriers

Personal barriers are caused by emotional blocks of an individual such as the unwillingness to invest money because of the risk that comes with it (Lebambo *et al.*, 2017:13). These personal barriers are the questions and scenarios that take place in the minds of people wanting to start-up entrepreneurship; uncertainty and doubts which result to lack of confidence (Lebambo *et al.*, 2017:13-14). What happens when the entrepreneur fails? Is the entrepreneur able to recover or find a new job? It is said

that the average entrepreneur has dependents to go back to (Bosch *et al.*, 2018:88). An entrepreneur's doubts, uncertainty and unwillingness to take on personal risks hinders a whole nation's potential of effective development (Bhorat *et al.*, 2018:3).

Millennials who have grown up in a world of instant gratification, with aspiring entrepreneurs among them, want immediate success (Bosch *et al.*, 2018:88). There is a lack of patience that comes with emerging generations. If there is no immediate achievement an entrepreneur will experience low morale and motivation to keep going with their entrepreneurial venture (Lebambo *et al.*, 2017:13-14). They tend to lack the ability to see the bigger picture, to persist and align dreams with reality and to formulate a strategy to get to the end goal (Baba 2013:56-58).

e) Social barriers

Social attitudes which are influenced from our surroundings have an impact in the way people think about entrepreneurship, such as low status of the society towards entrepreneurs (Lebambo *et al.*, 2017:14). Certain customs and traditions still don't view entrepreneurship as real jobs and careers and would rather have their children take on the more common and safe career choices such as relying on employment (Lebambo *et al.*, 2017:14). The world needs more positive attitudes such as those in a report by Bosma and Kelley (2019) of the Global Entrepreneurship Monitor (GEM), with findings across 47 countries from 4 regions showing 62 percent of the population in the 47 countries believing in entrepreneurship as a good career choice.

2.2.3 REWARDS FOR ENTREPRENEURSHIP

This section provides a discussion of the rewards for entrepreneurship

a) Personal fulfilment

A person often finds working for others more challenging and frustrating, entrepreneurship offers that person self-fulfilment (Bosch *et al.*, 2018:87). According to Lebambo *et al.*, (2017:18-19) entrepreneurs create their own sense of belonging through their own business(es) and start to see that they cannot do it on their own but rather through collaborating with others.

b) Financial rewards

A more common reward is the financial reward, the result of making self-made profits and being able to achieve financial freedom which often comes with status (Bosch *et al.*, 2018:87). Entrepreneurship involves working hard for your own benefit, it brings a certain level of personal satisfaction (Skripak, 2016:147).

c) Personal satisfaction

Entrepreneurs often wake up excited every day knowing they'll be doing what they do best, there is an endless flow of energy that comes with passion (Lebambo *et al.*, 2017:18-19). Entrepreneurs consider the entrepreneurial process as making money off their hobbies, getting paid for doing something they to do (Bosch *et al.*, 2018:87).

d) Opportunity to gain control over own destiny and to make a difference

Entrepreneurs as business owners have the freedom to decide what they want to do, it can be at work or with family or in the community (Lebambo *et al.*, 2017:18-19). Entrepreneurs are the captains of their own ship, they do not answer to anyone, it's their vision and they can carry it as they see fit (Bosch *et al.*, 2018:87). With entrepreneurs viewed as problem solvers, they have a say in their community and make a difference for a brighter future by making use of their own knowledge and skills (Skripak, 2016:147). Blaauw (2013:3-5) mentions that entrepreneurs have the most freedom at entry level and a good example are informal traders who will be discussed in the next section.

2.3 INFORMAL TRADERS

An informal trader is defined as any person who has a business offering goods and services to the public without having a structured tax system or geographical area of permanent trade (Tengeh & Lapah 2013:8). Informal traders according to Statistics South Africa (2013:3) are any business entities that are not registered for VAT. Ligthem and Van Wyk (2004) concur that informal traders are generally defined as retailers that are not registered for VAT. The informal traders are not tied to formal contracts, fixed hours, job security, and employment benefits (Jamela, 2013:17). The informal traders form part of the informal sector, where they follow no regulations and authorities to instil regulations (Horn, 2011:2). Lund, Nicholson & Skinner (2000:17) upholds and explains that informal traders are people who belong in the informal sector and on

informal sites. Informal traders do not have a written contract therefore they're not included in tax payments and employee benefits such as pensions or medical aid considerations from their employers (Lund, 2000:17).

Informal traders are a necessary component of the South African economy especially as a developing country where there are high rates of poverty and high levels of unemployment (Horn, 2011). The informal traders are given the opportunity to unlock entrepreneurial potential which could get lost in formalities (Guha-Khasnobis & Kanbur, 2006:2-3). According to Peberdy (2000:364) women make up about seventy percent of the informal traders in South Africa, Zimbabwe and Mozambique. Which is significant for an economy as a whole to thrive, as women are emphasised to be important agents of change and development (Chingono, 2016:630-631). Blaauw (2013:5-6) mentions that informal traders fill in gaps in the market that are often overlooked. Informal traders are part of the community or they have their own community which deserves to be protected and benefit freely from the works the informal traders (Modupi, 2017:3).

There are numerous benefits of informal traders, these will be discussed in the section to follow.

2.3.1 BENEFITS OF INFORMAL TRADERS

In this section the benefits of informal traders are discussed.

a) No regulations

The main emphasis of informal traders and the informal sector is the lack of authorities in setting rules and regulations and most importantly VAT (Stats South Africa, 2013:3). However, there are some special cases where laws are enforced on informal traders such as street vendors and hawkers who are called to obey certain laws but even then the majority of vendors and hawkers still hold the ideal nature of informal traders (Steel, Ujoranyi & Owusu, 2014:4-7).

b) Mobility/Flexibility

Informal traders such as hawkers have the advantage of moving around to seek opportunities or in some cases can easily escape from city authorities if they are operating on restricted grounds (Steel *et al.*, 2014:4-7). The advantage of being mobile

also presents informal traders with the opportunity to evade places of stiff competition (Chingono, 2016:637).

c) Shorter duration for start-up

Steel *et al.*, (2014:637-638) mentions that market activities in the city are growing faster than the ability of the people's capabilities and informal traders close this gap. Jamela (2013:86) adds on to explain that it is due to the simplicity and short duration it takes to be an informal trader compared to going through the business formalities or waiting for employment opportunities. This aspect of informal traders leads to entrepreneurship being embraced quicker and not wasted by formalities (Blaauw, 2013:4).

d) Provision of goods and services

From a cross-border perspective Jamela (2013:37) explains how certain raw materials or services are provided by foreign informal traders. According to Blaauw (2013:3-4) it is just not the foreign informal traders, informal traders in general carve their own paths and markets by providing goods and services that are in short supply.

2.3.2. CHALLENGES OF INFORMAL TRADERS

Although informal traders enjoy the freedom of doing business without regulations, they do however face a numerous challenges. Below are the challenges faced by informal traders.

a) Lack of Longevity

Certain informal traders such as hawkers do not have a long-term mentality (discouraged from investing and growth) where they do not plan on investing in the long-term growth of their business and this could be due to threats of eviction and rising costs of trading (Steel *et al.*, 2014:4-5). This leads to a knock-on effect such as lack of risk-taking which is a result of the lack of long-term direction (Modupi, 2017:37). Informal traders also tend to be unstable and vulnerable towards external third parties giving an inferior presentation of the business (Modupi, 2017:24).

b) Governments/ Authorities

According to Steel *et al.*, (2014:4-5) some countries have regulations on informal traders such as street vendors on the way they do their business, to the point of evicting

or harassing the street vendors off the streets. Blaauw (2013:5-6) mentions that this is because the increase of street vendors contributes to the expansion of the informal sector which clogs urban areas, they are usually associated with leaving a dent on health and environment. In countries such as Ghana, they do not even consider informal traders such as street vendors as contributors to economic development, thus giving more reason to clearing the streets with the eviction of the street vendors (Steel *et al.*, 2014:2-3).

c) Lack of resources

Schraader, Whittaker and Mckay (2010:341) found that informal traders do not always keep accurate financial records. Leading many informal traders to face challenges with their finances. Chingono (2016:637) mentions that the financial illiteracy of the informal traders results to cashflow shortages which are mainly caused by poor customer relationship, where customers are unable to repay.

d) Relationships

Informal traders have ill relationships with both the police and the municipality, such that their goods are constantly being confiscated and compounded (Modupi, 2017:39). Informal traders also extend their rivalry among themselves with stiff unregulated competition (Chingono, 2016:637). Informal traders tend to rely on the close relationship they have with their customers and unlike larger formal companies they do not have the necessary skills and capabilities for marketing their products to have a competitive edge over their rivals (Chingono, 2016:637).

2.4 NATURE OF MARKETING

Marketing is an important practice that allows a business to share information to its customers about the products and services that it has to offer (Bashar, Irshad & Wasiq, 2012:88). Marketing is also used by businesses when introducing new products or services to its customers (Kotler & Keller, 2012:3). For a marketing strategy to be considered successful it needs to be able to reach and gain the attention of as many people of the target audience as possible (Bashar *et al.*, 2012:89).

The importance of an effective marketing strategy is often something that is overlooked amongst business operations (Kotler & Keller, 2012:3). Research done has revealed that marketing is of great importance to small businesses (Oji, Iwu & Tengeh, 2017:2).

An organisation is made of various departments such as finance, operations and accounts to name a few, but without marketing, which helps to create demand for the products and services an organisation offers, those functions would become redundant (Kotler & Keller, 2012:3). Studies carried out on businesses in South Africa have noted that marketing strategies have a significant effect on business failure rates, highlighting the importance of marketing (Oji *et al.*, 2017:2). The demand that marketing helps to create is a significant determining factor on the success of a business (Kotler & Keller, 2012:3). In an attempt to build a strong brand image and encourage customer loyalty, marketing approaches are usually seen as an efficient avenue to reach their customer (Bashar *et al.*, 2012:89). Businesses in industry's ranging from the health sector to non-profit organisations worldwide have reported that they thank their marketers for their success (Bashar *et al.*, 2012:89).

In order to ensure a successful marketing strategy is in place, there are various elements that a marketer needs to consider (Kotler & Keller, 2012:4). Such elements include the design of the product, how much it would be, where it would be sold as well as how much the marketing channels would cost (Kotler & Keller, 2012:4). The marketing team also needs to analyse how the chosen marketing approach will affect the business in terms of elements such as growth (Oji *et al.*, 2017:3). Particularly in this digital age that we are currently in, the internet environment is one that is fast-paced (Oji *et al.*, 2017: 3). Things are forever changing online, and people's opinions can be quickly triggered by a marketing campaign (Oji *et al.*, 2017:3).

Traditional marketing techniques such as sharing messages about products through the radio or television have been criticised as being flawed (Opreana & Vinerean, 2015:29). This is due to the fact that these practices were seen as intrusive and a way of attempting to force all viewers, target market and otherwise, to purchase the advertised products (Opreana & Vinerean, 2015:29). With the internet continuously being developed, a solution to this flaw was formed through the establishment of online marketing (Opreana & Vinerean, 2015:29). Some of these online marketing methods include; search engine marketing, email marketing, blog marketing, viral marketing, content marketing and social media marketing (Chaturvedi & Gupta, 2014:81).

2.5 SOCIAL MEDIA

Social media is the most popular and commonly used out of the mentioned online marketing techniques (Chaturvedi & Gupta, 2014:81). Social media can be referred to as the tools used to facilitate communication, Interaction and sharing of photos, videos and documents using online applications (Chaturvedi & Gupta, 2014:81). Social media exists in different forms namely; blogging, podcasts, pictures, videos, rating and social bookmarking (Kim & Ko, 2012:1481). Social media gives online users the freedom to utilise the conversational media to share information, opinions and knowledge, in the various forms mentioned (Bashar *et al.*, 2012:89). In this digital world we live in, social media offers a platform that helps its users to reach out to as many of the worlds online population as it can and it does so at a relatively low cost (Chikandiwa, Contogiannis & Jembere, 2013:366)

The Global Digital report highlighted that the online internet user population had surpassed four billion in 2018 (Kemp, 2018:3). This growth in the internet user population has been reported due to the fact that smartphones and mobile data plans are now becoming more affordable to the general population (Kemp, 2018:3). Due to the increased access of smartphones and the internet, the number of social media users has also risen to 3 billion in 2018 (Kemp, 2018:3). In the African continent particularly the number of social media users is just over 191 million (Kemp, 2018:12). This social media population has risen by four percent between the period of January 2017 to January 2018 (Kemp, 2018:13). The global social media use average is at 42 percent (Kemp, 2018). With the growing population of online users, it is important for an analysis on how the technological world is affecting everyday processes, particularly in the business world (Bashar, *et al.*, 2012:89).

The rise in the popularity and use of social media is something that has been noted by businesses and organisations around the world who have taken it upon themselves to create corporate social media accounts so that they can use the platforms for advertising purposes (Chikandiwa, *et al.*, 2013). There are however still a significant amount of small businesses such as informal traders, who are still yet to realise how great of an influence integrating social media into their marketing strategy can be on their business (Bashar, *et al.*, 2012:89-91). When a social media marketing strategy is adopted, it is not only a way for a business to reach its target customers, but it is also

a way that the business can create valuable relationships with its customers (Chaturvedi & Gupta, 2014:81).

2.5.1 BENEFITS OF SOCIAL MEDIA MARKETING

One advantage social media has over traditional marketing techniques is cost (Shah, 2011). Traditional marketing usually requires a business to set a high budget (Hæreid & Indregård, 2015:1). Entrepreneurs who own small businesses do not have enough resources to dedicate to marketing and this has been one of the main reasons contributing to their high failure rate (Hæreid & Indregård, 2015:1). According to Shah (2011), it was observed that thirty percent of start-up's failed due to lack of establishment of marketing techniques. It is clear that small businesses fail to realise how influential marketing tools such as social media can be on their brand image.

Another advantage of the use of social media as a marketing tool is the fact that social media encourages active engagement between the business and their customers (Chikandiwa *et al.*, 2013:366). A lot of well-established businesses already post their content online and have an open channel of communication with their customer base through the use of social media (Business Report, 2017). By changing the way they interact with customers as well as creating connections with other brands, doing this can assist any business in providing better value for its customers through the creation of new products/services as well as updated business models and values for the organisation (Kim & Ko, 2012:1480).

2.5.2 CHALLENGES OF SOCIAL MEDIA MARKETING

Although the use of social media can be viewed as a low-cost marketing tool for businesses to use, it does however come with some drawbacks (Oji *et al.*, 2017:4). One such drawback is the fact that the business owners are not completely able to control how their brand reputation will be viewed by the online audience (Chikandiwa *et al.*, 2013:366). They can not control what people choose to post in relation to their business online, such as bad reviews (Chikandiwa *et al.*, 2013:366). All they can do is ensure they offer the best quality service to their customers to avoid that (Chikandiwa *et al.*, 2013:366).

With the increased use of social media marketing by established brands and businesses, it has become more important to analyse the effect that it would have on

the business performance of informal traders (De Vries *et al.*, 2012:83). Over fifty per cent of the people who use social media follow their favourite brand (De Vries *et al.*, 2012:83). This could help small businesses to better impact their target market (De Vries *et al.*, 2012:83). The development of business pages on social media has created the perfect platform for consumers to comment and even commend the brand, further boosting its reputation and therefore aiding it to reach out to more of its potential consumers (Chikandiwa *et al.*, 2013:366).

For the reasons mentioned above it is clear that social media can be a very effective solution to help small businesses and informal traders improve on how they can reach their customers, reducing failure rates. There are various social media platforms available for these small business owners and informal traders to make use of.

2.6 SOCIAL MEDIA PLATFORMS

On the various online social media platforms, users are able to post questions they may have about products and services being offered by the business (Oji *et al.*, 2017:4). The marketing team in charge of running the social media account would then be able to provide them with the relevant information (Oji *et al.*, 2017:4). Business should take advantage of the rising number of social media users (Chaturvedi & Gupta, 2014:82). Having an online presence and engaging with their target audience is a great way for all businesses, small and large, to increase their number of customers with more of an impact than traditional mass-media marketing tools (Chaturvedi & Gupta, 2014:82).

It is often underestimated how much of an influence the use of social media can have on the brand and reputation of the business (Oji *et al.*, 2017:3). The social media page of a business affects how a customer views their corporate image (Oji *et al.*, 2017:3). They begin to judge the business based on the structure of the page as well as the content included (Chikandiwa *et al.*, 2013:367).

Social media is also a platform where brand attitudes from customers can be affected (Dahnil, Marzuki, Langgat & Fabeil, 2014:121). This refers to what a customer thinks or feels about the business and the products/services they offer. A customer's brand attitude has an impact on their buyer decision making which thus has an impact on business performance (Chikandiwa *et al.*, 2013:368).

One suggested way failure rates of entrepreneurs and small businesses can be reduced is for them to find a better way to reach their target market through effective communication (Kim & Ko, 2012:1480). This can be done via the use of social media. Marketing communication platforms such as Twitter, Facebook and YouTube have been analysed and seen as great ways to help a business successfully take-off (Kim & Ko, 2012:1480).

With the level of competition continuing to grow and the number of internet users rising rapidly every year, a business simply having a website is no longer enough for them to compete for customers against their competitor (Palma, 2016:21). Businesses need to start adopting social media tools in order to reach a larger customer base (Chaturvedi & Gupta, 2014). Below a number of available social media marketing tools will be discussed.

2.6.1 FACEBOOK

Facebook is a fairly easy to use social media platform. Anyone can sign up and create a personal or business profile at no cost over the internet (Palma, 2016:21). Social media platforms such as Facebook help to promote a direct channel of engagement between businesses and their customers (Palma, 2016:21). What makes social media sites such as Facebook even more flexible is the fact they can be accessed at whatever time is convenient for the user, provided they have an internet connection (Palma, 2016:21). Facebook is the most popular social media platform with over two billion active monthly users globally (Kemp, 2018:59). This can be seen by marketers as a very significant channel to base their marketing strategies on (Palma, 2016:22).

The fact that Facebook allows its users to create posts and threads for free makes it a great marketing venue for small businesses especially such as entrepreneurs and informal traders (Oji *et al.*, 2017:3). Facebook has however given businesses the chance to change their marketing strategy by making it more centred around understanding the social and personal details of its consumers (Business Report, 2017).

2.6.2 YOUTUBE

Youtube comes second to Facebook in terms of social media platform popularity with statistics showing it has one and a half billion active monthly users (Kemp, 2018: 59).

YouTube functions through its users, being artists or companies, publishing videos that they have created showcasing their talent or products for the viewing of the public, even those not registered (Rugova & Prenaj, 2016:89). Under each posted video is a comments section where the audience is allowed to share their opinions. Additionally, to being able to post videos, YouTube allows businesses to post advertisements on the application that can only be skipped if need be, after a few seconds. According to Burns-Whitemore (2012), YouTube is very sort after by marketing agencies as an advertising tool.

2.6.3 WHATSAPP

WhatsApp is a popularly used application that allows its users to make use of its instant messaging facilities most commonly through mobile smartphones (Oji *et al.*, 2017:3). WhatsApp, although arguably more of an online messaging application, can also be said to be a social media platform as it encompasses the basic characteristics of one (Kumar & Sharma, 2017:52). Through this application, users are able to text messages as well as pictures, videos and audio files to one another (Oji *et al.*, 2017:3).

2.6.4 INSTAGRAM

Instagram is another popular social media platform centred primarily around the sharing of photos and short videos from users to those who follow their online profile. (Thulo, 2016) The 2016 South African Social Media Landscape reported that Instagram has over 2.68 million active users (Thulo, 2016). Instagram is a good social platform for owners of smaller businesses to reach their target audience. Through the use of 'hashtagging' and suggested content based on things you have like, Instagram makes it easier for users to find their segments (Business Report, 2017).

2.6.5 TWITTER

Twitter is another social media network that helps to facilitate communication between its users (Rugova & Prenaj, 2016:89). A lot of influential people have twitter accounts. Through Twitter, users can share messages and various media such as pictures and videos (Rugova & Prenaj, 2016:89). When it comes to sharing messages, they are however restricted to a 140-character limit. In 2018 in the global digital report, twitters number of active users was at 330 million (Kemp, 2018:59).

2.6.6 LINKEDIN

Unlike other social media platforms, LinkedIn is used for the creation of professional online profile (Rugova & Prenaj, 2016:89). In 2013 Hempel recorded that the population of users on LinkedIn was at 259 million and this number had grown to over 443 million users worldwide by 2016 (Kemp, 2018:59). LinkedIn gives its users access to information such as job opportunities and other professional information that one would need to be successful in their field of expertise (Rugova & Renaj, 2016:89).

Social media platforms are increasingly being adopted across many industries, worldwide (Rugova & Prenaj, 2016:86). The Technology Acceptance Model (Figure 2.1) highlights some affectors that influence the intention to use social media (Taherdoost, 2017:962).

2.7 FACTORS AFFECTING SOCIAL MEDIA ADOPTION

In developing countries such as South Africa the use of social media is a tool that is still seen as a new phenomenon that is yet to be fully understood (Rugova & Prenaj, 2016:86). It is of particular importance for social media marketing to be adopted by small businesses and entrepreneurs as it offers them a great marketing opportunity to reach a larger audience and increase their sales all at a little, to no cost (Rugova & Prenaj, 2016:86). There are various factors that affect whether a business adopts social media as part of its marketing approach and the Technology Acceptance Model (TAM) can be applied to explain some of the factors. The TAM model (Figure 2.1) was developed by Davis to explain how a users intention to use technology, such as social media platforms in this study, depends on three variables. Davis states that three factors that can explain what encourages users to adopt certain technology include; *Perceived usefulness*, *Perceived ease of use*, and *Attitude towards use* (Taherdoost, 2017:962).

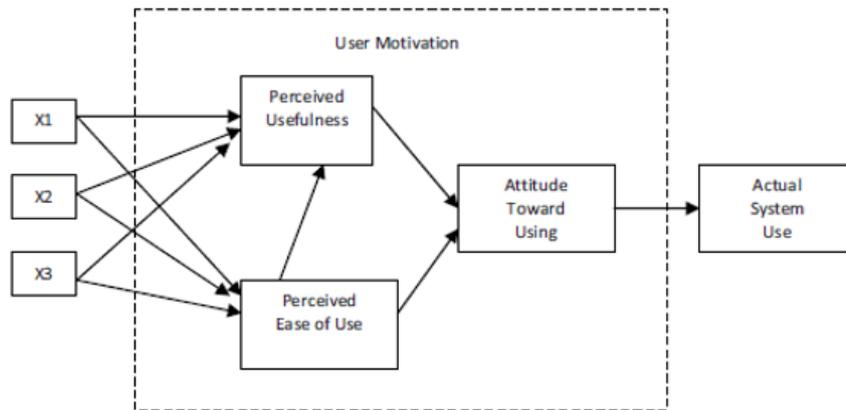


Figure 2.1 Technology Acceptance Model (Davis, Bagozzi & Warshaw 1989)

2.7.1 PERCEIVED USEFULNESS

Davis defined perceived usefulness as how the end user believes that the use of the system in question may improve their job or life performance (Davis, 1986). Technology that is viewed to have a positive impact on the life of the user is more likely to be accepted (Surendran, 2012:175). Social media can be seen as quite useful as it offers the user many benefits such as providing interactive communication channels (Weerasinghe & Hindagolla, 2018:143). Adopting social media is vital for business performance as it helps any organisation increase its reach to their target audience (Weerasinghe & Hindagolla, 2018:143).

2.7.2 PERCEIVED EASE OF USE

Perceived ease of use of technology can be defined as the end users subjective expectation of the amount of effort they would have to put in to use the system (Davis *et al.*, 1989:985). It has been noted by researchers that the less effort a program is to use, the more likely it is to be adopted (Elkaseh, Wong & Fung, 2016). Systems like the various social media platforms are said to be quite straightforward to use as no special extra skills are necessary to use them (Elkaseh *et al.*, 2016). There has also been a link highlighted between ease of use and perceived usefulness (Davis *et al.*, 1989:986). It is believed that the easier technology is to use the more useful it is viewed and therefore used more (Davis *et al.*, 1989:986).

2.7.3 ATTITUDE TOWARDS USE

The term attitude refers to a person's feelings, negative or positive about a certain thing or action (Elkaseh *et al.*, 2016:194). Users are more likely to accept technology that they have a positive attitude about. The attitude of a person is something that is largely influenced by the intention of use, being how likely a person is to take part in a certain activity (Surendran, 2012:176). A business, for example, would find social media as a key, low cost communication tool with its customers and therefore should have a high chance of adoption (Saaondo & Igbaakaa, 2018:72).

2.8 SOCIAL MEDIA MARKETING IN SOUTH AFRICA

Social media use in South Africa is at an average of 32 per cent, which is 10 per cent lower than the global average (Kemp, 2018:54). Although the number of online users continues to rise in South Africa, many business owners are still ignorant of the fact that a digital divide still exists (Afolabi, 2015:4). This phenomenon is present amongst the population in many developing countries such as South Africa whereby many people are not able to access basic information communication technology (ICT) such as desktop computers and broadband internet service (Business Report, 2017). Due to this lack of access to computing tools, the adoption of ICT in African countries falls behind the progress of other developing continents (Afolabi, 2015:4-5).

A study carried out by Barry, Born and Weszkalnys (2008) showed that over the years there has been a significant increase in internet access. The success of the increase was said to be credited to mobile network providers (Afolabi, 2015:9). Mobile internet access had thus been noted as a key driving force towards battling the digital divide that exists (Afolabi, 2015). Over 80 per cent of the South African population accesses the internet through mobile phones (Business Report, 2017).

There is a large number of mobile users in the South African mobile market (Business Report, 2017). It has been reported that 80 per cent of the South African population is subscribed to a mobile network provider (Afolabi, 2015:9). On average South Africans spend three hours a day online. Whilst online the most popular tasks involve checking emails and being active on social media. Research done on social media usage in South Africa has shown that the most popular social media networks were Instagram and Facebook (Thulo, 2016). The South African social media environment offers a very

feasible channel for marketers to encourage the adoption of online advertising (Afolabi, 2015 :9).

One of the most memorable uses of social media marketing was from South African retailer Urban Hilton Weiner (Afolabi, 2015:9). They created an online campaign encouraging their customers to take in-store pictures of themselves trying on clothes from their store (Afolabi, 2015:9). Customers then had to post this picture on Twitter with the hashtag '#urbanselfie' in order to win a \$10 shopping voucher (Afolabi, 2015:9). This campaign was a very creative initiative that helped them to get more visits to their store as well as to reach more potential clients with information on the products they offer (Afolabi, 2015:9).

The Digital School of Marketing (2019) has highlighted that 86 per cent of the South African local businesses make use of Facebook for advertising purposes, 35 per cent use LinkedIn, 45 per cent are on twitter and Instagram. Most marketers have testified to seeing a significant increase in their business performance in terms of revenue and number of customers after the use of these various social media platforms for advertising (Business Report, 2017). More than 50 per cent of the online population have been said to follow brands on social media (De Vries *et al.*, 2012:85).

2.9 SUMMARY

This chapter began with the concept of entrepreneurship being defined, followed by a brief discussion of the importance of entrepreneurship. Then a discussion of the barriers/challenges and rewards that come with entrepreneurship were given. It was shown that entrepreneurship starts at an individual level and in this study the focus was on informal traders. The benefits of informal traders were then discussed. Followed by the challenges that informal traders face.

It was then noted that a significant reason that led to high failure rates of entrepreneurs was due to lack of an appropriate marketing strategy. Though the use of social media has been seen rising rapidly small business owners such as informal traders are still hesitant to adopt it into their marketing approach due to reasons such as lack of information, skills and resources. However, social media platforms are very easily accessible, simple to use applications that only mostly requirement a minimum of a smartphone and a good data plan. Once a social media account has been set up,

mentioned studies highlighted that there would be a noticeable impact on the success rate of the business.

The following chapter will encompass a discussion on the research design and methodology of the study. Concepts such as what a research paradigm is will be looked at. There will also be an explanation on which approach will be followed during the study. To follow this, a section on methods of data collection will be included. Lastly, the chapter will talk about how the gathered data will be analysed and explained from the study.

CHAPTER 3

RESEARCH DESIGN AND METHODOLOGY

3.1 INTRODUCTION

After consulting several sources of literature concerning the topics of entrepreneurship and informal traders as well as the benefits social media marketing, the researchers now plan to carry out empirical research aimed at identifying the relationships that exist between these concepts. A carefully laid out plan needs to be developed before the empirical research can be carried out. This chapter will consist of a description of how the research design and methodology which will describe the research and how it will be carried out.

It has been noted that the success of any great research project is strongly reliant on it having a strong beginning foundation (Kothari, 2004:33). Having a well-defined problem statement and research objectives make it that much easier for the researchers to set out a comprehensive research design. A research project consists of two major sections (Kothari, 2004:33). The first section includes a discussion of how the research will be conducted and the various component it would include. Such components include the sample, the data collection mode (secondary and primary), the type of data to be collected (qualitative vs quantitative) as well as the measuring instrument of the data being collected (Akhtar, 2016:68). The second section is centred around explaining how the data would be analysed after it has been collected and giving it meaning (Akhtar, 2016:68).

Chapter 3 will include a detailed research and methodology. To begin with the research paradigm and approach used in this study will be discussed, which will be followed by an overview of the population and sample that will be the focus of the study. This would then lead to a detailed explanation on the data collection methods, looking at aspects such as how the measuring instrument was developed, qualifying questions that were established, the scale development and operation, as well as a discussion about how the measuring instrument was administered. The final section of the chapter will deal with data analysis methods, discussing both methods to establish validity and reliability of the measuring instrument, as well as the statistical techniques that will be utilised to analyse the gathered data.

3.2 RESEARCH DESIGN

The following section will discuss the various primary and secondary research methods that will be used. The section will also include a discussion on the research paradigm and research approach.

3.2.1 SECONDARY RESEARCH

Secondary research methods involve making use of data that has already been collected for other purposes to see what data already exists on a topic (Johnston, 2014: 620). Secondary research will be carried out to analyse the definition of informal traders as well as to highlight the importance of social media and its impact on business performance. Secondary data sources to be utilised will be obtained from online databases available from the Nelson Mandela University library such as Sabinet, Emerald and EBSCOhost. Online journal articles will be obtained through google searches and relevant books on the topic will also be used where applicable.

3.2.2 PRIMARY RESEARCH

Primary data involves using scientific methods to gather first-hand data on a specific topic. This data is usually gathered using methods such as observation, interviews, and surveys (Driscoll, 2011:154). The primary research for this study will involve four subcomponents, namely; the study's research paradigm and approach, sampling, data collection, and data analysis.

3.2.3 PARADIGM

A research paradigm can be defined as a perspective or pattern based on world views, beliefs, and assumptions (Kivunja & Kuyini, 2017:30). It is a way of getting a better understanding of the world that we are surrounded by (Davies & Fisher, 2018:21). Research paradigms guide the researcher on the nature of questions to ask as well as how they should conduct the research (Kivunja & Kuyini, 2017:30-33). Several elements make a research paradigm namely; what the reality is (ontology), what the limits to what we know are (epistemology), what are the nature and types of values (axiology), as well as how we plan to find information (methodology). Some paradigms have elements that tend to overlap (Davies & Fisher, 2018:21) (Romani, Barmeyer, Primecz & Pilhofer, 2018:248). Two types of paradigms exist; a positivistic as well as an interpretive paradigm (Kivunja & Kuyini, 2017:30-33).

A positivist paradigm is based on the fact that there is only one reality(ontology) and one way of viewing things (Davies & Fisher, 2018:21). In order to establish what this reality is, the study must be undertaken in a very objective manner, one that avoids all bias (epistemology) (Davies & Fisher, 2018:21).It is usually utilised in situations whereby the research outcomes are aimed at being generalized and used to guide the whole universe (Romani, *et al.*, 2018:249). Positivistic research relies on probability, which how likely something is to happen (Romani *et al.*, 2018:249). The term positivism assumes that knowledge is gained better through an observation of experiences and viewing the causes of certain behaviour (Romani, *et al.*, 2018:249). During positivistic research paradigm, an objective study is carried out based on some pre-determined hypotheses (Rahi, 2017:3).

An interpretivist paradigm, in contrast to the positivist, involves a more subjective, relativist ontology (Davies & Fisher, 2018:23). Instead of believing in only one reality, the interpretivist view believes that multiple realities exist, and that reality differs from one person to another. The paradigm is focused on the belief that multiple realities exist, and that reality differs from one person to another (Davies & Fisher, 2018:23). The experiences and views of the participants guide the researcher on the perceptions of the world (Thanh & Thanh, 2015:25). The data gathered from these experiences is very useful in answering the research questions (Thanh & Thanh, 2015:25). Researchers using the interpretivist paradigm believe that the context in which the data is collected is important to the way it is then interpreted (Barker, Nancarrow & Spackman, 2001:5). Interpretivist paradigms are usually used when investigating a particular context as it is believed that reality is a social construct (Thanh & Thanh, 2015:25). The interpretivist view does not believe in universal standards but rather that certain groups or cultures are bound by particular beliefs and perceptions (Davies & Fisher, 2018:22).

For the chosen topic, the research paradigm identified is one of a positivistic nature. This is said to be because the research includes observation of human behaviour and makes use of scientific methods to establish an explanation for it. The positivistic paradigm is thus most suited for this topic because it is the most suitable for testing relationships between variables (Kivunja & Kuyini, 2017:30-31).

3.2.4 APPROACH

There are certain paradigms that are associated with specific research approaches. There are two approaches to how data can be collected under the positivistic approach, quantitative and qualitative. Quantitative research involves the collection of information in numerical form in order to attempt to explain causal relationships between variables within a study (Yilmaz, 2013:312). In quantitative research it is believed that the world is standardised, and that data can be collected to help form generalisation (Mertler, 2015:108). The quantitative viewpoint also rests on the belief that these standardisations drawn about the world cannot be considered meaningful unless they can be observed and measured in order to be verified (Ellis, 2014:118). This type of research can be said to be rise to data that is quantifiable, measurable and represented in ways that include numerical data and statistical methods (Mertler, 2015:108).

Qualitative research in contrast to quantitative research is aimed at getting an in-depth view of society (Creswell, 2014:183). It is centred around people and how they view the world through the experiences they have endured rather than collecting quantifiable data (Creswell, 2014:183). Quantitative research does not look at causal relationships, but instead is focused on trying to understand themes from people such as attitude, feelings and beliefs (Ellis, 2014:119). This research approach is more concerned with quality rather than quantity in terms of the data collected (Ellis, 2014:119). Qualitative research does not start with preconceived theories or hypotheses but lets the topic of interest at hand lead the direction of the research scope (Thanh & Thanh, 2015:26). There is no grounded theory on what the research will provide (Thanh & Thanh, 2015:26). Qualitative approaches are usually supported by the interpretivist view because of the rich data they provide which paves the way for a deeper understanding of the different contexts in reality (Thanh & Thanh, 2015:25).

For this study a quantitative research approach was utilised. This is because the positivistic paradigm is usually used in relation to quantitative research methods (Davies & Fisher, 2018:22). This approach is also the most suitable because the research to be undertaken involves long into a causal relationship between the independent variables (perceived ease, perceived usefulness and attitude towards) and the dependent variable (Intention to use social media). This quantitative data will be gathered through means of a survey in the form of a structured questionnaire which

will be distributed to all the available informal traders in the Nelson Mandela Bay Area. Thereafter the data will be analysed and converted into useful information through statistical means.

3.3 POPULATION STUDIED

In research, a population can be defined as all the individuals of interest in a particular study (Levy & Lemeshow, 2008:11). In this study, the population consists of all informal traders in the Eastern Cape (Levy & Lemeshow, 2008:11). When attempting to gather data for a research topic, it is almost impossible to reach every individual in a certain population. Instead, a sample of the population should be chosen (Struwig & Stead, 2017:114). A sample includes a fraction of the total target population. When sampling is done correctly, the results of the subset should be able to be generalised to the whole population (Levy & Lemeshow, 2008:18). For this study, the sample population includes 100 informal traders operating in the Nelson Mandela Bay Area.

3.4 SAMPLING METHOD

The sample used in a research project is of great importance in terms of answering the research questions at hand. The following section will provide a discussion on the various sampling methods available as well as how an appropriate sample size is chosen.

There are two main ways sampling can be undertaken: non-probability sampling and probability sampling (Struwig & Stead, 2017:114). Probability sampling is when all the individuals in a population have the same chance at getting chosen to take part in the study (Etikan & Bala, 2017:2). It means that every individual has a non-zero probability chance of being selected to participate in the research (Singh, 2007:102). This sampling method gives rise to a sample that provides a good representation of the population (Kumar, 2011:181). The most straightforward form of random sampling is simple random sampling (Singh, 2007:103). Simple random sampling involves selection of a sample in the most random way such as tossing a coin or choosing blindfolded. Another example of a random sampling method is systematic random sampling (Singh, 2007:103). For this method the researcher requires a complete list of information about the population (Kumar, 2011:181). From this list the researcher then decides on a mathematical pattern on how to choose their sample (Kumar, 2011:181).

For example, the researcher could decide on every n th person on the population list (Rahi, 2017:3).

Stratified random sampling involves the population being divided by certain characteristics (Singh, 2007:105). From these groups certain number of people are chosen from each to make up the required sample size (Rahi, 2017:3). The most efficient method of random sampling is clustered sampling whereby the population is divided into various clusters (Singh, 2007:106). From these clusters a sample is chosen at a random basis (Kumar, 2011:181).

On the other hand, non-probability sampling makes use of non-randomized methods to select the sample (Etikan & Bala, 2017:1). Unlike random sampling, non-probability sampling involves choosing a sample based on a certain judgement such as ease of access (Singh, 2007:107). There are four popular non-probability sampling methods including; convenience sampling, purposive sampling, quota sampling and snowball sampling (Etikan & Bala, 2017:1).

Convenience sampling is undertaken when a researcher chooses a sample based on ease of access to (Singh, 2007:107). This is usually the case with population that is within close range geographically to the researcher (Rahi, 2017:3). In this sense, whoever a researcher comes across can qualify to be a participant (Rahi, 2017:3).

In terms of purposive sampling, a researcher chooses their sample based on their own judgement (Singh, 2007:108). Participants are chosen based on the purpose of the topic in mind (Rahi, 2017:3). Purposive sampling is also sometimes referred to as judgement sampling (Kumar, 2011:187). This method is a good fit for research projects that are exploratory in nature or field research (Rahi, 2017:3).

Quota sampling the number of participants that will be included in each group is decided in advance (Singh, 2007:108). The sample is then selected based on a certain quota or share of each category (Rahi, 2017:3). Each group must provide a good representation of the population (Rahi, 2017:3).

The last type of non-probability sampling is snowball sampling (Singh, 2007:108). This is sometimes called chain referral sampling because it involves getting in touch with members of a special population that is hard to reach such as migrant workers, by first collecting data from a small relevant group and then asking them for referrals to similar

participants (Rahi, 2017:3). These referred to participants are then interviewed and asked for further contacts (Kumar, 2011:181).

For this research study, non-random sampling techniques will be used, specifically convenience sampling (Struwig & Stead, 2017:116). Convenience sampling occurs where a sample is chosen based on the respondents that are available and those located in the spear of reference (Struwig & Stead, 2017:116). This technique can be used in situations where the target population share a lot of similar characteristics and are also easily accessible i.e. in the Eastern Cape (Struwig & Stead, 2017:116). This technique was chosen in a short space of time and to ensure enough respondents are reached for an accurate analysis of the data statistically, known informal traders will be reached through exploring the streets of Port Elizabeth. During the convenience sampling, physical copies of the questionnaires will be handed out to the informal traders that are come across.

3.5 SAMPLE SIZE

Deciding on the amount of data to collect during a research project is an important aspect that is often overlooked with regards to its significance (Rahi, 2017:3). A researcher needs to ensure that they have a large enough sample size to ensure they have collected enough information for the statistical analysis (Rahi, 2017:3). For a researcher to adequately calculate an items factor analysis (a concept explained later in this chapter), a sample size consisting of 100 or more observations is advised (Hair, *et al.*, 2014: 100). The general rule for deciding on a suitable sample size is to have a minimum of five times the number of variables or have a 5:1 ratio (Hair *et al.*, 2014:100). It is advised to have as high participant to variable as possible in order to ensure minimal overfitting of data (Hair *et al.*, 2014:100). Therefore, this study will consist of a sample size of 100 informal traders.

3.6 DATA COLLECTION METHODS

The following section provides an overview of the research measuring instrument that will be used. It will include an outline of how the measuring instrument was developed as well as what the qualifying questions are. Additionally, included will be a brief discussion on how the instrument will be administered to the sample.

3.6.1 MEASURING INSTRUMENT DEVELOPMENT

The measuring instrument utilised in this study was a structured questionnaire that included a cover letter, which was followed by two sections, Section A and Section B. This was used as a way of communicating to the prospective respondent about the details of the study including the topic and the aim of the study. It also made it clear to the potential respondent that taking part in the study was voluntary and that confidentiality will be exercised in relation to the information gathered from the respondent. The cover letter also included the contact details of the two researchers as well as their supervisor. The qualifying criteria for a respondent was also mentioned. The questionnaire was administered under the name of the research centre at Nelson Mandela University (Business Management).

Section A of the questionnaire required general demographic information relating to the respondents as informal traders in the Nelson Mandela Bay Area. It began with questions regarding whether they had a business permit and operated in the Nelson Mandela Bay Area. This was followed by questions regarding their current use of social media, their gender, age, ethnic group, number of dependents and education background. Additional questions relating to the informal business such as duration of business, number of employees and most active days and times for the business were also asked.

Section B of the questionnaire was comprised of 30 randomised questions measuring the intent to use social media for the business. Section B made use of a 5-point Likert-scale to measure the extent of agreement in terms of respondents' intention, perceived ease of use, perceived usefulness and attitudes towards using social media for their business in the Nelson Mandela Bay Area. The Likert-scale ranged from 1-5, with 1 indicating a strong disagreement, 2 indicating disagreement, 3 meaning Neutral, 4 indicating agreement, and lastly, 5 indicating a strong agreement.

3.6.2 QUALIFYING QUESTIONS

In the study, there were two qualifying questions that were asked to confirm if the respondent was indeed an informal trader. The first was 1.1.2 Is your business based in the Nelson Mandela Bay Area (i.e. Summerstrand, Govan Mbeki, Walmer, dispatch, etc.)? The sample for the research focuses on informal traders who do business in the Nelson Mandela Bay Area (i.e. Summerstrand, Humewood, Walmer, Dispatch etc.). If

the respondent is not from the area they do not qualify for the study. The other qualifying sentence was "Are you currently using social media?". The study is focusing on informal traders who do not use social media, if they do then they do not qualify for the study.

3.6.3 SCALE DEVELOPMENT AND OPERATIONALISATION

The researcher used various sources to develop the questionnaire. The study uses the Technology Acceptance Model developed by Davis (1986), with variables Intention, perceived ease of use, ease of use and attitude towards use. Davis (1989:324) was used in deriving questions of perceived ease of use and perceived usefulness. The respondents that would be taking part in the questionnaire are those that have never used social media for their business. Intention as a variable consisted of six questions that were derived from Varol & Tarcan (2009: 122), where the questions focused on intention on using technology. Other sources that were used for intention to use social media were Wang & Liu (2009) , Wilcox-Herzog & Ward (2004:13), J. Cronin (1997:389-390) & Venkatesh, Morris, Davis & Davis (2017:460).

Perceived ease of use involves respondents' expectations or thoughts of how it would be to use social media for their business. There were eight questions that were derived from Davis (1989:324), Lund (2001:3-6), Ping & Siyu (2018) & Suro (2011). The research rotated around information systems and user's expectations of these systems and technology which are the same category as social media. A variable that is closely related to perceived ease of use is perceived usefulness. How useful do the informal traders think social media will be? There were seven questions which were formed to find out whether informal traders think social media will indeed be useful for their business. The questions were derived from Davis (1989:324), Lund (2001:3-6), Ping & Siyu (2018) & Cowen (2009:19).

Finally, the last variable was attitude towards use of social media. There were seven questions which were asked on feelings and reactions of informal traders towards social media. The questions were derived from Sadik (2006:94-95) who carried a research on attitude towards people using computers. Additional sources were Shaft, Sharfman, & Wu (2004:239) & Torous (2017), who carried out studies on technology and the medical sector.

For this specific study the demographic variables regarding the respondent and the business were required. These demographic questions are located in Section A of the questionnaire. The various demographic content included in this section, is provided in the Table 3.1 and Table 3.2. Table 3.1 specifically looks at the demographic information that will be gathered on the respondent regarding their gender, age, ethnic group, employment. Education background and number of dependents that they may have.

Table 3.1: Demographics of respondent

Demographic Section	Categories
Gender	Male
	Female
Age (Years)	13-17
	18-24
	25-34
	35-44
	45-64
	65+
Ethnic group	Asian
	Black
	Coloured
	White
	Not willing to say
Employment	Part-time
	Full-time
Education background	Grade 9-11
	Matric
	Degree/Diploma
	Postgrad
	Other (Please indicate)
Number of dependents	0
	1
	2
	3
	4

Table 3.2 indicates the demographic data that will be gathered on the the business the informal trader is running. Some of this data includes; the business position, number of service providers, how long the business has been running (duration), number of employees they have, social media platforms used as well as how often and when they intend on using the social media platforms for business.

Table 3.2: Demographics of business

Demographics section	Categories
Business position	Fixed
	Mobile
Number of service providers	0
	1
	2
	3
	4
	5 or more
Duration of business (years)	0
	1
	2
	3
	4
	5 or more
Number of full-time employees	0
	1
	2
	3
	4
	5 or more
Social media platforms used	Twitter
	LinkedIn
	WhatsApp
	YouTube
	Instagram
	Website
	Other (Please indicate)
Frequent use of social media platforms	Never
	Once a week
	2-3 times a week
	More than 4 times a week
Peak hour	6:00-9:00
	9:00-12:00
	12:00-15:00
	15:00-18:00
	18:00-21:00
Most active day on social media	Monday
	Tuesday
	Wednesday
	Thursday
	Friday
	Saturday

Table 3.3 to Table 3.6 show the operationalisation of the variables *Intention to use social media*, *Perceived ease of use*, *Perceived usefulness* **and** *Perceived attitude towards use*.

Table 3.3: Operationalisation – Intentions to use social media

CODE	STATEMENTS	SOURCES
INT01	I intend to use social media to communicate with my customers.	Varol & Tarcan (2009: 122)
INT02	I intend to use social media in my business within the next three months?	Venkatesh, <i>et al.</i> ,(2017: 460).
INT03	I predict that I will use social media on a regular basis in the future.	Wang & Liu (2009)
INT04	I expect that I will use social media to communicate with my suppliers.	
INT05	I am likely to ask my customers to follow me/communicate with me on social media.	J. Cronin (1997:389-390)
INT06	I am going to use social media to receive my customer's feedback about the products I sell.	Wang & Liu (2009) & Wilcox-Herzog & Ward (2004: 13)

The dependent variable shown in Table 3.3 *Intention to use social media* was operationalised using a five-item scale.

Table 3.4: Operationalisation – Perceived ease of use of social media

CODE	STATEMENTS	SOURCES
EASE01	I may become confused if I use social media.	Davis (1989: 324)
EASE02	I have the resources to use social media for my business.	
EASE03	Social media will be easy to use.	
EASE04	I will be able to use social media without written instructions	Lund (2001:3-6)
EASE05	Both occasional and regular customers would like to interact with my business using social media.	
EASE06	I expect all social media platforms to be interconnected.	Lewis & Suro (2011)
EASE07	I need to learn of a lot before I could use social media for my business	
EASE08	I will be able to tell my customers about my specials for the week if I use social media.	Ping & Siyu (2018)

The Independent variable shown in Table 3.4 *Perceived ease of using social media* was operationalised using a five-item scale.

Table 3.5: Operationalisation - Perceived usefulness of social media

CODE	STATEMENTS	SOURCES
USEFUL01	It will be difficult to interact with all my customers on social media.	Davis (1989: 324)
USEFUL02	Using social media will save me time.	
USEFUL03	Using social media will help me do more for my customers.	Lund (2001:3-6)
USEFUL04	Social media will improve communication with customers.	Ping & Siyu (2018)
USEFUL05	Social media should provide useful notifications that help me to identify the change in customer needs.	Ping & Siyu (2018)
USEFUL06	Social media will improve the quality of service I provide for my customers.	Cowen (2009: 19)
USEFUL07	Social media will improve my sales.	

The Independent variable shown in Table 3.5 *Perceived usefulness of using social media* was operationalised using a five-item scale.

Table 3.6: Operationalisation – Attitude towards using social media

CODES	STATEMENTS	SOURCES
ATT01	I feel nervous when I think about using social media.	Sadik (2006: 94-95)
ATT02	I often doubt if I have the skills to use social media.	
ATT03	Learning how to use social media for my business is worthwhile.	
ATT04	Social media will provide new opportunities for my business.	Hillmer (2009: 239)
ATT05	Social media is a good means for marketing my business.	Torous (2017)
ATT06	Social media is only sensible as an addition to face-to-face interactions with my customers.	
ATT07	I would make use of social media without an accompanying face-to-face interaction with my customers.	

The Independent variable shown in Table 3.6 *Perceived attitude towards using social media* was operationalised using a five-item scale.

3.6.4 ADMINISTRATION OF THE MEASURING INSTRUMENT

The measuring instrument, being a structured questionnaire, was distributed to 100 informal traders that operate in the Nelson Mandela Bay Area, in the Eastern Cape province of South Africa. These informal traders were identified by means of convenience sampling. The questionnaire was distributed to respondents voluntarily that qualified to take part in the study as well as interested informal traders.

3.7 ETHICAL CONSIDERATIONS

Ethics can be defined as the standards that dictate whether something is defined right or wrong (Resnik, 2013: 1). When conducting research, ethics is important because throughout the research project as it ensured that the information being produced has not been falsified, fabricated nor plagiarised (Resnik, 2013:2). Many organisations and institutions have a code of ethics that has to be followed (Resnik, 2013:1). Ethics is a major part of Nelson Mandela University's corporate social responsibility. It is also important because the research that will be carried out will be representative of the image that would be portrayed of the University and thus they require ethics clearance before any research can be carried out (REC, 2010:2). Ethics clearance at Nelson Mandela University can be obtained from the BES FTR and REC-H(REC, 2010:3). For this research study, a proforma ethics Form E was completed and signed by all relevant parties (the supervisor, the head of department and the two researchers) as the sample in this study did not comprise of a vulnerable group (Annexure A). The researchers communicated both verbally and in writing on the measuring instrument that the participants were free to ask any questions concerning the questionnaire and that all the information they provide will be kept confidential and used strictly for research purposes only. The researchers also emphasized that participation in the study was completely voluntary.

3.8 METHOD OF DATA ANALYSIS

During the data collection phase of the study, raw quantitative data was gathered. Once this data had been collected, data analysis took place whereby the data was converted into useful information that would help determine whether a relationship existed between the dependent and independent variables in this study (Struwig & Stead, 2017:156). In this study, the data will be gathered from the questionnaires. The

data from these questionnaires was collected on Microsoft Office Excel 2016 and then was be analysed using a program called Statistica 13.

3.8.1 VALIDITY AND RELIABILITY

Before the data collected is analysed using statistical methods, the validity and reliability of the measuring instrument has to be tested. Validity and reliability are two very close concepts. A measuring instrument cannot be valid if it is not reliable. However, the reliability of the instrument is not dependent on its validity.

The measuring instrument is said to be valid if it accurately measures what it had set out to (Hair *et al.*,2014:602). Three types of validity exist. The first, content validity, refers to whether a measuring instrument measures everything that it should in relation to the variables (Hair *et al.*,2014:602). Face validity which is the second type refers to when a researcher is asked whether they think a measuring instrument covers what it is intended to. The third type, construct validity looks at whether conclusions can be drawn from the results gathered by the measuring instrument (Struwig & Stead, 2017:143).

To measure validity, factor analysis will be carried out. Factor analysis is known as a multivariate technique that encompasses various methods that can be used to see how various theories will have an effect on the variables of the study (Yong & Sean, 2013:80). Factor analysis known as a multivariate technique because it is aimed at looking at more than one variable at a time in order to establish relationships between them (Hair *et al.*, 2014:92). Variables are known as the foundation of any relationship (Hair *et al.*, 2014:92). Factor analysis provides a method of studying how the various variables contained in questionnaire responses are correlated and then defining these interrelated variables into sets known as factors (Hair *et al.*, 2014:92). There are two main factor analysis methods that exist, namely; explanatory factor analysis and confirmatory factor analysis (Matsunaga, 2010:98).

Confirmatory factor analysis seeks to verify already existing theories or hypotheses (Matsunaga, 2010:98). In confirmatory factor analysis, it is necessary for the researcher to know beforehand how many factors will come out as a result as well as how many variables will be (Hair *et al.*, 2014:603). The researcher assigns variables to factors based to previously discovered theory before the results are calculated. Variables are assigned to not more than one factor (Hair *et al.*, 2014:603). Confirmatory

factor analysis is used to support the researcher's theory (Matsunaga, 2010:98). The theory is one based on the relationship that exists between the variables that have been measured and the constructs in a theoretical model (Matsunaga, 2010:98).

Explanatory factor analysis aims at establishing relations and patterns that exist within the data (Matsunaga, 2010:98). An explanatory factor analysis examines the data and guides the researcher with a direction as to the number of factors that would provide a good representation of the data (Hair *et al.*, 2014:602). In explanatory factor analysis, the factors are derived from statistical means, being that the data is input into a statistical software that helps to develop a pattern to help establish the factors (Hair *et al.*, 2014:602). When an explanatory factor analysis is carried out, it is not known beforehand how many factors will be expected. In this study, to test for validity, explanatory factor analysis will be carried out as a test for unidimensionality. The scores of 0.5 and higher will be seen as acceptable, showing a correlation in variables (Izquierdo, Olea & Abad, 2014:396).

Unidimensionality is when items in a rating scale describe only one variable/construct that is being measured (Hagell, 2014:457). Items of questions in a measuring instrument (questionnaire in this study) are often developed from the variable that they are meant to be measuring (Ziegler & Hagemann, 2015:231). When these items are developed, the aim is that each item should only be able to measure that one variable or construct. If found to be otherwise, the interpretation of the scores that are meant to be a representation of the variable will lead to the hypotheses being wrong (Ziegler & Hagemann, 2015:232). The scores are also considered not valid if they are not unidimensional (Hagell, 2014: 457). In this study, in order to assess the unidimensionality of the scales measuring the independent variable (Intention to use social media) and the dependent variables (*Perceived ease of use*, *Perceived usefulness* and *Attitude*), a factor analysis will be carried out.

Reliability, on the other hand, refers to whether if a study were to be repeated similar results would be achieved (Struwig & Stead, 2017:138). One commonly used way to analyse the reliability of the measuring instrument is using Cronbach's alpha coefficients. It has been found to be most useful in research projects whereby multiple items measure a certain construct (Tavakol & Dennick, 2011:53). Cronbach's alpha coefficients were developed with the purpose of providing a measure of internal consistency of a test or scale (Tavakol & Dennick, 2011:53). The results of this

measure range between 0 and 1 (Heale & Twycross, 2015:67). Internal consistency can be described as whether the elements in a certain test measure the same construct (Tavakol & Dennick, 2011:54). Such a measure can be used as a measure of error in an instrument (Tavakol & Dennick, 2011:54). The measuring instrument is considered to be reliable if the result is 0.7 or higher (Heale & Twycross, 2015:67). A Cronbach alpha coefficient lower than 0.7 could be the result of aspects such as an insufficient amount of questions asked or low interrelatedness in terms of the items in the test (Tavakol & Dennick, 2011:54).

3.8.2 DESCRIPTIVE STATISTICS

Descriptive statistics are a summary and description of the data that has been collected (Hussain, 2012:741). No inferences are drawn from this data (Hussain, 2012:741). The descriptive statistics in this study will include a calculation of the mean, standard deviation, and frequency. The mean is defined as a measure of central tendency representing the average of the data (Watier *et al.*, 2011:3). Standard deviation is used to measure the variability of data gathered and how far from the mean they are (Wan *et al.*, 2014). Frequency distribution involves grouping the collected data into various categories and then recording how often a certain category of data occurs (Manikandan, 2011:54).

3.8.3 INFERENCE STATISTICS

Inferential statistics will be used in this study to test whether there is a relationship between the independent and dependent variables. Inferential statistics involve techniques that make use of the raw data collected and develop assumptions or conclusions from this data (Hussain, 2012:741). One inferential statistics test that will be used in this study is Pearson's product-moment correlation

3.8.3.1 Pearson product-moment correlation

The Pearson product-moment correlation looks at the association that exists between two variables as well as how strong this association is (Greener, 2008:62). This association looks at how much of an influence a change in one variable would cause a variation in another variable (Struwig and Stead, 2017:169). This change is measured in terms of covariance of the variables. Covariance is a measure of how two variables change in relation to each other (Schober, Boer and Schwarte, 2018:1738). The coefficient measure of covariance ranges between -1 and +1 (Schober, Boer and

Schwarte, 2018:1738). The Pearson product moment correlation is usually referred to as "Pearson's r " (Greener, 2008:62). The higher the " r " value, the stronger the correlation between the two variable (Greener, 2008:62). An " r " value of -1 or +1 shows a perfect correlation(Struwig and Stead, 2017:169. Thus a " r " value of 0.00 would reflect no correlation (Struwig and Stead, 2017:169).

The pearson product correlation is interpreted as follows according to Schober, Boer and Schwarte (2018:1738):

- 0.00 - 0.10 reflects a Negligible positive association;
- 0.10 - 0.39 reflects a weak positive association;
- 0.40 - 0.69 reflects a moderate positive association;
- 0.70 – 0.89 reflects a strong positive association;
- 0.90 – 1.00 reflects a very strong positive association.

3.8.3.2 Multiple regression analysis

Another way the relationships between the variables can be tested is through multiple regression analysis which will look at the straight-line relationship between the dependent and independent variables (Uyanik & Guler, 2013:235). The aim of carrying out the multiple regression analysis is to establish whether the known independent variables can be used to predict the dependent variable chosen by the researcher (Hair *et al.*, 2014:158). In the analysis process, each independent variable is assigned a weight representing its influences amongst the other independent variables (Chatterjee & Simonoff , 2013:6). The set of weighted variables is known as a regression variate, which is the linear equation of independent variables that helps to explain their effects on the dependent variable (Hair *et al.*, 2014:158).

Any topic that involves two or more variables is known as multiple regression (Hair *et al.*, 2014:158). The purpose of the study is to determine which variables affect the dependent variable (Schneider,Hommel & Blettner2010:776). The first step of regression analysis is the establishment of which independent variables will be the greatest predictor of the dependent variable (Hair *et al.*, 2014:158). The multiple regression coefficient, known as the Beta, is used to help estimate the amount of change an independent variable has on the dependent measure (Chatterjee &

Simonoff , 2013:9). For the regression coefficient to be said to be significant in statistics terms, it needs to be different from zero (Hair *et al.*, 2014:159).

The coefficient of determination (R^2) is a measure that is used to confirm how accurate the predictions made in the regression model (Chatterjee & Simonoff , 2013:11). It is calculated by finding the correlation between the predicted and actual valued of the dependent variables and then squaring it (Hair *et al.*, 2014:160). This result would be considered an indicator of how well the independent variables predict the dependent variable. The results of this calculation lie between 1.0 representing a perfect prediction or correlation, and 0.0 which shows no prediction or no correlation (Schneider *et al.*, 2010:777). The R^2 also represents the variance between the dependent variable measures (Hair *et al.*, 2014:160).

Standard error of the estimate (SE_E) is another measure that is used to measure the accuracy of the predicted dependent variable values (Hair *et al.*, 2014:160). It is derived by calculating the standard deviation of the predicted values (Hair *et al.*, 2014:160) (Kothari, 2004:163). Through this calculation a researcher can establish a confidence interval of what predictions to expect from the regression model (Hair *et al.*, 2014:160).

In this study a multiple regression analysis will be carried out with the aim of investigating whether a relationship exists between the use of social media and the variables contained in the Technology Acceptance Model.

3.9 SUMMARY

Chapter 3 provided an overview of the research design and methodology used for this study. The two research paradigms (Positivist and interpretivist) were discussed as well as the two research approaches (Quantitative and qualitative). For the purpose of this study, a positivist paradigm will be utilised, and this is used with a quantitative approach.

The chapter further explained the population, sampling technique and research instrument. The study will be looking at 100 informal traders in the Nelson Mandela Bay Area. This sample was chosen through means of non-probability convenience sampling. The measuring instrument that will be used is a questionnaire that will be handed out to the sample population.

Lastly the chapter included a discussion on determination of the validity and reliability of the measuring instrument. This section also included an explanation on how the data gathered from the measuring instrument would be analysed. Three types of validity were briefly discussed namely face validity, content validity and construct validity. As a measure of construct validity in this specific study, exploratory factor analysis will be carried out. Cronbach's alpha coefficient will be used as a measure of reliability.

Chapter 4 will contain a presentation of the empirical results of the data gathered from the measuring instrument. This will include a summary of the demographical data gathered. Thereafter the results of the validity and reliability tests will be presented and discussed. Lastly the results of the descriptive and inferential statistics will be discussed.

It further explained the secondary and primary data that will be collected. Furthermore, a detailed discussion on the data collection instrument is the survey and how it would be administered to the sample population being an informal trader in the Nelson Mandela Bay Area, was included. The chapter then went on to look into the descriptive and inferential statistics that will be used in order to analyse the collected data. To end off the chapter was a discussion on the techniques that will be utilised to check the reliability and validity of the measuring instrument.

In chapter 4, the results of the empirical data will be presented including a summary of some demographic data gathered from the respondents. To follow, the results of the reliability and validity tests will be given and discussed. The chapter will then end with a detailed discussion of descriptive and inferential statistics.

CHAPTER 4

EMPIRICAL RESULTS

4.1 INTRODUCTION

In Chapter 3 the research design and methodology used throughout this study was discussed. The research paradigm, research approach and research method were explained. Chapter 3 also included elaboration on the sampling technique and research instrument used in this study. Chapter 3 concluded with statistical methods that would be used to measure the validity and reliability of the measuring instrument as well as to analyse the collected data.

In Chapter 4, the empirical findings of the study are presented. The demographic information will be presented first, followed by the reliability and validity results of the measuring instrument, then the descriptive statistics and lastly the inferential statistics.

4.2 DEMOGRAPHIC INFORMATION

The questionnaire distributed to 100 respondents was made up of two sections, A and B. Section A asked respondents general information relating to demographics. The first section of the demographic data that was collected includes general information on the respondent such as gender, age, ethnicity and education which is presented in Table 4.1. The demographic data represented in Tables 4.2 and 4.3 comprise of the respondent's employment status as well as information about their informal business operations, such as number of employees, service providers and various few other details of their position.

From Table 4.1, it can be seen that nearly the same proportion of males (51%) and females (49%) were respondents in this study. Most of the respondents ages fell between two main age ranges; 18-24 (36%) and 25-34 (35%). With regards to the ethnicity of the respondents, the data in the Table 4.1 shows that the majority of the respondents were black, representing 71 percent of the sample, followed by 13 percent being white, 12 percent coloured and 4 percent Asian. With regards to education, from the table above it can be seen that most of the respondents either had a matric certificate (40%) or a degree/diploma (39%), followed by respondents with grade 9-11 (12%) and only 9 percent had obtained a postgraduate certificate.

Table 4.1: Demographic information of respondents

Gender	Number	Percentage
Male	52	52%
Female	48	48%
Total	100	100%
Age	Number	Percentage
13-17	0	0%
18-24	36	36%
25-34	35	35%
35-44	18	18%
45-54	8	8%
55-64	3	3%
65+	0	0%
Total	100	100%
Ethnicity	Number	Percentage
Asian	4	4%
Black	71	71%
Coloured	12	12%
White	13	13%
Not willing to say	0	0%
Total	100	100%
Education	Number	Percentage
Grade 9-11	12	12%
Matric	40	40%
Degree/Diploma	39	39%
Postgrad	9	9%
Other	0	0%
Total	100	100%

Table 4.2 shows that most of the respondents of the study had no dependents (46%), whilst 17 percent had at least one dependent, 13 percent had 2 dependents and the remaining 24 percent had 3 or more dependants. It can also be concluded that it was fairly even in terms of whether the respondents were on part-time employment (51%) or were working full-time (49%). In relation to the number of employees hired by the respondents, Table 4.2 presents that many of them did not have employees (56%), followed by 15 percent who had one employee and only 2 percent had more than 5 employees. In terms of service providers that the respondents had for their business, 26 percent had more than 5, followed by 24 percent who had 2, then 20 percent who had 1 service provider and only 5 percent had more than 5 service providers.

Table 4.2: Employment information of respondents

Dependents	Number	Percentage
0	46	46%
1	17	17%
2	13	13%
3	12	12%
4	7	7%
5 and more	5	5%
Total	100	100%
Employment	Number	Percentage
Part-time	51	51%
Full-time	49	49%
Total	100	100%
Employees	Number	Percentage
0	56	56%
1	15	15%
2	12	12%
3	10	10%
4	6	6%
5 and more	2	2%
Total	100	100%
Service providers	Number	Percentage

0	9	9%
1	20	20%
2	24	24%
3	13	13%
4	5	5%
5 and more	26	26%
Total	100	100%

Table 4.3 highlights to the position of the business, most of the respondents were found to have a mobile business that changes position on a day-to-day basis (68%) as compared to a fixed position (32%). As for the peak hours of the business, the hours between 12:00pm - 15:00pm was indicated as the time their businesses were the busiest (42%), followed by 9:00am - 12:00pm which was represented by 27 percent of the respondents. In terms of the how long the business had been running for, 25 percent of the respondents indicated their business was over 5 years old, whilst 10 percent had been running their business for 2 years and 10 percent only a year or less.

Table 4.3: Business operations

Position	Number	Percentage
Fixed	32	32%
Mobile	68	68%
Total	100	100%
Peak hours	Number	Percentage
6:00am- 9:00am	3	3%
9:00am- 12:00pm	27	27%
12:00pm- 15:00pm	42	42%
15:00pm- 18:00pm	14	14%
18:00pm- 21:00pm	14	14%
Total	100	100%
Years of business	Number	Percentage
Less than 1 year	14	14%
1 year	10	10%
2 years	22	22%
3 years	15	15%

4 years	14	14%
5+ years	25	25%
Total	100	100%

4.3 VALIDITY AND RELIABILITY RESULTS

The measuring instruments (items) can be defined as being valid if they measure what they set out to, in relation to the variables (Struwig & Stead, 2017:143). To measure validity in this study a factor analysis was carried out to test for uni-dimensionality which measured the dependent variable, *Intention to use social media*, and the independent variables, *Perceived ease of use*, *Perceived usefulness* and *Attitude towards use*. A test for uni-dimensionality was carried out in this study as a way of showing that items within this study, that were derived from previous research, are measuring the same concept. According to Hair *et al* (2014:602) the results of a factor analysis are deemed acceptable when they have a factor loading of 0.5 and above. This was the interpretation that was followed for this study.

According to Tavakol & Dennick (2011:53), a measuring instrument can be said to be reliable if it produces accurate and consistent results. This is to say that if a study were to be repeated using the same instrument, the same or similar results can be achieved (Heale & Twycross, 2015:67). Cronbach's alpha coefficients are a common measurement for reliability, and it was used in this study (Heale & Twycross, 2015: 67). The measuring items are deemed reliable if they achieve a Cronbach-alpha of 0.7 or greater (Heale & Twycross, 2015:67).

4.3.1 DEPENDENT VARIABLE

Using the program Statistica version 13, the validity and reliability of the dependent variable, *Intention to use social media*, was assessed. The test for uni-dimensionality, was used to assess the validity of the items measuring *Intention to use social media*, and Cronbach's alpha coefficient was calculated to measure the reliability.

4.3.1.1 Intention to use social media

Initially there were six items (INT01, INT02, INT03, INT04, INT05 & INT06) that were set out to measure the intention to use social media. After the test for uni-dimensionality was carried out it was noted that item INT04 had a factor loading of 0.152 which was lower than the recommended limit of 0.5 and was thus removed from the statistical

analysis. The five other items were then used for further statistical analysis. Table 4.4 indicates that the factor loadings for *Intention to use social media* ranged between 0.887 and 0.569. As these factor loadings are above 0.5 they are considered to be valid measures of the construct (Hair *et al*, 2014:602).

Table 4.4 Validity and Reliability of Intention to use social media

% of Variance: 43.03%		Cronbach-alpha: 0.752		
Code	Item	Factor Loading	Item-total correlation	CA
INT02	I intend to use social media in my business within the next three months?	0.887	0.762	0.597
INT01	I intend to use social media to communicate with my customers.	0.781	0.604	0.675
INT03	I predict that I will use social media on a regular basis in the future.	0.662	0.483	0.726
INT06	I am going to use social media to receive my customer's feedback about the products I sell.	0.635	0.431	0.736
INT05	I am likely to ask my customers to follow me/communicate with me on social media.	0.569	0.403	0.756

Intention to use social media explains 43.03 percent variance in the data. The Cronbach alpha coefficient for this construct was 0.752 which is above 0.7, meaning that the data collected in this study can be considered reliable (Heale & Twycross, 2015: 67). Given the results of the factor analysis, namely that one item (INT04) did not load, the operationalised definition *Intention to use social media* was adapted.

4.3.2 INDEPENDENT VARIABLES

A test for uni-dimensionality was carried out as a way of determining the validity of the independent variables which include; *Perceived ease of use*, *Perceived usefulness* and *Attitude towards use*.

4.3.2.1 Perceived ease of use

There were ten items (EASE01, EASE02, EASE03, EASE04, EASE05, EASE06, EASE07, EASE08, EASE09 and EASE10) that were set out originally to measure *Perceived ease of use*. After the analysis of the data, the results showed that EASE06

and EASE08 had factor loadings of 0.01 and 0.43 respectively, both of which are below the accepted level of 0.5 (Hair *et al*, 2014:602). These items were thus removed from the statistical analysis and the items measuring *Perceived ease of use* had to be re-operationalised.

Table 4.5 Validity and Reliability of Perceived ease of use of social media

% of Variance: 46.75%		Cronbach-alpha: -0.664		
Code	Item	Factor Loading	Item-total correlation	CA
EASE03	Social media will be easy to use.	0.853	-0.002	0.00
EASE01	I may become confused if I use social media.	-0.847	-0.473	0.00
EASE04	I will be able to use social media without written instructions	0.829	-0.173	0.00
EASE07	I need to learn of a lot before I could use social media for my business	-0.813	-0.500	0.00
EASE10	I think using social media for my business will be confusing	-0.692	-0.298	0.00
EASE02	I have the resources to use social media for my business.	0.677	0.168	0.00
EASE05	Both occasional and regular customers would like to interact with my business using social media.	0.642	0.260	0.00
EASE09	My business will find it difficult to compete without social media in the future	0.590	0.155	0.00

The other factor loadings for *Perceived ease of use* range from 0.853 to 0.590. These factors showed evidence of validity for *Perceived ease of use* as they were all above 0.5 (Hair *et al*, 2014:602). Although some factors above (EASE01, EASE07 and EASE10) showed negative loadings, this is not an indication of the items strength, but does mean that the variable and the factor are related in opposite directions (Asnawi , Gravell & Wills, 2012:62).

46.75 per cent of variance in data explains *Perceived ease of use*. The Cronbach-alpha for this construct was -0.664 which falls below the recommended limit of 0.7. A negative Cronbach-alpha is an indicator that within the measuring instrument (the questionnaire), some items may have been negatively or reversely phrased. Where such exists, the reverse coding must be done to reverse the way the items are scored (Field, 2005:5-11). However, once reverse coding has taken place, since it is

considered to be close in proximity to the limit the factor was still considered reliable for the study (Heale & Twycross, 2015:67). Given that two items (EASE06 and EASE08) failed to load, the operational definition of *Perceived ease of use* was reformulated.

4.3.2.2 Perceived usefulness

Table 4.6 Validity and Reliability of perceived usefulness of social media

% of Variance: 39.25%		Cronbach-alpha: 0.694		
Code	Item	Factor Loading	Item-total correlation	CA
USEFUL05	Social media should provide useful notifications that help me to identify the change in customer needs.	-0.720	0.538	0.605
USEFUL03	Using social media will help me do more for my customers.	-0.686	0.531	0.612
USEFUL02	Using social media will save me time.	-0.683	0.520	0.638
USEFUL04	Social media will improve communication with customers.	-0.646	0.408	0.661
USEFUL06	Social media will improve the quality of service I provide for my customers.	-0.590	0.538	0.605
USEFUL07	Social media will improve my sales.	-0.563	0.357	0.689

In total there were originally seven items (USEFUL01, USEFUL02, USEFUL03, USEFUL04, USEFUL05, USEFUL06 and USEFUL07) meant to measure *Perceived usefulness*. USEFUL01 had a factor loading of 0.459, which is below the 0.5 limit and was thus removed from further statistical analysis. The remaining six items defining *Perceived usefulness*, as shown in table 4.6, had factor loadings ranging from 0.720 to 0.563. As these factor loadings are above 0.5, they are considered valid and were used for further statistical analysis (Hair *et al*, 2014:602). Although all the factor loadings for these items were negative, as discussed earlier in this section, it simply indicates that the variable and the items are related in opposite directions (Asnawi *et al.*, 2012:62). 39.25 percent of variance in data explains *perceived usefulness*. *Perceived usefulness* returned a Cronbach-alpha of 0.694, which also is slightly below the approved limit of 0.7, is in close enough proximity to be accepted as reliable (Heale & Twycross, 2015: 67). This ensures that the data can be reliable.

4.3.2.3 Attitude

Of the seven items (ATT01, ATT02, ATT03, ATT04, ATT05, ATT06 and ATT07) intended to measure *Attitudes towards use* only three (ATT03, ATT04 and ATT05) loaded together. The items ATT01, ATT02, ATT06 and ATT07 had factor loadings that ranged from 0.298 to -0.013. Since these factor loadings are well below the 0.5 limit, it was concluded that these factors failed to load and were removed from the statistical analysis. *Attitude towards use* was thus operationalised accordingly. As shown in table 4.7 below, the factor loadings of the items ATT03, ATT04 and ATT05 ranged from -0.794 to -0.768. As these factors are above the recommended limit of 0.5 and greater, they are considered valid in measuring *Attitudes towards use* and were used for further statistical analysis (Hair *et al*, 2014: 602). The three items can be seen to be relate in the opposite direction of the independent variable (Asnawi *et al.*, 2012:62). Attitude toward use accounts for 27.58 percent of the variance of the data. The Cronbach-alpha returned equaled 0.696, which rounded is 0.7 which is the accepted limit (Heale & Twycross, 2015: 67). Due to the fact four items failed to load, the definition of Attitudes towards use was reformulated accordingly.

Table 4.7 Validity and Reliability of attitudes towards use of social media

% of Variance: 27.58%		Cronbach-alpha: 0.696		
Code	Item	Factor Loading	Item-total correlation	CA
ATT05	Social media is a good means for marketing my business.	-0.794	0.541	0.569
ATT03	Learning how to use social media for my business is worthwhile.	-0.768	0.567	0.533
ATT04	Social media will provide new opportunities for my business.	-0.707	0.438	0.691

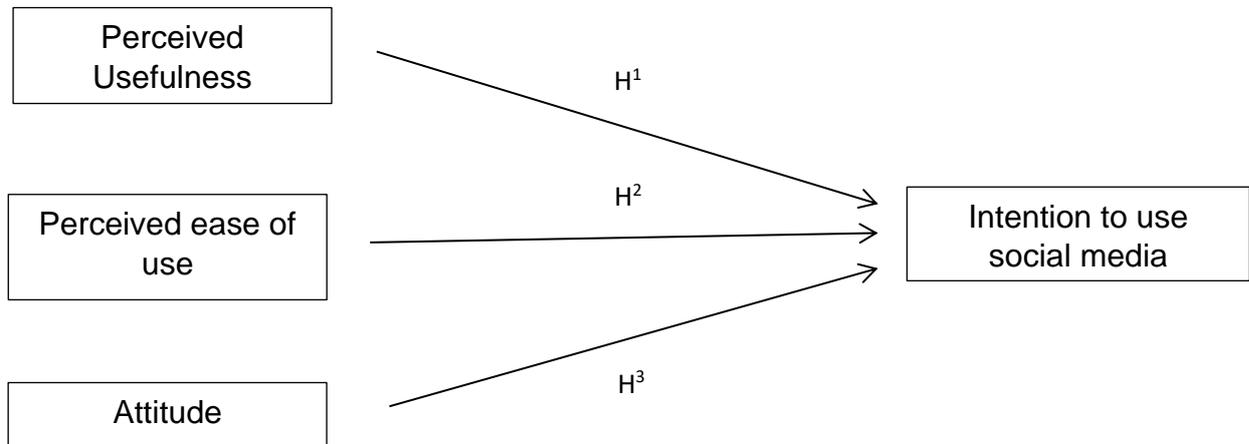
4.4 RE-OPERATIONALISATION

The results of the validity and reliability tests in 4.3.1 & 4.3.2 indicated that all the constructs operationalisation needed to be restructured due to items that failed to load and were thus left out of further statistical analyses. The hypothesized model shown in Figure 4.1, page 62 and the hypotheses remained the same. Table 4.8 contains a summary of the restructured operational definition of all the variables.

Table 4.8: Restructured operational definitions

Factor	Operationalisation
Intention to use social media	Intention to use social media refers to the belief that people intend to use social media on a regular basis within the next three months, to communicate with their customers; receive feedback about products they sell and ask their customers to follow them on social media.
Perceived ease of use	Ease of use refers to the belief that one has the resources to use social media for business; customers would like to interact with the business on social media, social media is not confusing to use; users will be able to use it without written instructions and needing to learn a lot before using it for business.
Perceived usefulness	Perceived usefulness refers to the belief that social media provides useful notifications that help the user identify change in customer needs, whilst saving time, it helps to improve communication with customers, helping the user do more, improving their sales in the process and also improving the quality of the service provided
Attitude	Attitudes towards use is the belief that social media will provide new opportunities for a business and that learning to use social media would be beneficial for the business as it is a good means for marketing.

Figure 4.1: Proposed hypothesised model on factors influencing intention to use social media for business.



Revised research hypotheses are as follows:

- H¹: There is a positive relationship between *Perceived usefulness* and Informal traders *Intention to use social media*.
- H²: There is a positive relationship between *Perceived ease of use* and Informal traders *Intention to use social media*.
- H³: There is a positive relationship between *Attitude towards use* and Informal traders *Intention to use social media*.

4.5 EMPIRICAL RESULTS

In this section the results of the empirical analysis will be discussed. This will involve the results of descriptive analysis and inferential analysis. The results of the descriptive statistics include the mean, standard deviation and the frequency distribution of the dependent and independent variables. The results of the inferential analysis on the other hand will deal with the relationships that exist between the variables.

4.5.1 DESCRIPTIVE ANALYSIS

Descriptive statistics are a summary and description of all the data that has been collected by the researchers from a sample population (Hussain, 2012:741). In order to describe and explain the data collected using the calculation of the mean, standard deviation, and frequency.

The values of the descriptive statistics comprised of the mean, standard deviation and frequency distribution are reported in Table 4.9.

Table 4.9: Descriptive statistics (N=100)

Factor	Mean	Std Dev	Responses %		
			Disagree	Neutral	Agree
Perceived usefulness	4.510	0.544	0	5	95
Perceived ease of use	3.289	0.410	2	86	12
Attitude	4.790	0.471	3	19	78

In terms of the 5-point Likert scale used, responses ranging from 1 to 2.3333 were categorised as disagree, 2.3334 to 3.6667 were categorised as neutral and 3.6668 to 5 were categorised as agree.

As presented in Table 4.9 *Perceived usefulness* reported a mean score of 4.510 which indicates that the majority of the respondents (95%) agreed that they find social media useful for their business operations because of elements such as useful notifications that help track customer needs and communication to customers to improve their sales. According to Wan, Wang, Liu & Tong (2014) standard deviation is used to measure the variability of data gathered and how far from the mean they are. The standard deviation indicates how concentrated a set of data is around the mean. The more concentrated the data, the smaller the standard deviation. *Perceived usefulness* returned a standard deviation of 0.544. This indicates that there was a slight dispersion around the mean in terms of the responses from the respondents. This reveals a strong relationship between the independent variable (*Perceived usefulness*) and the dependent variable (*Intention to use*).

Perceived ease of use reported a mean score of 3.289. This indicates that the majority of the respondents (86%) were neutral with regards to their opinion on the perceived use of social media for their business compared to the 12 percent who agreed, and the 2 percent who disagreed. This means that the respondents would need training or written instructions in order to be able to interact with their customers using social media for their business purposes. The standard deviation for *Perceived ease of use* was 0.410.

With regards to *Attitude*, a reported mean score of 4.790 was indicated. This is a representation that most of the respondents (78%), agreed that they believe learning to use social media would be beneficial for their business as it would provide new opportunities for them such as more marketing channels. *Attitude* returned a standard deviation of 0.471. Although this means the data was more dispersed than *Perceived ease of use*, it still shows that the responses were closely concentrated around the mean.

4.5.2 INFERENCE STATISTICS

The purpose of the inferential statistics is to use the information calculated from data of a selected sample using statistical techniques and develop assumptions or conclusions that can be applied to the population in which the sample was drawn from (Hussain, 2012:741). Statistical inferences are useful regarding forming relatively accurate generalisations and predictions about a population from sample data (Singh, 2007:152). In this section, the results of the Pearson's correlations and the multiple regression analysis will be discussed.

4.5.2.1 Pearson's product-moment correlations

Pearson's product-moment correlation is used in finding the possible association between two or more variables (Greener, 2008:62). Schober, Boer and Schwarte (2018:1738) have provided the following outline which will be used in assisting the interpretation of Pearson's correlation coefficients.

- 0.00 - 0.10 reflects a Negligible positive association;
- 0.10 - 0.39 reflects a weak positive association;
- 0.40 - 0.69 reflects a moderate positive association;
- 0.70 – 0.89 reflects a strong positive association;
- 0.90 – 1.00 reflects a very strong positive association.

The values of Pearson's correlation coefficients for the dependent and independent variable are reported in Table 4.10.

Table 4.10: Pearson's correlation coefficients

Factor		1	2	3	4
1	Intention to use social media	1.000	0,664	0,517	0,505
2	Perceived usefulness	0,664	1.000	0,391	0,635
3	Perceived ease of use	0,517	0,391	1.000	0,169
4	Attitude	0,505	0,635	0,169	1.000

When analysing the Pearson's correlation coefficient of this study, the researchers found no strong positive association or any negative association between the variables analysed. At significance ($p < 0.05$) a moderately positive association is reported between the dependent variable *Intention to use social media* and all independent variables *Perceived usefulness* ($r = 0.664$), *Perceived ease of use* ($r = 0.517$) and *Attitude* ($r = 0.505$). This shows that a change in any of the independent variables has a slight effect on the Informal traders *Intention to use social media* in their business.

At significance ($p < 0.05$) *Perceived usefulness* reported a weak positive correlation with *Perceived ease of use* ($r = 0.391$) and a moderate positive association with *Attitude* ($r = 0.635$). A weak positive association indicates that there is weak degree of correlation between the variables where a change in one variable will have a weak change in another variable (Greener, 2008:62). This indicates that a change in the *Perceived usefulness* of using social media to informal traders would not cause a significant change in its *Perceived ease of use*, and vice versa. A change in *Attitude towards use* of social media on the other hand, would have a relatively stronger effect on *Perceived usefulness*, and vice versa.

At significance ($p < 0.05$) little or no positive association is reported between the independent variable *Ease of use* and other independent variable *Attitude* ($r = 0.169$). This indicates that a change in *Perceived Ease of Use* would cause a little or no change in the *Attitude towards use* of social media.

4.5.2.2 Multiple regression analysis

A multiple regression analysis was undertaken in order to determine whether the independent variables, *Perceived usefulness*, *Perceived ease of use*, *Attitude towards use* have a significant influence on the dependent variable, *Intention to use social media*. According to Struwig & Steed (2017) multiple regression makes use of the independent variables to predict the dependent variable, *intention to use social media*.

For the purpose of this study the p-value which is the probability value will be used to examine the hypotheses. It will indicate the relationship between the dependent variable, *intention to use social media*, and the independent variables; *Perceived ease of use*, *perceived usefulness* and *attitude towards use of social media*.

The accepted significant levels according to Uyanik & Guler (2013:235) are 0.1 to 0.0. For the purpose of this study, the significance levels of 0.05, 0.01 and 0.001 will be used. To accept the hypothesis, the p-value calculated should be less than 0.01. Below in Table 4.11 the reported multiple regression analysis is shown.

Table 4.11: Influence of independent variable on Intended use of social media

Dependent variables: Intention to use social media			R ² = 0.5386
Independent variables	Beta	t-value	Sig.(p)
Perceived usefulness	0.6699	4.3747	0.000031***
Perceived ease of use	0.6713	4.2203	0,000055***
Attitude	0.3325	2.0130	0,046921*

(*p<0.05; **p<0.01; ***p<0.001)

The Table 4.11 above shows that a strong correlation exists between actual and predicted values of the dependent variable, *Intention to use social media* with a coefficient of determination of R² = 0.5386. Table 4.11 also reports a significant positive linear relationship (0.6699; p<0.001) between *Perceived usefulness* and *Intention to use social media*. This positive relationship suggests that the more social media is

perceived to be useful in aiding business operations, the more likely one is to make use of it within their business.

The results also show a positive linear relationship between *Perceived ease of use* (0.6713; $p < 0.001$) and *Intention to use social media*. With this positive relationship, it can be implied that Informal traders believe perceiving social media as a tool that is quite easy to use, will result in higher motivation to make use social media for their businesses.

A significant positive relationship was also reported to exist between *Attitude towards use* (0.3325; $p < 0.05$) and *Intention to use social media*. As this relationship is positive, it indicates that the more informal traders believe that using social media would be beneficial for their business as a good means of marketing, the more likely they are to implement its use within their businesses.

Against this background, support was found for the hypothesized relationships between all the influencing factors *Perceived usefulness* (H^1), *Perceived ease of use* (H^2) and *Attitude* (H^3). Given the results relating to the Independent variables mentioned, it can be suggested that to improve adaptation of social media into the business practices of informal traders, it should be provide the user with useful notification that help them better identify their customers need to improve their service. From these results it can also be suggested that social media should be made easier to manoeuvre for informal traders to regularly interact with their customers by providing written instructions or learning before using it for their business. Furthermore, Informal traders should be made aware of the opportunities that social media provides to their business such as being a good means of marketing.

4.6 SUMMARY

In this chapter, the empirical results of the study were reported. The demographic information collected from the respondents were stated within this study in the sections relating to respondents and the businesses' biographical data. These sections highlighted: Gender, age, ethnicity, education, employment, employees, dependants, service providers, position, peak hours and years of business.

The validity and reliability results of the measuring instrument was then presented and reported on. According to the results analysed, all the independent variables *Perceived*

usefulness, Perceived ease of use and Attitude had an influence on the dependent variable *Intention to use social media*.

A further analysis of the results was conducted and involved a descriptive analysis as well as an inferential analysis about the data. The descriptive analysis reported on the mean, standard deviation and a summary of the responses to the items by respondents. Included in the inferential analysis was the Pearson's product moment correlation and the multiple regression analysis.

In Chapter 5, the research objectives and research design will be further discussed and concluded. The main findings of the literature review will be stated, and the main findings of the empirical investigation will be provided. The researcher's conclusion and recommendations of the study will then be stated, followed by the limitations and future research of this study. Furthermore, a self-reflection of the researchers will then be provided.

CHAPTER 5

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

The empirical results for this study were presented in Chapter 4. In this final chapter, Chapter 5, a brief overview of all previous chapters in will be presented. The empirical results will then be discussed, followed by a detailed summary of the contributions to the study. The recommendations for future research will be highlighted and discussed, along with the limitations experienced by the researchers who conducted this study. Finally, a self-reflection in terms of researchers' experience of the study will be shared.

5.2 OVERVIEW OF STUDY

The purpose of this study was to investigate the intention of informal traders to use social media for businesses purposes in the Nelson Mandela Bay area. When carrying out this investigation, the researchers made use of the TAM model to identify influences that could affect informal traders intention to use social media.

The primary objective of this study is to identify, investigate and empirically test the intention of informal traders to use social media for their businesses.

In order to address the primary objectives of the study, the following secondary objectives have been developed:

- SO¹: To investigate the *Perceived usefulness* of social media for informal traders.
- SO²: To investigate the *Perceived ease of use* of social media for informal traders.
- SO³: To investigate informal traders *Perceived attitude* towards the use of social media for their businesses.

In order to achieve the above-mentioned primary and secondary objectives, the following methodological objectives have been identified:

- MO¹: To develop a hypothetical model and suggest appropriate hypotheses for the relationships between the independent variables (perceived usefulness, perceived ease of use and attitude) and dependent variable (Intention to use social media);

- MO²: To develop a measuring instrument that will empirically test the relationships in the hypothetical model;
- MO³: To source primary data from a predetermined sample of informal traders in the Nelson Mandela Bay area and statistically analyse the data, and test the proposed hypotheses; and
- MO⁴: To provide conclusions and recommendations based on the findings of this research, which could assist informal traders to improve their use of social media.

In Chapter 1, there was an introduction of study followed by a detailed problem statement, background, hypotheses and primary and secondary objectives of the study. Then the research design and methodology were discussed. Lastly, there was a scope and significance of the study which was presented outlining the particular reason for the study, and the definition of concepts were also indicated.

In Chapter 2, an overview of a detailed discussion of informal traders and social media sourced from various sources was presented. There was a discussion on the overall nature of informal traders as entrepreneurs, highlighting the importance of entrepreneurship and its challenges. Herrington *et al.*, (2010:11) highlight that entrepreneurship is a universal debate, especially in academia and public press. However, when broken down in the simplest term entrepreneurship is about knowing what people need and organising resources in starting a venture to fulfil that need (Lebambo *et al.*, 2017:15).

An informal trader who is also an entrepreneur is defined as any person who has a business, offering goods and services to the public without having a structured tax system or geographical area of permanent trade (Tengeh & Lapah 2013:8). Informal traders are a necessary component of the South African economy, especially as a developing country where there are high rates of poverty and high levels of unemployment (Horn, 2011:2). Blaauw (2013:5-6) mentions how the informal traders fill gaps in the market that are often overlooked.

South Africa like any other country faces some challenges when it comes to entrepreneurship. Environmental barriers which are external limitations, such as lack of skilled labour which is valued as the most important resource needed in any organisation (Lebambo *et al.*, 2017:13).

As an informal traders there are more challenges such as lack of longevity, where certain informal traders such as hawkers do not have a long-term mentality (discouraged from investing and growth due to threats of eviction and rising costs of trading) (Steel *et al.*, 2014:4-5). Some Governments do not even consider informal traders such as street vendors as contributors to economic development, thus giving more reason to clearing the streets with the eviction of these street vendors (Steel *et al.*, 2014:4-5).

One main challenge that was highlighted was poor marketing strategy. It was discussed how the solution to this challenge would be taking a closer look at the increasing trends and use of social media which is not in full effect by informal traders. Marketing is an important practice that allows a business to share information to its customers about the products and services that it has to offer (Bashar *et al.*, 2012:88).

Social media can be referred to as the tools used to facilitate communication, Interaction and sharing of photos, videos and documents using online applications (Chaturvedi *et al.*, 2014:81). In this digital world we live in, social media offers a platform that helps its users to reach out to as many of the worlds online population as it can and it does so at a relatively low cost (Chikandiwa *et al.*, 2013:366).

One suggested way that failure rates of entrepreneurs and small businesses can be reduced is for them to find a better way to reach their target market through effective communication (Kim *et al.*, 2012:1480). Social media offers that platform where brand attitudes from customers can be affected (Dahnil *et al.*, 2014:121). Businesses need to start adopting social media tools in order to reach a larger customer base (Chaturvedi *et al.*, 2014).

A study carried out by Barry *et al.*, (2008) showed that over the years there has been a significant increase in internet access. Research done on social media usage in South African has shown that the most popular social media networks were Instagram and Facebook (Thulo, 2016). The South African social media environment offers a very

feasible channel for marketers to encourage the adoption of online advertising (Afolabi, 2015 :9).

Chapter 3 provided an overview of the research design consisting of the data collection with the research design being one of a positivistic nature and therefore quantitative data to be collected. It further explained the secondary and primary data that will be collected. Furthermore, a detailed discussion on the data collection method and how it would be administered to the sample population being an informal trader in the Nelson Mandela Bay Area was included. Then the data analysis of this study was then provided, which elaborated on descriptive and inferential statistics that were undertaken. To end off the chapter was a discussion on the techniques that will be utilised to check the reliability and validity of the measuring instrument. Followed by a chapter summary.

A research paradigm can be defined as a perspective or pattern based on world views, beliefs, and assumptions. Two types of paradigms exist; a positivistic as well as an interpretive paradigm (Kivunja & Kuyini, 2017:30-33). For the chosen topic, the research paradigm identified is one of a positivistic nature, which is said to include observation of human behaviour and makes use of scientific methods to establish an explanation for it (Kivunja & Kuyini, 2017:30-31).

In terms of the research approach, there are two types that a study can follow, depending on the type of the research. It can either be quantitative or qualitative and for our topic quantitative research will be carried out. Quantitative research involves the collection of information in numerical form and making sense of this data using mathematical or statistical means (Yilmaz, 2013:312). Quantitative was chosen because the collection of data for this study involves gathering data through means of survey in the form of structured questionnaires which were distributed to all available informal traders in the Nelson Mandela Bay Area. In the end data was analysed and converted into useful information through statistical means.

The data collected from these sources served as secondary data that helped formulate a detailed discussion on the study. In the case of primary data, the data was collected using an appropriate sampling technique and from a population of 100 informal traders who run their businesses in the Nelson Mandela Bay Area. There are two main ways sampling can be undertaken: non-probability sampling and probability sampling

(Struwig & Stead, 2017:114). Probability sampling is when all the individuals in a population have the same chance at getting chosen to take part in the study (Etikan & Bala, 2017:2). On the other hand, non-probability sampling makes use of non-randomized methods to select the sample (Etikan & Bala, 2017:1).

Once primary data was collected, it was analysed using appropriate methods. The data gathered from the respondents was captured in Microsoft Office Excel 2016 and imported into a statistical program, known as Statistica 12. This involves a validity and reliability discussion.

Three types of validity exist. The first, content validity, refers to whether a measuring instrument measures everything that it should in relation to the variables. Face validity which is the second type refers to when a researcher is asked whether they think a measuring instrument covers what it is intended to. The third type, construct validity looks at whether conclusions can be drawn from the results gathered by the measuring instrument (Struwig & Stead, 2017:143).

Reliability on the other hand refers to whether if a study were to be repeated similar results would be achieved (Struwig & Stead, 2017:138). One commonly used way to analyse the reliability of the measuring instrument is using Cronbach's α , where the results are between 0 and 1. The measuring instrument is considered to be reliable if the result is 0.7 or higher (Heale & Twycross, 2015:67).

Descriptive statistics are a summary and description of the data that has been collected (Hussain, 2012:741). The descriptive statistics that was used in this study included a calculation of the mean, standard deviation and frequency. The mean is defined as a measure of central tendency representing the average of the data (Watier *et al.*, 2011:3). Standard deviation is used to measure the variability of data gathered and how far from the mean they are (Wan *et al.*, 2014). Frequency distribution involves grouping the collected data into various categories and then recording how often a certain category of data occurs (Manikandan, 2011:54).

Inferential statistics will be used in this study to test whether there is a relationship between the independent and dependent variables. Inferential statistics involve techniques that make use of the raw data collected and develop assumptions or conclusions from this data (Hussain, 2012:741). Pearson product coefficient and multiple regression analysis was used to analyse inferential statistics.

In Chapter 4 the focus is on the results of the empirical investigation. Presented in this chapter was the demographic information of the respondents and their businesses. Followed by the reliability and validity results of the measuring instrument which were evaluated and discussed. Then the descriptive and lastly, the inferential statistics.

The analysis of the demographic information obtained from the respondents in the study was presented in Chapter 4. Most of the respondents were males (51%), between two main age ranges; 18-24 (36%) and 25-34 (35%). The majority of the respondents were black (71%), followed by 13 per cent being white, 12 per cent coloureds and 4 per cent Asians. Lastly, in terms of education most of the respondents either had a matric certificate (40%) or a degree/diploma (39%), followed by respondents with grade 9-11 (12%) and only 9 per cent had obtained a postgraduate certificate.

The validity and reliability of the measuring instrument was then assessed. To measure validity in this study a factor analysis was carried out to test for uni-dimensionality which measured the dependent variable, Intention to use social media, and the independent variables, *Perceived ease of use*, *Perceived usefulness* and *Attitude towards use*. Initially there were six items (INT01, INT02, INT03, INT04, INT05 & INT06) that were set out to measure the intention to use social media. Only five factors loaded as these factor loadings were above 0.5 they are considered to be valid measures of the construct, they ranged between 0.887 and 0.569.

There were ten items (EASE01, EASE02, EASE03, EASE04, EASE05, EASE06, EASE07, EASE08, EASE09 and EASE10) that were set out originally to measure *Perceived ease of use*. Eight of the items loaded (excluding EASE06 and EASE08) for these remaining factor loadings for *Perceived ease of use* which range from 0.853 to 0.590. Six items (USEFUL02, USEFUL03, USEFUL04, USEFUL05, USEFUL06 and USEFUL07) of the original seven successfully loaded together to measure *Perceived usefulness*. The factor loadings for these remaining items range between 0.720 to 0.563. Only Three of the seven items loaded together (ATT03, ATT04 and ATT05). They ranged between 0.794 to -0.768.

The Cronbach's alpha calculated for the dependent variable, *Intention to use social media*, was 0.752 which is above 0.7, meaning that the data collected in this study can be considered reliable. The Cronbach-alpha for *Perceived usefulness* (0.694) and

Perceived ease of use (-0.664) fell below the recommended limit of 0.7 but after reversal of the coding there were still considered reliable. *Attitudes towards use* (0.696) was in close proximity to the 0.7 limit and would be accepted as reliable. Therefore, the revised hypothesis of the results is summarized in Table 5.1.

Table 5.1: Summary of hypotheses tested

Hypotheses		Decision
H ¹	There is a positive relationship between the <i>Perceived usefulness</i> of social media for informal traders and their <i>Intention to use social media</i> .	Accepted
H ²	There is a positive relationship between the <i>Perceived ease of use</i> of social media for informal traders and their <i>Intention to use social media</i> .	Accepted
H ³	There is a positive relationship between informal traders' perception of <i>Attitude towards using social media</i> and their <i>Intention to use social media</i> .	Accepted

From the information provided above it can be seen that the secondary objectives of this study have been achieved. Table 5.2 summarises these objectives and clearly indicates in which chapter they were achieved.

Table 5.2: Secondary objectives achieved and relevant chapters

	Secondary Objectives	Achieved
SO ¹	To investigate the <i>Perceived usefulness</i> of social media for informal traders	Chapter 4
SO ²	To investigate the <i>Perceived ease of use</i> of social media for informal traders	Chapter 4
SO ³	To investigate informal traders <i>Attitude</i> towards the use social media for their businesses	Chapter 4

Table 5.2 shows that all secondary objectives were achieved in Chapter 4. Next is Table 5.3 which is shows the methodological objectives and the chapters where they were achieved.

Table 5.3: Methodological objectives achieved and relevant chapters

	Methodological Objectives	Achieved
MO ¹	To develop a hypothetical model and suggest appropriate hypotheses for the relationships between the independent variables (<i>Perceived usefulness, Perceived ease of use and Attitude</i>) and dependent variable (Intention to use social media).	Chapter 1
MO ²	To develop a measuring instrument that will empirically test the relationships in the hypothetical model	Chapter 3
MO ³	To source primary data from a predetermined sample of informal traders in the Nelson Mandela Bay Area and statistically analyse the data, and test the proposed hypotheses	Chapter 4
MO ⁴	To provide conclusions and recommendations based on the findings of this research, which could assist informal traders to improve their use of social media.	Chapter 5

Finally, Chapter 5 which gives a brief overview of the study with all chapters presented. In this chapter a detailed summary is given with a conclusion, recommendation, limitation of study, future research and a self-reflection of researchers' experience of the study.

5.2.1 CONCLUSION

The main objective of the study was addressing the intention of informal traders to use social media for their businesses. The researchers provided information that was necessary for readers to understand the concepts and results of the study. The study focused on informal traders with businesses in the Nelson Mandela Bay Area. It was compulsory as specified in the questionnaire document that the respondent had to be an *Informal Trader* and had a business in the Nelson Mandela Bay Area.

The study shows that most of the respondents were ranging between ages 18-24 and acquired matric as their highest form of education. This validates the statement in the

literature review on most informal traders lacking skill and being unable to use social media to its full capacity.

The study used the Technology Acceptance Model (TAM) to conclude the influence of intention to use social media. The intention of usage was carried out as a dependent variable against three independent variables. This was achieved through testing for validity and reliability, it was concluded that all independent variables *Perceived usefulness*, *Perceived ease of use* and *Attitude* had an influence on the dependent variable *Intention to use social media*. With all three independent variables having a positive relationship with the dependent variable *Intention to use social media*.

5.2.2 RECOMMENDATIONS

As a result of the study, researchers have put forth the following recommendations for informal traders with the intention to use social media for businesses. The recommendations are derived from the three independent variables which were found to have a positive relationship with informal traders' intention to use social media for businesses.

a) Perceived usefulness

Perceived usefulness is a perceptual measurement of the degree to which informal traders believe that using social media will improve their businesses (Ogbonnaya, 2019:57). As from results in Chapter 4 *Perceived usefulness* refers to the belief that social media provides useful notifications that help the user identify change in customer needs, whilst saving time, it helps to improve communication with customers, helping the user do more, improving their sales in the process and also improving the quality of the service provided

As mentioned in the literature section, in this digital world we live in, social media offers a platform that helps its users to reach out to as many of the worlds online population as it can and it does so at a relatively low cost (Chikandiwa *et al.*, 2013:366).

The increase in smartphones and access to mobile data on a global scale makes this even more evident (Kemp, 2018:3). Informal traders would be aware of the fact that more people have phones. The empirical results show that 95 per cent of the respondents agreed that they find social media useful for their business operations and would need useful notifications that help track customer needs and communication to

customers to improve their sales. With that the following recommendations are put forward to encourage more informal traders to use social media for their businesses:

- Social media should provide more useful notifications to help identify consumer changing needs. Especially in this day and age where viral trends and internet challenges can shift consumer taste and needs. Social media should be able to notify informal traders of these changes. It can even go the extra mile to predicting trends that the customers may start to follow and notify businesses of this.
- There is research that shows how harmful social media can be, from wasting ones time, being addictive and privacy violation. Social media platforms should start taking a more public stance and intergrating options that helps users such as both informal traders and their customers use social media as a helpful tool which is safe and time saving.

b) Perceived ease of use

The second independent variable which is *Perceived ease of use* is the degree to which informal traders believe using social media is easy to use and does not require a lot of information and hard work (Machdar, 2016:134). From the results in Chapter 4, the study defines *Perceived ease of use* as the belief that one has the resources to use social media for business; customers would like to interact with the business on social media, social media is not confusing to use; users will be able to use it without written instructions and needing to learn a lot before using it for business.

With the increase in social media usage, the case of ease should be considered. There are a lot of factors that would lead to increase in social media usage. The increase in smartphones and access to mobile data have already been shown under percieved usefulness. Another important factor is the increase in social media platforms, which exists in different forms namely; blogging, podcasts, pictures, videos, rating and social bookmarking (Kim & Ko, 2012:1481). This gives users a wide range of platforms/ interfaces to use. The users would have options on which platform to use and which would be most suited for them.

Other informal traders would view blogging such as wordpress to be easier for them while others would rather use pictures and videos via Instagram and facebook. These options give informal traders the chance to choose their best platform where they can

engage with their customers in the easiest way for them. However, from the empirical results it was found that respondents would need training or written instructions in order to be able to interact with their customers using social media for their business purposes. Below are the recommendations for *Perceived ease of use*:

- As the number of people having access to smartphones is increasing, there should be an emphasis or awareness for informal traders to know that they already have the most important resource to use social media. There are informal traders who believe to effectively use social media you need a the best phone in terms of storage and picture quality. Others think you even need professional skills and equipment such as cameras and marketing specialists to make use of social media.
- In encouraging more informal traders to use social media and view it as an easy marketing technique. More informal traders should share stories and information of the ease of using social media. Seeing another informal trader using social media and claiming it to be easy would influence more informal traders to use it and perceive it to also be easy to use.
- With some informal traders looking at using social media in a competitive and structured aspect that without social media their business will find it hard to compete. There should be a promotion to use social media in a creative way that best suits the informal trader. There are blogs and videos that say there are certain formulas to use social media for a business. With this assuring the informal traders that there is no formula and it can be used in the way that fits the informal trader and the customers. This is a motivating reason that would change the view on the ease of social media.

c) Attitude towards use

According to (Yusoff & Ramayah, 2011:1513) *Attitude towards use* is described to be individual's positive or negative behaviour towards a new idea or new technology. Attitude toward use is the final independent variable in this study and according to this study it is the belief that social media will provide new opportunities for a business and that learning to use social media would be beneficial for the business as it is a good means for marketing.

The rise in the popularity and use of social media is something that has been noted by businesses and organisations around the world and they have also started taking part by creating social media accounts (Chikandiwa *et al.*, 2013). Entrepreneurs and small businesses such as informal traders usually believe they do not have enough resources to dedicate to marketing and this has been argued as being one of the main reasons contributing to their high failure rates (Hæreid & Indregård, 2015:1). According to a study done by Shah (2011), it was observed that thirty percent of start-up's failed due to lack of establishment of marketing techniques. It is clear that small businesses fail to realise how influential marketing techniques such as social media can be on their brand image.

With the literature review being clear that more entrepreneurs such as informal traders should use social media, the empirical results backs this up with a representation that shows most of the respondents (78%), agreed that they believe learning to use social media would be beneficial for their business as it would provide new opportunities for them such as more marketing channels. Below are recommendations as to how this can be achieved:

- There should be more accessible information available for informal traders on the importance of social media and how to use it for their business.
- Provide stories of how social media has changed other informal traders and their attitude towards business.

5.2.3 SHORTCOMINGS OF THE RESEARCH

This study had various limitations. However, limitations are common in any research. It is very important that these limitations are considered when interpreting the study. The limitations are as follows:

- Who are informal traders? What is social media? While taking on the study, the researchers found that the definition of informal trader is broad. The definition of an informal trader varies from Port Elizabeth to Africa and other parts of the globe. It was the same when it came to defining social media and its use, there is also a broad view on the concept of social media and its usage.
- Uni-dimensionality which measured the dependent variable, *Intention to use social media*, and the independent variables, *Perceived ease of use*, *Perceived*

usefulness and *Attitude towards use*. Due to this, certain factors did not load meaning there was no correlation found on all components and items.

- The sampling technique was only based on Informal traders in the Nelson Mandela Bay Area due to convenience of the researchers. The study was not random.
- Common method bias, where one questionnaire was used to measure all factors. This was evident in Chapter 4 when all items came out negative and had to be reverse coded. Exposing the mismatch in measuring all the factors the same way with one questionnaire.

5.2.4 FUTURE RESEARCH

The researchers believe that when carrying out the study sole reliance on the secondary sources will not be enough. Social media is one of the fastest moving technologies therefore, new information should always be considered. Therefore, the study should be done as a longitudinal research, where it's taken over shorter periods of time.

In carrying out the research to find out the intentions of informal traders in using social media, future research should also consider the customer's perspective. In the literature review there was an emphasis on the two-way communication difference between online marketing and traditional marketing. Where online marketing such as social media marketing is a two-way communication while traditional marketing such as posters and newspapers is one-way. Where the two-way communication involves engagement and customers having a voice.

The research was only taken from a sample population of the Nelson Mandela Bay area. Future research should be broader as it would give a more general view and results of the study. The sample technique of the study was not random, It was based on convenience and the researchers suggest that this study be taken as a random sample.

Finally, future researchers could also use a different model such as *Unified theory of acceptance and use of technology* which is a more specific breakdown of the TAM model. Where variables such as *Social influence*, *Gender*, *Age*, *Voluntariness of use* and *Facilitating conditions* are considered. These are more detailed variables that would give more detailed results.

5.2.5 SELF REFLECTION

At the start of the research, the researchers had an idea of what lied ahead of them. It was emphasized that this was a jump from previous research work. This study was going to be used for external purposes and its work such as this that starts to make an impact on the world. Credibility and reliability as rewards that come with research work.

As the research started off, organisation and time management skills were highlighted in order to complete the research as effectively as possible. With extra work and other commitments, the research started to become a load. A new approach had to be taken as now what was expected from the start became an understated reality. Research at this level is stricter, from the gathering of information to the plagiarism. Prior research work was usually carried by groups and had less content and now it was two researchers handling a whole load of work.

From taking on the study extra skills were attained by the researchers. The most obvious being research skills. It is a skill on its own to be able to know how to read research work and look it up. How to find what you're looking for. There was the case of time management, this was also a skill that was attained along the way together with better communication when it came to data collection. There was the use of statistic to come up with final empirical results. It was the first time that the researchers used Statistica, this software will be helpful for further research work that will be conducted by the researchers.

LIST OF SOURCES

- Abor, J., & Quartey, P. 2010. Issues in SME development in Ghana and South Africa. *International Research Journal of Finance and Economics*, 39(1): 218-228.
- Afolabi, A. 2015. *Social Media Marketin: The Case of Africa*. Ontario: Carleton University.
- Akhtar, I. 2016. *Research in Social Science: Interdisciplinary Perspectives*. New Delhi: Jamia Millia Islamia.
- Asnawi, A. L., Gravell, A. M. & Wills, G. B. 2012. *Factor Analysis: Investigating Important Aspects for Agile Adoption in Malaysia*, Southampton: University of Southampton.
- Ayankoya, K. 2016. *Entrepreneurship in South Africa - A Solution*. Port Elizabeth: Nelson Mandela Metropolitan University.
- Baba, G. K. 2013. The Challenges of Entrepreneurship Development in Nigeria and Way Forward. *Journal of Business and Organizational Development*, 5(1):54-64.
- Ball, S. 2005. *The Importance of Entrepreneurship to Hospitality, Leisure, Sport and Tourism*:The Higher Education Academy.
- Bank, L. J., Cloete, N. & Schalkwyk, F. V. 2018. Rethinking Higher Education and Development in South Africa. Cape Town: African Minds.
- Barker, A., Nancarrow, C. & Spackman, N. 2001. Informed eclecticism: a research paradigm for the twenty-first century. *International Journal of Market Research*, 43(1):3-26.
- Barry, A., Born, G. & Weszkalnys, G. 2008. Logics of intersciplinarity. *Journal of Economy and Society*, 37(1):20-49.
- Bashar , A., Irshad, A. & Wasiq, M. 2012. Effectiveness of social media as a marketing tool: An empirical study. *International Journal of Marketing, Financial Services & Management Research*, 1(11):88-99.
- Bhorat, H., Asmal, Z., Lilenstein, K. & Van Der Zee, K. 2018. *SMMES in South Africa: Understanding the Constraints on Growth and Performance*, Cape Town: Governement Policy Research Unit.

- Blaauw, D., 2013. *The informal sector: An African perspective* in conference proceedings of the 2011 DTI Small business Summit, Bloemfontein, 11-12 October 2011.
- Blanchard, O. 2011. *ROI and other social media outcomes*. Boston: Pearson Education.
- Bosma, N. & Kelley, D., 2019. *Global Entrepreneurship Monitor 2018/2019 Global Report*. Chile: Gráfica Andes.
- Bosch, J., Tait, M. & Venter, E. 2018. *Business Management: An entrepreneurial perspective*. 3rd ed. Port Elizabeth: Prudential SA.
- Burns-Whittemore, E. 2012. *How Fashion Brands Are Turning Customers Into Ambassadors*. [Online] Available: <http://www.contentandmotion.co.uk/blog/how-fashion-brands-are-turning-customers-into-ambassadors/> (Accessed 3 May 2019).
- Business Report. 2017. *How South Africans Respond to Different Social Media Platforms*. [Online] Available: <https://www.iol.co.za/business-report/how-south-africans-respond-to-different-social-media-platforms-11290060> (Accessed 3 May 2019).
- Chatterjee, S. & Simonoff, J. S. 2013. *Handbook of Regression Analysis*. New Jersey: Wiley.
- Chaturvedi, S. & Gupta, S. 2014. Social media - a tool in modern era marketing. *International Journal of Engineering Sciences & Management Research*, 1(2): 80-86.
- Chikandiwa, S. T., Contogiannis, E. & Jembere, E. 2013. The adoption of social media marketing in South African banks. *European Business Review*, 25(4):365-381.
- Chimucheka, T. & Mandipaka, F. 2015. Challenges faced by small, medium and micro enterprises in the Nkonkobe. *International Journal of Economics and Business Research*, 14(2).
- Chingono, M. 2016. Women, the Informal Economy and the State in Lesotho. *World Journal of Social Science Research*, 3(4):629-648.

- Cowen, J. 2009. *The Influence of Perceived Usefulness, Perceived Ease of Use, and Subjective Norm on the Use of Computed Radiography Systems*. [Online] Available:https://www.researchgate.net/publication/266587480_The_Influence_of_Perceived_Usefulness_Perceived_Ease_of_Use_and_Subjective_Norm_on_the_Use_of_Computed_Radiography_Systems_A_Pilot_Study (Accessed 5 June 2019).
- Cowling, M. & Bygrave, W. D. 2005. Entrepreneurship, Welfare Provision and Unemployment: Relationships Between Unemployment, Welfare Provision, and Entrepreneurship in Thirty-Seven Nations Participating in the Global Entrepreneurship Monitor (GEM) 2002. *Babson College Center for Entrepreneurship Research Paper*, 2008(2):617-635.
- Creswell, J. W. 2014. *Research Design: Qualitative, quantitative and mixed method approaches*. 4th ed. Thousand Oaks: SAGE.
- Cronin, J., Brady, M. K., Brand, R.R., Hightower, R. & Shemwell, D. 1997. A cross-sectional test of the effect and conceptualization of service value. *Journal of Services Marketing*, 11(6):375-391.
- Dahnil, M. I., Marzuki, M. K., Langgat, J. & Fabeil, N. F. 2014. Factors Influencing SMEs Adoption of Social Media Marketing. *Procedia - Social and Behavioral Sciences* , 148:119-126.
- Davies, C. & Fisher, M. 2018. Understanding research paradigms. *Journal of the Australian Rehabilitation Nurses' Association*, 21(3):21-25.
- Davis, F. D. 1986. *A Technology Acceptance Model for Empirically Testing New End-User Information Systems: Theory and Results.*, Massachusetts Institute of Technology: Sloan School of Management.
- Davis, F. D., Bagozzi, R. P. & Warshaw, P. R. 1989. User acceptance of computer technology: A comparison of to theoretical models. *Management Science*, 35(8):982-1003.
- Davis, F. D. 1989. Perceived usefulness, perceived ease of use, and user acceptance of Information technology. *Management Information Systems Quarterly*, 13(3):319-340.

- De Vries, L., Gensler, S. & Leeflang, P. S. 2012. Popularity of brand posts on brand fan pages: an investigation of the effects of social media marketing. *Journal of Interactive Marketing*, 26(1): 83-91.
- Digital School of Marketing. 2019. *What are the Most Used Social Media Platforms in South Africa?* [Online] Available: <https://digitalschoolofmarketing.co.za/blog/most-used-social-media-platforms-in-sa/> (Accessed 3 May 2019).
- Ellis, P. 2014. The language of research (part 1): research paradigms. *Decoding Science*, 10(2):118-119.
- Driscoll, D. L. 2011. Introduction to primary research: Observations, surveys, and interviews. *Writing Spaces: Readings on Writing*, 2:153-173.
- Elkaseh, A. M., Wong, K. W. & Fung, C. C. 2016. Perceived ease of use and perceived usefulness of social media for e-learning in libyan higher education: A structural equation modeling analysis. *International Journal of Information and Education Technology*, 6(3):192-198.
- Etikan, I. & Bala, K. 2017. Sampling and sampling methods. *Biometrics & Biostatistics International Journal*, 5(6): 215-217.
- Farias, C., Fernandez, P., Hjoth, D. & Holt, R. 2019. Organizational entrepreneurship, politics and the political. *Entrepreneurship and Regional Development*, 31(7-8):555-566.
- Farrington, S. M., Venter, D. J. & Neethling, A. C., 2012. Entrepreneurial attributes and intentions: Perceptions of South African Business Science students. *Journal of the Southern African Institute for Management Scientists*, 21(3):17-32.
- Field, A. 2005. *Discovering Statistics using SPSS*. 2nd ed. London: Sage
- Fuchs, C. 2017. *Social Media: A critical introduction*. 2nd ed. London: Sage.
- Fundie, A.M.S., Chisoro, C. & Karodia, A. M. 2015. The challenges facing informal traders in the Hillbrow area of Johannesburg. *Kuwait Chapter of Arabian Journal of Business and Management Review*, 4(6):46-75.
- Greener, S. 2008. *Business Research Methods*. London: Ventus.

- Guha-Khasnobis, B., Kanbur, R. & Ostrom, E. 2006. *Beyond Formality and Informality*. New York: United Nations Development Programme.
- Hæreid, M. B. & Indregård, S. 2015. *Guerilla Marketing: A low cost strategy for startups*, Trondheim: NTNU.
- Hagell, P. 2014. Testing rating scale unidimensionality using the Principal Component Analysis (PCA)/t-test protocol with the Rasch model: The primacy of theory over statistics. *Open Journal of Statistics*, 4(1):456-465.
- Hair, J. F., Black, W. C., Babin, B. J. & Anderson, R. E. 2014. *Multivariate Data Analysis*. 7th ed. Harlow: Pearson New International Edition.
- Heale, R. & Twycross, A. 2015. Validity and reliability in quantitative studies. *Evidence-Based Nursing*, 18(3): 66-67.
- Head, T. 2018. *Business & Finance: The South African*. [Online]
Available at: <https://www.thesouthafrican.com/business-finance/sarb-interest-rate-explain-pros-cons/> (Accessed 20 May 2019).
- Herrington, M., Kew, J. & Kew, P. 2010. *Tracking entrepreneurship in South Africa: A GEM perspective*, Cape Town: UCT.
- Herrington, M. & Kew, J. 2013. GEM: South African Report 2013. [Online]. Available: <http://www.gemconsortium.org/report/48830> (Accessed 26 April 2019).
- Hillmer, U. 2009. *Technology Acceptance in Mechatronics*. Wiesbaden: Gabler Verlag.
- Horn, A. 2011. Who's out there? A profile of informal traders in four South African city central business districts, *African Journals Online*. 59:1-6.
- Hossen, S. 2019. Smart nanocarrier-based drug delivery systems for cancer therapy and toxicity studies: A review. *Journal of Advanced Research*, 15(1):1-18.
- Hussain, M. 2012. Descriptive statistics - presenting your results. *Journal of the Pakistan Medical Association*, 62(7):741-743.
- Izquierdo, I., Olea, J. & Abad, F. J. 2014. Exploratory factor analysis in validation studies: Uses and recommendations. *Psicothema*, 26(3):395-400.
- Jamela, T. 2013. *Experiences and coping strategies of women informal cross-border traders in unstable political and economic conditions: the case of Bulawayo (Zimbabwe) traders*. Johannesburg: University of Johannesburg.

- Johnston, M. 2014. Secondary data analysis: A method of which the time has come. *Qualitative and Quantitative Methods in Libraries*, 3(3):619-626.
- Kemp, S. 2018. *Global Digital Report*. [Online] Available: <https://digitalreport.wearesocial.com> (Accessed 29 April 2018).
- Khang, H., Ki, E.J. & Ye, L. 2012. Social media research in advertising, communication, marketing, and public relations, 1997-2010. *Journalism & Mass Communication Quarterly*, 89(2):279-298.
- Kim, A. & Ko, E. 2012. Do social media marketing activities enhance customer equity? An empirical study of luxury fashion brand. *Journal of Business Research*, 65:1480-186.
- Kivunja, . C. & Kuyini, A. B. 2017. Understanding and applying research paradigms in educational contexts. *International Journal of Higher Education*, 6(5):30-31.
- Kothari, C. R. 2004. *Research Methodology: Methods and Techniques*. 3rd ed. Jaipur: New Age International.
- Kotler , P. & Keller, K. L. 2012. *Marketing Management*. 4th ed. New Jersey: Prentice Hall.
- Kumar, N. & Sharma , S. 2017. Survey analysis on the usage and impact of Whatsapp Messenger. *Global Journal of Enterprise Information System*, 8(3):52-57.
- Kumar, R. 2011. *Research Methods: A Guide For Beginners*. 3rd ed. London: SAGE.
- Kurako, D. F. 2017. *Entrepreneurship: Theory, Process and Practice*. 10th ed. San Francisco: Cengage Learning.
- Lebambo, M. Sambo, W. & Berg, A. V. D., 2017. Entrepreneurial skills. Pretoria: Van Schaik.
- Leboea, S. T. 2017. *The Factors Influencing SME Failure in South Africa*, Cape Town: University of Cape Town.
- Levy, P. S. & Lemeshow, S. 2008. *Sampling of Populations: Methods and Applications*. 4th ed. New Jersey: Wiley.
- Lewis, J. & Suro, J. 2011. Item benchmarks for the system usability scale. *Journal of Usability Studies*, 13(3):158-165.

- Ligthelm, A.A. & Van Wyk, A.M.A. (2004). Informal Trading in Tshwane: Regulatory, Spatial and Economic Framework. Bureau of Market Research: University of South Africa.
- Lund, A., 2001. Measuring usability with the use questionnaire. *Usability and User Experience Newsletter, STC Usability SIG*, 8(1):3-6.
- Lund, F. Nicholson, J. Skinner, C. 2000. *Street Trading. School of Development studies*. University of Natal: University Press.
- Machdar, N. M. 2016. The effect of information quality on perceived usefulness and perceived ease of use. *Business and Entrepreneurial Review*, 15(2):131-146.
- Mahadea , D. & Pillay, M. 2008. Environmental conditions for smme development in a South African provinc. *South African Journal of Economic and Management Sciences*, 11(4):431-448.
- Manikandan, S. 2011. Measures of central tendency: The mean. *Journal of Pharmacy and Pharmacology*, 2(1):54-56.
- Martin, F. & Marcus, T. 2010. *Social Enterprise: Developing a sustainable business*. London: Palgrave.
- Matsunaga, M. 2010. How to factor-analyze your data right: Do's, don'ts, and how-to's. *International Journal of Psychological Research*, 3(1):97-110.
- Mertler, C. A. 2015. *Introduction to Educational Research*. 2nd ed. Thousand Oaks: Sage.
- Meyer, N. & Meyer, D. 2017. An Econometric Analysis of Entrepreneurial Activity, Economic Growth and Employment: The case of the BRICS countries. *International Journal of Economic Perspective*, 11(2):429-441.
- Michaelidou, N., Siamagka, N. T. & Christodoulides, G. 2011. Usage, Barriers and Measurement of Social Media Marketing: An Exploratory Investigation of Small and Medium B2B Brands. *Industrial Marketing Management*, 40(7): 1153-1159.
- Mokhtar, N. F., Hasan, Z. R. A. & Halim, M. A. S. M. 2017. The social media and marketing strategies: How it impacts the small- and medium-sized enterprises'

- business performance?. *Australasian Journal of Business, Social Science and Information Technology* , 3(4):184-190.
- Modupi, S., 2017. *The integrated development plan as a strategy to empower informal traders: The case of Thohoyandou*. Thohoyandou: University of Venda.
- Morgan, N. A. 2011. Marketing and business performance. *Journal of the Academy of Marketing Science*, 40(1):102-119.
- Murphy, B. 2010. *The Intelligent Entrepreneur*. 1st edition. UK: Ebury.
- Ndlendle, S. 2018. iOS: Business Report. [Online] Available:<https://www.iol.co.za/business-report/entrepreneurs/sas-entrepreneurial-activity-at-its-highest-level-in-five-years-13833633> (Accessed 4 April 2019).
- North, E. 2002. A decade of entrepreneurship education in South Africa. *South African Journal of Education*, 22(1):24-27.
- Ogbonnaya, U. 2019. Adoption and perceived usefulness of social Media by pre-service teachers in Nigeria. *International Journal of Interactive Mobile Technologies*, 13(6):52-67.
- Oji, O. N. E., Iwu , C. G. & Tengeh, R. K. 2017. Social media adoption challenges of small businesses: the case of restaurants in the Cape Metropole, South Africa. *African Journal of Hospitality, Tourism and Leisure*, 6(4): 1-12.
- Opreana, A. & Vinerean, S. 2015. A new development in online marketing: Introducing digital inbound marketing. *Expert Journal of Marketing*, 3(1):29-34.
- Örnek, A. S. & Danyal, Y. 2015. Increased importance of entrepreneurship from entrepreneurship to techno-entrepreneurship (Startup): provided supports and conveniences to techno-entrepreneurs in Turkey. *Procedia - Social and Behavioral Sciences* , 195(2015):1146 – 1155.
- Palma, A. P. 2016. Effectiveness of Facebook as a free marketing tool. *University of Minnesota International Mult. Research Journal*, 1(2): 21-26.
- Paquette, H. 2013. Social Media as a Marketing Tool: A Literature Review. *Major Papers by Master of Science Students*, 2(1): 1-26.

- Pearlman, L. & Abram, C. 2010. Facebook: A new kind of advertising. *Facebook for dummies*. 2nd ed. Indiana: Wiley: 275-283.
- Peberdy, S. A. 2000. Border crossings: small entrepreneurs and cross-border trade between South Africa and Mozambique. *Tijdschrift Voor Economische en Sociale Geografie*, 91(4):361-378.
- Ping, Y. & Siyu, Q. 2018. Developing a theoretical model and questionnaire survey instrument to measure the success of electronic health records in residential aged care. *Public Library of Science ONE* , 13(1):1-18.
- Rahi, S. 2017. Research design and methods: A systematic review of research paradigms, sampling issues and instruments development. *International Journal of Economics & Management Sciences*, 6(2):1-5.
- Rozaidy, M. & Siti-Nabiha, A. K. 2018. A framework on institutional entrepreneurships: the roles of logic and rhetorical institutionalism. *The European Proceedings of Social & Behavioural Sciences*, 65(1):206-215.
- REC, N.M.U. 2010. *Institutional Regulatory Code*. [Online] Available:<http://rcd.mandela.ac.za/rcd/media/Store/documents/Research%20Ethics/Research%20Ethics%20Committee%20Animal/Ethics-Policy.doc> (Accessed 20 May 2019).
- Resnik, D. B. 2013. *What is Ethics in Research & Why is it Important?*. [Online]. Available:<https://courses.washington.edu/bethics/Homepage/What%20is%20Ethics%20in%20Research%20&%20Why%20is%20it%20Important.pdf> (Accessed 20 May 2019).
- Romani, L., Barmeyer, C., Primecz, H. & Pilhofer, K. 2018. Cross-Cultural management studies: State of the field in the four research paradigms. *International Studies of Management & Organization*, 48(1):247-263.
- Rugova, B. & Prenaj, B. 2016. Social media as marketing tool for SMEs: opportunities and challenges. *Academic Journal of Business, Administration, Law and Social Sciences*, 2(3): 85-97.

- Saaondo, P. & Igbaakaa, J. A. 2018. Perception and attitude towards the use of social media network among University undergraduates. *IOSR Journal Of Humanities And Social Science*, 23(8): 69-75.
- Sadik, A. 2006. Factors influencing teachers' attitudes toward personal use and school use of computers: new evidence from a developing nation. *SAGE Journals*, 30(1):86-113.
- Sawyer, S. F. 2009. Analysis of variance: The fundamental concepts. *The Journal of Manual & Manipulative Therapy*, 17(2):27-38.
- Schraader, D., Whittaker, L. & Mckay, I. 2010. Debt financing the capital requirements of South African informal market traders. *South African Journal of Economic and Management Sciences*, 13(3):329-344.
- Schneider, A., Hommel, G. & Blettner, M. 2010. Linear regression analysis. *Deutsches Ärzteblatt International*, 107(44):776-782.
- Schober, P., Boer, C. & Schwarte, L. A. 2018. Correlation coefficients: appropriate use and interpretation. *Anesthesia and Analgesia*, 126(5):1763-1768.
- SchoemanLaw Inc, 2018. *Barriers Preventing The South African Youth From Becoming From Becoming Entrepreneurs*. Cape Town: Helena Roodt.
- Shaft, T. M., Sharfman, M. P. & Wu, W. 2004. Reliability assessment of the attitude towards computers instrument. *Computers in Human Behaviour*, 20(5): 661-689.
- Shah, C. 2011. *Analyzing 32 Startup Failure Post-Mortems to Find the 20 Top Reasons that Startups Fail*. [Online] Available:<http://www.chubbybrain.com/blog/top-reasons-startups-fail-analyzingstartup-failure-post-mortem/> (Accessed 10 April 2019).
- Singer, S., Herrington, M. & Menipaz, E. 2018. Global Report 2017/18. Massachusetts: GERA.
- Singer, S., Amoros, E. J. & Moska, D. 2015. Global Entrepreneurship Monitor 2014 Global Report. Massachusetts: GERA.
- Singh, K. 2007. *Quantitative Social Research Methods*. New Delhi: Sage.

- Skopelitis , D. 2017. *Does entrepreneurship and its motives have an impact on economic and employment growth? A Panel VAR analysis on EU-15 countries.* Lund: Lund University.
- Statistics South Africa. 2013. *Survey of Employers and the Self-employed 2013.* Pretoria: Stats SA.
- Statistics South Africa. 2019. Stats SA. [Online] Available: http://www.statssa.gov.za/?page_id=1854&PPN=P0211 (Accessed 20 May 2019).
- Steel, W. F., Ujoranyi, T. D. & Owusu, G. 2014. Why Evictions Do Not Deter Street Traders: Case Study in Accra, Ghana. *Ghana Social Science Journal*, 11(2):52-76.
- Struwig, F. W. & Stead, G. B. 2017. *Research: Planning, Designing and Reporting.* 4th ed. Capetown:Pearson.
- Surendran, P. 2012. Technology acceptance model: A survey of literature. *International Journal of Business and Social Research*, 2(4): 175-177.
- Taherdoost, H. 2017. A review of technology acceptance and adoption models and theories. *Pocedia Manufacturing*, 22(1):960-967.
- Tavakol, M. & Dennick, R. 2011. Making sense of Cronbach's alpha. *International Journal of Medical Education*, 2(1):53-55.
- Tengeh, R. K. & Lapah, C. Y. 2013. The Socio-Economic Trajectories of Migrant Street Vendors in Urban South Africa. *Journal of Social Sciences*, 4(2):109-127.
- Thanh, N. C. & Thanh, T. T. L. 2015 . The interconnection between interpretivist paradigm and qualitative methods in education. *American Journal of educational Science*, 1(2):24-27.
- Thembekwayo, V. 2017. SA's innovation summit [Online] Available: https://innovationsummit.co.za/wall-of-fame/vusi_thembekwayo/ (Accessed 13 May 2019).
- Thulo, L. 2016. *South Africans love Facebook and Instagram – this is why you should care* .[Online] Available: <https://www.smesouthafrica.co.za/16462/Facebook->

- and-Instagram-are-making-waves-this-is-why-you-should-care/ (Accessed 2 May 2019).
- Torous. 2017. Development of a Questionnaire to Measure the Attitudes of Laypeople, Physicians, and Psychotherapists Toward Telemedicine in Mental Health. *Journal of Medical Internet Research Health*, 4(4):39.
- Trainor, K. J. 2013. Relating social media technologies to performance: A capabilities-based perspective. *Journal of Personal Selling & Sales Management*, 32(3):317-331.
- Uyanık, G. K. & Güler, N. 2013. A study on multiple linear regression analysis. *Procedia - Social and Behavioral Sciences*, 106:234-240.
- Varol & Tarcan, E. 2009. An empirical study on the user acceptance of hotel information systems. *Tourism: An International Interdisciplinary Journal* , 57(2):121-122.
- Venkatesh, V., Morris, M. G., Davis, G. B. & Davis, F. D. 2003. User acceptance of information technology: toward a unified view. *Management Information Systems Quarterly*, 27(3):425-478.
- Wan, X., Wang, W., Jiming, L. & Tong, T. 2014. Estimating the sample mean and standard deviation from the sample size, median, range and/or interquartile range. *BMC Medical Research Methodology*, 14(1):1-135.
- Wang, W.H. & Liu, Y.J. 2009. *Attitude, Behavioral Intention and Usage: An Empirical Study of Taiwan*. [Online]. Available: <http://www.swdsi.org/swdsi2009/Papers/9C04.pdf> (Accessed 5 June 2019).
- Watier, N. N., Lamontagne, C. & Chartier, S. 2011. What Does the Mean Mean?. *Journal of Statistics Education*, 19(2):1-12.
- Weerasinghe, S. & Hindagolla, M. C. 2011. Technology acceptance model and social network sites (SNS): a selected review of literature. *Global Knowledge, Memory and Communication*, 67(3):142-153.
- Wilcox-Herzog, A. & Ward, S. L. 2004. Measuring Teachers' Perceived Interactions with Children: A Tool for Assessing Beliefs and Intentions. *Early Childhood Research & Practice*, 6(2):13.

- Yilmaz, K. 2013. Comparison of quantitative and qualitative research traditions: epistemological, theoretical, and methodological differences. *European Journal of Education*, 48(2):311-316.
- Yong, A. G. & Sean, P. 2013. A beginner's guide to factor analysis: Focusing on exploratory factor analysis. *Tutorials in Quantitative Methods for Psychology*, 9(2):79-94.
- Yusoff, Y. M. & Ramayah, T. 2011. Factors influencing attitude towards using electronic hrm. *Proceeding*, 2:1510-1520.
- Ziegler, M. & Hagemann, D. 2015. Testing the unidimensionality of items. *European Journal of Psychological Assessment*, 31(4):231-237.

ANNEXURE A – COPY OF COVER LETTER

NELSON MANDELA
UNIVERSITY

Summerstrand South Campus
Department of Business Management
June-August 2019

Dear respondent

According to eMarketer businesses have adopted social media for various marketing activities such as customer relationship, branding and sales. However, Informal traders who contribute to approximately seven to thirteen percent of the South African economy have been to not utilise social media in their businesses. Therefore this study is looking to determine informal traders desire to use social media such as Facebook, Titter, Instagram, etc. in marketing their business.

Topic: To investigate the intention of informal traders to use social media for businesses purposes in Nelson Mandela Bay.

The aim: Determine if informal traders want to use social media to communicate with their customers.

The honours students are required to gather the necessary information from informal traders in the Nelson Mandela Bay Area in order to complete their treatise as part of their degree. For the purpose of this study, an informal trader is a person who runs a business that is not registered for value-added tax (VAT). In the Nelson Mandela Bay area a person is recognized as an informal trader after receiving a permit which confirms their compliance with public health laws.

It would be greatly appreciated if you could respond to the following questions to assist in the completion of this study. The questionnaire should take about 15 minutes to complete. There are no right or wrong answers. Only your **honesty** and the **perceptions you hold** are important. **All information will be treated in the strictest confidence** and you are under no obligation to participate. Please note that the information obtained will be used for research purposes only. The final report will not include any identifying information. Please feel free to contact us about any queries you might have. Your participation in the study will be most appreciated.

Yours sincerely

Dr S. Beck

Chimwemwe Hami

Chifundo Mazenegera

Study Leader

Honours student

Honours student

Department of Business Management

Nelson Mandela University

Email: shelly.beck@mandela.ac.za

Tel: +27 (0) 41 504 1392

ANNEXURE B – COPY OF QUESTIONNAIRE

A. General Information

- 1.1.1 Do you meet the requirements for participating in this research study, namely (1) you are an informal trader with a business that is not registered for VAT (2) your business is registered for VAT?

Yes	1
No	2

- 1.1.2 Is your business based in the Nelson Mandela Bay area (i.e. Summerstrand, Govan Mbeki, Walmer, dispatch)?

Yes	1
No	2

- 1.1.3 Are you currently using social media for your business?

Yes	1
No	2

- 1.2 Please indicate your gender

Male	1
Female	2

- 1.3 Please indicate your age (years)

13-17 years	1
18-24 years	2
25-34 years	3
35-44 years	4
45-54 years	5
55-64 years	6
65+ years	7

- 1.4 Please indicate the ethnic group to which you associate.

Asian	1
Black	2
Coloured	3
White	4
Not Willing to say	5

1.5 Please indicate your education background

Grade 9-11	1
Matric	2
Degree/Diploma	3
Postgrad	4
Other (please indicate)

1.6 Are you currently employed?

Part-Time	1
Full-Time	2

1.7 Please indicate the number of dependants you have

0	1
1	2
2	3
3	4
4	5
5 and more	6

1.8 Please indicate how long you have been running your business

Less than one year	1
1 year	2
2 years	3
3 years	4
4 years	5
5 + years	6

1.9 Please indicate number of employees you have in your business?

0	1
1	2
2	3
3	4
4	5

5 and more	6
------------	---

1.10 Number of service providers (e.g. Storage, Transport, Maintenance)

0	1
1	2
2	3
3	4
4	5
5 and more	6

1.11 What is your current position of your informal business?

Fixed	1
Moves around	2

1.12 Please indicate how many times you use of social media a week?

Never	1
Once a week	2
2-3 times a week	3
more than 4 times a week	4

1.13 Please indicate the peak hours of the business

6:00am-9:00am	1
9:00am-12:00pm	2
12:00pm-15:00pm	3
15:00pm- 18:00pm	4
18:00pm-21:00pm	5

1.14 Please indicate most active day for the business on social media

Sunday	1
Monday	2
Tuesday	3
Wednesday	4
Thursday	5
Friday	6

Saturday	7
----------	---

1.15 Please indicate number of social media platforms used for the business (i.e. Facebook, WhatsApp, Twitter, Instagram etc)

0	1
1	2
2	3
3	4
4	5
5 and more	6

B. The intent for informal traders to use social media to communicate with their customers.

Please indicate (with an 'X') the extent to which **you agree or disagree with each statement**. The columns are graded from **1** to **5**. The number **1** denotes strong **disagreement** with the statement, and at the other end of the scale, **5** denotes strong **agreement** with the statement.

	In my opinion.....	Extent of agreement				
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	I intend to use social media (Facebook,whatsapp,twitter) to communicate with my customers as often as needed?	1	2	3	4	5
2	I feel aggressive and hostile towards social media (Facebook, WhatsApp, Twitter and Instagram)	1	2	3	4	5
3	I have the resources to use social media within my business.	1	2	3	4	5
4	Social media (Facebook, WhatsApp, Twitter and Instagram) gives me useful notifications that help me to identify the change in customer needs	1	2	3	4	5
5	Using social media (Facebook, WhatsApp, Twitter and Instagram) saves me time	1	2	3	4	5
6	Social media (Facebook, WhatsApp, Twitter and Instagram) is a good means for marketing my business	1	2	3	4	5
7	Interacting with my customers on social media (Facebook, WhatsApp, Twitter and Instagram) is often very confusing	1	2	3	4	5
8	Both occasional and regular customers would like to interact using social media (Facebook, WhatsApp, Twitter and Instagram)	1	2	3	4	5
9	I predict that I will use social media on a regular basis in the future	1	2	3	4	5
10	Social media (Facebook, WhatsApp, Twitter and Instagram) has improved communication with consumers	1	2	3	4	5
11	Social media provides new opportunities (Facebook, WhatsApp, Twitter and Instagram) for my business	1	2	3	4	5
12	My business will find it difficult to perform without social media (Facebook, WhatsApp, Twitter and Instagram)	1	2	3	4	5
13	I am going to use social media to receive customers feedback about buying my products	1	2	3	4	5
14	I intend to use social media (Facebook, WhatsApp, Twitter and Instagram) in my business within the next three months?	1	2	3	4	5
15	The information on social media (Facebook, WhatsApp, Twitter and Instagram) is presented in a useful format	1	2	3	4	5

16	using social media (Facebook, WhatsApp, Twitter and Instagram) helps me be more effective	1	2	3	4	5
17	There is often doubt in using social media (Facebook, WhatsApp, Twitter and Instagram)	1	2	3	4	5
18	Social media (Facebook, WhatsApp, Twitter and Instagram) has improved my quality	1	2	3	4	5
19	I would make use of social media (Facebook, WhatsApp, Twitter and Instagram) without an accompanying face-to-face interaction with my customers during illness	1	2	3	4	5
20	Social media (Facebook, WhatsApp, Twitter and Instagram) is easy to use	1	2	3	4	5
21	Social media (Facebook, WhatsApp, Twitter and Instagram) is only sensible as an addition to face-to-face interactions with my customers	1	2	3	4	5
22	I expect that I will use social media to communicate with my suppliers	1	2	3	4	5
23	I am likely to ask my customers to follow me/communicate with me on social media (Facebook, WhatsApp, Twitter and Instagram)	1	2	3	4	5
24	I often become confused when I use social media (Facebook, WhatsApp, Twitter and Instagram)	1	2	3	4	5
25	I found the various functions of all social media platforms (Facebook, WhatsApp, Twitter and Instagram) well integrated	1	2	3	4	5
26	Social media (Facebook, WhatsApp, Twitter and Instagram) has improved my productivity	1	2	3	4	5
27	Learning about social media (Facebook, WhatsApp, Twitter and Instagram) for my business is worthwhile	1	2	3	4	5
28	I can use social media (Facebook, WhatsApp, Twitter and Instagram) without written instructions	1	2	3	4	5
29	I need to learn of a lot of things before I could go on using social media (Facebook, WhatsApp, Twitter and Instagram) for my business	1	2	3	4	5
30	I often become confused when I use social media (Facebook, WhatsApp, Twitter and Instagram)	1	2	3	4	5

ANNEXURE C – ETHICS FORM E

NELSON MANDELA
UNIVERSITY

FACULTY OF BUSINESS AND ECONOMIC SCIENCES

ETHICS CLEARANCE FOR TREATISES / DISSERTATIONS / THESES

Instructions:

- Should be completed by study leader and student
- Must be signed off by student, study leader and HoD
- Submit completed form to Ms Lindie van Rensburg
- Please ensure that the research methodology section from the proposal is attached to this form
- Please note that by following this Proforma ethics route, the study will NOT be allocated an ethics clearance number

FACULTY: Business and Economic sciences

SCHOOL / DEPARTMENT: Business Management

I, (surname and initials of study leader) Beck, S. B.

the study leader for (surname and initials of candidate) Mazengera, C. (215047982)
Hami, C. (215093852)

_____ (student number) _____

a candidate for the degree of BCom Honours (Business Management)

with a treatise/dissertation/thesis entitled (full title of treatise/dissertation/thesis):

Informal traders and the use of social media to improve business performance in the Nelson Mandela Bay Area

considered the following ethics criteria (please tick the appropriate block):

		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?		<input checked="" type="checkbox"/>
2.	Is the study based on a research population defined as 'vulnerable' in terms of age, physical characteristics and/or disease status?		<input checked="" type="checkbox"/>
2.1	Are subjects/participants/respondents of your study:		
2.1.1	Children under the age of 18?		<input checked="" type="checkbox"/>
2.1.2	NMMU staff?		<input checked="" type="checkbox"/>
2.1.3	NMMU students?		<input checked="" type="checkbox"/>
2.1.4	The elderly/persons over the age of 60?		<input checked="" type="checkbox"/>
2.1.5	A sample from an institution (e.g. hospital/school)?		<input checked="" type="checkbox"/>
2.1.6	Handicapped (e.g. mentally or physically)?		<input checked="" type="checkbox"/>
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)		<input checked="" type="checkbox"/>
3.1	Are you intending to access participant data from an existing, stored repository (e.g. school, institutional or university records)?		<input checked="" type="checkbox"/>
4.	Will the participant's privacy, anonymity or confidentiality be compromised?		<input checked="" type="checkbox"/>
4.1	Are you administering a questionnaire/survey that:		
4.1.1	Collects sensitive/identifiable data from participants?		<input checked="" type="checkbox"/>
4.1.2	Does not guarantee the anonymity of the participant?		<input checked="" type="checkbox"/>
4.1.3	Does not guarantee the confidentiality of the participant and the data?		<input checked="" type="checkbox"/>
4.1.4	Will offer an incentive to respondents to participate, i.e. a lucky draw or any other prize?		<input checked="" type="checkbox"/>
4.1.5	Will create doubt whether sample control measures are in place?		<input checked="" type="checkbox"/>
4.1.5	Will be distributed electronically via email (and requesting an email response)?		<input checked="" type="checkbox"/>
	<p>Note:</p> <ul style="list-style-type: none"> • If your questionnaire DOES NOT request respondents' identification, is distributed electronically and you request respondents to return it manually (print out and deliver/mail); AND respondent anonymity can be guaranteed, your answer will be NO. • If your questionnaire DOES NOT request respondents' identification, is distributed via an email link and works through a web response system (e.g. the university survey system); AND respondent anonymity can be guaranteed, your answer will be NO. 		<input checked="" type="checkbox"/>

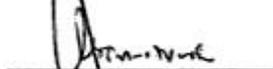
5.	Do you wish to publish an article from this study and submit to an accredited journal?		✓
----	--	--	---

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 (REC-H application) and submit it with the relevant documentation to the Faculty RECH (Ethics) representative.

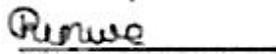
and hereby certify that the student has given his/her research ethical consideration and full ethics approval is not required.


STUDY LEADER(S)

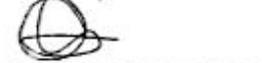
16/4/2019
DATE


HEAD OF DEPARTMENT

16/4/2019
DATE


STUDENT,

15/04/2019
DATE


STUDENT

15/4/19
DATE

ANNEXURE D TURNITIN REPORT

Treatise second submission

ORIGINALITY REPORT

25%	13%	4%	22%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	Submitted to Nelson Mandela Metropolitan University Student Paper	6%
2	repository.nwu.ac.za Internet Source	1%
3	Submitted to Eiffel Corporation Student Paper	1%
4	www.saibw.co.za Internet Source	1%
5	Submitted to Mancosa Student Paper	1%
6	Submitted to University of Leicester Student Paper	<1%
7	dspace.nwu.ac.za Internet Source	<1%
8	core.ac.uk Internet Source	<1%
9	repository.up.ac.za	