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The influence of social media on purchase intention, brand awareness, and brand loyalty: a focus on customers' engagement with brands on the platforms

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The influence of social media on purchase intention, brand awareness, and brand loyalty: A focus on customers' engagement with brands on the platforms

A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Management in Entrepreneurship and New Venture Creation

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ABSTRACT

The internet has transformed the way people communicate, it has allowed people and brands to communicate beyond geographic and time restrictions. The internet has introduced with it social media, which is a new way that brands and customers communicate, share ideas and exchange information. These interactions have a weighty effect on marketing strategies, therefore social media marketing has become critical for businesses. Through these interactions brands can gauge customer's attitudes towards the brand's different offerings. Understanding customer attitudes is an important part to knowing the customers' buying decision process.

Currently new businesses in South Africa mostly fail within a few years of operating. Some of the reasons leading to failure include access to markets, poor marketing, and lack of funding. Social media is a channel which businesses can use to access markets and market their offering as these platforms boast large number of potential customers. These customers are every business' most important asset and revenue source which assist SMEs in their growth. Therefore, SMEs need to understand how their engagement with customers influences their attitudes towards them as this contributes towards their growth.

The purpose of this research is to evaluate customers' attitudes by understanding how customer engagement with SMEs on social media influences brand loyalty, purchase intention, and brand awareness which will aid in venture growth and in turn economic growth.

The study followed a quantitative and positivist method. A survey was distributed through email and social media platforms to existing and potential customers who have a presence on the platforms to collect data, and the study achieved a 38% response rate.

The study revealed positive customer's attitudes towards SMEs that operate on social media platforms. These findings contribute towards the knowledge of SME growth and social media.

Key words: Customer attitudes; SME growth; social media marketing; internet; brand equity

DECLARATION

I, **Mmasetena Rahab Nyatlo**, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Management in the Field of Entrepreneurship at the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Mmasetena Rahab Nyatlo

Signed at ……

On the …… day of ……2018.

DEDICATION

This thesis is dedicated to Kate Nyatlo, my late grandmother, for always being my cheerleader.

ACKNOWLEDGEMENTS

Dr. Jabulile Galawe, my supervisor, thank you for guiding and challenging my thinking and writing. I hope you like the final product.

To my classmate, turned friend and now colleague, Faith Tembe, thank you for pushing and challenging me throughout the course.

To Winnie Miya, Nonhlanhla Kathanya and Mudali Mathavhane, thank you for keeping me honest, and pushing and encouraging me. You truly kept me going. You guys are my rocks.

My family: Mom, baby Sister and kid Brother, thank you for always supporting my academic pursuits, even when they didn't make sense to you.

And finally, father God, the year was a tough one but thank you for bringing me closer to you through this journey. I am grateful for the lessons.

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1. INTRODUCTION

This chapter describes and explains the purpose, context, and significance of the study, as well as the problem statement, delimitations, definition of terms and assumptions.

The internet has changed the way we communicate and has allowed people and brands to communicate beyond geographic and time restrictions. This in turn allows brands and customers worldwide to interact with each other anytime of the day (Harris & Rae, 2009). Online groups are created for several motives which include making enquiries, exchanging information and debating common struggles (Wang & Fesenmaier, 2004).

The growth of the internet and smartphone usage in South Africa and other parts of the world is indicative of these platforms playing a big part in the customer's lives. According to Patricios, Goldstuck and Wronski (2016) of the more than 55 million people in South Africa, 21 million have access to the internet and at the end of 2017, this is said to be 22,5 million. Of these 21 million users, 31% use the internet for communication and 24.9% for social media, whilst others use it for information and entertainment (Patricios et al., 2016).

The majority of the people in South Africa access the internet through their smartphones. Based on results from Statista (2017), the number of smartphones was estimated to be over 18 million by the end of 2017 and is projected to be over 25 million users by 2022. In South Africa over the years, we have seen platforms like Youtube, HelloPeter, Whatsapp, WeChat and Twitter gain popularity (McEndoo, 2016). Facebook for example is boasting approximately 13 million users, YouTube approximately 8 million users and Twitter approximately 7 million users. Instagram has been growing at a faster rate than the other platforms, growing by 32% year on year in 2016 (Patricios et al., 2016).

These platforms are seen as enablers for forming communities of individuals who share common interests (Bolotaeva & Cata, 2010). The platforms have become an integral part of society and Small and Medium Enterprises (SMEs) need to integrate them into their marketing strategies.

Through these platforms, brands can derive value as they use them as part of their marketing strategies. Firstly, brands are able to get feedback about their brand and their product offering (Jain, 2015). Secondly, it provides real-time feedback regarding customer needs. Thirdly, brands can observe whether their brand or products are suited to customers' way of living (Kozinets, 1999). Lastly, brands can create sustained engagement with the customer (Harris & Rae, 2009). Through social media, brands allow customers to be co-creators in the offerings (Sawhney & Prandelli, 2000).

Social media can influence brands in two ways: through customer-initiated conversation or brand-initiated conversation. Customer-initiated conversation is established willingly by customers, and customers benefit from open and unbiased feedback from others (Jang, Olfman, Ko, Koh, & Kim, 2008). Brands should care about customer-initiated conversation because of its possibility to either harm or profit the brand. Positive reviews, word of mouth and ratings can profit the brand, while their negative counterparts can generate issues for the brand (Tirunillai & Tellis, 2012).

Brand-initiated conversation is one that's established by the brand and they benefit from being able to control the content. Through brand-initiated conversation, customers can share their experience, compare products as well as make suggestions to their networks. Furthermore, these customers can access exclusive information and offers made by the brand. Through the exclusive information and offers, the brand can broaden the relationship they have with the customer (Antikainen, 2007; Muniz & O'Guinn, 2001). Brands should aim for a high level of trust and commitment through their online

conversations, factors which are important in solidifying a brand (Jang et al., 2008).

1.1 Context

These platforms are about engagement and conversations amongst groups of individuals with collective knowledge (Evans & Mckee, 2010). Customers use the platforms to access information, to familiarise themselves with the brand's offering as well as for them to share their experiences. Sometimes they share these views with the brand concerned. The information shared enables potential customers to experience the products and services before they consider making a purchase (Evans & McKee, 2010).

There are multiple marketing tools that are available for SMEs to use in influencing and aiding customers to experience the brand. These include letters via post, text messaging, word of mouth, newspaper and magazine marketing, and Television adverts. Due to the changes introduced by technology, the world has seen a rise in digital marketing (Jain, 2015). Digital marketing is the extension of the marketing role across digital channels, and social media forms part of the digital marketing subset (Nair, 2011).

Social media interactions by customers have a significant effect on the customer's process of making purchases (Court, Elzinger, Mulder, & Vetvik, 2009). Understanding customer attitudes is an important part to knowing the customers' buying decision process. There is increased competition in the market as brands continue to seek for customer's attention. Customers are constantly flooded by brands who are offering products and services, and so it's vital that these brands distinguish themselves from the pack to gain the attention of the customer. Social media marketing has become an important function within digital marketing, because brands need to influence customers' purchasing behaviour (Evans, 2010).

Marketing is an important function for businesses and the customer is at the heart as they are a business' most valuable asset (Keith, 1960). Brands must

ensure close communication with the customer as it aids them to build and sustain customer relationships. These customer relationships are important in growing a business (Reid, 2005; Palmatier, Jarvis, Bechkoff, & Kardes, 2009).

Social media marketing gives power to SMEs to tap into the critical mass of customers. To do precise targeted marketing in a very cost-efficient way, as compared to the traditional way and SMEs can directly communicate with the customer in a way that is comfortable for them (Kaplan & Haenlein, 2010). Moreover, it allows SMEs to gain an understanding of customers' needs, get feedback from the customer and for the SMEs to change their product and service as per the customers' requirements (Kozinets, 1999). Customers spend more time on these platforms, therefore conversations on these platforms are a goldmine of customer's feelings and attitudes about products they buy or use on a daily basis (Luo, Zhang, & Duan, 2013).

A further added advantage is that social media provides reporting which allows for tracking and measurement of the effectiveness of marketing campaigns (Jain, 2015). Strong social media presence influences customers' minds about a brand and purchasing behaviour.

In South Africa, some of the leading reasons for SMEs failing is due to a lack of funding, access to markets and poor marketing (Rajin, 2016; Bizconnect Standard Bank, 2014; GEM, 2016). This means that SMEs need to use the resources they have at their disposal in a very effective manner.

Social media marketing plays a vital part in overcoming these problems and therefore in aiding SMEs to grow their ventures. This study adds value because, firstly, SMEs need to cut costs and use cheaper marketing channels such as social media, allowing them to use their financial resources in other more important areas of the business. Secondly, SMEs require access to markets to grow, and social media is a way of gaining access to markets as these platforms boast enormous numbers of potential customers as per statistics provided by Patricios et al. (2016). Lastly, SMEs can run marketing campaigns that target the right customers. Facebook for Business has a feature that allows

business owners to specify customer demographics that they want to target for a marketing campaign (Facebook, 2017). The growth of these SMEs is important for economic growth in most economies, including South Africa (SME South Africa, 2016).

1.2 Problem statement

SMEs need to understand how their engagement with customers influence their attitudes towards them. Therefore, the main problem is to assess customers' attitudes; by examining how customer engagement with SMEs on social media platforms influences the brand.

1.2.1. Sub-problem 1

The first sub-problem is to examine how customer engagement with SMEs on social media influences brand awareness.

1.2.2. Sub-problem 2

The second sub-problem is to examine how customer engagement with SMEs on social media influences purchase intention.

1.2.3. Sub-problem 3

The third sub-problem is to examine how customer engagement with SMEs on social media influences brand loyalty.

1.3 Purpose of the study

The aim is to examine how engagement between customers and SMEs influences brand awareness, brand loyalty, and purchase intention, in particular, to understand customer attitudes towards SMEs that operate on the platforms.

1. How does customer engagement with SMEs on social media influence brand awareness?

2. How does customer engagement with SMEs on social media influence purchase intention?
3. How does customer engagement with SMEs on social media influence brand loyalty?

1.4 Significance of the study

A lot of studies exist on this topic but mostly restricted to other parts of the world (Paniagua & Sapena, 2014; Srinivasan, Bajaj, & Bhanot, 2016; Hennig-Thurau, Malthouse, Friege, Gensler, Lobschat, Rangaswamy, & Skiera, 2010; Kietzmann, Hermkens, McCarthy, & Silvestre, 2011; Hutter, Hautz, Dennhardt, & Füller, 2013; Geho & Dangelo, 2012; Edosomwan, Prakasan, Kouame, Watson, & Seymour, 2011; Hudson, Roth, Madden, & Hudson, 2015; Pöyry, Parvinen, & Malmivaara, 2013; Sadek, Elwy, & Eldallal, 2018; Kirtis & Karahan, 2011). In South Africa, there is a gap in the knowledge and the three studies that have been identified and which have contributed to this gap are:

- Ramsunder (2011), whose research was on the purchase decision of customers in the tyre industry. The researcher found that respondents don't engage with tyre brands on social media in making purchase decisions.
- Sitto (2015), whose research was on social media's effect on purchase intentions. The researcher found that a strong relationship existed between social media engagement and purchase intention.
- Kin (2014) who's research was on social media marketing and international entrepreneurship.

The majority of the studies exist in developed economies like the United States of America (USA) and Europe (Paniagua & Sapena, 2014; Kietzmann et al., 2011; Hutter et al., 2013; Pöyry et al., 2013). Therefore, this study aims to fill the knowledge gap within the South African context. Through this study, SMEs will gain an understanding of customer attitudes towards SMEs that are on these platforms, thereby understanding the influences that marketing through

these platforms has on SME growth relating to brand awareness, purchase intention and brand loyalty.

SME owners are the beneficiaries of this study mainly because this study seeks to address challenges they face in order to grow their ventures and their growth is important for the South African economy (SME South Africa, 2016). Studies have highlighted some of the challenges faced by SMEs as access to markets, lack of funding and poor marketing just to mention a few (Rajin, 2016; Bizconnect Standard Bank, 2014; GEM, 2016).

SMEs will be able to benefit from this study in the following ways.
Firstly, because of the changes in communication, customers have taken on a role of active market players as they now have access to these platforms and they can easily influence others. This means that the way businesses communicate with customers must be strategic. Customers, who are businesses' biggest stakeholders, are on social media and they will share reviews about businesses whether the business is present or not on these platforms. Therefore, it becomes critical for businesses to be present on these platforms because they are mostly dependent on word of mouth from their loyal customers and a negative review or comment on these platforms can be dire to the growth of the venture (Mangold & Faulds, 2009).

Secondly, the failure of SMEs to access markets has been noted as one of the factors threatening growth. Access to markets is one of the requirements by credit providers when an SME is seeking funding (SEDA, 2016), and it is also vital for the growth of the SME as it seeks to tap into new markets. Social media can help with this dilemma of access to markets. Social media can reach both potential local and global customers as the internet and social media are global information infrastructures (Peterson, Balasubramanian, & Bronnenberg, 1997).

Through online word of mouth, existing customers share their perceptions and opinions about a brand to other potential customers (Gruen, Osmonbekov, & Czaplweksi, 2006). Word of mouth can be a source of brand awareness. Satisfied customers become evangelistic customers and they share their

testimonials about the company with others (Carter, 2013). According to Nanji (2017), 56% of customers say they are most likely to recommend a brand to their friends. Word of mouth is also a way of shaping customers' attitudes and behaviours (Dhar & Chang, 2007; Godes & Mayzlin, 2004).

Thirdly, traditional marketing tends to be costly, especially for SMEs who tend to have limited financial resources and are looking for a pool of customers to tap into and wider access to markets. Kirtis and Karahan (2011) examined if social media was indeed a cheaper form of marketing. The study found that through these platforms, information is disseminated quickly, therefore reaching millions of people in a short space, thus saving businesses costs.

Big businesses often have large budgets for marketing and can therefore easily gain visibility by marketing on multiple channels. SMEs, on the other hand, are cash-strapped and have constraints in terms of choice of channels they can use. Most of these SMEs rely mostly on word of mouth of satisfied customers, who are also limited. With their efforts revolving around a minimum number of customers and channels, this certainly limits their growth potential (Jain, 2015).

Instead of using costly traditional marketing, these SMEs could use these resources on other equally important expenses and spend very little on marketing through social media platforms. These platforms are a cheaper form of marketing (Hajli, 2014) and yield access to a big base of customers. Luo (2009) suggested that customer's opinions matter as they impact the repurchase intention, attrition rates, new buyer acquisition, and lower acquisition cost, all of which impacts costs.

Fourthly, social media can help with proper marketing by targeting clients the right way. Facebook boasts over 13 million potential customers in South Africa; globally, it has 2.07 billion users (Noyes, 2017). Facebook for Business allows business owners to specify who they want to market to, by specifying the demographics of the target client (Facebook, 2017). The fee to market to these clients is low compared to traditional marketing channels that can reach the same potential customers, if not fewer (Carter, 2013).

Based on these benefits, social media does present SMEs with some solutions to aid in their growth. This study has theoretical implications for current and potential SME owners by adding knowledge in understanding customer attitudes towards SMEs that operate on social media platforms. It will particularly provide key information about how customer engagement on social media influences brand awareness, purchase intention and brand loyalty.

1.5 Delimitations of the study

This study has the following delimitations:

1.5.1. **Geographic area:** Only customers that are based in South Africa were surveyed.

1.5.2. **Customers:** Individuals that have account(s) on social media platforms and have interacted with SMEs.

1.6 Definition of terms

The below terms are defined:

- **Purchase intention** – this is the aim to buy the businesses' offerings in the future (Hong & Cho, 2011).
- **Brand awareness** – is an indication of a brand's strength in the customer's mind as symbolised by their ability to identify it (Hutter et al., 2013).
- **Brand loyalty** – this refers to the commitment the customer has towards a said brand and it represents the highest form of a relationship with a brand (Keller, 2008).
- **Small & medium sized enterprises (SMEs)** - refers to enterprises comprising of between 50 - 250 staff members, with a turnover of approximately R300 million per annum.
- **Traditional marketing** – this includes marketing strategies through television, newspapers, and radio (Hassan, Nadzim, & Shiratuddin, 2011).
- **Customers** – these are the buyers or potential buyers of brand's offering (Osarenkhoe & Bennani, 2007).
- **Digital marketing** – this refers to marketing using electronic devices such as mobile phones, computers, and mobile applications to engage with customers (Jain, 2015).
- **Social media marketing** – refers to marketing opportunities through social media.

1.7 Assumptions

- The respondents have social media account(s) and knowledge of how they work.
- Respondents are truthful about their engagement with SMEs on the platforms.
- Brands and businesses refer to the same thing: SMEs.

1.8 Conclusion

This chapter introduced the research topic on how customer engagement with SMEs on social media platforms influences brand awareness, brand loyalty and purchase intention. The chapter introduced the internet and social media, and how South Africans and the rest of the world have been consuming the two. The researcher broke down marketing and the role that social media plays within the digital marketing scope.

Social media marketing was introduced and the role it plays in influencing customer attitudes was unpacked. Social media marketing was identified as a way to increase access to markets, which resolves the funding challenges for SMEs as well as poor marketing issues which are some reasons which SMEs in South Africa. The role of SME growth was highlighted as key for the South African economy.

2. LITERATURE REVIEW

This chapter reviews social media, its history, the number of people using it in South Africa and how different scholars define it. It reviews social media in comparison to other media forms and how South Africans consume different forms of media.

Social media marketing is reviewed as a subcategory to digital marketing. The different elements of brand equity are looked at, as well as purchase intention through the customer purchasing journey. A link is established between social media and brand awareness, brand loyalty and purchase intention and the conceptual framework is constructed.

2.1. Defining social media

Before going further into the study, scholars have defined social media, and its evolution over the years. Edosomwan et al. (2011) dated social media to as far back as 1792. They classify the use of telegraphs as another form of this media, during that era as they were used to communicate over long distance. In 1800, the telephone became a means of social engagement. In the 1960s, email became a new way of social engagement, and in the 21st century, social engagements are more in the form of digital media.

Based on research by Edosomwan et al. (2011), they advise that, in fact, social media and social networking go hand in hand. Different scholars define social media and social networks differently, and other scholars see the two as one and the same thing. Some scholars define social networks as a means and channel for linking up with others (Cohen, 2009). Cohen (2009) further elaborate that it is more than just linking people up, because these people have mutual interests, and they engage with each other and build relationships. Laroche, Habibi and Richard (2013) view social networking as a different form of media. These scholars explain that social media has many platforms, and they include social networking as one of them.

Based on the above scholarly definitions, social networking implies a place where people can link up, engage with each other and build relationships whilst social media as a channel used to broadcast messages and share information with a large audience. Cohen (2009) agreed with this statement as they defined it as a channel for broadcasting information.

Kaplan and Haenlein (2010), with a more comprehensive definition, define social media as a collection of internet-based applications that build on the philosophical and technological foundations of web 2.0, which allows the formation and exchange of user-generated content. It is a two-way communication and comes in different forms: blogs, social networking sites, and other applications. This definition refers to social media as a place, where people can link up and engage with one another.

For this study, social media is defined the same way that Kaplan and Haenlein (2010) view it. Many scholars have used this definition in their studies (Laroche et al., 2013; Ng, 2013; Hamdi & Kosarizadeh, 2015). The definition encompasses both social media as a channel to broadcast messages and social networking, as well as a place where individuals form and exchange content that enables engagement and relationship building.

Below are some statistics.

Facebook boasts 1.94 billion global users monthly; 1.74 billion of these are on mobile and 1.28 billion of these people log onto the site every day. On average, 20 minutes is spent on the site and approximately 10 million shares and likes are viewed each day. Lastly, the average user has 155 users they are connected to and when a friend endorses a brand, they are 15% more likely to become a buyer of that brand (Noyes, 2017).

Twitter statistics, on the other hand, according to Smith (2017), has 319 million monthly active users, 100 million of whom access the site each day. On average, a Twitter account has 208 followers and Twitter users shop online on

average 6.9 times a month. **Figure 1** below indicates the growth of social media.

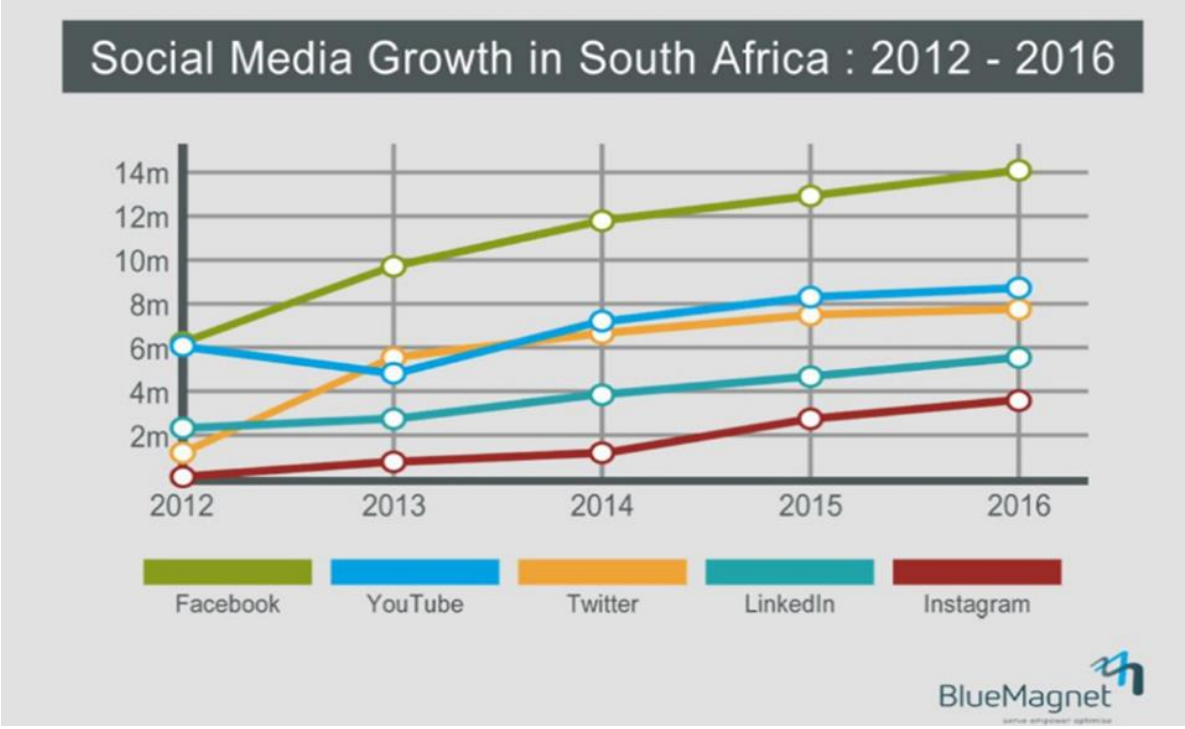


Figure 1: Social media growth in South Africa: 2012- 2016
Source: McEndoo (2016)

Metcalf's Law (1995) states that networks become more valuable the more people join them, and this law is certainly applicable to social media. The above social media platforms indicated on **Figure 1** have become valuable to SMEs due to the number of people present on them. SMEs have access to a large base of customers in the palm of their hands. They can engage with them instantly and on a regular basis and get feedback on their products and services.

2.2. Social media versus other media

Social media has become a key tool in targeting customers due to its ability to reach massive numbers of people at a cheaper cost compared to other medias and due to a continuous increase in customers being connected to the internet

(Tuten & Solomon, 2017). **Figure 2** below (Qwerty, 2017) indicates how much time on average South Africans spend on various mediums of media.

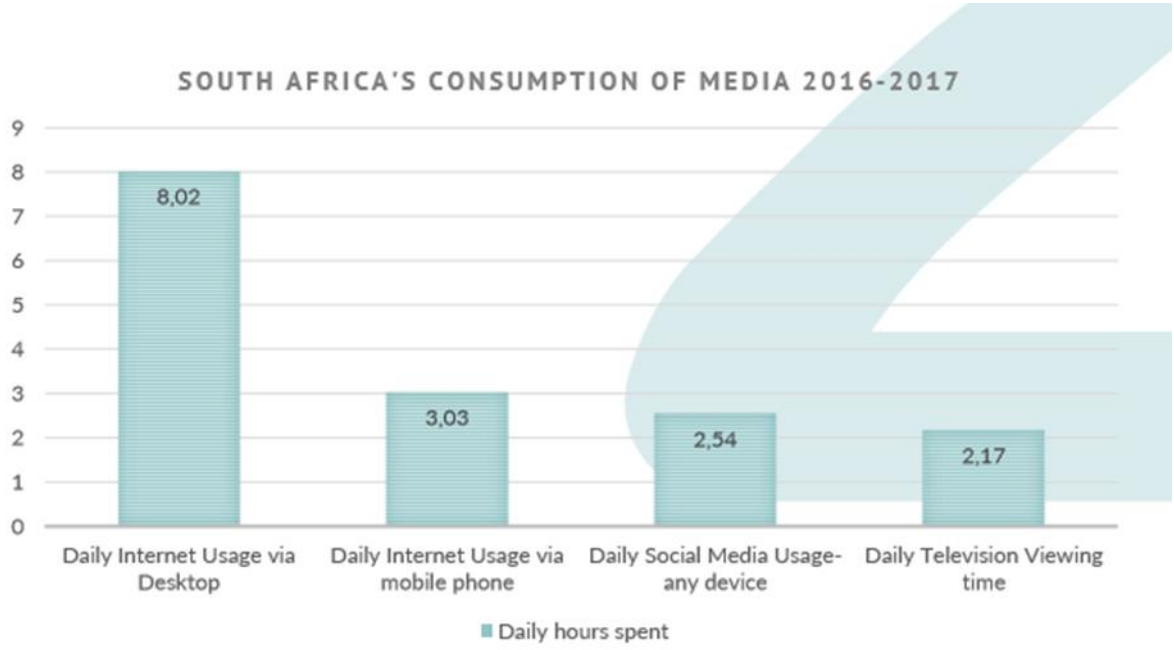


Figure 2: South African's consumption of media 2016-2017
Source: Qwerty (2017)

South Africans spend up to eight hours of their day on the internet. This could be because of using the internet for work purposes, but it also indicates a marketing opportunity. As compared to social media, television viewing is the medium which customers are engaging with the least, which shows that SMEs should no longer rely on traditional channels as customers are no longer accessible through those mediums (Qwerty, 2017). Weinberg and Pehlivan (2011) advise that it is, however, not a perfect replacement for marketing in other forms.

Scholars highlight that, for brands to see maximum value, they need to have integrated marketing which includes traditional and social media marketing (Lockwood, 2009; Reid, 2005).

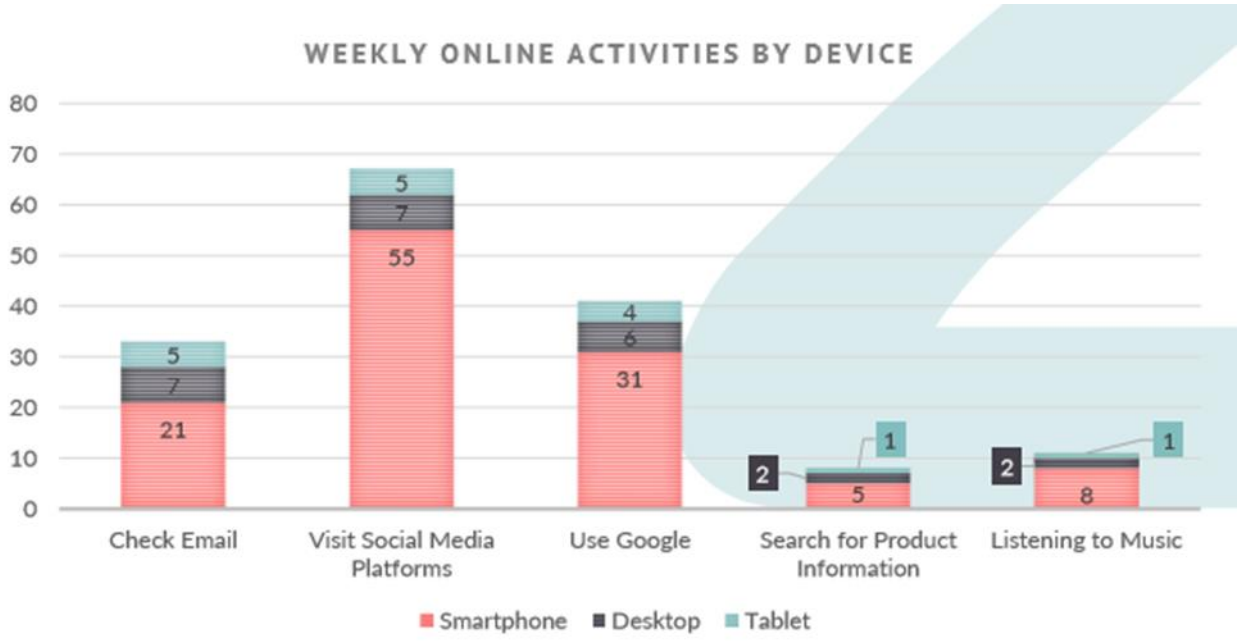


Figure 3: Weekly online activities by device
Source: Qwerty (2017)

Figure 3 above indicates that South Africans use their devices between 60% and 70% of their time to visit social media platforms, which indicates to SMEs that their marketing is most likely to be seen 60% to 70% of the time. These customers also use Google for searches and rely on the internet to search for products.

Traditional media allowed brands to broadcast their messages to customers, which was always a one-way communication. Social media has changed this as customers now have a voice. Customers can now communicate with each other as well as with brands. This has influenced customer behaviour and can mould customer brand perceptions (Kim & Ko, 2012).

2.3. Social media marketing

Social media is about engagement and talks amongst groups of individuals with collective knowledge (Evans & McKee, 2010). Customers use it as a source of data to learn more about products/services and for them to share their experiences with friends and family, and sometimes with the brand. The

information enables potential customers to experience the products and services before they consider making a purchase (Evans & McKee, 2010).

Social interactions by customers have a significant effect on marketing activities as brands need to be mindful of the factors which affect the customer's process of making purchases (Court et al., 2009). Through social media marketing, brands need to influence customers' purchasing behaviour (Evans, 2010). Customers converse with each other and share experiences and opinions about a brand, and this builds certain perceptions about the brand in potential customers' minds (Trusov, Buckling, & Pauwles, 2009). Therefore, it is important that brands become part of the conversations and experiences to direct these to a more positive interaction and experience.

2.4. Brand equity

The combination of brand loyalty, brand associations, perceived quality of brand and brand awareness is what is considered as brand equity, as depicted in the figure below (Aaker & Joachimsthaler, 2000; Hoffman, Czintkota, Dickson, Dunne, Griffin, Hutt, Krishnan, Lusch, Ronkainen, Rosenbloom, Sheth, Shimph, Siguaw, Simpson, Speh, & Urbany, 2005; Chattopadhyay, Shivani, &, Krishnan, 2010). Thus, it is the value of brand in a marketplace based on goodwill and reputation (Hoffman et al., 2005).

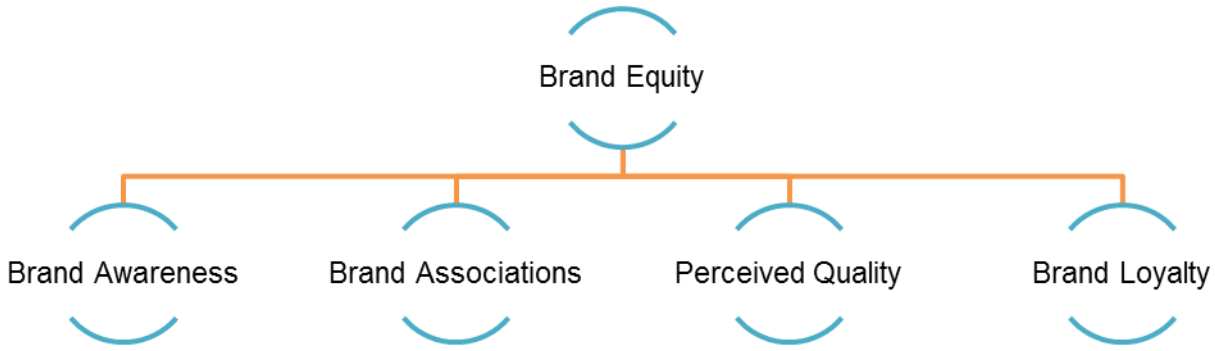


Figure 4: Elements of brand equity
Source: Aaker and Joachimsthaler (2000)

These elements of brand equity as outlined in **Figure 4** above are defined as follows:

- Brand awareness represents how strong the brand is in the marketplace (Aaker, 1996). Keller (2008) and, Momany and Alshboul (2016) refer to it as the ability to recognise a brand under any kind of situation. To establish presence in the marketplace, brand awareness is the first step and without it marketing communication cannot be affected (MacDonald & Sharp, 2003), as it affects customers' tastes and perceptions (Aaker & Joachimsthaler, 2000).
- Brand association refers to how customers associate with the brand image (Miladian & Babu, 2009). It is often linked to things such as positive images, feelings, experiences and attitudes (Ye & Raaij, 2004). Customers' positive attitudes toward a brand can help with purchases, repurchases and customer retention (Rubinson & Pfeiffer, 2005).
- Perceived quality of the brand refers to how customers evaluate the brand functionality, form and fit for their lifestyle and desires (Osman & Subhani, 2010). Positive perception of the quality of the brand leads the customer to make repeat purchases and build a long-term relationship with the brand (Aaker & Joachimsthaler, 2000).
- Keller (2008) defines brand loyalty as the ultimate measurement of customer brand resonance, representing the customer's ultimate relationship and level of identification with a brand. Brand loyalty includes brand recognition and recall performance (Osman & Subhani, 2010). Both perceived quality and brand associations of the brand contribute to brand trust, which in turn promotes brand loyalty (Aaker & Joachimsthaler, 2000).

The above elements – brand awareness, brand loyalty, perceived quality and brand associations – are important in marketing the brand's offering. From the

onset, they must form part of the customer's journey to making a purchase. These elements must be considered by the brand, from awareness about a brand to loyalty (Osman & Subhani, 2010; Aaker, 1991).

In this study, the researcher only be focuses on brand awareness and brand loyalty.

2.5. Customer's journey to making a purchase

Brands must ensure that enough information and support is available as part of their marketing strategies to support the customer's process of making decisions. This is because the way in which customers research and purchase products and services has changed (Court et al., 2009).

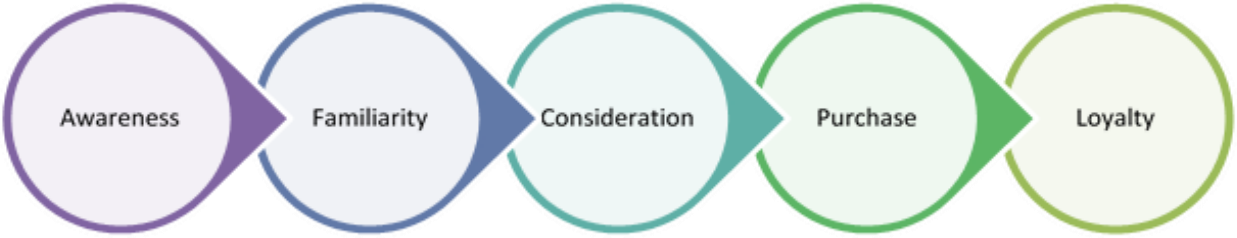


Figure 5: Purchasing journey

Source: Court et al. (2009)

Figure 5 explains the journey that the customer takes in making a purchase. The figure represents a cognitive roadmap the customer takes from awareness to final purchase (Court et al., 2009). The journey to making a purchase begins with awareness about the offering. Then the customer researches about the offering, becoming familiar with said offering. The customer considers purchasing the product or service and they evaluate it, which could also involve asking social networks about the it. The customer then decides to make a purchase, eventually becoming loyal (Court et al., 2009).

Through the internet and social media, the customer of the 21st century no longer depends on traditional media (Court et al., 2009), but can collect information about the brands from the internet (Sheenan, 2010). It is during this decision-making process that brands should invest in aggressive marketing strategies with the aim of influencing the process (Court et al., 2009). Godes, Mayzlin, Chen, Das, Dellarocas, Pfeiffer and Verlegh (2005) also argued that a customer's decision-making process is affected by recommendations from friends.

2.6. Establishing the relationships

2.6.1. Social media and brand awareness

The ability to recognise a brand under certain circumstances is what scholars refer to as brand awareness (Keller, 2008; Momany & Alshboul, 2016). Brand awareness is formed through anything causing the client to have an experience of the brand. Things such as marketing, promotions, public relations, publicity and social media are ways in which customers are exposed to businesses, therefore creating brand awareness and increasing engagement (Hutter et al., 2013; Momany & Alshboul, 2016).

Researchers have noted that there is a variety in brand awareness, this ranges from name identification through to knowing about the business and its offering (Momany & Alshboul, 2016). When customers know about a business, they are likely to choose it when making decisions about any purchases. This indicates that brand awareness is the first step to customers' making decisions about purchases and has significance for business results (Momany & Alshboul, 2016; Hutter et al., 2013; Gamboa & Gonçalves, 2014; Keller, 2008; Chakravarti & Janiszewski, 2003; Hajli, 2014).

For brands to establish themselves in the marketplace, they must consider awareness. Without it, marketing communication cannot be as effective (Sharp & MacDonald, 2003). Aaker (1996) concludes that brand awareness is a durable asset and it becomes sustainable over time. It is for this reason that

SMEs must be proactive about their engagement with customers. If it is done properly, SMEs have the potential to be positively perceived by customers and dominate the market.

Research suggests that engagement on social media with businesses influences brand awareness. Research by Mount and Martinez (2014), a case study on Nestlé UK, found that through a campaign on social media they could improve brand awareness for Kit Kat. Hutter et al. (2013) confirmed this when they found that client engagement with the MINI's Facebook page had a positive association with brand awareness. Vermeulen and Seegers (2009) found even negative publicity to influence awareness. Results indicated that customers picked a hotel whether the reviews were positive or negative because they know what they are signing up for. This hypothesis is formulated:

Hypothesis 1

- ***H1****: Customer engagement with SMEs on social media influences brand awareness*

2.6.2. Social media and purchase intention

Hamdi and Kosarizadeh (2015) define purchase intention as the willingness and purpose for the targeted behaviour, and individuals tend to be involved in behaviour which they intend to do. Several studies indicate that social media is a powerful tool in enhancing customers' buying decisions (Momany & Alshboul, 2016; Huy & Shipilov, 2012). Hamdi and Kosarizadeh (2015) identified three stimuli for purchase intention: (1) value equity which represents quality, price, and ease of access, (2) relationship equity which represents communication with the customer, and (3) brand equity which represents knowledge of the brand, i.e. reliability of the brand.

A study by Pöyry et al. (2013) revealed two things:

1. Businesses need to be visible on social media and create relationships, thereby broadening their reach.

2. It is important that businesses get their followers to endorse them to their networks as these are trusted sources. Potential customers tend to trust their networks better than they would SMEs.

Further elaborating on the point of engagement, Inversini and Masiero (2014), looking at hotels in Switzerland, found that high engagement on social media by hotels predicted purchases. However, in a study for Bread and Breakfast proprietors, Momany and Alshboul (2016) found engagement to be more impactful for brand awareness than it was for purchases. Hamdi and Kosarizadeh (2015), in investigating the intention to buy in the leather business, found that communication equity with the customer has a positive impact on purchase intention. Thus, if businesses want to foster customers intentions, they need to have sustainable communication with the customer.

Chandio, Qureshi and Ahmed (2015), in their investigation on social media marketing and customer purchase intention in Pakistan, found that availability of information on social media and word of mouth on the platform has a significant relationship with purchase intention. This is the case because when customers search for information, they generally find it from those they have relations with on social media. These are networks they trust and therefore, there are no biases.

The presence of businesses on social media also comes with risks. Kasavana, Nusair and Teodosic (2010), in their findings, highlighted that social media exposes a business to risks such as negative reviews, criticism, and unsupported assumptions. Mangold and Faulds (2009) advised businesses not to neglect social media as customers will share content about the business and if the content is negative, the outcomes may be damaging. Therefore, businesses need to proactively engage in social media to avoid adverse consequences from unsubstantiated negativity on the part of the customer. This negativity can hugely affect purchase intention and the brand. Based on the above literature review, the following hypothesis is then formulated:

Hypothesis 2

- ***H2****: Customer engagement with SMEs on social media influences purchase intention.*

2.6.3. Social media and brand loyalty

Anker (1991) defined brand loyalty as an attachment a customer has to a brand. Keller (2008), on the other hand, defined brand loyalty as the ultimate measurement of customer brand resonance representing the customer's ultimate relationship and level of identification with a brand. In further elaborating on the various levels of identification, Gremler and Brown (1999) acknowledged two levels of identification: (1) behavioural loyalty, which is symbolised by repeated sales or promise to buy more products or services, and (2) cognitive loyalty, which means that the brand is the client's primary choice when faced with a buying decision. Oliver (1999) agreed with this definition, seeing it as behavioural loyalty, which is a commitment to buy/repurchase products or services in the future irrespective of changes in the competitive market or changes in situations.

From the scholarly definitions, it can be concluded that brand loyalty not only represents an intention or promise to purchase or repurchase in the future, but also the brand's being the number one choice in the customer's mind when faced with a purchase or repurchase decision.

Brand loyalty presents benefits in the form of business growth or maintenance of market position, decreased costs for marketing, and retention of customers (Keller, 2008; Srinivasan et al., 2016; McAlexander, Kim, & Roberts, 2003; Anker, 1991). Repeat customers are valuable, their loyalty brings in long-term financial and business performance benefits as well as client lifetime value (Turri, Smith, & Kemp, 2013). Furthermore, when customers are loyal, they tell others about the brand and experiences, and to spread good word of mouth. They become ambassadors (Hutter et al., 2013). This is mainly because the

advocacy is perceived to be coming from a less biased and more trustworthy source (Turri et al., 2013).

Gamboa and Gonçalves (2014), in their research on Zara, the clothing retailer, found that customers of the page were more loyal, trusting and fulfilled than those that weren't. This indicates that engagement with customers on social media can yield benefits. Erdogmus and Cicek (2012), on their study in Turkey, found that brand loyalty is positively affected when businesses offer relevant and popular content, that is, they are on various social media platforms and offer beneficial marketing campaigns on the platforms. This means that customers are looking for diversity, creativity, and relevance in engaging with business on social media.

Scholars have indicated that new customers' self-connection to a brand increases attitudinal loyalty to that brand (Hwang & Kandampully, 2012). Moreover, unhappiness and undesirable emotion inversely influence behaviour to buy more. Therefore, customers that form engagements with businesses and are loyal to them are more likely to participate in repeat purchase behaviour which affects revenue.

Social media provides SMEs with the benefit to directly and instantly address customers' complaints which, if they are not resolved, can lead to a lost customer. Therefore, social media can be used to retain customers that have complaints, and this leads to a direct cost saving (Kim, Lim, & Brymer, 2015). The following hypothesis is then formulated based on the above:

Hypothesis 3

- ***H3:*** *Customer engagement with SMEs on social media influences brand loyalty.*

2.7. Conceptual framework

This research conceptualises **Figure 6** to demonstrate the associations. This conceptualisation of the variables in framework is guided by the following

literature review (Paniagua & Sapena, 2014; Laroche et al., 2013; Momany & Alshboul, 2016; Hutter et al., 2013; Turri et al., 2013; Gamboa & Gonçalves, 2014; Keller, 2008; Huy & Shipilov, 2012; Srinivasan et al., 2016; Geho & Dangelo, 2012; Pöyry et al., 2013; Hajli, 2014; Chandio et al., 2015).

The framework below shows the link between the independent variable (customer engagement) and the dependent variables (brand loyalty, brand awareness, and purchase intention).

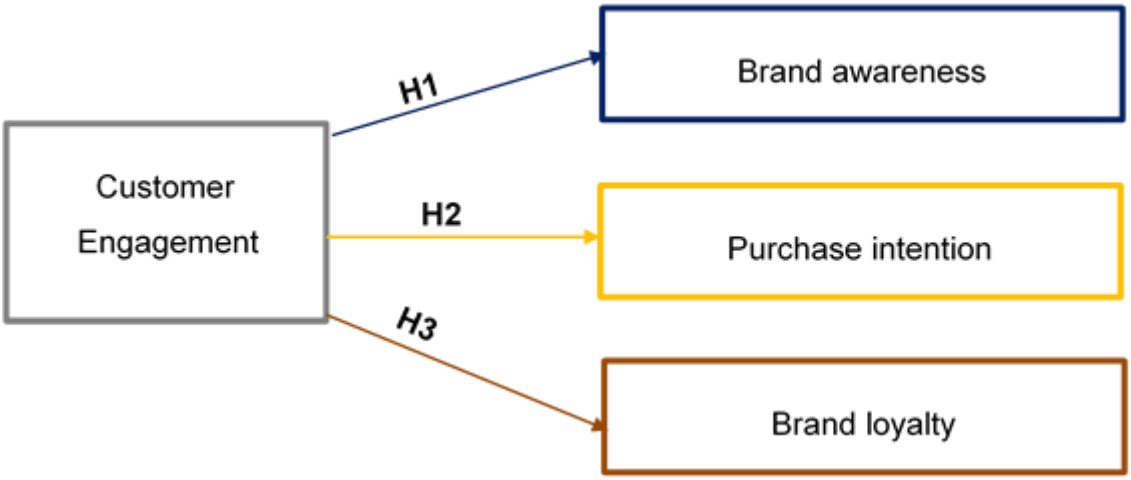


Figure 6: Conceptual framework of how customer engagement with SMEs on social media influences purchase intention, brand awareness and brand loyalty

Source: Author's own model developed based on the review of literature (Pöyry et al., 2013; Paniagua & Sapena, 2014; Laroche et al., 2013; Hudson et al., 2015; Hajli, 2014; Srinivasan et al., 2016)

As per the literature review, social media is the channel on which SMEs will broadcast messages and engage with existing and prospective customers (Kaplan & Haenlein, 2010). Therefore, it is a channel that facilitates the engagement between parties. Once a message is broadcast and seen, customers will engage with SMEs which will be a back and forth process. Based on engagement, this will result in brand awareness, brand loyalty, and purchase intention.

2.8. Conclusion

The section presented ways in which scholars view social media and social networking. It also reviewed research that has been done on brand awareness, brand loyalty and purchase intention. From this literature review, it can be concluded that there is limited research on social media engagement and brand awareness, brand loyalty and purchase intention in the South African literature. Therefore, this study will add onto existing knowledge.

Literature review also provided knowledge on the various thoughts, theories and relationships between the thoughts and theories, which has assisted in the development of a conceptual framework. A conceptual framework of the proposed relationships between dependent (brand awareness, brand loyalty and purchase intention) and independent variables (customer engagement) was presented. The hypotheses are restated below:

- **H1**: Customer engagement with SMEs on social media influences brand awareness.
- **H2**: Customer engagement with SMEs on social media influences purchase intention.
- **H3**: Customer engagement with SMEs on social media influences brand loyalty.

3. RESEARCH METHODOLOGY

This section will examine research methods, designs, population, sampling, collection of data, analysis, validity of data, the reliability of data, research instrument and limitations of the study.

3.1. Research paradigm

Quantitative method was selected. It uses the positivism method and is based on the analysis of numerical data. Positivism takes on a deductive approach to research (Malhotra & Grover, 1998). The objective of this research method is to establish links between variables (Kirkwood & Campbell-Hunt, 2007). In this study, the dependent variables are brand awareness, brand loyalty, and purchase intention, and the independent variable is customer engagement.

3.2. Research design

Cooper and Schindler (2014) define it as the researcher's plans, from the formulation of the hypothesis, operational implications and final analysis of data. A questionnaire was used as it is easy for conducting research and it requires multiple respondents as well as a significant amount of information (Leedy & Ormrod, 2005). The study also offered anonymity and safeguarded participants' privacy. Population and sample

3.2.1. Population

This is the complete set from which a sample group is selected for the research. The chosen population will also assist in lessening the scope of the project (Saunders & Lewis, 2012). Existing and potential customers who have social media account(s) in South Africa were asked to volunteer and participate.

The population of South Africa is estimated to be 55 million people. 21 million of these people have access to the internet, 24.9% of whom use the internet for

social media (Patricios et al., 2016). This was potentially a population size of approximately 5 million.

3.2.2. Sample and sampling method

A sample is a minor descriptive of the assembly of units from a population used to decide on the evidence about that population (Cooper & Schindler, 2014). Two sampling designs can be used, and probability sampling was used in this research. The survey was circulated to friends, associates, family members, SMEs and co-workers through email and social media platforms.

Schreiber, Stage, King, Nora and Barlow (2006) suggested, as a general rule, a minimum of 10 responses per question. The questionnaire on this study consisted of 26 questions, therefore the sample size that was required was 260.

3.3. The research instrument and scales

The tool that was used for this research to collect data was administered using a survey (**Appendix 1**). It was divided into 3 sections: demographic information, social media information, and attitudes about engagement with SMEs. The questionnaire was adopted from prior studies and the seven-point Likert scale was used. Participants had to rate a statement on a scale of 1 to 7 (strongly agree represented by 1 and strongly disagree represented by 7).

For brand awareness, the questions were adopted from Hutter et al. (2013), Seo and Park (2018) and Laroche et al. (2013). There were 5 items in total. Brand loyalty consisted of 6 items adapted from Laroche et al. (2013), Srinivana et al. (2016) and Erdogmus and Cicek (2012). And purchase intention had 5 items in total adopted from Ng (2013), Pöyry et al. (2013), Hutter et al. (2013) and Hong and Cho (2011).

To understand sample characteristics, biographical data was collected. The biographical data that was included in the survey was limited to age, gender, province and highest education level. No questions relating to address, name and other personal details were asked, to keep respondents' information

confidential. Additionally, the responses were studied as group data to avoid identifying respondents. The items were adopted from the following studies: Ng (2013) and Hong and Cho (2011).

Social media questions that were used to gauge if participants used social media platforms, included, presence of the participants, understanding which platforms they use, length of time on the platforms, how active they are, and if they like engaging with SMEs on the platforms. The questions were closed-ended, single response multiple choice or dichotomous questions. The questions were adopted from prior studies (Ng, 2013 and Hudson et al., 2015).

3.4. Research pilot study

The research instrument was piloted 5 months before the official research study. Pilot studies are important as they help the researcher assess the usability as well as the quality of the questions. The pilot study assists in exposing design errors (Cooper & Schindler, 2014) and gives an indication early on about the quality of results most likely to be obtained.

The survey was titled “The influence of social media on brand awareness”. 39 individuals were sampled. The study cross checked the questions and ease of answering the survey as well as the time it took to answer the survey. The survey was distributed using social media platforms to participants. Feedback received was that the survey was short and easy to complete. The question relating to identifying businesses outside of social media was also slightly changed as feedback indicated that it was confusing. All the feedback was considered for this final report.

3.5. Procedure for data collection

Data was collected from customers using a structured research instrument. The data was collected between December 2017 and January 2018. The questionnaire was sent to potential and existing customers who have a social media presence. These potential and existing customers included family

members, friends, colleagues, SMEs, and networks on the researcher's different social media platforms.

The survey was distributed using different social media platforms to participants. The questionnaire was executed using Qualtrics to record and track responses. The questionnaire had a welcome message which explained the purpose of the study, what was required from the participants, the confidentiality clause, and the time required to complete the survey. The questionnaire further explained what was meant by SMEs in the South African context to make the focus of the study clear. Data was captured, cleaned in Excel and integrated for analysis using Unistat statistical tool. Data analysis of the demographics of respondents (age, gender, province, and education level) will be presented using descriptive statistics. Another analysis relating to the scale (validity and reliability) was carried out.

The response rate indicates the number of individuals who have completed the survey. It is important to the research study as it specifies whether the results are representative of a population (Leedy & Ormrod, 2005). Factors affecting the response rate in this study included the time of the year the survey was administered, that is, during the festive season, which is a challenging time to collect data. The length of the survey was also identified as a factor affecting the response rate; about 10% of the questionnaires were left incomplete.

Feedback from the participants indicated a lack of understanding of how to classify SMEs. However, they understood what the questionnaire was about. The respondents also provided positive comments regarding their interaction with SMEs on the platforms.

38% response rate was achieved in this study. Similar studies' response rates varied, however they were between 30% and 40%. Sadek et al. (2018) achieved a response rate of 30.5%, Ng (2013) achieved a response rate of 45% and Hajli (2014) achieved a 30% response. The response rate for this study is therefore in line with similar studies.

3.6. Data analysis and interpretation

3.6.1. Descriptive statistics

Descriptive statistics is described as practices that use graphs, tables, and numbers to classify, analyse and present data (Argyrous, 2011). This information was processed through Unistat and the results will be presented in tables and figures in chapter 4 of this report.

3.6.2. Correlation analysis

To examine a positive or negative relationship between the variables, correlation analysis was used. Two main tests of correlation are Pearson and Spearman correlation (Lee, 2016). Pearson correlation was selected as the questionnaire data was treated as continuous though ordinal, because of the seven-point Likert-scale used. These tests were examining the links between the variables.

3.6.3. Regression analysis

Simple regression analysis was used for the purposes of this study as there was one independent variable. Simple regression analysis estimates that associations between customer engagement, brand awareness, brand loyalty, and purchase intention to be linear. The equation below was used to fit a model as well as tell us the pattern of the data (Field, 2009).

$$Yi = (b0 + b1Xi) + \varepsilon i$$

To conduct regression analysis, the researcher conducted assumption testing. This was executed through the checking of correlation, independence of errors, linear relationships, normally distributed errors, homoscedasticity and non-zero variance. Regression was checked, the model structure was checked, and finally interpretations of the results were made (Lee, 2016).

3.6.4. Exploratory factor analysis

The scale items will be analysed using exploratory factor analysis to ensure that items converge into factors. Exploratory factor analysis explores the relationships in the data, and which variables in the data are more related to each other (Cooper and Schindler, 2014). The Varimax rotation was used to facilitate explanation of the factors and to interpret the information. It also allows for maximum loadings on the factors (Field, 2009).

The first step was to check that the conditions were met for factor analysis, such as sample size, outliers, missing values, types of variables and normal distribution. Once this was done, the number of factors were determined. New items were finalised, and results interpreted accordingly, and reliability and validity requirements were checked.

3.6.5. Validity and reliability

3.6.5.1. External

This validity focuses on the causal associations (Cooper & Schindler, 2014). Existing research projected positive influences between customer engagement and brand awareness, loyalty, and purchase intention, and was based on similar studies (Momany & Alshboul, 2016; Hutter et al., 2013; Gamboa & Gonçalves, 2014; Keller, 2008; Chakravarti & Janiszewski, 2003; Hajli, 2014; Vermeulen & Seegers, 2009; Mount & Martinez, 2014; Sharp & Macdonald, 2003; Aaker, 1996; Laroche et al., 2013; Huy & Shipilov, 2012; Kasavana et al., 2010; Mangold & Foulds, 2009; Inversion & Masiero, 2014; Hamdi & Kosarizadeh , 2015; Oliver, 1999; Gremler & Brown, 1999; Erdogmus & Cicek, 2012; Hwang & Kandampully, 2012).

3.6.5.2. Internal

Internal validity focuses on looking at whether the instrument measures the degree to which the predictor variable causes a transformation in the outcome

variables. For research design to be valid, the variables used in research must be able to be measured separately (Cooper & Schindler, 2014).

3.6.5.3. Reliability

Reliability is relevant for measuring accuracy and credibility. It ensures the consistency of the measuring instrument, that it produces a certain outcome when the object being measured is identical (Leedy & Ormrod, 2005; Field, 2009). If research had to be redone using dissimilar sample and similar results are obtained, then the findings are reliable (Collis & Hussey, 2009). If the scales are reliable, there won't be a need to change the scales. However, if they are unreliable, the scales will need to be altered through the removal of problematic items.

To test for reliability, Cronbach's Alpha Coefficient will be used. George and Mallery (2003) suggested that scales above 0.7 are good and acceptable and any results below 0.5 are unreliable. For the scale to be reliable, a score of 0.7 or greater was required (Nunnally, 1978; Field, 2009).

3.7. Limitations

- The study used a questionnaire and there cannot, therefore, be any follow-up questions to further unpack issues that arise.
- The participants may have been online, but this does not mean that they were engaged with SMEs on social media.
- Participants may have assumed a company that's not a SME to have been categorised as a SME.

4. PRESENTATION OF RESULTS

These are the complete results from the participants who took part in the survey. Analysis was conducted through Unistat and the explanation was based on relevant concepts reviewed in the chapters above. The questionnaire was distributed using the different social media platforms to participants and the results were collected through Qualtrics where the survey was hosted.

The chapter begins with the presentation of the demographic profile of participants, then the presentation of results of usage of social media by respondents, followed by the results of testing each hypothesis, and finally a summary closes the chapter.

4.1. Demographic profile of respondents

The dataset had a sum of 110 respondents. For age, gender, education and province questions, there were no drop offs. 110 participants answered the question about being on social media and 8 participants indicated not having social media and were therefore excluded from this survey. 102 participants went further to answer the questions about how long they had been on the platforms and their activity.

Below figures will analyse the demographic data received.

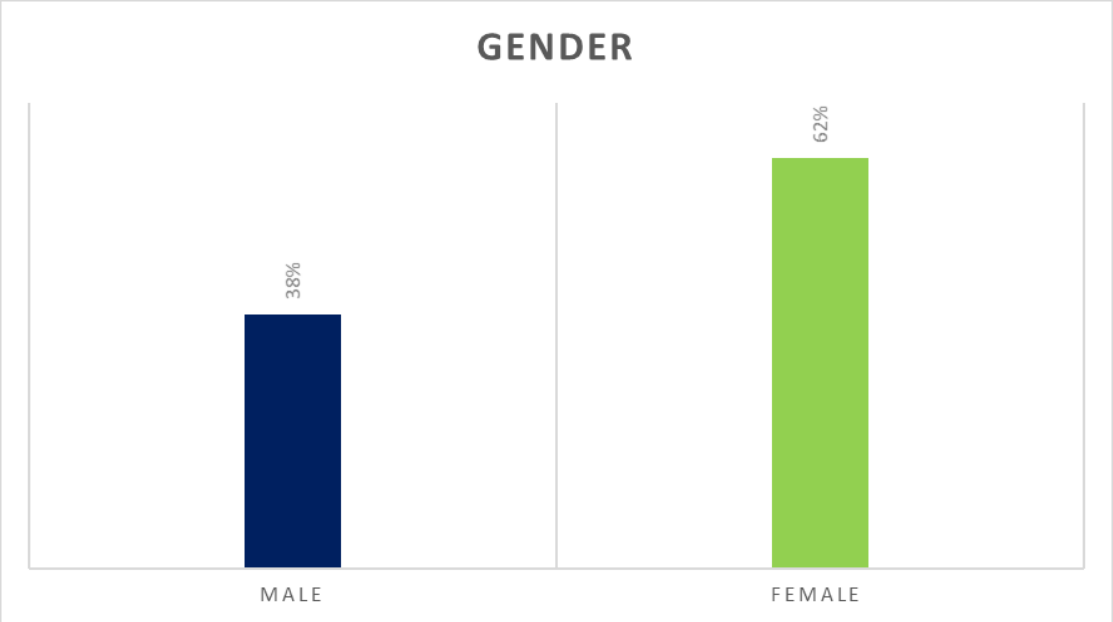


Figure 7: Gender

From **Figure 7** the total number of participants in the survey of 110, there were 68 females, representing 62% of the total, while there were 42 males, representing 38%. Most participants were female.

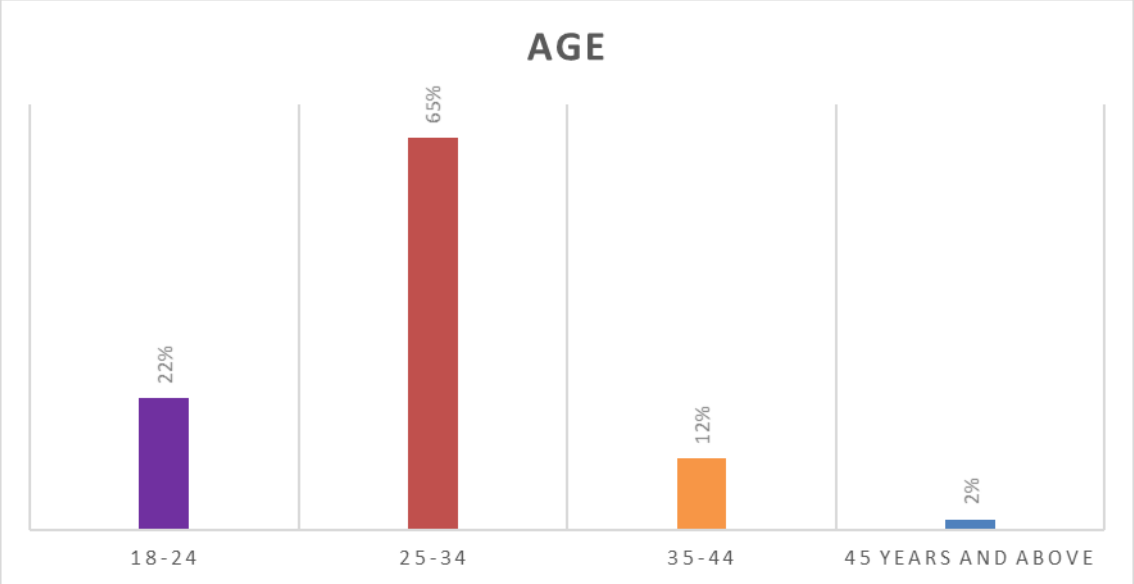


Figure 8: Age

From the total, there were 24 participants, representing 22% of the total, who were in the 18 to 24 age category, 71 participants, representing 65%, were in the 25 to 34 age category, 13 participants, representing 12%, were in the 35 to 44 age category, while 2, representing 2%, were 45 years or above.

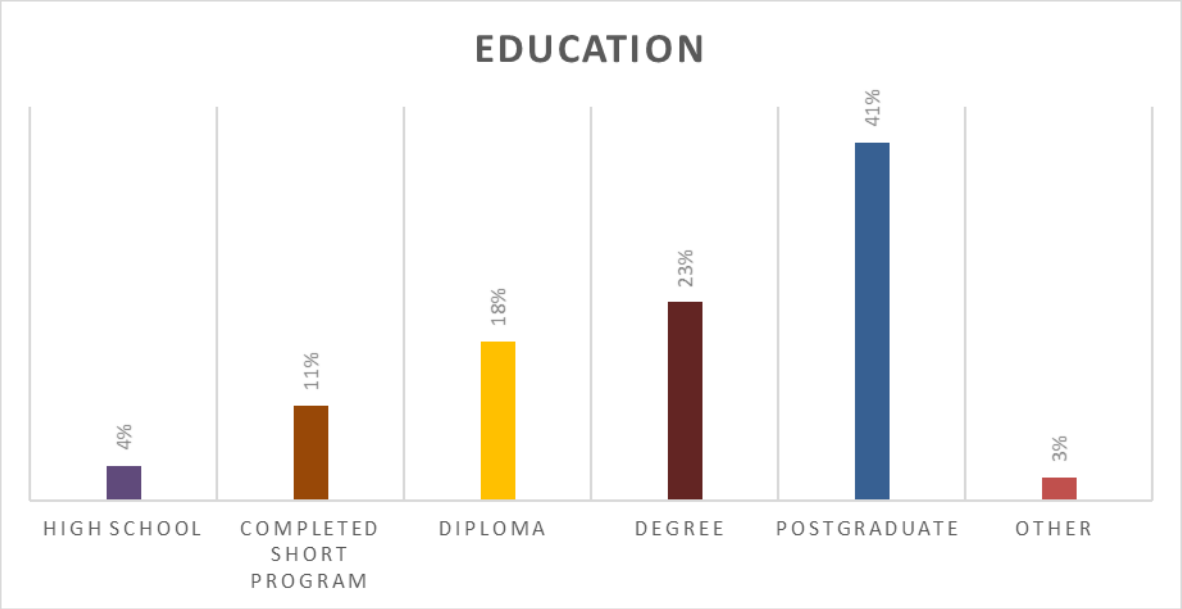


Figure 9: Education

The results of the study revealed that there were 5 participants representing 4% of the total number who had high school education, 12 representing 11% completed short programs, 20 representing 18% had diplomas, 25 representing 23% had degrees, 45 representing 41% had postgraduate degrees while 3 representing 3% had other qualifications. It is evident from the available data that most of the participants had postgraduate degrees.

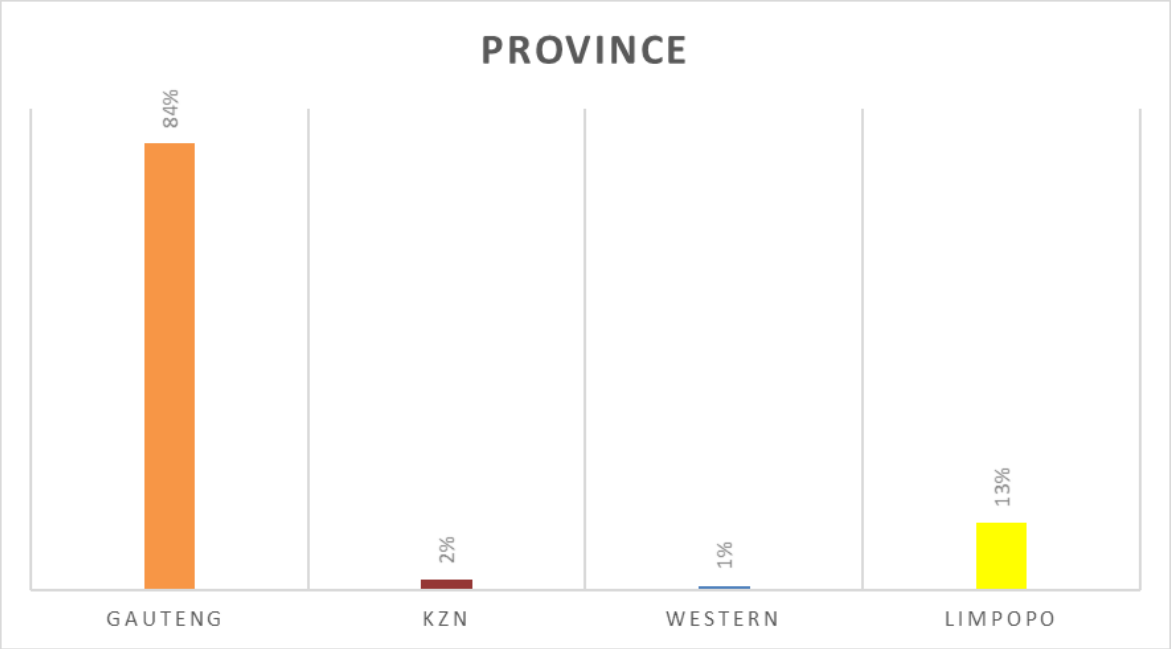


Figure 10: Province

From the available data, there were 92 participants, representing 84% of the total, who were from Gauteng, 3 participants representing 2% who were from KZN, 1 representing 1% who was from Western Cape and 14 representing 13% who were from Limpopo.

Table 1 gives the average brand awareness, purchase intention, brand loyalty and customer engagement for the different demographic data available in the study.

	Description	Mean (Brand awareness)	Mean (Purchase intention)	Mean (Brand loyalty)	Mean (Customer engagement)
Gender	Male	2.92	2.86	3.34	2.88
	Female	3.08	3.31	3.41	3.21
Age	18-24	2.67	3.25	3.48	3.09
	25-34	3.17	3.11	3.41	3.16
	35-44	2.77	3.12	3.24	2.83
	Above 45	3.10	2.80	2.33	2.00
Province	Gauteng	3.09	3.11	3.40	3.09
	KZN	3.33	4.07	4.39	4.33
	Western	4.20	5.00	5.00	4.00
	Limpopo	2.42	2.95	2.92	2.71
Education	High school	2.76	2.76	4.00	2.40
	Completed short programme	2.57	3.52	2.97	3.17
	Diploma	2.85	2.71	3.00	2.85
	Degree	2.91	3.00	3.56	3.68
	Postgraduate	3.32	3.37	3.55	3.00
	Other	2.60	2.73	2.72	2.33

Table 1: Cross-tabulation of mean comparisons of age, gender, province and education

Table 1 indicates even distribution of the variation in the mean as the means are close to each other. Brand loyalty scored higher on some of the constructs compared to the others. The results indicated no statistically significant variance in brand awareness, purchase intention, brand loyalty and customer engagement between males and females. That is, the average brand awareness, purchase intention, brand loyalty and customer engagement of females is not statistically different from that of males.

	p-value			
	Brand awareness	Purchase intention	Brand loyalty	Customer engagement
Gender	0.4703	0.060	0.814	0.2693
Age	0.273	0.667	0.946	0.705

Table 2: p-value

The p-values are greater than the 5% significance level and this indicates no statistical significance in the variance in the p-values and thus not sufficient indication to reject the null hypothesis that all mean populations are equal. The different age and gender p-values regarding brand awareness, purchase intention, brand loyalty and customer engagement are greater than the 5% significance level.

4.2. Analysis of social media engagement

The research sought to understand how participants engage on social media. Participants had to indicate if they were present on the platforms, and if the answer was no, the participants were thanked, and the survey came to an end. However, if the answer was yes, the survey continued by asking the participant to indicate which social media platforms they were on. The survey also asked the participant how long they had been on these platforms as well as how active they were. This was to assess the participants' involvement on the platforms.

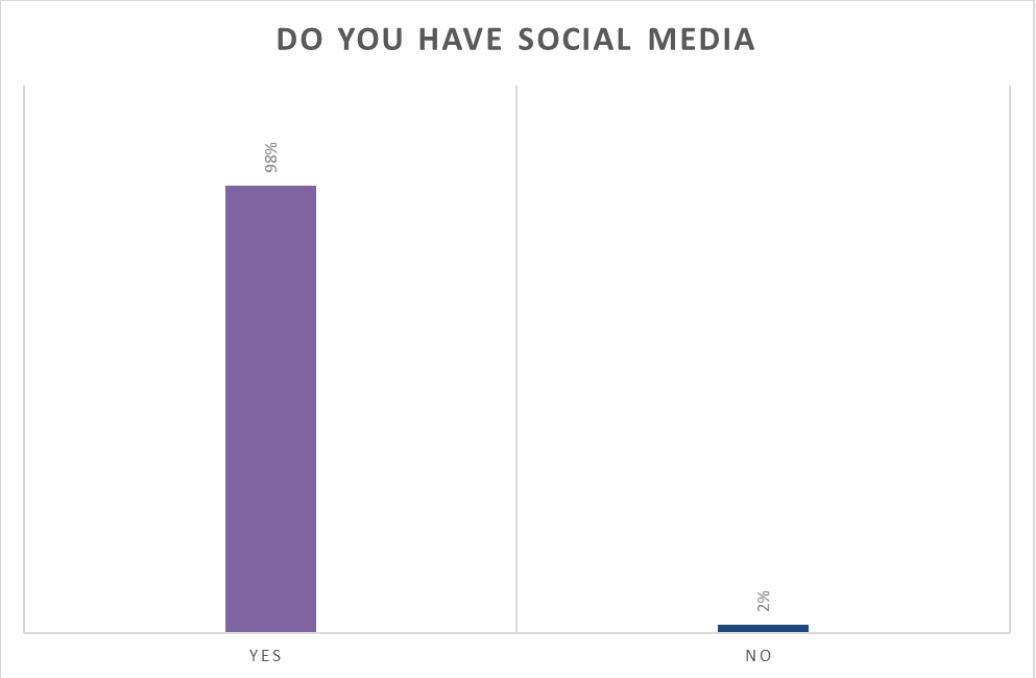


Figure 11: Do you have social media

The research sought to find out if the participants were on any social media platforms. From the available data, 108 people, representing 98% of the total number of participants in the study, were on a social media platform, while 2, representing 2%, were not on any social media platform.

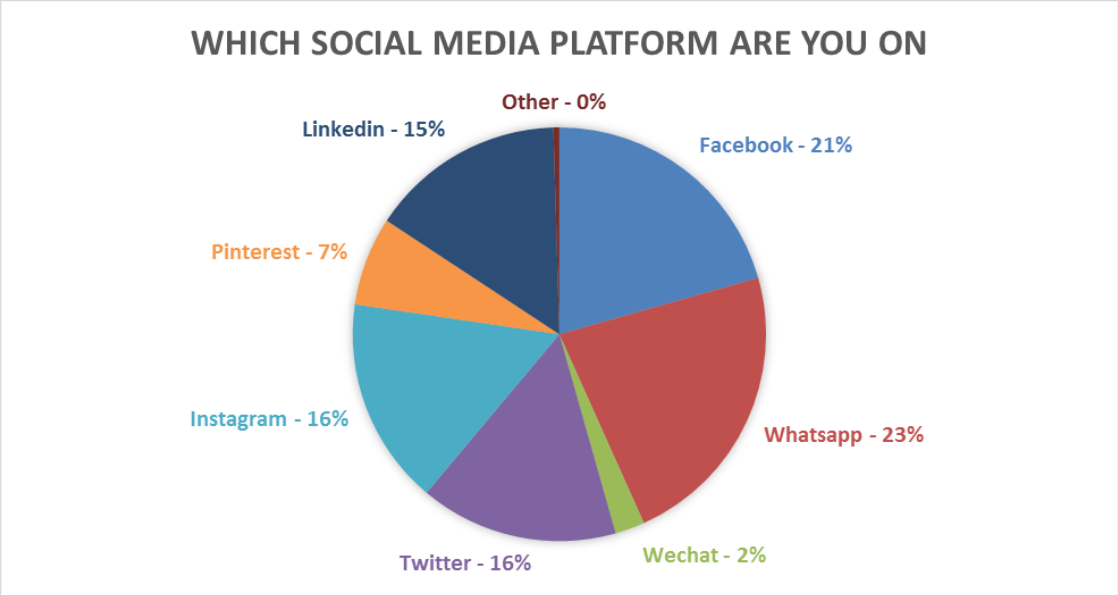


Figure 12: Which social media platforms are you on

Reviewing the most popular social media platforms, on average, a participant has presence on 4 platforms, with WhatsApp (23%) coming out on top, followed by Facebook (21%), Twitter (16%) and finally Instagram (16%). 98 respondents had WhatsApp, which was 90% of the respondents and 89 respondents indicated that they had Facebook, which was 82% of the participants.

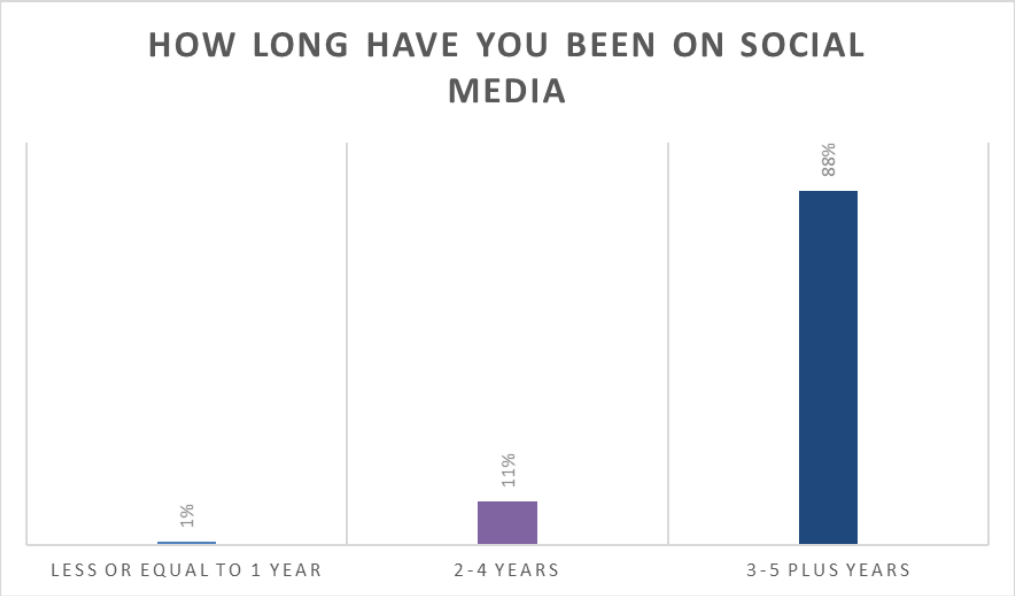


Figure 13: How long have you been on social media

Figure 13 indicates how long participants have been using these platforms and from the results available, 1 participant, representing 1% of the total, had been on social media for 1 year and less, 11 participants, representing 11%, had been on social media for 2 to 4 years, and 90, representing 88%, had been on social media for 3 to 5 years or more. Most participants had been 3-5 years longer on these platforms, therefore if SMEs build relationships with customers on these platforms, these relationships have the potential to be long-standing ones.

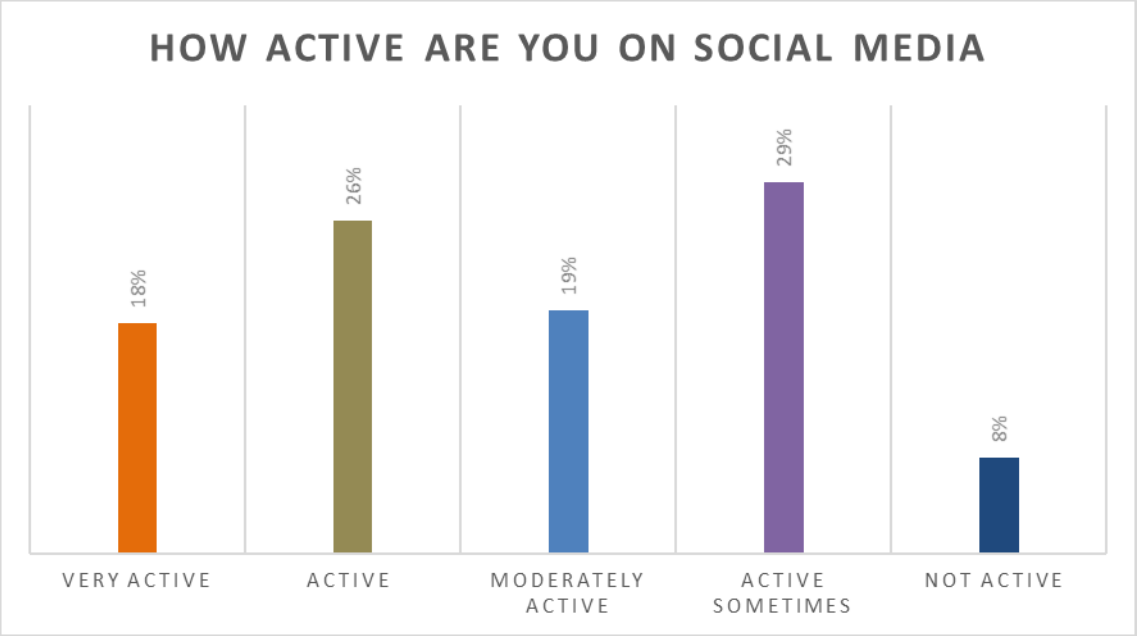


Figure 14: How active are you on social media

There were 18 participants, representing 18% of the total, who stated that they were very active on social media platforms, 27, representing 26%, were active, 19, representing 19%, were moderately active, 30, representing 29%, were active sometimes, while 8, representing 8%, were not active on these social media platforms. 92% of the participants indicated being active on social media, which shows that the participants knew and could understand the contents of this study and were able to respond accordingly.

4.3. Engagement with SMEs on social media

To understand the independent variable, customer engagement, the researcher asked participants if they liked engaging with SMEs on social media. **Figure 15** indicates that 68% of the participants like to engage with SMEs, whilst 17% disagreed, and 15% of the population neither agreed nor disagreed, indicating indifference to the statement.

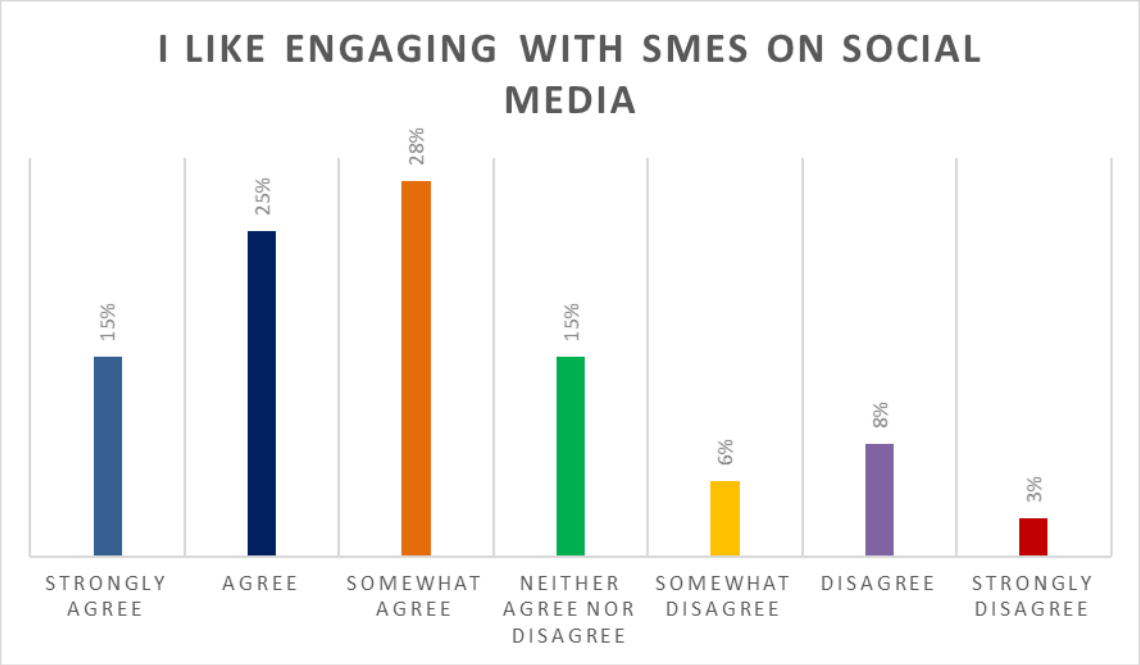


Figure 15: I like engaging with SMEs on social media

4.4. Factor analysis

In conducting factor analysis, the researcher first extracted the factors, determined the number of factors, rotated the factors and finally interpreted the results.

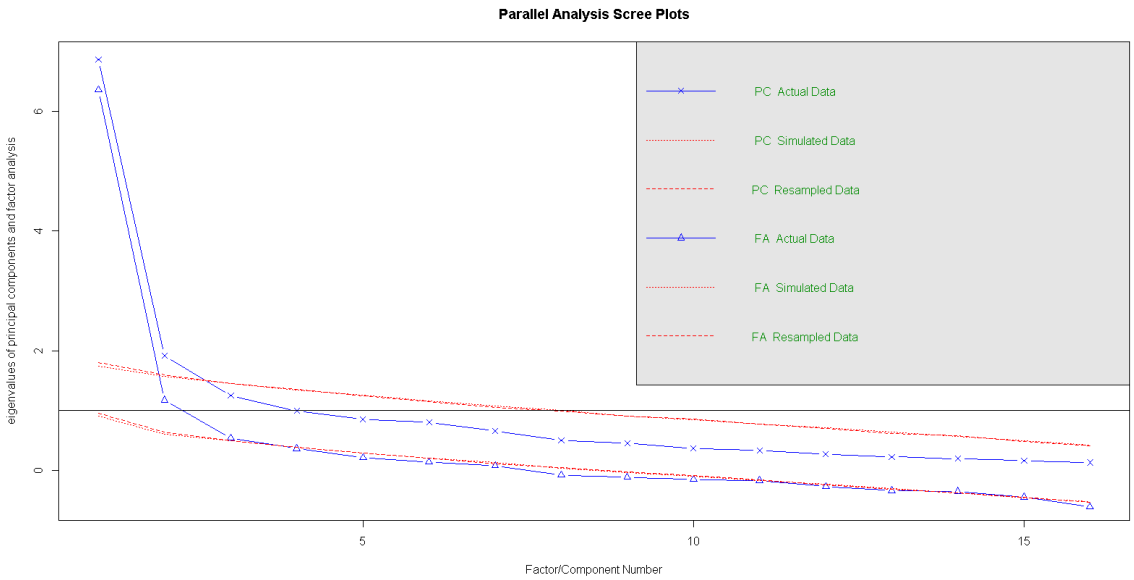


Figure 16: Parallel analysis scree plots

The scree plot is a graphic depiction of how much variation is represented by the factors. From **Figure 16**, it is evident that there are three factors that explain most variances, this can be seen by the number of factors that appear before the elbow.

	Factor 1	Factor 2	Factor 3
Q3.1		0.21	0.50
Q3.2	0.44	0.54	0.29
Q3.3	0.50	0.31	0.31
Q3.4			0.99
Q3.5		0.36	0.72
Q4.1	0.42	0.50	0.22
Q4.2	0.59	0.55	
Q4.3	0.17	0.56	0.22
Q4.4	0.24	0.84	0.23
Q4.5	0.48	0.68	0.20
Q4.6	0.43	0.49	0.15
Q5.1	0.82	0.29	0.14
Q5.2	0.84	0.26	
Q5.3	0.42	0.10	
Q5.4	0.17	0.10	0.22
Q5.5	0.72	0.23	

Table 3: Factor loadings per construct

Varimax (orthogonal) rotation was used to allocate the 16 items to the factors. Results are shown in **Table 3**. Stevens (2002) suggests loadings of 0.5 or more to be considered significant and acceptable when dealing with 100 participants. Therefore, factor loadings less than 0.5 were excluded. The rotation was conducted once and if items were cross loading, the highest factor loading on the item was selected.

The analysis yielded a three-factor solution as supported by the scree plot: four items converged onto factor 1: purchase intention (items 3.3, 5.1, 5.2 and 5.5), seven items converged onto factor 2: brand loyalty (items 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, and 3.2), and three items converged highly onto factor 3: brand awareness (items 3.1, 3.4, and 3.5). Items 5.3 and 5.4 were deleted as they were cross-loading, and further, they had values less than 0.5.

4.5. Reliability

To ensure reliable scales, reliability analysis was conducted., and **Table 4** below indicates the results.

Construct	Items	Cronbach's Alpha	Level of reliability
Brand awareness	3	0.8	Good
Purchase intention	4	0.9	Excellent
Brand loyalty	7	0.8	Good

Table 4: Reliability of scale

As discussed in Chapter 3, the measurements were from existing studies. Reliability analysis was conducted for internal consistency. The coefficients for brand awareness, purchase intention and brand loyalty all met the requirements for reliability. George and Mallery (2003) suggest that coefficients above 0.7 signify acceptable results, 0.8 signify satisfactory results, and 0.9 signify excellent results. Therefore, the study has met the reliability test as all the Cronbach's Alphas are above 0.7 (Nunnally, 1978; Field, 2009).

4.6. Results pertaining to Hypothesis 1

Hypothesis 1: Customer engagement with SMEs on social media influences brand awareness.

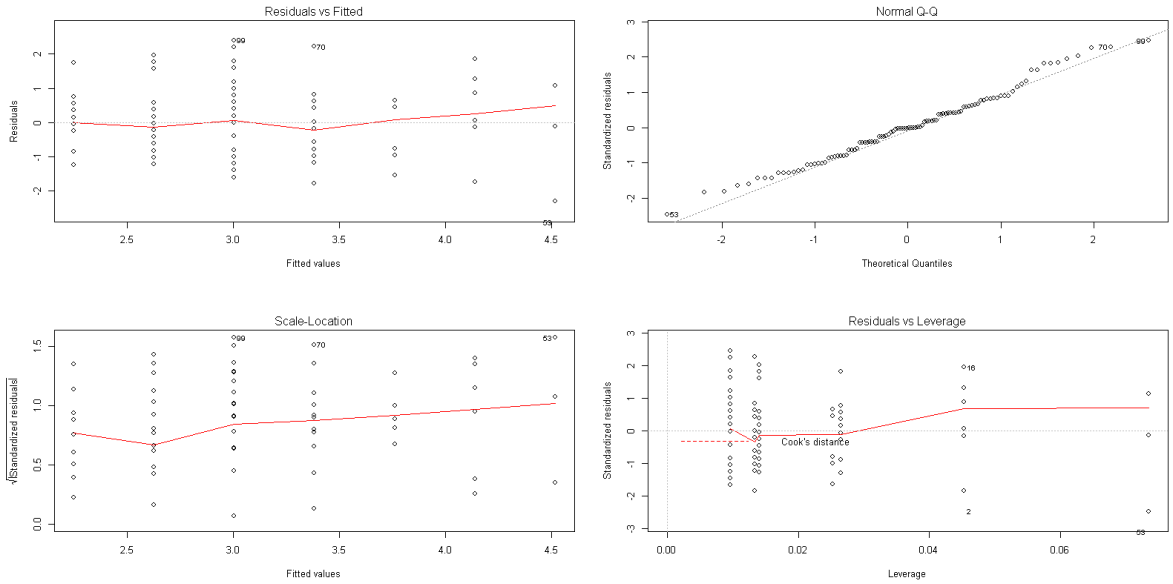


Figure 17: Brand awareness residuals

From **Figure 17**, the Normal Q-Q plot suggests that the residual values are normally distributed. From the plot of the residuals and the fitted values, there is no observable pattern which indicates that the error terms have a constant variance. In addition, the points in the Scale-Location graph are random around the horizontal line, which is also an indication that the constant variance assumption has been met. From the Residual versus Leverage plot, observation 53 appears to be an outlier based on the Cook's distance value (value greater than 1).

Correlation between customer engagement and brand awareness

		Brand awareness
Customer engagement	Pearson correlation	0.51
	p-value	0.00000002258

Table 5: Brand awareness correlation

The correlation coefficient between customer engagement and brand awareness is 0.51, which is a positive correlation. The p-value of the test (p-value=0.00000002258) suggests statistical significance ($p<0.05$).

Regression analysis

	Minimum	Mean	Maximum	Std. deviation
Customer engagement	1	3.1	7	1.56
Brand awareness	1	3.0	6	1.13

Table 6: Brand awareness regression analysis

The standard deviations (customer engagement is 1.56; brand awareness is 1.13) are further from the means (customer engagement is 3.1; brand awareness is 3) which indicates small deviation. The standard deviations are above 1, and this indicates that the data was concentrated. Mean of customer engagement and brand awareness are close to each other, indicating even distribution of the data.

	Coefficient	Std. error	T value	P-value
Intercept	1.87078	0.21223	8.815	3.39e-14
Customer engagement	0.37797	0.06232	6.065	2.26e-08

Table 7: Brand awareness summary of coefficients

The intercept and customer engagement both have positive values of 1.87078 and 0.37797, which indicates that as customer engagement increases brand awareness also increases.

The regression model is given by:

Brand awareness= 1.87078 + 0.37797 (customer engagement)

The F statistics is 36.78 and the p-value is equals to 0.00000002258. Requirements for conducting regression analysis were met.

The R square is 26.5%, which is an indication that the customer engagement explains 26.5% of the variation in brand awareness and the other 73.5% is explained by other factors.

The p-value was 0.00000002258, which indicated that customer engagement significantly predicted brand awareness. This led to the support of hypothesis 1 ($F=36.78$, $p<0.001$) which states that customer engagement with SMEs on social media influences brand awareness.

4.7. Results pertaining to Hypothesis 2

Hypothesis 2: Customer engagement with SMEs on social media influences purchase intention.

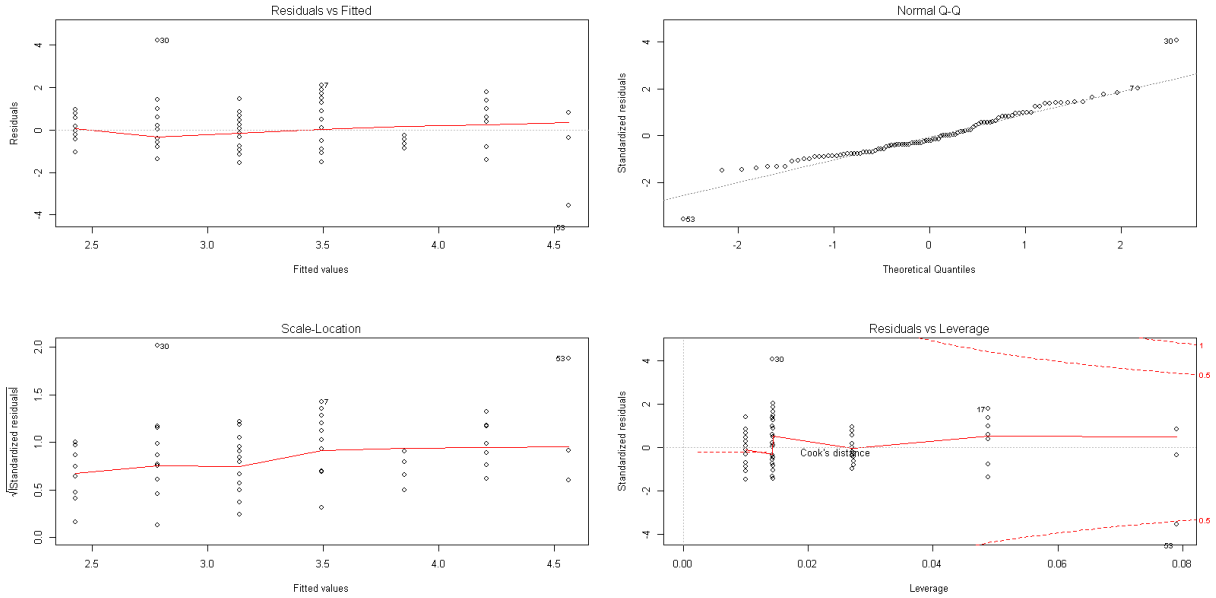


Figure 18: Purchase intention residuals

From **Figure 18**, the Normal Q-Q plot suggests that the residual values are normally distributed. From the plot of the residuals and the fitted values, the error terms do not have a constant variance. In addition, the points in the Scale-Location graph are random around the horizontal line, which is also an indication that the constant variance assumption has been met. From the

Residual versus Leverage plot, observation 53 appears to be an outlier based on the Cook's distance value (value greater than 1).

Correlation between customer engagement and purchase intention

		Purchase intention
customer engagement	Pearson correlation	0.5
	p-value	0.0000011

Table 8: Purchase intention Pearson's correlation

The correlation coefficient between customer engagement and purchase intention is 0.5, which is a positive correlation. The p-value of the test (p-value=0.0000011) suggests that the relationship is statistically significant between customer engagement and purchase intention ($p<0.05$).

Regression analysis

	Minimum	Mean	Maximum	Std. deviation
Customer engagement	1	3.1	7	1.56
Purchase intention	1	3.1	7	1.17

Table 9: Purchase intention regression analysis

The standard deviations (customer engagement is 1.56; purchase intention is 1.17) are further from the means (customer engagement is 3.1; purchase intention is 3.1) which indicates small deviation. The standard deviations are above 1, and this indicates that the data was concentrated. Mean of customer engagement and purchase intention are close to each other, indicating even distribution of the data.

Purchase intention

	Coefficient	Std. error	T value	P-value
Intercept	2.07167	0.22993	9.010	1.7e-14
Customer engagement	0.35596	0.06849	5.197	0.0000011

Table 10: Purchase intention summary of coefficients

The intercept and customer engagement both have positive values of 2.07167 and 0.35596 respectively, which indicates that as customer engagement increases purchase intention also increases.

The regression model is given by:

Purchase intention = 2.07167+0.35596 (customer engagement)

The F statistics is 27.01 and the p-value is equals to 0.0000011. A non-significant p-value (p=0.92) suggests a lack of autocorrelation, which implies independence of errors. A p-value of 0.004 suggests that the constant variance (homoscedasticity) is not met.

The R square is 21.6% which is an indication that customer engagement explains 21.6% of the variation in purchase intention and the other 78.4% is explained by other factors.

The p-value was 0.0000011, which indicated that customer engagement significantly predicted purchase intention. Therefore, hypothesis 2 which stated that customer engagement with SMEs on social media influences purchase intention was supported (F=27.01, p<0.001).

4.8. Results pertaining to Hypothesis 3

Hypothesis 3: Customer engagement with SMEs on social media influences brand loyalty.

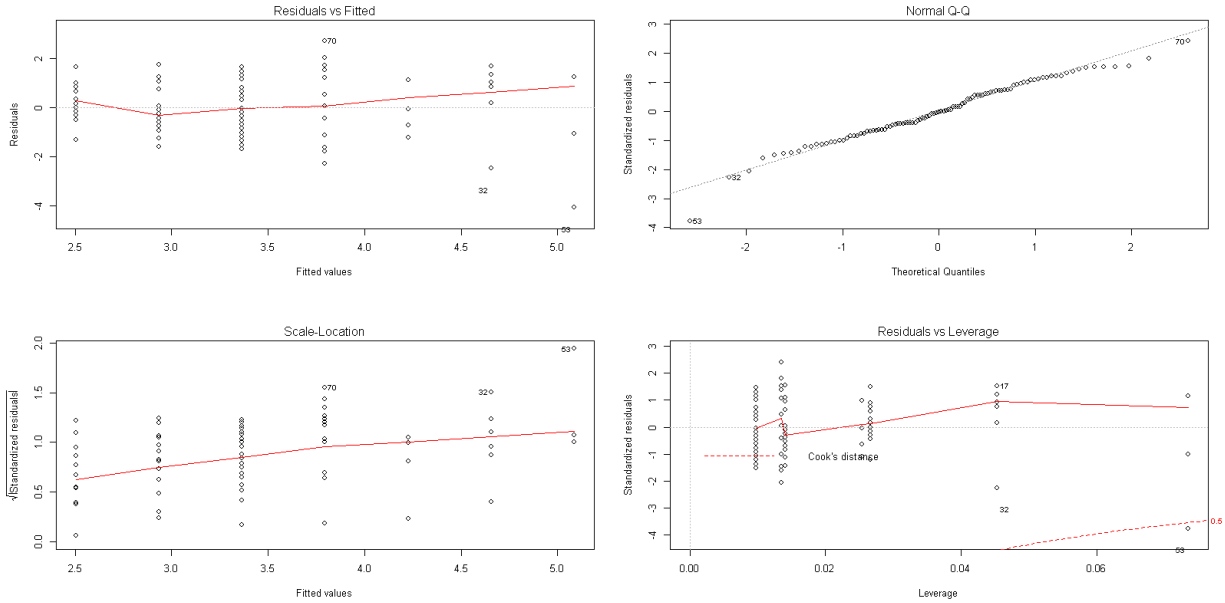


Figure 19: Brand loyalty residuals

From **Figure 19**, the Normal Q-Q plot suggests that the residual values are normally distributed. From the plot of the residuals and the fitted values, the error terms do not have a constant variance. In addition, the points in the Scale-Location graph are random around the horizontal line which is also an indication that the constant variance assumption has been met. From the Residual versus Leverage plot, observation 53 appears to be an outlier based on the Cook's distance value (value greater than 1).

Correlation between customer engagement and brand loyalty

Table 11: Brand loyalty Pearson's correlation

		Brand loyalty
customer engagement	Pearson correlation	0.51
	p-value	0.000000032

The p-value (0.000000032) of the correlation test indicates statistical significance in the relationship. The correlation is positive (r=0.51).

Regression analysis

	Minimum	Mean	Maximum	Std. deviation
Customer engagement	1	3.1	7	1.56
Brand loyalty	1	3.4	6.5	1.30

Table 12: Brand loyalty regression analysis

The standard deviations (customer engagement is 1.56; brand loyalty is 1.30) are further from the means (customer engagement is 3.1; brand loyalty is 3.4) which indicates small deviation. The standard deviations are above 1, and this indicates that the data was concentrated. Mean of customer engagement and brand loyalty are close to each other, indicating even distribution of the data.

Brand loyalty

	Coefficient	Std. Error	T value	p-value
Intercept	2.07403	0.24492	8.468	2.08e-13
Customer engagement	0.43038	0.07184	5.990	3.24e-08

Table 13: Brand loyalty summary of coefficients

The intercept and customer engagement both have positive values of 2.07403 and 0.43038 respectively, which indicates that as customer engagement increases brand loyalty also increases.

The regression model is given by:

Brand loyalty = 2.07403+0.43038 (customer engagement)

The F statistics is 35.88 and the p-value is equals to 0.0000000324. A non-significant p-value (p=0.61) suggests a lack of autocorrelation which implies independence of errors. A p-value of 0.0000025 suggests that the constant variance (homoscedasticity) is not met.

The R square is 26.2% which is an indication that the customer engagement explains 26.2% of the variation in brand loyalty and the other 73.8% is explained by other factors.

The p-value was 0.000000032, which indicated that customer engagement significantly predicted brand loyalty. Therefore, hypothesis 3 which stated that customer engagement with SMEs on social media influences brand loyalty was supported (F=35.88, p<0.001).

4.9. Summary of the results

The questionnaire sent out received a response rate in line with similar studies, with a low drop-out rate of 7%. The survey was taken mostly by women, with the most popular age group being 25 to 34 years of age. The participants predominantly resided in Gauteng province and had postgraduate degrees. 98% of these respondents had social media, and on average they had a presence on 4 or more platforms. The results revealed that participants were mostly active on social media and the majority had been on these platforms for 5 or more years.

Hypothesis 1 was that customer engagement with SMEs on social media influences brand awareness. A positive relationship between customer engagement and brand awareness exists. The r-square was 26.5%, indicating that 26.5% of the variation is explained by brand awareness. The p-value was less than 0.05 (p-value=0.00000002258), which indicated that customer engagement significantly predicted brand awareness. This led to the acceptance of hypothesis 1 (F=36.78, p<0.001).

Hypothesis 2 was that customer engagement with SMEs on social media influences purchase intention. The relationship was positive between the variables. The r-square was 21.6%, indicating that 21.6% of the variation is explained by purchase intention. The p-value was less than 0.05 (p-value = 0.0000011), which indicated that customer engagement significantly predicted purchase intention. This led to the acceptance of hypothesis 2 ($F=27.01$, $p<0.001$).

Hypothesis 3 was that customer engagement with SMEs on social media influences brand loyalty. There link was positive between customer engagement and brand loyalty. The R square was 26.2% which means that 26.2% variation is explained customer engagement. P-value was less than 0.05 (p-value = 0.000000032), which indicated that customer engagement significantly predicted brand loyalty. This led to the acceptance of hypothesis 3 ($F=35.88$, $p<0.001$).

5. DISCUSSION OF RESULTS

This chapter will make the link regarding the results and the literature review. The researcher will focus on similarities or differences found between this study and previous studies discussed in the literature review.

First, the demographic data of the participants is discussed, then the hypothesis results are reviewed, and finally the implications of the results are discussed.

5.1. Demographic profile of respondents

As mentioned in chapter 4, the majority of the participants were females (62%), while there were 42 males representing 38% of the population. The biggest age group amongst the participants was 25 to 34 years old. The age group came as no surprise to the researcher as, according to research by Qwerty (2017) users of these platforms are mostly in the 25 and 34 years age category. This study was representative of this audience. The gender split was not as expected, because Qwerty (2017) research indicated an even split in gender, while for the study, the data was skewed more towards the females.

The participants predominantly resided in Gauteng province, with Limpopo province as the second biggest in participation. The results were not a good representation of the biggest South African provinces by population (**Appendix 7**). This could be because the researcher's family and friends are based in the Limpopo province.

The ANOVA tests indicated no statistical significance in the variance of brand awareness, purchase intention, brand loyalty and customer engagement between males and females. The expectation was for the results to be slightly different for women than for men as women's purchasing behaviour is different from that of men. Therefore, these results were contrary to the researcher's expectations.

5.2. Analysis of social media participation

Popular platforms based on the results were WhatsApp (23%), Facebook (21%), Twitter (16%) and Instagram (16%). 98 respondents had WhatsApp, which was 90% of the respondents and 89 respondents indicated that they had Facebook, which is 82% of the participants. This result was different from the expectations as literature suggests Facebook to be the top platform in South Africa, then YouTube and finally WhatsApp (Qwerty, 2017).

5.3. Discussion pertaining to Hypothesis 1

Customer engagement had a positive relationship (0.51) with brand awareness. The R square for brand awareness was 26.5%, which is an indication that the customer engagement explains 26.5% of the variation in brand awareness and 73.5% of other variations is explained by other factors, which could be attributed to factors such as marketing, promotions, and public relations (Momany & Alshboul, 2016). Therefore, hypothesis 1 which was that customer engagement with SMEs on social media influences brand awareness was supported ($p<0.05$) as expected.

This study was in line with similar studies which were conducted on brand awareness such as Mount and Martinez (2014) and Hutter et al. (2013). These studies agreed that customer engagement on social media influences brand awareness. Even when the publicity was negative, Vermeulen and Seegers (2009) found that this influenced brand awareness.

5.4. Discussion pertaining to Hypothesis 2

Customer engagement had a positive moderate relationship (0.5) with purchase intention. The R square for purchase intention was 21.6%, which is an indication that customer engagement explains 21.6% of the variation in purchase intention and the other 78.4% is explained by other factors. Therefore, hypothesis 2 was that customer engagement with SMEs on social media

influences purchase intention and this hypothesis was supported (P<0.05) as expected.

The results of this study seem to support similar studies (Hamdi and Kosarizadeh, 2015; Chandio et al., 2015). These studies agreed that customer engagement on social media had a positive relationship with purchase intention. An interesting finding from previous studies was from Momany and Alshboul (2016), who found that engagement on social media was more impactful for brand awareness than it was for purchases. The R-square for brand awareness was higher than for purchase intention (26.5% and 21.6% respectively), although it wasn't a significant difference, it indicated agreement with the findings by Momany and Alshboul (2016).

5.5. Discussion pertaining to Hypothesis 3

The association between the variables was positive (r=0.51). The R square for brand loyalty was 26.2%, which is an indication that customer engagement explains 26.2% of the variation in brand loyalty and the other 73.8% is explained by other factors. Therefore, hypothesis 3 which stated that customer engagement with SMEs on social media influences brand loyalty was supported (p<0.05) as expected.

Two levels of loyalty were distinguished as suggested by Gremler and Brown (1999): (1) behavioural loyalty, which is symbolised by repeated sales or the promise to buy more products or services in future, and (2) cognitive loyalty, which means that the brand is the client's primary choice when faced with a buying decision. Previous studies indicated that customer engagement with businesses on social media influences brand loyalty (Gamboa & Gonçalves, 2014; Erdogmus & Cicek, 2012). Further, customers who have a connection and communicate with a brand tend to have behavioural loyalty (Hwang & Kandampully, 2012). The results were in line with studies reviewed in the literature.

5.6. Conclusion

The study was focused on examining whether social media engagement between customers and SMEs influences brand awareness, brand loyalty, and purchase intention. **Table 14** demonstrates a summary of the three propositions.

Hypotheses		Pearson's correlation coefficient	p-value	Supported or unsupported
H1	Customer engagement influences brand awareness	0.51	0.00000002258	Supported
H2	Customer engagement influences purchase intention	0.5	0.0000011	Supported
H3	Customer engagement influences brand loyalty	0.51	0.000000032	Supported

Table 14: Summary of hypotheses

6. CONCLUSION, IMPLICATIONS AND RECOMMENDATIONS

This chapter concludes the findings. In addition, theoretical contributions and implications for research findings will be drawn. Findings will be further adapted into recommendations, limitations and suggestions for future studies.

6.1. Conclusions of the study

This dissertation examined the influence that customer engagement has on brand awareness, purchase intention and brand loyalty. As outlined in Chapter 1, technology has introduced new ways of communicating, and has removed geographic and time restrictions. This has allowed customers and brands to engage with each other without any borders. The increase of smart phone usage and internet connectivity in South Africa has led to the enablement of social media usage.

SMEs are an important part of economic growth in South Africa, however, they have challenges such as access to markets and poor marketing to overcome before they can add substantial value, and social media can assist with to overcome these challenges.

This study aimed to fill a research gap in SME and venture growth. Specifically, it was to evaluate customers' attitudes by understanding how customer engagement with SMEs influences awareness, loyalty and purchase intention, which will aid in venture growth and in turn economic growth.

In short, the important findings of this study are that customers like to engage with SMEs on social media and that the engagement between SMEs and potential customers influences brand awareness, purchase intention, and brand loyalty. The results overall indicated positive customer attitudes towards SMEs that are operating on social media.

6.2. Implications and recommendations

This study focused on the attitudes of customers when they engage with SMEs on the platforms. These attitudes are what shapes customers' purchasing behaviour. For SMEs to access markets, reduce costs and properly market their products and services, they need to understand these customer attitudes as they predict actions (Court et al., 2009).

Customers are every business' most important asset (Keith, 1960) and in understanding their attitudes towards social media platforms which are gaining ground in terms of usability, these SMEs can adjust their marketing strategies to properly target these customers, thereby accessing markets. The study reveals positive attitudes towards engagement with SMEs, therefore presenting an opportunity for SMEs.

As indicated at the beginning of this study, social media tends to be less costly as compared to more traditional media. Therefore, customers' attitudes being positive towards engagement with SMEs on social media platforms could contribute to SMEs who have a strategic intent to reduce marketing costs.

6.3. Limitations

- Data was collected during the December holidays, which is not a good time to collect data according to research experts. Therefore, the results may be skewed due to customers' split focus.
- The study was focused on SMEs, and so results of this study may not be transferrable to large businesses.
- Memory bias of customers may have negatively affected the responses. Customers were asked about their engagement with SMEs, and it may very well be that they did not recall which of the businesses they engaged with were SMEs and which were not.
- The study was executed using a self-administered online survey and this wasn't accompanied by interviews, and therefore this study may not provide deep insights into the results.

- The study only reviewed social media marketing, and not its influence when it's part of a broader marketing strategy, which includes promoting the business using traditional media.
- The study only measured intention to buy and not the actual purchase.

6.4. Suggestions for further research

Through this study, various questions have come up which will foster future studies.

Firstly, this research was focused on SMEs that have a social media presence, but there is a question about how quickly SMEs implement the platforms as part of a marketing plan in their business. The adoption or non-adoption could have significant results on social media studies. Future studies could review the adoption rate of the platforms by SMEs and the impact on growth.

Secondly, the focus for this study was on social media platforms; there was no specific focus on just one platform. Future studies could zoom into a particular platform, for example, Facebook, which has a feature called Facebook for Business, with the main aim being to promote SMEs. The influence that this feature has could be valuable to SMEs.

Thirdly, as indicated in the study, social media comes in different forms. For this study, social media platforms not technically created and owned by SMEs, such as LinkedIn, Facebook, and Twitter, were reviewed. Future studies could focus on examining social media platforms created by SMEs on their websites (e.g. blogs on the website of the business) and comparing with the results of this study to see if there are any material differences in how the engagement influences brand equity and purchase intention and how customers attitudes change.

Fourthly, this study focused only on brand equity and purchase intention; it did not go further and measure SME performance through measuring return on investment (ROI). Current literature suggests limited research on marketing ROI

on these platforms. Future studies could investigate the return on investment for SMEs when utilising the platforms.

Fifthly, this study reviewed the impact that social media has on purchase intention; it did not go further to examine if these intentions translate into a purchase (i.e. sales). Future studies could examine if customers' intentions translate into purchases from the SMEs.

Sixthly, the findings of this study revealed that participants had mostly been on the social media platforms for a period over 5 years. Future studies could look at new adopters of social media and examine their attitudes to see if this yields the same results.

Lastly, this study only reviewed social media from the customer's view. Future research could investigate some SMEs that are doing well on social media and seek to understand methods that work and how to use the platforms in a way which yields results. This kind of study could benefit new SMEs and give them guiding principles on how to adopt social media platforms in a way which gives them quicker results.

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8. APPENDIX 1: RESEARCH INSTRUMENT

Section 1: This section will assist in finding out more about you. Please select the block that best represents your answer or write the answer where applicable.									
1.1. Your gender	1. Male	2. Female							
1.2. Your age	1. Under 18 years old	2. 18 – 24 years	3. 25 – 34 years	4. 35 - 44 years	5. 45 years plus				
1.3. Where do you live?	1. Gauteng Province	2. KZN Province	3. Western Cape Province	4. Limpopo Province	5. North West Province	6. Eastern Cape	7. Mpumalanga Province	8. Nothern Cape Province	9. Free State Province
1.4. Highest level of education	1. No education	2. Primary school	3. High school	4. Completed short programme	5. Diploma	6. Degree	7. Post graduate degree	8. Other (specify)	

Section 2: This section will assist in understanding how you use social media platforms. Please select the block that best represents your answer.								
2.1. Are you on any social media platforms?	1. Yes	2. No						
2.2. If Yes, which social media platforms?	1. Twitter	2. Facebook	3. Instagram	4. WeChat	5. Whatsapp	6. Pinterest	7. Other platforms	
2.3. How long have you been on social media?	1. Less or equal to 1 year	2. 2-4 years	3. 5 years plus					
2.4. How active are you on these platforms?	1. Very active	2. Active	3. Moderately active	4. Active sometimes	5. Not active			
2.5. On a scale of 1 (strongly agree) to 7 (strongly disagree), please select the block that best represent the below statement: I like engaging with SMEs on social media	1. Strongly agree	2. Agree	3. Somewhat agree	4.Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree	

Section 3: This section focuses on your engagement with SMEs on social media regarding brand awareness, on a scale of 1(strongly agree) to 7 (strongly disagree), please select the block that best represents your answer.							
3.1.1. I can easily identify SMEs I have seen and/or interacted with on social media in other places (e.g. TV, Magazine, Newspaper, At a mall etc)	1. Strongly agree	2. Agree	3. Somewhat agree	4. Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree
3.1.2. I think SMEs on social media have a positive image	1. Strongly agree	2. Agree	3. Somewhat agree	4. Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree
3.1.3. If I had to make a purchase, SMEs on social media would come first to mind	1. Strongly agree	2. Agree	3. Somewhat agree	4. Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree
3.1.4. I can easily distinguish SMEs on social media from others	1. Strongly agree	2. Agree	3. Somewhat agree	4. Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree
3.1.5. I can easily identify products of SMEs on social media	1. Strongly agree	2. Agree	3. Somewhat agree	4. Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree
Section 4: This section focuses on your engagement of SMEs on social media regarding brand loyalty, on a scale of 1(strongly agree) to 7 (strongly disagree), please select the block that best represents your answer.							
4.1.1. I consider myself loyal to SMEs I interact with on social media	1. Strongly agree	2. Agree	3. Somewhat agree	4. Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree
4.1.2. I trust SMEs I interact with on social media	1. Strongly agree	2. Agree	3. Somewhat agree	4. Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree
4.1.3. I have liked, shared and retweeted social media updates of SMEs I follow	1. Strongly agree	2. Agree	3. Somewhat agree	4. Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree
4.1.4. I have/would recommend SMEs I interact with to those close to me	1. Strongly agree	2. Agree	3. Somewhat agree	4. Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree
4.1.5. If I need a product which the SMEs I interact with offer, they will be my first choice	1. Strongly agree	2. Agree	3. Somewhat agree	4. Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree
4.1.6. I habitually buy from SMEs that I interact with on social media	1. Strongly agree	2. Agree	3. Somewhat agree	4. Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree

Section 5: This section focuses on your engagement of SMEs on social media regarding purchase intention, on a scale of 1(strongly agree) to 7 (strongly disagree), please select the block that best represents your answer.							
5.1.1. I would consider buying from the SMEs I interact with in the next 3 months	1. Strongly agree	2. Agree	3. Somewhat agree	4. Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree
5.1.2. I would consider buying from the SMEs I interact with in the next year	1. Strongly agree	2. Agree	3. Somewhat agree	4. Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree
5.1.3. I would consider buying from the SMEs I interact with	1. Strongly agree	2. Agree	3. Somewhat agree	4. Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree
5.1.4. I would consider buying from SMEs on social media if they are recommended by my social media network	1. Strongly agree	2. Agree	3. Somewhat agree	4. Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree
5.1.5. I choose to accept my social media network's product reviews without any hesitation when buying from the SMEs they have reviewed	1. Strongly agree	2. Agree	3. Somewhat agree	4. Neither agree nor disagree	5. Somewhat disagree	6. Disagree	7. Strongly disagree
Thank you for participating and for your valued input. All answers will be kept private.							

END OF THE SURVEY

9. APPENDIX 2: CONSISTENCY MATRIX

The research consistency matrix is presented in the table below.

The purpose of this research is to examine customer engagement on social media with SMEs and the influences on brand awareness, brand loyalty, and purchase intention.					
Sub-problem	**Literature review**	**Hypotheses**	**Source of data**	**Type of data**	**Analysis**
1. Customer engagement with SMEs on social media influences brand awareness	(Momany & Alshboul, 2016; Hutter et al., 2013; Gamboa and Gonçalves, 2014; Keller, 2008; Chakravarti, & Janiszewski, 2003; Hajli, 2014; Vermeulen and Seegers, 2009; Mount	**H1**: Customer engagement with SMEs on social media influence brand awareness	Questionnaire data collected using the research instrument. Section 3, questions 3.1.1, 3.1.2, 3.1.3, 3.1.4, 3.1.5.	Interval	Simple regression analysis, correlational analysis, Descriptive analysis, Factor analysis

	and Martinez, 2014; Sharp & Macdonald, 2003; Aaker, 1996).				
2. Customer engagement with SMEs on social media influences purchase intention.	(Momany & Alshboul, 2016; Laroche et al., 2013; Huy and Shipilov, 2012; Stephen and Galak, 2012; Pöyry et al., 2013; Kasavana et al., 2010; Mangold and Foulds, 2009; Inversion and Masiero, 2014; Hamdi & Kosarizadeh, 2015).	**H2**: Customer engagement with SMEs on social media influence purchase intention	Questionnaire data collected using the research instrument. Section 5, questions 5.1.1, 5.1.2, 5.1.3, 5.1.4, 5.1.5.	Interval	Descriptive analysis, simple regression analysis, correlational analysis, Factor analysis
3. Customer engagement with SMEs on social media	(Keller, 2008; Srinivasan et al., 2016; McAlexander et al., 2003; Turri et al., 2013; Kim et al., 2015; Mangold and Foulds,	**H3**: Customer engagement with SMEs on social media influence brand loyalty.	Questionnaire data collected using the research instrument. Section 4, questions 4.1.1, 4.1.2, 4.1.3, 4.1.4, 4.1.5,	Interval	simple regression analysis, correlational analysis, Descriptive

influences brand loyalty.	2009; Gamboa and Gonçalves, 2014; Oliver, 1999; Gremler and Brown, 1999; Aaker, 1991; Hutter et al., 2013; Erdogmus & Cicek, 2012; Hwang and Kandampully, 2012)		4.1.6.		analysis, Factor analysis

10. APPENDIX 3: COVER LETTER

Dear prospective customer,

- Do you interact with SMEs on Social Media?
- What are your views on SMEs that are on these platforms?
- Have you bought from these SMEs?

SME growth is important for the growth of the South African economy and therefore, I am conducting academic research to help with understanding the influence of Social Media on purchase intention, brand awareness, and brand loyalty of SMEs: A focus on customers' engagement with brands on the platforms.

SMEs stands for Small and Medium Enterprises and is defined as per the National Small Enterprise Act, No. 102 of 1996. The following are examples of businesses that are considered SMEs; they offer the following products/ services: Website development, weave businesses, hair salons, residential cleaning services, cake making businesses etc. They represent approximately 40% of all businesses in South Africa.

I am, therefore, requesting your assistance to complete the questionnaire. It will take you approximately 2 minutes to complete.

Your views are important! Your responses will be kept strictly confidential and your participation will not prejudice you in any way.

Regards,

R.M Nyatlo.

Email address: 1709874@students.wits.ac.za.

11. APPENDIX 4: CONSENT FORM

The influence of social media on purchase intention, brand awareness, and brand loyalty: A focus on customers' engagement with brands on the platforms

Hello, my name is Rahab Nyatlo (Student Number: 1709874). I am conducting a study for my Master of Management in Entrepreneurship and New Venture Creation at Wits Business School.

I'm conducting a quantitative research to evaluate customer engagement on social media with SMEs and the influence on brand loyalty, brand awareness, and purchase intention.

I'm asking you to participate in answering a questionnaire for 2 minutes, participation is of your own free will and you are not obligated to partake in this research. If you elect not to partake, you will not be affected in any way. If you consent to partake, you may break at any time and there will be no consequences.

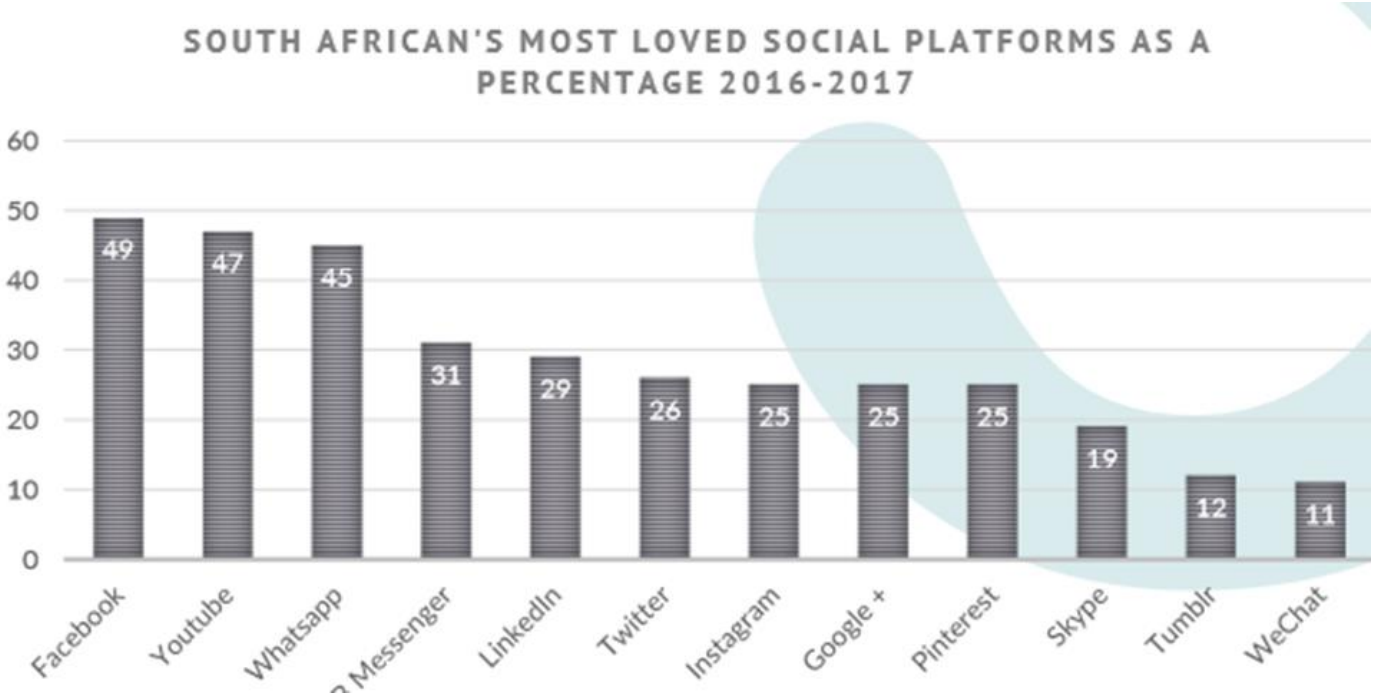
Any research archives that categorize you will be kept private to the degree possible by law. People responsible for ensuring the research is conducted properly may view your records, these people include my academic supervisor (s) and they are all are obligated to keep your identity private. All research archives will be destroyed post-completion and grading of my assignment.

For now, I don't see any risks in your participation.

You may participate by clicking on the link below:

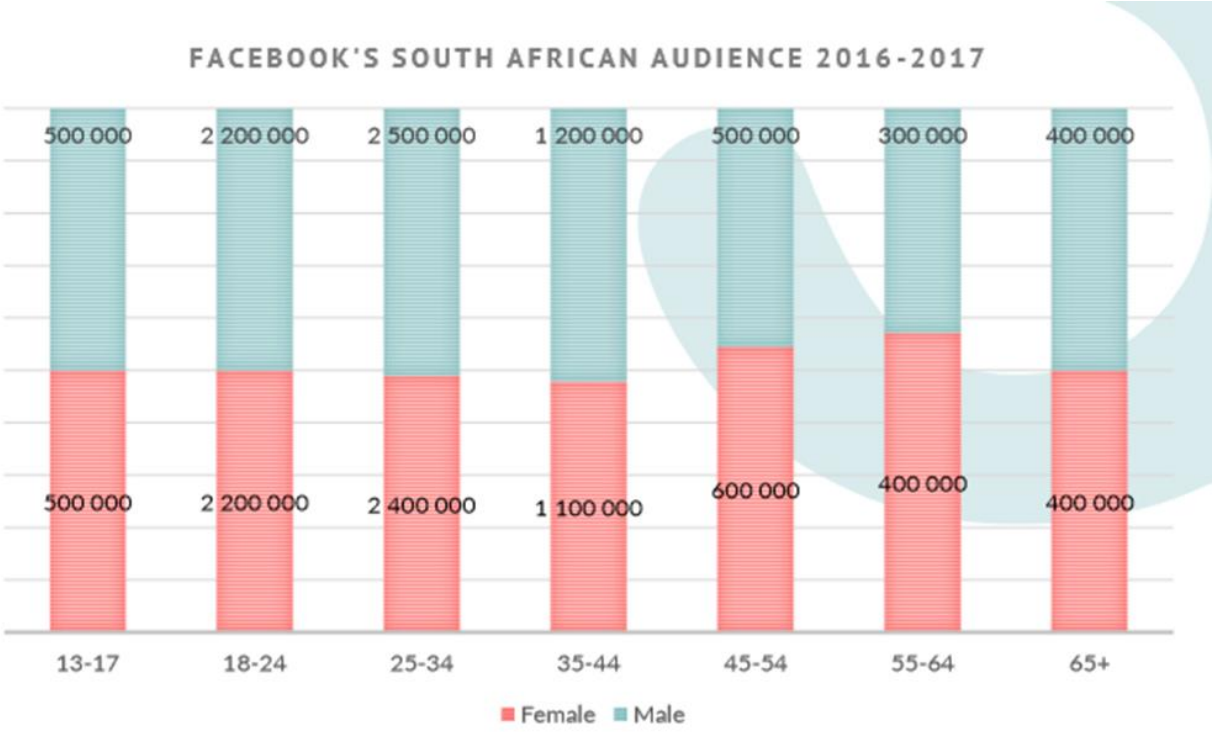
https://wits.eu.qualtrics.com/jfe/form/SV_cSDmNqETSrTOLXv

12. APPENDIX 5: SOUTH AFRICA'S MOST LOVED PLATFORMS AS A PERCENTAGE 2016-2017



Source: Qwerty (2017)

13. APPENDIX 6: FACEBOOK'S SOUTH AFRICAN AUDIENCE 2016 - 2017



Source: Qwerty (2017)

14. APPENDIX 7: MID-YEAR POPULATION ESTIMATES BY PROVINCE, 2017

Table 2: Mid-year population estimates by province, 2017

	Population estimate	% of total population
Eastern Cape	6,498,700	11.5
Free State	2,866,700	5.1
Gauteng	14,278,700	25.3
KwaZulu-Natal	11,074,800	19.6
Limpopo	5,778,400	10.2
Mpumalanga	4,444,200	7.9
Northern Cape	1,214,000	2.1
North West	3,856,200	6.8
Western Cape	6,510,300	11.5
Total	56 521 900	100,0

Source: StatsSA (2017)