Chapter 5
Social Media and SMEs in Transition Countries

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ABSTRACT
The consequences of social media applications are experienced at every level in an organizational context, but they are arguably most extensively experienced in developing effective marketing communication strategies. Drawing on constructivist perspectives, recognizing the socially constructed realities embedded within this evolving techno-cultural construct, the current chapter suggests that understanding social media must begin not in the technological domain, but in the way in which users negotiate meanings between and amongst themselves in the Internet ecosystem. This could potentially help marketers to develop effective marketing communications programmes. Understanding the co-evolution of social media connectivity and sociality in the context of the emerging culture provides deeper insight into how SMEs, particularly in transition economies, could adapt to and contextualize values of openness and connectedness offered by this technological tapestry. Certain conditions in which the deployment of cultural transformation is likely to succeed are identified, and a future empirical research agenda is suggested.

INTRODUCTION
The advent of the Internet has created new ways in which consumers interact among themselves, and engage and interact with marketers through various forms of social media. The Internet has traditionally facilitated communication between organizations and consumers, whilst also supporting consumer to consumer communications in a collaborative position based on orthodox interactions (Ozuem, Howell, & Lancaster, 2008). As companies begin to realize the implications and opportunities inherent within this evolving technology, they have begun to experiment in different ways on formulating strategies that exploit the benefits of social marketing (Chaston, 2013; Kim & Ko, 2012). Social media permits on and off-line communications between parties to meet particular strategic objectives. The continuing importance of this technological phenomenon,
and the increasing realization of its strategic opportunities for small firms has caused many Small to Medium Enterprises (SMEs) to recognize that social media constitutes one of their key competitive weapons. Social media as a marketing medium allows two way communication between stakeholders without any restrictions on time and place and there are business implications for communicating with prospective consumers (Kim & Ko, 2010). As such, many businesses today embrace social media as part of their plans, and they create strategies to effectively employ social media (Noone, Mcguire, & Rohlfs, 2011). Such a realization may be not surprising, since social media provide a much broader base for competition than traditional spatial marketing environments. This paper examines how participatory social and connectivity culture offer expansive marketing opportunities for SMEs in transition countries using the Republic of Kosovo as a case study. Drawing on constructivist perspectives, recognizing the socially constructed realities embedded within this evolving techno-cultural construct, the chapter demonstrates that understanding social media must begin, not in the technological domain, but in the ways in which users negotiate meanings among themselves in the internet ecosystem. This could potentially help marketers to develop effective marketing communications programmes. Understanding the co-evolution of social media connectivity and sociality in the context of an emerging culture provides a deeper insight into how SMEs, particularly in transition economies, could adapt and contextualize the values of openness and connectedness offered by this technological tapestry. In the context of SMEs, understanding underlying communicative and user-negotiated meaning offers greater enhanced implications and opportunities for marketing practices in the transition economies than via technological and determinist approaches (Feenberg, 2002).

SMEs are businesses that can be defined according to a particular number of employees according to a certain volume of turnover (European Commission, 2009). Table 1 sets out these parameters in specific numerical contexts.

Regardless of the characteristics of SMEs, Kula & Tatoglu (2003) suggest they are the leading sector for growth in emerging countries since they engender growing patterns of employment and sustainable economic development. Globalization has resulted in the reduction of barriers, and this has created opportunities for SMEs to internationalize (Todd & Rajshekhar, 2007). However, the entire process of expansion has been enhanced by the deployment of social media services. Zhou, et al. (2007, p.673) argue that “social networks play a mediating role in the relationship between the inward and outward internationalization and firm performance”.

A number of studies have been conducted into the characteristics and importance of SMEs worldwide (Zhou et al., 2007; Hanafizadeh et al., 2012). Numerous scholars have discussed the centrality of social media in business development (Ozuem et al., 2008; Nassar, 2012; Kim & Ko, 2012). However, the link between social media and SMEs in emerging economies remains partially explored in the literature. One indication of the gap in this kind of research is perhaps the limited

### Table 1. Main factors determining small and medium enterprises

<table>
<thead>
<tr>
<th>Company Category</th>
<th>Employees</th>
<th>Turnover</th>
<th>Balance Sheet Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medium-sized</td>
<td>&lt;250</td>
<td>≤ € 50 m</td>
<td>≤ € 43 m</td>
</tr>
<tr>
<td>Small</td>
<td>&lt;50</td>
<td>≤ € 10 m</td>
<td>≤ € 10 m</td>
</tr>
<tr>
<td>Micro</td>
<td>&lt;10</td>
<td>≤ € 2 m</td>
<td>≤ € 2 m</td>
</tr>
</tbody>
</table>

Source: European Commission, 2009