

# Determinants of Social Media Use by Handicraft Industry of Indonesia and Its Impact on Export and Marketing Performance: An Empirical Study

*by Ririn Tri Ratnasari*

---

**Submission date:** 10-Jun-2021 09:57AM (UTC+0800)

**Submission ID:** 1603777797

**File name:** pact\_on\_export\_and\_marketing\_performance,\_An\_empirical\_study.pdf (554.88K)

**Word count:** 6950

**Character count:** 39273



# Determinants of Social Media Use by Handicraft Industry of Indonesia and Its Impact on Export and Marketing Performance: An Empirical Study

Adi Santoso<sup>a</sup>, Erdawati<sup>b</sup>, Riria Tri Ratnasari<sup>c</sup>, Dyah Palupiningtyas<sup>d</sup>,  
Muh. Yani Balaka<sup>e</sup>, <sup>a</sup>Universitas Muhammadiyah Ponorogo, <sup>b</sup>STIE Pasaman,  
<sup>c</sup>Postgraduate School And Faculty of Economics and Business, Universitas  
Airlangga, <sup>d</sup>STIEPARI Semarang, <sup>e</sup>Universitas Halu Oleo, Email:  
<sup>a</sup>[adisantoso@umpo.ac.id](mailto:adisantoso@umpo.ac.id), <sup>b</sup>[erdawatise70@gmail.com](mailto:erdawatise70@gmail.com),  
<sup>c</sup>[ririnsari@feb.unair.ac.id](mailto:ririnsari@feb.unair.ac.id), <sup>d</sup>[upik.palupi3@gmail.com](mailto:upik.palupi3@gmail.com),  
<sup>e</sup>[yanibalaka01@gmail.com](mailto:yanibalaka01@gmail.com)

The present study attempts to examine the determinants of social media use by handicraft industry of Indonesia and its impact on export and marketing performance. The primary data has been collected from the sample of 301 respondents. To examine the impact of incorporated variables on the marketing and export performance, the Confirmatory factors analysis and Structural equation modeling approaches are incorporated in the study, as well as several tests that were applied including descriptive analysis, KMO and Bartlett's test, rotated component matrix, convergent and discriminant validity. The results show significant differences in direct and indirect effects. The direct effects indicated that perceived ease of use and subjective norm are the insignificant predictors of marketing performance, whereas, relative advantage significantly predicts marketing performance. Likewise, for export performance, perceived ease of use and relative advantage are found as significant predictors. While the indirect effects show that social media use significantly mediated the relationship of perceived ease of use, relative advantage, subjective norm and marketing performance. On the contrary, no mediation of subjective norm is observed in the relationship between subjective norm and export performance, while, social media use acts as a significant mediator in the relationship of perceived ease of use, relative advantage and export performance. Also, the study embraces several theoretical, practical and policy-making implications for the marketing management practitioners and strategy developers to attain high levels of marketing and export performance with the utilisation of social media. Lastly,



various limitations have been discussed for in-depth findings by future researchers.

**Key words:** *Ease of Use, Relative advantage, Subjective norms, Social Media Export, Marketing Performance, Marketing Performance.*

## Introduction

With the emergence of social media the life style of people has totally changed and with it the way business operates. It affects almost every aspect of a business operation and thus it may also impact the financial and non-financial performance of a firm. Social media refers to a Web-based application which enables the users to incorporate in business various social media platforms like Facebook, Twitter, LinkedIn, Skype, Viber etc. These are online platforms which allow businesses to establish and maintain relationships with their customers for effective marketing performance and for creating the awareness of existing product and service offerings in order to expand the business to international markets particularly for exports. Social media allows the exchange of information and interaction between the transacting parties around the globe. It enables the effective two way communication across cities and countries. The usage of social media by businesses relied on multiple motivations and factors among which the most prominent feature is the fact of the medium being user-friendly. Also, the perception of its associated advantages also drives the usage behaviours with the major influence of prevailing business practices for communication. Also, marketing performance is the widely researched concepts in the domain of marketing management (Chemev, 2018). Marketing performance is reflected with financial and non-financial measures such as market share, profitability of the firm, awareness of the brand, brand image and brand equity, as these indicators capture the performance and effectiveness of the implemented marketing strategies and approaches for a firm or a specific brand (Le Meunier-FitzHugh & Le Meunier-FitzHugh, 2017). The integration of these approaches is one of the major significant drivers of a firm's financial and marketing performance (Khourak, Sudiro, Rahayu, & Indrawati, 2020)

Whereas, Export performance is also emerged as a prominent concept as the indicator of a firm's success. It is the determining factor of the international performance as they determine business expansion processes and activities. Similarly, the export performance also reflects the competitive advantage of firms. Moreover, gaining market insights is essential for the export performance as they provide the information of preferable marketing practices and prevailing trends in the industry which can be gathered through the usage of social media (F. Munawar, A. Rahayu, D. Disman, & L. A. Wibowo, 2019). In the present era, almost every industry is facing the challenge of a high competition and dynamic business environment while striving for the effective marketing performance and export performance. This requires the implementation of market-oriented approaches and strategies to survive in the business



industry. For gaining the insights into customer needs, trends and preferences, diversified information sources are necessary which can be gathered through the utilisation of social media. Hence, to overcome this challenge, around the globe several studies explored the impact of social media usage on marketing and export performance. It is claimed that collection of information from social media result in improved performance of a business and provide competitive advantage (Yoo, Rand, Eftekhar, & Rabinovich, 2016). Also, it was highlighted by Siamagka, Christodoulides, Michaelidou, & Valvi ( 2015) that social media is one of the major source of market intelligence .

Therefore, in view of the discussed findings, it is observed that the researches have been focused on the impact of social media usage and business performance including export performance and marketing performance, but no such study has been conducted to analyse the role of underlying reasons or factors of using social media and its impact on the export and marketing performance of a firm. Also, the mediating role social media use in the relationship between social media usage drivers and firm performance (marketing and export performance) was not examined earlier. These observations highlighted the literature gap which needs to be filled, therefore in order to fill the identified gap, by following the suggestions of previous studies of (Afriyie, Du, & Musah, 2019; Alshanty & Erneagwali, 2019; Eid, Abdelmocty, & Agag, 2019; Iyer, Davari, Zolfagharian, & Paswan, 2019) the present study proposed the following research objectives:

1. To determine the impact of perceived ease of use on the marketing performance of Handicraft Industry of Indonesia.
2. To analyse the impact of perceived relative advantage on the marketing performance of the Handicraft Industry of Indonesia.
3. To explore the impact of the subjective norm on the marketing performance of the Handicraft Industry of Indonesia.
4. To examine the impact of perceived ease of use on the export performance of the Handicraft Industry of Indonesia.
5. To evaluate the impact of perceived relative advantage on the export performance of the Handicraft Industry of Indonesia.
6. To discover the impact of subjective norm on the export performance of the Handicraft Industry of Indonesia.
7. To investigate the mediating role of social media use in the relationship between perceived ease of use, relative market advantage, subjective norm and marketing performance of the Handicraft Industry of Indonesia.
8. To analyse the mediating role of social media use in the relationship between perceived ease of use, relative market advantage, subjective norm and export performance of the Handicraft Industry of Indonesia.



Similarly, the other contribution was the inclusion of Indonesia's Handicraft industry to investigate the social media drivers and their impact on marketing and export performance with the mediating role of social media use, as no study has analysed the marketing performance of this sector. Indonesia has the 3rd highest creative industry contribution relative to overall GDP. This industry contribution is expected to reach 12% of the overall GDP as Indonesia's main economy shifts further from traditional industry. Creative industry export value grew 3.4% and contributed 13.8% to the value of national exports in 2016 (F. Munawar, A. Rahaya, D. Disman, & L. Wibowo, 2019). Indonesia's total export value has declined since 2013 due to increasing competition of the global market. Whereas, the craft sectors specifically preserves its growth as shown in figure 1 (Fansuri Munawar et al., 2019).

**Figure 1:** Craft Export Value



Moreover, unlike previous studies, the current study incorporated advanced methodological techniques such as Structural equation modeling and confirmatory factor analysis. The explanation of the proposed mechanism is significant for the marketing management practitioners to motivate marketing managers to incorporate the use of social media with the alignment of a business vision for the prominent growth and performance of a firm. Thus, the rest of the research covered the relevant literature and formulation of hypotheses; in section 3 the methodology of the study is discussed, whereas in section 4 data analysis and results are discussed, while section 5 a conclusion and future policy implications are included.

### Literature Review

This research has utilised Technology acceptance model (TAM) (Marangunić & Granić, 2015) to identify the potential reasons of the adoption of any technology. According to the theory, the basic determinant of technology adoption is perceived ease of use and perceived usefulness (Hu, Chau, Sheng, & Tam, 1999)

Also, the innovation diffusion theory (Mount, Pitsis, & Zaman, 2019) was utilised to investigate the role of relative advantage on marketing and export performance of a firm. Similarly, it is suggested that relative advantage is the most important factor influencing



SME's adoption of the Internet, and this affects their marketing and export performance. Also, the relative advantage occurs in terms of cost benefits, location benefits, and employee benefits etc. when the firm assumes high benefits in a different location or site, so they are more likely to involve the firm in that business activity (Wu & Chiu, 2015).

Finally, relying on the Theory of Reasoned action model (Paul, Modi, & Patel, 2016), subjective norms have been found to be an significant factor of determining people's intention to adopt and use social media, and its impact on marketing and export performance was analysed. The "Theory of Reasoned Action" was presented with an aim to establish the relationship between an individual's underlying beliefs, attitude, intentions, and behaviour (Hassain, Rahman, Zaheer, & Saleem, 2016). This model is widely applied for the determination of an individual's intention and prediction of behaviour. The theory assumed that the behavioural intentions of individuals was determined by the attitude and subjective norm. For the acquisition of a profound understanding of the essentials that contribute to shaping behaviour, it is vital to understand the beliefs held by a person and the influence from social surroundings (Lujja, Omar Mohammad, & Hassan, 2016). Several studies have incorporated these theories for an in-depth understanding of marketing performance drivers (Davis, 2017; Gellweiler, 2018). Thus, the present study proposed the following conceptual model presented in figure 2 by taking into consideration perceived ease of use, perceived relative advantage, and subjective norm (independent variables) as the determining factor of marketing and export performance (dependent variable). The study also assumed that social media use acts as a significant mediator in the relationship between perceived ease of use, perceived relative advantage, subjective norm and marketing and export performance.

### **Perceived Ease of Use and Marketing Performance**

Perceived ease of use is the driving factor of marketing performance of the firms as they include the features of all business activities which have ease to use procedures (Kusuma, 2019). Basically the degree to use the particular business technology was created by the analysing of its perceived user guidelines (Khatibi, 2017). As the firm identified the technology with user-friendly interfaces, so it will integrate them into business activities, so improving the marketing performance as a result of improved communication (Utama, 2018). Therefore, based on the reviewed literature and the recognition of the importance of perceived ease of use in the determination of marketing performance, the current study hypothesized that:

**H1:** Perceived ease of use has a significant impact on marketing performance.



### **Perceived Relative Advantage and Marketing Performance**

Perceived relative advantage refers to the identification of benefits associated with the use of any technology or the adoption of any business activity for addressing the needs of customers. It includes the discovery of potential benefits and detection of potential areas that need to be worked for gaining the benefits (Ramanathan, Ko, Chen, & Ramanathan, 2016). It is a firm-oriented perspective focused on the collection of existing knowledge about potential benefits associated with the use of any activity involving technology, which allows the firm to work on customer satisfaction and ultimately led towards effective marketing performance (Hussein & Saad, 2016). Therefore, based on the reviewed literature and the recognition of the importance of perceived relative advantage in the determination of marketing performance, the current study hypothesized that:

**H2:** Perceived relative advantage has a significant impact on marketing performance.

### **Subjective Norm and Marketing performance**

This is another major construct of TRA framework which refers to the influence of societal pressure and social environment on the behavioural intentions of individuals which provokes or causes an individual to abstain from a certain behaviour. According to the assumptions of Theory of reasoned action, the subjective norm is the direct predictor of behavioural intention (Li, 2015). It is evident from the study conducted by (Wong & Zhou, 2015) on the determinants of social media adoption, that subjective norm or social influence has a significant influence on behavioural intention to use social media and it creates a significant effect on marketing performance. Therefore, based on the reviewed literature and the recognition of the importance of subjective norm in the determination of marketing performance, the current study hypothesized that:

**H3:** Subjective Norm has a significant impact on marketing performance.

### **Perceived Ease of Use and Export Performance**

Perceived ease of use is the driving factor of export performance of the firms as they include the features of all business activities which have ease to use procedures (Abdullah, Ward, & Ahmed, 2016). As the firm identified the technology with user-friendly interfaces, so it will integrate it into business activities and improve the export performance through improved communication (Ashraf, Thongpapanl, & Spyropoulou, 2016). Therefore, recognising the importance of perceived ease of use in the determination of export performance, the current study hypothesized that:

**H4:** Perceived ease of use has a significant impact on export performance



### **Perceived Relative Advantage and Export Performance**

Perceived relative advantage determines the adoption of any business activity for addressing the needs of customers (Beyene, 2017). It includes the discovery of potential benefits and detection of potential areas that need to be worked for gaining the international benefits and increasing export performance (Algieri, Aquino, & Succurro, 2018). It is a firm-oriented perspective focused on the collection of existing knowledge about international benefits associated with the use of any activity or technology, which allows the firm to gain competitive advantage and enhance export performance (Jaumandreu & Yin, 2017). Thus the current study hypothesized that:

**H5:** Perceived relative advantage has a significant impact on export performance.

### **Subjective Norm and Export Performance**

Yaseen and El Qirem (2018) studied the intentions of businesses for the adoption of social media for marketing performance and identified subjective norm as the significant predictor of its use (Ghozali & Sulistyani, 2016). It is also evident that subjective norm determines the social media usage and affects the export performance of a firm as the business get influenced by other business activities in their surroundings (Solberg & Durrieu, 2015). Therefore, based on the reviewed literature and the recognition of importance of subjective norm in the determination of export performance, the current study hypothesized that:

**H6:** Subjective Norm has a significant impact on export performance.

### **Mediating Role of Social Media Use**

It is argued in the literature that social media usage depends on multiple drivers, such as for fulfilling entertainment needs, for social connection needs and for establishing social identity, whereas the motivating factors of its usage are the easy to use interfaces of the particular social media app or website, also the kind of benefits provided against its usage and the influence of societal pressures which determine the usage of social media (Alalwan, Rana, Dwivedi, & Algharabat, 2017). It is assumed that the performance of a firm can be improved with the integration of social media in its business processes for interaction and communication and for identifying various sources of information (Z. Wang & Kim, 2017). Hence it is observed that social media presence in any organization depends on its drivers and the usage results in enhanced business performance in terms of its marketing or export and international performance. Therefore, the current study assumed that:

**H7:** Social media use has a significant mediating role in the relationship between perceived ease of use and marketing performance.





**H8:** Social media use has a significant mediating role in the relationship between perceived ease of use and export performance.

Also, social media allows the screening of market information, customer needs, and preferences and relative market benefits in order to gain competitive advantage (W. Y. Wang, Pauleen, & Zhang, 2016) and boost overall market and export performances. This enables the firm to develop the differentiation strategy as per the market demand and integrate the marketing strategies as per the requirement (Buhalis & Mamalakis, 2015). Thus, the current study hypothesized that:

**H9:** Social media use has a significant mediating role in the relationship between relative market advantage and marketing performance.

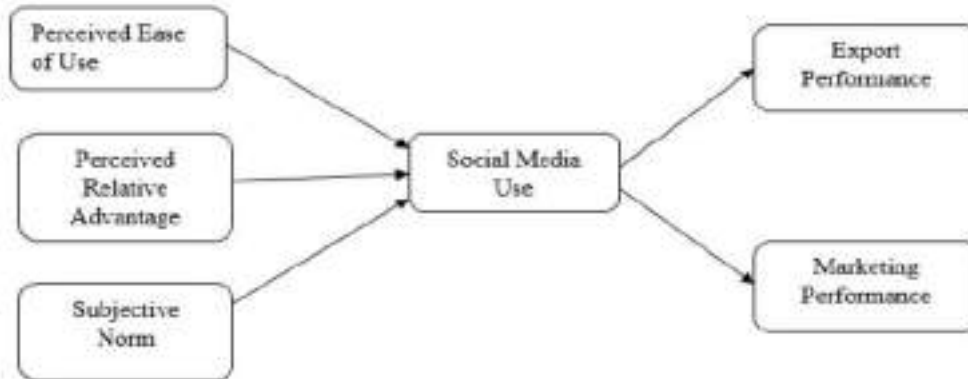
**H10:** Social media use has a significant mediating role in the relationship between relative market advantage and export performance.

According to (Dumpit & Fernandez, 2017) the most significant driver of social media usage is the societal influence or subjective norm. As the businesses observe the usage of various mediums for interaction and information search, they are more likely to engage in the same behaviour concerning social influence (Link, Cawkwell, Shelley, & Sherman, 2015) as it boosts the tendency of a firm to identify opportunities and improve their product and service strategies for high levels of overall performance (Karimi & Salati, 2016). It is indicated that with the adoption of media the export and performance of the firm significantly increased as they get insights about the international and national market (Ruskowski & Pauwels, 2016). Hence, the present study hypothesized that:

**H11:** Social media use has a significant mediating role in the relationship between subjective norm and marketing performance.

**H12:** Social media use has a significant mediating role in the relationship between subjective norm and export performance.

**Figure 2.** Conceptual model



## Research Methodology

### *Population and Sampling*

Researcher has been used to conduct this research study for observing the impact of perceived ease of use, perceived relative advantage and subjective norm on export performance and the marketing performance of handicraft Industry of Indonesia, in the mediating role of social media use. In Indonesia, due to the great art, science and cultural heritage many small enterprises have been operating their small businesses but due to the large amount of small enterprises, no one of them was able to generate revenue and contribute into export of Indonesia. But now, due to the awareness of export businesses, small enterprises want to enhance their quality and used different parameters for increasing the export performance and market performance. In this proposed study, Researcher selects the 30 SME through simple random sampling technique as the sampling frame of the study, from the list of small enterprises provided by the regulatory authorities and government agencies. Further, Researcher used the purposive sampling technique for selecting respondents such as company owners, managers of marketing department because only those can understand the objective of study and they have the strong opinion about variables of study. Three hundred and forty survey questionnaires have been distributed among the respondents, but out of which only 316 have been received. After discarding incomplete and invalid responses only 301 valid responses have been collected.

### **Data Collection Procedure**

In the proposed study, Researcher chose the survey-based questionnaire as the data collection procedure because for numeric, objective and primary data collection Researcher considered



the structured questionnaire as the best suitable optional. Researcher categorised the questionnaire into demographic and variable scaled closed ended questions, for collecting the responses about role of concerned variables in the proposed study. Researcher has to check the language of questionnaire and content validity of measures in order to collect authentic and upright outcomes. Further, pre-test approach has been used by Researcher for evaluating the survey items' understandability on the bases of feedback of specific respondents. Self-administering technique has been made available by Researcher, as it can inform the respondents about the requirements of questionnaires, for solving queries of respondents, and for ensuring them that data will be used only for academic purpose.

### Measures

Researcher takes into consideration earlier research study of many authors, which were related to this research study for the adaption of survey items for the questionnaire because these measures have already been verified in context of reliability and validity. Perceived ease of use variable has been measured through 6 survey items and perceived relative advantage has been measured through 7 measurement items, all these items have been adapted from research study of Agarwal and Prasad (1999) and Davis, Bagozzi, & Warshaw (1989), and for subjective norm measurement, 5 measurement items have been taken from Ajzen and Fishbein (2000). Further, Researcher adapts 10 survey items from Ahire, Golhar, and Waller (1996), for social media use and for expert performance, and 3 measurement items have been taken through Evangelista (1994) and Katsikeas, Morgan, Leonidou, and Hult (2016), for market performance; Researcher adapts the 3 survey items from research work of Katsikeas et al. (2016). Responses of respondents have been measured on the bases of the 5-point Likert scale, in which 1- strongly disagree and 5- strongly agree.

### Data Analysis

For statistical analysis of the collected data or responses, Researcher accompanied the two main software such as AMOS and SPSS. Researcher used the AMOS for performing confirmatory factor analysis and for structure equation modeling. CFA has been run for assessing the discriminant validity, convergent validity and for checking the model fitness. SEM has been accompanied for performing the hypothesis testing through path analysis and for reporting that which hypothesis get accepted or which get rejected. Further, researcher accompanied SPSS for running the diagnosis of regression test, Cronbach's alpha test, descriptive statistics test and for running the correlation test.

### Data Analysis and Interpretation

In this study, 301 questionnaires were distributed among the participants. The demographic details of respondents were that, there were 134 males and 167 were females, according to



which the number of females were high, education-wise 35 of the respondent had attained their graduation, 127 of the respondents had attained their post-graduation, 122 of the respondents had done their Masters and 17 had some other degrees. Age-wise, 42 of the respondents were between 21 to 30 years old, 184 of the respondents were from 31 to 40 years old, 56 of the respondents were from 41 to 50 years old and 19 were 50+ in age.

**Table 1: Descriptive Statistics**

	N	Minimum	Maximum	Mean	SE	Skewness	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	SE
PEaseOfUse	301	1.00	5.00	3.5410	1.13716	-.732	.140
PRelAdv	301	1.00	5.00	3.4589	1.12656	-.557	.140
SubjNorms	301	1.00	3.00	3.3887	1.08505	-.845	.140
SocMedUse	301	1.00	4.90	3.5824	1.07315	-.866	.140
ExportPerf	301	1.00	5.00	3.6146	1.07938	-.864	.140
MarketPerf	301	1.00	6.33	3.4064	1.08620	-.237	.140
Valid (listwise)	N 301						

The above table one is showing the descriptive statistics of the study, the descriptive statistics detailed explanation about the variables of the study and they are showing the descriptive coefficients that give a complete summary of data. This set of data represent the entire sample of the population. The data is showing that there is no outlier in given data because maximum values are in the threshold range of 5-point Likert scale and the value of skewness is between -1 to 1, which is the threshold range of normality so, the given data is normal and valid. The data is valid to go for further testing.



**Table 2: Rotated Component Matrix**

	Component					
	1	2	3	4	5	6
PEU1			.764			
PEU2			.806			
PEU3			.833			
PEU4			.857			
PEU5			.842			
PEU6			.864			
PRA1		.798				
PRA2		.867				
PRA3		.870				
PRA4		.860				
PRA5		.870				
PRA6		.882				
PRA7		.852				
SB1				.801		
SB2				.819		
SB3				.856		
SB4				.800		
SB5				.769		
SMU1	.678					
SMU2	.760					
SMU3	.833					
SMU4	.833					
SMU5	.826					
SMU6	.817					
SMU7	.812					
SMU8	.823					
SMU9	.832					
SMU10	.815					
EPI					.750	
EP2					.808	
EP3					.778	
MP1						.713
MP2						.745
MP3						.781



The above table two of rotated components matrix is showing that, almost all of the indicators are having factor loading more than 0.7, which means that all indicators are eligible to be exposed to further hypothesis testing techniques, because all the factors are in the suitable threshold level and all the factors are in suitable and valid sequence and range. So, this data is good to go for further testing techniques. There is no cross loading in the data shown in RCM so, the data is reliable.

**Table 3: Convergent and Discriminant Validity**

	CR	AVE	MSV	MaxR(H)	SMU	PEU	PRA	SB	EP	MP
SMU	0.928	0.749	0.319	0.969	<b>0.865</b>					
PEU	0.961	0.803	0.354	0.984	0.556	<b>0.896</b>				
PRA	0.916	0.802	0.465	0.990	0.498	0.355	<b>0.895</b>			
SB	0.943	0.767	0.354	0.991	0.522	0.595	0.436	<b>0.876</b>		
EP	0.902	0.754	0.338	0.992	0.565	0.581	0.479	0.530	<b>0.868</b>	
MP	0.860	0.689	0.465	0.902	0.565	0.359	0.682	0.435	0.465	<b>0.830</b>

The validity master sheet was used in order to confirm the convergent and discriminant validity for the research model variable. The discriminant validity provided the discrimination between variables while the convergent validity was measured with the help of composite reliability and average variance extracted. The results of the validities are shown in the table three. The results and convergence of each variable is more than 70%. The average variances extracted are more than 50%, while the discriminant validity showed that, loading of each variable discriminates from each other. Every variable has maximum loading with itself as compared with others. So, these validities prove the authenticity of the collected data.

**Table 4: Confirmatory Factors Analysis**

Indicators	Threshold range	Current values
CMIN/DF	Less or equal 3	2.346
GFI	Equal or greater .80	.813
CFI	Equal or greater .90	.941
IFI	Equal or greater .90	.941
RMSEA	Less or equal .08	.067

Table four is of CFA, which is the confirmatory factor analysis used to confirm the fitness of hypothetical model before structural equation modeling, current results are showing that CMIN is less than 3, GFI is more than 0.80, CFI is more than 0.90, IFI is more than 0.90, and RMSEA is less than 0.08. All of the results showed that the data is in valid range and is good to go for further testing. Following is the screen shot of CFA in figure 3.

Figure 3. CFA

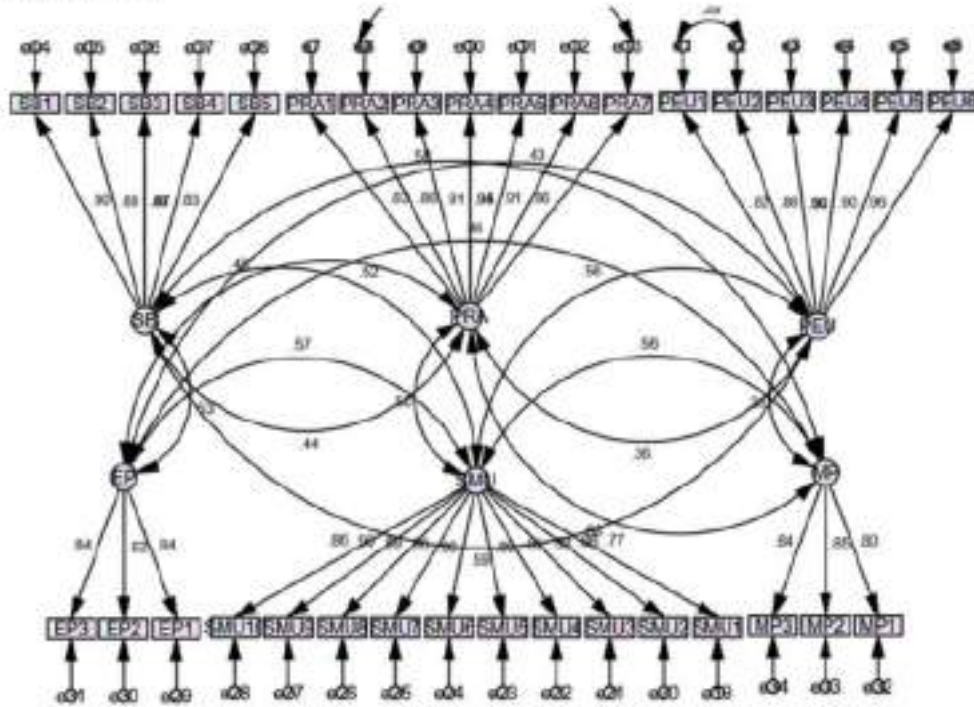


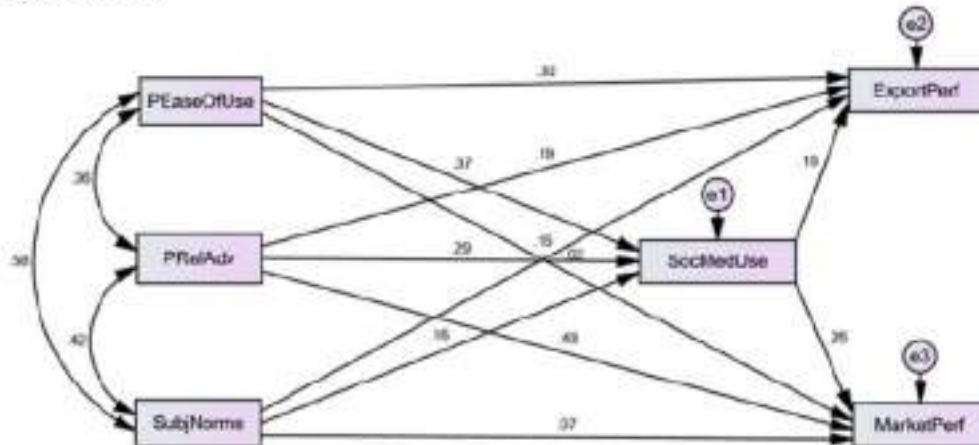
Table 5: Structural Equation Modeling

Total Effect	SubjNorms	PRelAdv	PEaseOfUse	SocMedUse
<b>SocMedUse</b>	.164*	.287***	.366**	.000
<b>MarketPerf</b>	.118*	.554***	.076	.263**
<b>ExportPerf</b>	.187*	.243**	.368***	.192**
Direct Effect	SubjNorms	PRelAdv	PEaseOfUse	SocMedUse
<b>SocMedUse</b>	.164*	.287**	.366**	.000
<b>MarketPerf</b>	.075	.479**	-.020	.263**
<b>ExportPerf</b>	.155	.188**	.298**	.192*
Indirect Effect	SubjNorms	PRelAdv	PEaseOfUse	SocMedUse
<b>SocMedUse</b>	.000	.000	.000	.000
<b>MarketPerf</b>	.043*	.075**	.096**	.000
<b>ExportPerf</b>	.031	.055*	.070*	.000

The above table of SEM is showing the relationships of different variables with each other and what impact they do cast on each other. The impact of SN on SMU is 16% and is significant, the impact on MP and EP is insignificant. The impact of PRA on SMU, MP, EP

is significant and is 28%, 47% and 18% respectively. The impact of PEU on SMU and EP is significant while on MP is insignificant. Impact of SMU on MP and EP both is significant.

Figure 4: SEM



## Discussion and Conclusion

### Discussion

The study targeted the handicraft industry of Indonesia while examining the impact of perceived ease of use (PEU), perceived relative advantage (PRA) and subjective norms (SN) on export performance (EP) and marketing performance (MP) with mediating role of social media use (SMU). The first hypothesis proposed by the study was that "the impact of PEU on EP is significant". This hypothesis is accepted by the analysis and past theories (Hasegawa & Matsuoka, 2015). The second hypothesis proposed was that "PRA has a significant impact on EP". This hypothesis is accepted as well with reference to the past study of (Kirono et al., 2016). The third hypothesis proposed by the study was that "SN has an insignificant impact on EP" this hypothesis is rejected by the analysis and past studies as well (Mukhlis, Utomo, & Soesetio, 2015). The fourth hypothesis proposed by the study was that "PEU has an insignificant impact on MP", this hypothesis is rejected by the analysis of the study and past data by (Sidharta & Affandi, 2016). The fifth hypothesis was that "PRA has a significant impact on MP". This hypothesis is accepted by the results of the analyses. The sixth hypothesis is that "SN has a significant impact on NP". This hypothesis is rejected by the study. The seventh hypothesis was that "SMU significantly mediates between PEU and EP". This hypothesis is accepted with positive and significant results. The eighth hypothesis suggested by the study was that "PRA and EP significantly mediated by SMU". This hypothesis is accepted by the study and positive and significant results are witnessed. The





ninth hypothesis by the study was that "SN and EP are significantly mediated by SMU". This hypothesis is accepted by the study as well. The study proposed a tenth hypothesis according to which there exists a significant mediating relationship of SMU between PEU and MP". This hypothesis is accepted by the study and its results and past literature also support the significant relationship. The eleventh hypothesis was that "SMU significantly mediates between PRA and MP". This hypothesis is accepted by the study. The twelve-hypothesis proposed by the study was that "SN and MP are significantly mediated by SMU". This hypothesis is accepted by the study and evidence from the past literature (Zuhdi, 2015).

### ***Conclusion***

The study targeted the handicraft industry of Indonesia while examining the impact of perceived ease of use (PEU), perceived relative advantage (PRA) and subjective norms (SN) on export performance (EP) and marketing performance (MP) with mediating role of social media use (SMU). 300 questionnaires were distributed among the participants of the handicraft industry of Indonesia. The results showed that, PRA, and EP, MP, have significant and positive relationships. It was seen that only SN does not significantly impact EP and NP. PEU does not impacts NP and only impact EP significantly. The mediation of SMU with all variables was significant.

### ***Implications of the Study***

The study has contributed significantly to the literature about the determinants of the social media and their usage for the enhancement of export and marketing performance. Practically, the handicraft industry and global handicraft industry can implement PEU, PRA and SMU for the enhancement of the performance of their exports and marketing overall. Globally, the policies can be formulated for the enhancement of EP and NP by going through the study. It can be seen what variables should be focused for the enhancement of SMU for positive increase in the export performance of Handicrafts, as well as for the positive enhancement of MP of handicrafts form Indonesia and worldwide market.

### ***Limitations and Future Research Recommendations***

The study could have used much more advanced form of tests and analysis techniques for the validity and more reliable results for their general implications. Moreover, the study could have used less variables for enhanced focus on smaller quantity of variables for more reliable results because, in this way the spread of deviation increases which also distributes the importance of each variable.



## REFERENCES

- Abdullah, F., Ward, R., & Ahmed, E. (2016). Investigating the influence of the most commonly used external variables of TAM on students' Perceived Ease of Use (PEOU) and Perceived Usefulness (PU) of e-portfolios. *Computers in Human Behaviour*, 63, 75-90.
- Afiyie, S., Du, J., & Musah, A.-A. I. (2019). Innovation and marketing performance of SME in an emerging economy: the moderating effect of transformational leadership. *Journal of Global Entrepreneurship Research*, 9(1), 40.
- Alalwan, A. A., Rana, N. P., Dwivedi, Y. K., & Algharabat, R. (2017). Social media in marketing: A review and analysis of the existing literature. *Telematics and Informatics*, 34(7), 1177-1190.
- Algieri, B., Aquino, A., & Succurro, M. (2018). International competitive advantages in tourism: an eclectic view. *Tourism management perspectives*, 25, 41-52.
- Alshanty, A. M., & Emcagwali, O. L. (2019). Market-sensing capability, knowledge creation and innovation: The moderating role of entrepreneurial-orientation. *Journal of Innovation & Knowledge*.
- Ashraf, A. R., Thongpapanl, N. T., & Spyropoulou, S. (2016). The connection and disconnection between e-commerce businesses and their customers: exploring the role of engagement, perceived usefulness, and perceived ease-of-use. *Electronic Commerce Research and Applications*, 20, 69-86.
- Beyene, H. G. (2017). Trade Integration and Revealed Comparative Advantages of Sub-Saharan Africa and Middle East and North Africa Merchandise Export. *Journal of Economic Cooperation & Development*, 38(1), 55.
- Bihalis, D., & Mamatlakis, E. (2015). Social media return on investment and performance evaluation in the hotel industry context *Information and communication technologies in tourism 2015* (pp. 241-253): Springer.
- Chernev, A. (2018). *Strategic marketing management*: Cerebellum Press.
- Davis, P. J. (2017). How to realize strategy and build competitive advantage through your people: increase resource heterogeneity; decrease resource mobility. *Human Resource Management International Digest*, 25(4), 7-9.
- Dumppit, D. Z., & Fernandez, C. J. (2017). Analysis of the use of social media in Higher Education Institutions (HEIs) using the Technology Acceptance Model. *International Journal of Educational Technology in Higher Education*, 14(1), 5.



- Eid, R., Abdelmocty, Z., & Agag, G. (2019). Antecedents and consequences of social media marketing use: an empirical study of the UK exporting B2B SMEs. *Journal of Business & Industrial Marketing*.
- Gellweiler, C. (2018). Cohesion of RBV and industry view for competitive positioning. *Strategic Management*, 23(2), 3-12.
- Hasegawa, T., & Matsuoka, Y. (2015). Climate change mitigation strategies in agriculture and land use in Indonesia. *Mitigation and adaptation strategies for global change*, 20(3), 409-424.
- Hu, P. J., Chau, P. Y., Sheng, O. R. L., & Tam, K. Y. (1999). Examining the technology acceptance model using physician acceptance of telemedicine technology. *Journal of management information systems*, 16(2), 91-112.
- Hussain, I., Rahman, S. u., Zaheer, A., & Saleem, S. (2016). Integrating factors influencing consumers' halal products purchase: application of theory of reasoned action. *Journal of International Food & Agribusiness Marketing*, 28(1), 35-58.
- Hussain, A., & Saad, M. (2016). Perceived risk and behavioural determinants of using internet banking in Egypt. *Journal of Behavioural Economics, Finance, Entrepreneurship, Accounting and Transport*, 4(3), 40-48.
- Iyer, P., Davari, A., Zolfagharian, M., & Paswan, A. (2019). Market orientation, positioning strategy and brand performance. *Industrial Marketing Management*, 81, 16-29.
- Jaumandreu, J., & Yin, H. (2017). Cost and product advantages: Evidence from Chinese manufacturing firms.
- Karimi, O., & Salati, M. (2016). Investigating the Effect of Media on Expert Performance Growth (Case Study: Carpura Export/Import Corporation). *Journal of Administrative Management, Education and Training*, 12(4), 339-349.
- Khatibi, M. (2017). *Evaluating the intention to use of decision support system (DSS) by physicians at Kerman University of Medical Sciences based on technology acceptance model (TAM)*. School of Health Information and Management, Kerman University of Medical ...
- Khourshid, U., Sudiro, A., Rahayu, M., & Indrawati, N. (2020). The mediating effect of entrepreneurial marketing in the relationship between environmental turbulence and dynamic capability with sustainable competitive advantage: An empirical study in Indonesian MSMEs. *Management Science Letters*, 10(3), 709-720.



- Kirono, D. G., Butler, J. R., McGregor, J. L., Ripaldi, A., Katzfcy, J., & Nguyen, K. (2016). Historical and future seasonal rainfall variability in Nusa Tenggara Barat Province, Indonesia: Implications for the agriculture and water sectors. *Climate Risk Management*, 12, 45-58.
- Kusuma, Z. H. (2019). The Effect Of Security, Trust, Perceived Usefulness And Perceived Ease Of Use Towards Purchase Decision In Online Marketplace Site Tokopedia. Com (Study of Tokopedia.com users in Malang City). *Jurnal Ilmiah Mahasiswa FEB*, 7(2).
- Le Meunier-FitzHugh, K., & Le Meunier-FitzHugh, L. (2017). How Does Market Orientation Affect Sales and Marketing Collaboration and Business Performance? *The Customer is NOT Always Right? Marketing Orientations in a Dynamic Business World* (pp. 307-307): Springer.
- Li, J. (2015). *Factors that influence users to take part in WeChat marketing activities*.
- Link, A. R., Cawkwell, P. B., Shelley, D. R., & Sherman, S. E. (2015). An exploration of online behaviours and social media use among hookah and electronic-cigarette users. *Addictive behaviours reports*, 2, 37-40.
- Lujja, S., Omar Mohammad, M., & Hassan, R. (2016). Modelling public behavioural intention to adopt Islamic banking in Uganda: the theory of reasoned action. *International Journal of Islamic and Middle Eastern Finance and Management*, 9(4), 583-600.
- Marangunić, N., & Granić, A. (2015). Technology acceptance model: a literature review from 1986 to 2013. *Universal Access in the Information Society*, 14(1), 81-95.
- Mount, M., Pitsis, T., & Zaman, T. (2019). *Adoption and Diffusion Of Management Innovation: An Interactive Framing Perspective*. Paper presented at the Academy of Management Proceedings.
- Mukhlis, I., Utomo, S. H., & Soesetio, Y. (2015). The role of taxation education on taxation knowledge and its effect on tax fairness as well as tax compliance on handicraft SMEs sectors in Indonesia. *International Journal of Financial Research*, 6(4), 161-169.
- Munawar, F., Rahayu, A., Disman, D., & Wibowo, L. (2019). The role of proactive market orientation and management commitment to internal resource on export performance of handicraft industry. *Management Science Letters*, 9(11), 1711-1722.
- Munawar, F., Rahayu, A., Disman, D., & Wibowo, L. A. (2019). *Management Commitment and Partner Relationship Program toward Export Performance of Handicraft Industry*. Paper presented at the 1st International Conference on Economics, Business, Entrepreneurship, and Finance (ICEBEF 2018).



- Paul, J., Modi, A., & Patel, J. (2016). Predicting green product consumption using theory of planned behaviour and reasoned action. *Journal of Retailing and Consumer Services*, 29, 123-134.
- Ramanathan, R., Ko, L. W. L., Chen, H., & Ramanathan, U. (2016). A Study on Green Characteristics of RFID using Innovation Diffusion Theory *Encyclopedia of E-Commerce Development, Implementation, and Management* (pp. 1913-1922); IGI Global.
- Ruskowski, L., & Pauwels, P. (2016). *A Dynamic Perspective on Internet Capabilities and Export Marketing Performance*.
- Siamagka, N.-T., Christodoulides, G., Michaelidou, N., & Valvi, A. (2015). Determinants of social media adoption by B2B organizations. *Industrial Marketing Management*, 51, 89-99.
- Sicharta, L., & Affandi, A. (2016). The empirical study on intellectual capital approach toward financial performance on rural banking sectors in Indonesia. *International Journal of Economics and Financial Issues*, 6(3), 1247-1253.
- Solberg, C. A., & Durricu, F. (2015). Internationalisation strategies and industry structure. *International Marketing in the Fast Changing World* (pp. 33-59); Emerald Group Publishing Limited.
- Utama, S. (2018). Determinan Perceived Ease of Use Dan Pengaruhnya Terhadap Intention to Use Pengguna Teknologi Informasi Berbasis Website Pada Umkm Industri Kreatif Sub Sektor Fashion Di Malang. *G-Tech: Jurnal Teknologi Terapan*, 1(2), 35-40.
- Wang, W. Y., Pauleen, D. J., & Zhang, T. (2016). How social media applications affect B2B communication and improve business performance in SMEs. *Industrial Marketing Management*, 54, 4-14.
- Wang, Z., & Kim, H. G. (2017). Can social media marketing improve customer relationship capabilities and firm performance? Dynamic capability perspective. *Journal of Interactive Marketing*, 39, 15-26.
- Wong, E. Y., & Zhou, E. (2015). *Assessing factors in mobile marketing context model adopting TAM, Commitment-Trust Theory, environment and emotional items in facilitating purchasing intention*. Paper presented at the 2015 12th International Conference on Service Systems and Service Management (ICSSSM).
- Wu, L., & Chiu, M.-L. (2015). Organizational applications of IT innovation and firm's competitive performance: A resource-based view and the innovation diffusion approach. *Journal of Engineering and Technology Management*, 35, 25-44.



- Yoo, E., Rand, W., Efteckhar, M., & Rabinovich, E. (2016). Evaluating information diffusion speed and its determinants in social media networks during humanitarian crises. *Journal of Operations Management*, 43, 123-133.
- Zuhdi, U. (2015). The Dynamics of Indonesian Creative Industry Sectors: An Analysis Using Input-Output Approach. *Journal of the Knowledge Economy*, 6(4), 1177-1190.

# Determinants of Social Media Use by Handicraft Industry of Indonesia and Its Impact on Export and Marketing Performance: An Empirical Study

## ORIGINALITY REPORT

20%

SIMILARITY INDEX

23%

INTERNET SOURCES

13%

PUBLICATIONS

0%

STUDENT PAPERS

## PRIMARY SOURCES

1

[jssidoi.org](http://jssidoi.org)

Internet Source

8%

2

Kojima Hirohito. "Impact of Technical Support and Individual Participation Efficacy on Willingness to Adopt E-Governance in Thailand – A Detailed Approach", Journal of Enterprise Business Management, 2020

Publication

8%

3

[jsser.org](http://jsser.org)

Internet Source

2%

4

[eprints.umpo.ac.id](http://eprints.umpo.ac.id)

Internet Source

2%

Exclude quotes

Off

Exclude matches

< 2%

Exclude bibliography

On

# Determinants of Social Media Use by Handicraft Industry of Indonesia and Its Impact on Export and Marketing Performance: An Empirical Study

GRADEMARK REPORT

FINAL GRADE

**/0**

GENERAL COMMENTS

**Instructor**

PAGE 1

PAGE 2

PAGE 3

PAGE 4

PAGE 5

PAGE 6

PAGE 7

PAGE 8

PAGE 9

PAGE 10

PAGE 11

PAGE 12

PAGE 13

PAGE 14

PAGE 15

PAGE 16

PAGE 17

PAGE 18

PAGE 19



---

PAGE 20

---

PAGE 21

---