# Social Media and entrepreneurship, which relationship? An empirical study among students of El Bayadh University Centre

العلاقة بين وسائل التواصل الاجتماعي وريادة الأعمال- دراسة ميدانية لطلاب المركز الجامعي بالبيض-

# PhD. Hadier Derdar 1

Dr. Amina Moulai

Sustainable Development in Highland and Desert Areas, University Center of Nour Bachir El-Bayadh-ALgeria h.derdar@cu-elbayadh.dz Sustainable Development in Highland and Desert Areas, University Center of Nour Bachir El-Bayadh-ALgeria scmamina@yahoo.fr

#### **Abstract:**

The virtual world has recently proven its intrinsic role in the business world, as it has become substantial in establishing projects and following their development. This study aimed to shed light on the impact of social media platforms in creating the entrepreneurial intention for students in terms of perceived desirability and perceived feasibility. Based on the case study approach, we established an E-questionnaire directed to a sample of 170 students at the University Centre in El Bayadh state. According to confirmatory analysis method, the study reached a set of results, the most important of which are:

There is a statistically significant effect of social media on both the desire and the perceived feasibility in creating intention and motivating students to establish their projects due to its useful features and policies.

**Key words:** social media, entrepreneurial intention, entrepreneurship, perceived desirability, perceived feasibility, confirmatory analysis.

# ملخص:

لقد أثبت العالم الافتراضي مؤخرا دوره الحقيقي في عالم الأعمال، حيث أصبح ضرورة حتمية لإنشاء المشاريع ومتابعة تطورها. هدفت هذه الدراسة إلى تسليط الضوء على أثر منصات وسائل التواصل الاجتماعي في خلق النية الريادية للطلاب من حيث الرغبة المتصورة والجدوى المتصورة. وبناءً على منهج دراسة حالة قمنا بإعداد استبيان إلكتروني موجه إلى عينة مكونة من 170 طالبا في المركز الجامعي بالبيض، أين توصلت الدراسة بعد التحليل العاملي التوكيدي للبيانات إلى مجموعة من النتائج أهمها:

وجود أثر دال إحصائيا لوسائل التواصل الاجتماعي على كل من الرغبة والجدوى المتصورة في خلق النية للطلاب ودفعهم نحو إقامة مشاريعهم لما تتمتع به من خصوصيات ومزايا عملية.

الكلمات المفتاحية: وسائل التواصل الاجتماعي، نية ريادية، ريادة الأعمال، رغبة مدركة، حدوى مدركة، التحليل التأكيدي.

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<sup>&</sup>lt;sup>1</sup> - Corresponding author: Hadjer Derdar, h.derdar@cu-elbayadh.dz

#### 1. INTRODUCTION

Today, social media plays a very important role in life, as it is a means that enables people to discover and learn new information, exchange ideas, as well as interact with new people and organizations. This has changed the lifestyle today, as these platforms made communication much easier not only by sharing pictures and information, but also commerce and business are flourished, so social media has evolved from being a buzz obsessed with the electronic world to a huge platform for companies, businessmen, professionals and organizations seeking to achieve more spread, and superiority with lower costs.

The large number of users on each social platform clearly indicates the importance of social media in the world of entrepreneurship, according to the statistics of "social media" for the year 2019; there are now 3.2 billion users around the world, an average of spending two hours and 22 minutes on these sites per day. This makes 73% of entrepreneurs and internet marketers assert that their efforts in carrying out their activities across these platforms are more effective to do their business, as part of the so-called healthy transformation of innovative ideas that keep customers busy with their products and continue to attract their attention more towards their renewed services. (Smith, 2019)

On the other hand, entrepreneurship is a key axis in self-development and achieving independence thus makes individuals aspire to create their own projects, even with simple means and lower costs, which can be achieved through working on social media.

## 1.1 The problem

Given the extent of individuals' use of social media, as well as the great services that these latter provide to current entrepreneurs, it pushes us to delve into more depth about its impact in the field of entrepreneurship, by asking the following question:

- Does the use of social media affect the individuals' intention to start their own business?
  - To elaborate on this question, we will answer the following sub-questions:
- What is Entrepreneurial Intention?
- What advantages (services) do social media provide to the business world?

#### 1.2 Assumptions

- H1- There is a significant effect at 0.05 for the use of social media on the individuals' perceived desirability to start their own business.
- H2- There is a significant effect at 0.05 for the use of social media on the individuals' perceived feasibility to start their own business.
- H3- There is a significant effect at 0.05 for the use of social media on the individuals' intention to start their own business.

# 1.3 The importance of the study

Social media represents the magic tool that everyone uses to carry out their various activities on the personal and even professional level. as well as for entrepreneurship, it is considered as the gateway for everyone who wants to develop himself financially and morally, which has prompted many researchers in this field to develop these platforms in line with the needs of the business world, furthermore urging and motivating people to establish their own projects.

## 2. Literature Review

Entrepreneurship in itself is a complex concept that does not follow a clearly defined set of rules (Wazgowska, 2014). According to the father J. Schumpeter, an entrepreneur is a person who is willing and able to convert a new idea or invention into a successful innovation. Identification of newer opportunities, creating a new organization and engaging in new ventures is what entrepreneurship is all about (Baby & Sarprasatha, 2016, p. 639). That is to say, exploiting opportunities to provide new goods and services, methods of organization, markets, operations, and raw materials by the alignment of efforts that were not exist before. Furthermore, all entrepreneurial ventures transit stages of start-up, growth, and harvest, while the distinctive quality of the early-stage entrepreneurial experience arises from its focus on opportunity, uncertainty, lack of structure, and resource scarcity. On the other hand, one of the most important modern tools that help entrepreneurs to practice their entrepreneurial activities like seeking

information about their clients is Social Media.

That tool can be defined and well understood by dividing it into two separate words "Social" and "Media" While Social involves interaction, association, and communication among individuals, Media are means, instruments, and platforms by which information is passed among a group of people (Ojeleye, Opusunju, Ahmed, & Samuel Aku, 2018). whilst Kaplan & Heanlien considered social media as "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content" (kaplan & Healien, 2010). Social media today is also referred to social networking where collaboratively produced and shared media content is hosted. It provides freedom of open communication, expressing creativity networking tools like Facebook, Skype and discussion forums enable users to share their views and on counters and knowledge sharing among (Baby & Sarprasatha, 2016, p. 639).

# 2.1. Entrepreneurship & Social Media

In this article, we will avoid the real reason that social media are created for and we will focus on their greatest services offered to the entrepreneur. Doing business through Social media has several properties such as Authenticity where people's real voice will be heard, Transparency in which people's activities will be known, Immediacy: people's communication by fast online conversation, Participation while an authorized person could involve in conversation and participating in many features; and Connectedness by sharing the information linked to many people and other sites. (Jurry & Osa, 2015, p. 1399).

Proceeding from these properties we can resume its impact on entrepreneurship. According to (Hossain & Rahman, 2018, p. 101) Social Media encourages the identification of opportunities in the business environment in which:

- \$\triangle\$ The platform can provide opportunities to attract potential customers and retain existing ones.
- building a stronger relationship between the parties involved
- Allowing businesses to have greater access to a wider range of target audiences and comprehend their varying needs and wants.
- \$\text{Improve and innovate products and services.}
- Encouraging customers to engage with the business.

Also, Social media can contribute to providing more effective marketing, by new communication and distribution channels, in a shorter time, and 24-hour technical support in an interactive online community.

On the other hand, the low investment and operating costs involved in creating a business through the social network are what motivates entrepreneurs, which makes it the best way to start making money. Furthermore working on social media does not require a huge material space or manpower, rather these innovative means allow entrepreneurs to have access to customers, suppliers, partners, and other essential resources that were not easy to access before and at much lower costs (Turan & Kara, 2018,p275).

In addition, these means are designed to enhance communication and cooperation between a group of people, making them feel part of a community with shared tasks that breaking down barriers of space and time.

## 2.2. Entrepreneurial Intention

The intention is defined as a state within the mind that constitutes a person's interest in achieving his goals. After that, the internal interaction directs the person's behavior through attention, which means that this opinion remains inside the mind and the person's acceptance of this opinion occurs through "self-talk". Thereby, Hmieleski and Corbett believe that entrepreneurial intent can be defined as the direction of starting a high growth business.

On the other hand, Bird defines intention as a state of mind that directs a person's attention, experience, and action towards a specific goal or path to achieve something" (Bird, 1988, 442). Thus, the intention in the field of entrepreneurship is a deliberate behavior and an organized and planned action to create and organize projects (Adekiya, Ibrahim, 2016, 118). as well as It can be considered a phase of the entrepreneurial path, so it represents the best indicator of voluntary behaviors from Ajzen's point of view

since it is based on the idea that any deliberate act is preceded by the intention to perform a specific behavior, so the intention precedes the decision to establish a business.

# 2.3 Entrepreneurial Intention Models

Since the 1980s, entrepreneurial intent has been studied in the entrepreneurship literature. Shapero1982 & Sokol presented the event model, which was developed by Carsrud and Krueger in 1993 by adding the intention component to become one of the most popular models for intention studies, named the Entrepreneurial Event Model (EEM). It is called by this name because it seeks to explain the entrepreneurial event. This model focused on the emergence of the entrepreneurial phenomenon so that to start any new business or new project there are two very important components. First, the person proposing to do business must have entrepreneurial intentions, called "credibility". The second is that the new work or the new project requires some "events", which requires to some extent the feasibility, desire, and tendency to work on the job opportunities as it is illustrated in the following figure (Fig.1).

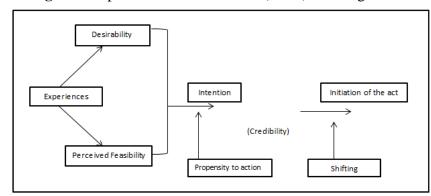


Fig.1. Entrepreneurial Event Model (EEM) of krueger1993

Source: Sandrine, 2004, p3

In addition, there is also Ajzen's 1992 model known as the planned behaviour theory (TPB) which explains intentions by attitude toward behaviour, perceived behavioural control, and subjective norms (Fig.2). Where this theory assumes that attitudes toward behavior including entrepreneurial behavior predict intentions which in turn predicts actual behavior:

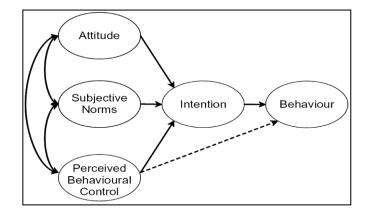


Fig.2. Entrepreneurial Event Model (EEM) of krueger1993

Source: Ajzen, 1991, p182.

By following this theory, it can be said that a potential entrepreneur is expected to first develop a position towards establishing a new venture while this position will lead to the intention to start a start-up, then if the intention for such an initiative is strong enough, the entrepreneur takes steps to convert it into

Action.

Based on the above, the entrepreneurial intent can be defined in this study as the orientation to engage in entrepreneurial practices after using social media and to identify the advantages and services that it provides to entrepreneurs. From this standpoint, we will try to study the effect of using social media on the entrepreneurial intent of individuals according to the following model, Fig.3:

Perceived desirability

Social Media

Perceived Feasibility

Entrepreneurial Intention

Fig.3. Study's Model

**Source:** prepared by the researchers.

#### 3. EXPERIMENTAL

#### 3.1. Methods and Materials

**Study sample:** The study targeted a random sample of 170 students from different faculties of the University Center of the State of El Bayadh, Algeria, where we published an E-questionnaire on the social networking site (FACEBOOK) for students users of social media.

**Data collection tool:** based on the previous studies such as (Adekiya & Ibrahim,2016) and (Alayis& abdelwahed,2018), we established a questionnaire consisting of four axes representing perceived desirability, perceived feasibility, entrepreneurial intention, and social media items. Includes 19 items with a five-point Likert scale (1 Strongly disagree to 5 Strongly agree), in addition to the demographic variables part.

**Study variables:** The adopted variables of the study described in the following table:

Variable Type **Items** Perceived desire Dependent 3 Dependent 4 Perceived desire Entrepreneurial Dependent 5 intention 7 Social media Independent

**Table 1.** Variables of the study.

**Source:** prepared by the researchers.

#### 4. RESULTS AND DISCUSSION

Aimed at analysing the data gathered, we relied on a group of Statistical Methods like Cronbach's alpha, Arithmetic mean, SD, and Confirmatory factor analysis. using Amos v23 and SPSS V25 programs

#### 4.1 Cronbach's alpha

in order to check the internal consistency of questions (table2):

<b>Table 2</b> . Reliability statistics				
Variable	Cronbach's alpha			
Desirability	,79			
Feasibility	,763			
Entrepreneurial	,852			
intention				
Social media	,87			
All items	,855			

**Source:** prepared by the researchers based on AMOS V23 outputs.

Table (2) above shows that Cronbach's alpha values of each dimension of the study exceeded the threshold of 0.6, where, they ranged between (0.763) and (0.87). as well, the alpha value for all items was (0.855), which approves the reliability of the used instrument and therefore the exhibition of the internal consistency among items.

## 4.2 Normality tests and outliers

Both confirmatory factor analysis and structural equations require that the variables be subject to a normal distribution, and accordingly, to verify the validity of the data to conduct this statistical processing, the method of minimum and upper limits of natural law was used, where we can measure the extent of data concentration and symmetry as follows:

**Table 3.** the lower and upper limits of the normal law.

Variable	Min	Max	skew	c.r.	Kurtosis	c.r.
PD3	1,000	5,000	-,752	-3,957	,425	1,117
PD2	1,000	5,000	-1,194	-6,281	3,439	9,043
PD1	1,000	5,000	-1,022	-5,378	1,413	3,717
PF4	1,000	5,000	-,764	-4,016	,492	1,295
PF3	1,000	5,000	-,255	-1,342	-,773	-2,032
PF2	1,000	5,000	-,715	-3,762	-,472	-1,241
PF1	1,000	5,000	-,744	-3,914	-,155	-,409
SM7	1,000	5,000	-,588	-3,091	,422	1,111
IN6	1,000	5,000	-,902	-4,742	1,640	4,312
IN5	1,000	5,000	-,963	-5,066	2,530	6,654
IN4	1,000	5,000	-,780	-4,104	1,230	3,234
IN3	1,000	5,000	-,733	-3,857	1,485	3,904
IN2	1,000	5,000	,205	1,080	-,342	-,900
SM1	1,000	5,000	-,677	-3,561	,757	1,990
SM2	1,000	5,000	-,735	-3,865	,401	1,055
SM3	1,000	5,000	-,356	-1,873	-,412	-1,085
SM4	1,000	5,000	-,675	-3,549	,160	,420
SM5	1,000	5,000	-,923	-4,855	1,054	2,773
SM6	1,000	5,000	-,927	-4,875	1,483	3,901
Multivariate					115,055	26,238

**Source:** AMOS V23 outputs.

# Through Table (3), We note that:

the kurtosis values are confined between [-10, +10] and this means that the data are close to each other (the data are centered).

As for the skewness coefficient, the table indicates that the values fall within the range [-3, +3], which shows the symmetry distribution of the data.

Therefore, all the variables are within the lower and upper limits of the normal law, thus we approve the validity of data for the statistical treatment.

# **4.3 Descriptive statistics**

**Table 4.** Descriptive statistics (Perceived Desirability).

1		, ,
Items	Mean	SD
If I had the opportunity to choose, I would	3,81	,850
choose to be an entrepreneur		
If I had the opportunity and the necessary	4,11	,765
resources, I would like to start my own business.		
Becoming an entrepreneur would make me feel	3,69	,879
completely satisfied.		
Perceived Desirability	3,8706	,69863

**Source:** prepared by the researchers based on AMOS V23 outputs.

As illustrated in table (4), most of the sample members have the desire to go into freelancing and run their own businesses.

**Table5.** descriptive statistics (Perceived Feasibility)

Items	Mean	SD
I know enough to start my own business.	3,44	1,002
It will be easy for me to develop a new business idea	3,31	1,016
It will be easy for me to establish and maintain the foundation.	3,04	1,014
I have the skills and abilities to succeed as an entrepreneur.	3,65	,859
Perceived Feasibility	3,3574	,74571

**Source:** prepared by the researchers based on AMOS V23 outputs.

Table (5) indicates the neutrality of students toward their feasibility to create their own projects, where they are not aware enough about the process of establishing new ventures.

**Table6.** descriptive statistics (Entrepreneurial intention)

Items	Mean	SD
Nothing is more exciting than seeing my thoughts come true.	4,24	,579
I'd rather run my own business than be the director of another project.	4,05	,756
I am thinking of starting my own company.	3,88	,816
I will do my best to start and run my own business.	3,92	,709
I am determined to create my own business in the future	3,95	,775
Entrepreneurial intention	4,0098	,56895

**Source:** prepared by the researchers based on SPSS 25

Table (6) shows that most of the students approve they are intended to create their own business, which means they are inspired and more independent people.

**Table7.** Descriptive statistics (Social media)

Items	Mean	SD
I see using social media will increase my	3,84	,725
productivity as an entrepreneur.		
I see using social media will enhance my	3,67	,812
effectiveness as an entrepreneur.		
I see using social media will improve my	3,57	,909
performance as an entrepreneur.		
I see social media making it easier to do my	3,78	,818
entrepreneurial activities (effort, time and money).		
I see that social media will contribute to the	3,76	,845
development of my ideas and my skills.		
I see the use of social media as a strategic necessity	3,81	,777
to compete in the field of entrepreneurship.		
I intend to use social media in my entrepreneurial	3,75	,791
activities		
Social media	3,7420	,60635

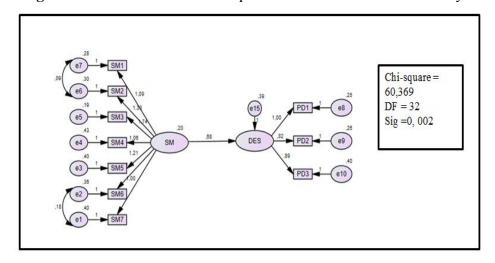
**Source:** prepared by the researchers based on SPSS 25

As indicated in Table (7), the students agree on the importance of social media in enhancing their effectiveness and competence as entrepreneurs to manage their ventures.

# 4.5 Test hypotheses

To test the hypotheses, we used the path analysis method and confirmatory factor analysis as follow a. The Impact between social media and desirability

Fig 4. Structural model for the Impact of social media on desirability.



**Source:** Amos v23 outputs

#### While:

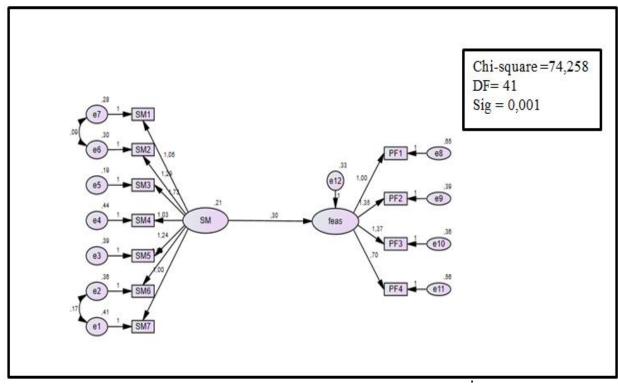
Table8. model fit summary						
fit indices	es CMINDF P RMSEA		CFI	GFI	NFI	
output value	1,887	,000	,072	,960	,939	,920
Recommended	<5	< 0.05	<0,08acceptable	>0,9	>0,9	>0,9
value	acceptable		fit			
	fit		<0,05good fit			
	<2 good		_			
	fit					

**Source:** prepared by the researchers based on Amos v23 outputs

Out of Table (8) for the confirmatory factor analysis, we observe that all the values of the indicators were good, for the value of DF/CMIN = 1,887 was less than 2, and the Root Mean Square Error of Approximation was estimated at RMSEA=0,072 which is less than the upper limit of 08.0, as for the rest of the indicators The goodness of fit index (GFI), The normed fit index (NFI) and Comparative fit index(CFI), all of them exceeded the threshold Required 0,09. Therefore, the model offers a good fit and is suitable and can be relied upon in testing the proposed research model.

# b. The Impact between social media and feasibility

Fig 5. The structural model for the Impact of social media on feasibility



Source: Amos v23 outputs

#### While:

**Table9**. Model fit summary.

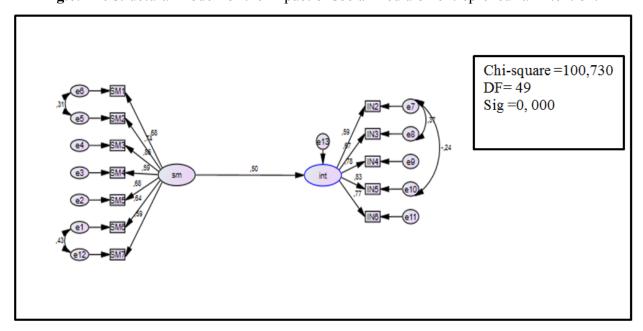
CMINDF	RMSEA	CFI	GFI	NFI	Judgment
1,811	,069	,953	,926	,903	Model accepted

**Source:** prepared by the researchers based on Amos v23 outputs

As illustrated above, the model offers a good overall fit and suitable for interpretation since all indexes come close to the acceptable range.

# c. The Impact between social media and entrepreneurial intention

**Fig.6.** The structural model for the impact of social media on entrepreneurial intention.



Source: Amos v23 outputs

While:

**Table 10.** Model fit summary

CMINDF	RMSEA	CFI	GFI	NFI	Judgment
2,056	,079	,946	,911	,901	Model
					accepted

**Source:** prepared by the researchers based on Amos v23 outputs

According to the values shown up, the model offers a good overall fit and is suitable for interpretation since all indexes come close to the acceptable range.

# 4.6 Hypotheses discussion

In order to discuss hypotheses, we rely on the estimated values of the effect relationships between the study variables, as illustrated in the following table (11):

**Table11.** Regression weights of the effect relationships between the variables

Hypothesis	Relationship	Estimate	C.R	P	Judgment
H1	SM→DES	0.68	4.433	***	Accept
Н2	SM→FEAS	0.30	2.456	0.014	Accept
Н3	SM→INT	0.50	4.556	***	Accept

**Source:** prepared by the researchers based on Amos v23 outputs

through the table of Regression weights of the effect relationships between the variables we notice that:

- the standard estimate value of the first relation (social media --> perceived desirability) is statistically significant at p<0.05 where (CR = 4.433) is greater than 1.96, thus we refuse the null hypothesis and accept that "There is a significant effect at 0.05 for the use of social media on the individuals' perceived desirability to start their own business." Moreover, this impact of social media is presented by 68% on the perceived desirability.
- the standard estimate value of the first relation (social media --> perceived feasibility) is statistically significant at p<0.05 where (CR = 2.456) is greater than 1.96. consequently, we refuse the null hypothesis and accept that "There is a significant effect at 0.05 for the use of social media on the individuals' perceived feasibility to start their own business." as well, this impact of social media is presented by 30% on the perceived feasibility.
- the standard estimate value of the first relation (social media --> perceived feasibility) is statistically significant at p<0.05 where (CR = 4.556) is greater than 1.96. as a judgment, we refuse the null hypothesis and accept that "There is a significant effect at 0.05 for the use of social media on the individuals' intention to start their own business." as well, this impact of social media is presented by 50% on the entrepreneurial intention.

#### 5. CONCLUSION

This study discussed the impact of using social media among the students of El Bayadh university centre on their entrepreneurial intention. where the suggested study model presented a framework for figuring out the impact of this tool on young entrepreneurs' perceived desirability and perceived feasibility to run their own businesses, based on the features and services provided by these social media platforms. The findings indicate that:

Social media have become recognized as a key tool for improving performance in the contemporary business setting. This is because interactions in such platforms have come to provide opportunities for enhancing communication and cooperation between young entrepreneurs (students) and their target customers.

Likewise, these platforms can contribute to providing resource mobilization and creativity, sharing experiences and information between entrepreneurs in different fields.

In the end, the statistical findings of this study confirmed the influence of social media platforms in terms of desirability, feasibility, and intention in pushing up the students toward establishing their projects due to its useful privacies and features.

# 5.1 Suggestions

According to the results reached, we suggest the following points:

- The students wishing to enter the field of entrepreneurship should learn more about the procedures of setting up a business project in order to transform their desires into real ventures.
- Social media is really a successful investment; thus, start-ups have to rely on its platforms in achieving their projects because it will reduce time, effort, and costs.

Definitely, Social Media is the solution even for the old enterprises that find problems with marketing, the gaps between customers' desires, and services/ products provided and, more other issues.

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