Social media and corporate communication antecedents of SME sustainability performance
A conceptual framework for SMEs of Arab world

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Abstract
Purpose – The purpose of this paper is to discuss the role of social media and corporate communication as a key success factor of small- and medium-sized enterprises (SMEs) operating in Arab world. This is a conceptual study and has shed light on the notable existing literature on these issues and particularly of Arab context. The social media has emerged as an opportunity for marketing communication, and it is the easiest cheapest way of advertising products and services. Social media provides a platform wherein a company or firm can target a diverse audience and can create an effective communication strategy. The sustainability agenda has emerged as a key as well as a sensitive issue for the global as well as local organizations. The inclusion of corporate social responsibility and incorporation of sustainability initiatives have changed the corporate landscape and merged as key determinants of business success. The social media for many firms has emerged as a major outlet of internal and external corporate communication for sustainability. The uniqueness of social media is that it not only conveys a message, rather it also provides an opportunity for direct feedback from users. This study will be helpful for practitioners, policymakers and researchers in understanding the link between social media, corporate communication and sustainable performance of the SME sector. The paper adds to the literature on the role of social media and corporate communication as a key success factor of SMEs operating in Arab world.

Design/methodology/approach – The paper will highlight significant and relevant findings generated from previous scholarly and commercial research on the subject. Thereafter, the discussion will focus on the unique relationship between the social media and the Arab world in social, political, religious or cultural and economic spheres. Thereafter, the paper will progress to the central theme of the discussion, reviewing social media’s impact on the Arabian market in such areas as offering a marketing platform for the new age, being an avenue and forum for increased sales, and as a public relations front line (a benchmark of direct client communication). Ultimately, the paper will provide a succinct conclusion to the discussion.

Findings – The paper affirmed that the social media is influencing/impacting the SMEs in the Arab region in numerous ways. Findings generated from recent empirical studies, strengthened by a resounding theoretical and scholarly literature, helped identify four of the main impacts of social media on SMEs in the Arab world. These four significant impacts, as discussed in the paper, include offering a marketing platform for the Information Age, offering an avenue and forum for increased sales, giving an innovative edge to SMEs in a bid to reduce expenditures/cost and increase profitability and creating a benchmark of direct client communication in modern PR. These fours ways constitute the most significant impact of social media, as demonstrated by SMEs in the Arab world, and in many ways they are congruent with the social media impact beyond the Middle East.

Research limitations/implications – This paper is very limited in Arab countries, and researchers could not use this study with female.

Practical implications – Information technology and gender are linked with the usage of social media.
The core focus of the present paper was to provide a brief literature-based review of how the social media affects SME in the Arab world (largely in nations within the Middle East region). Not only is the social media enabling positive "societal and cultural change" in the Arab world.

**Keywords** Social media, Corporate communication, Sustainability performance, Arab world

**Paper type** Conceptual paper

### Introduction

The post-modern era of business has come across many opportunities such as social media and meanwhile has offered many challenges such as sustainability and corporate communications. Increasing globalization has transformed the ways of living and nations are converging into one world. One of the miracles of the twenty-first century is social media. Social media is a network, wherein we share our ideas, present our likings and dislikes, and influence the people and get influenced by the people, shaping their behaviors. Social media is not only influencing the lives of people but also the performance of the organizations.

According to American Bureau of Statistics, the total number of social media users on earth is around 2.7bn. These users are increasing day by day, and social media is merging as a strongest social force. Organizations are increasingly realizing this fact and incorporating social media-related activities in their core strategies. Sustainable performance and corporate communication are few factors that are significantly affected by social media. The social media is one of the fastest media of transferring any message, and person sitting in one part of the world can know in minutes what is happening in the other part. The change in behavior in one region can be witnessed by a person of another region. The change in behavior is offering a continuous threat to organizational marketing and production strategies and sustainability.

Samuel and Sarprasatha (2016) argued that social media is emerging as a key determinant of business success in the Arab world. The corporate communication and sustainability are also directly and indirectly linked with the firm's effective social media strategy. Despite the increasing importance of social media and its role in social and business arenas, it is a fact that the Arab communities are not as digitalized as the nations in another part of the region. Therefore, the prime objective of this study is developing a conceptual model, highlighting the key success factors of the organization in small and medium enterprises (SME) sectors of the Arab Gulf. The model is proposed after critically and exhaustively reviewing the existing literature.

### The agenda of sustainability

The sustainability agenda is an issue of a wider spectrum, encircling issues such as environmental justice, social justice and ecological protection, etc. (Nuseir, 2018; Nidumolu et al., 2009; Van Marrewijk and Were, 2003). The sustainability and its subsequent concept of corporate social responsibility are broad concepts and they are conceptualized using multiple constructs. According to the definition given by the World Bank (Petkoski and Twose, 2003):

Corporate Social Responsibility is the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve quality of life, in ways that are good for business and development.

Other agencies, such as the Brundtland Commission have offered a similar definition of sustainability. According to the Brundtland Commission sustainability is our ability to satisfy our current need without any cost of the resources of our future generations. The world business Council for Sustainability Development advocates environmental quality, social equity and economic prosperity as hallmarks of sustainable development.
Bonini and Swartz (2014) found that managing a corporate reputation is among key determinants of undertaking the corporate social responsibility initiatives. Many firms listed in Fortune 500 are investing heavily in their sustainability initiatives and maintenance of their corporate sustainability ranking. Unilever is one of the best examples of such case wherein to maintain its corporate reputation, especially CSR reputation, the company is spending heavily on sustainability initiatives. Consequently, the company has received an award of Fortune’s most admired companies and the company is maintaining its score in Dow Jones Sustainability Index from last consecutive 14 years. The maintenance of corporate social responsibility has become so crucial that Fortune 500 has started issuing admirations to companies with the best sustainable practices. Meanwhile, the Global reporting bodies have started changing the status of sustainability reporting from voluntary to compulsory. Consequently, the codes of corporate governance of many countries are also following the guidelines of the global reporting initiative.

The Global Reporting Initiative, a well-known agency of corporate reporting, is increasingly emphasizing on the disclosure of a company’s sustainability initiatives and also the performance of that initiative over time. The companies are required to follow sustainability metrics, which is not standardized, and a part of it is more important and considered as a key determinant of an effective corporate communication strategy and corporate reputation. Overall, the array of possible CSR/sustainability initiatives, measured in different ways and through multiple communication media and venues, makes it difficult to assess a firm’s sustainability net impact.

The balance scorecard approach is one of the approaches used by many experts while assessing the sustainability, whereas multiple dimensions are also considered important while assessing the sustainability performance of any organization (Ambec and Lanoie, 2008). One of the widely used measurement approaches to sustainability performance is the bottom line approach. The bottom line approach is based on three dimensions: environmental, economic and social measures. Environmental impact is measured as the impact of a company’s product or services on the environment in the shape of carbon footprints and water pollution (Epstein, 2018). Economic sustainability is referred to as the company’s contribution to economic growth and lowering the economic vulnerabilities in societies. Social sustainability refers to the philanthropic services, such as basic health facility, clean drinking water, providing safe working condition and eliminating gender discrimination.

Epstein (2018) pointed out three criteria of sustainable performance: sustainable economic performance, environmentally sustainable performance and sustainable social performance. In 2001, the European Commission published a sustainable development strategy by emphasizing the importance of social cohesion, environmental protection and economic growth to go hand in hand (Pei et al., 2010). Zietsman et al. addressed sustainable supply chain management as “a modern management pattern emphasizing on the integration of the economy, environment and society through all the processes including procurement, producing, packaging, transportation, storage, consumption and disposal of the end-life product, supported by supply chain management technology, and its final goal is to achieve the sustainable development of economy, environment and society.”

Economic sustainability is continuing to be one of the major goals for business firms. According to Delrue et al. (2012), sustainable economic performance is “evaluation of organizational cost reduction, promotes market shares, return on assets, improve income and profits regarding the economic goals of performance.” Environmental concerns and conscious are driving business firms to look onto their operational impacts. Referring to Junquera et al. (2012), sustainable environmental performance is defined as “the evaluation of organizational reduction for emissions, decrease of consumption for hazardous or harmful materials and efficient energy or resources use.” Environmental sustainable performance is ‘achievements in reducing the resource usage, pollution emitted and waste generated resulting from the
undertaken efforts (Sarkis et al., 2010). Environmental sustainable performance is also strongly related to environmental goals of the organization, including the decrease of frequency for environmental accidents and solutions to improve an enterprise’s environmental situation (Chien and Shih, 2007). The environmental performance can also be a useful indicator in decreasing environmental risks, as well as in supporting external communication and policy-making for both public and private sectors.

The business firms have a huge responsibility socially wherein they need to take care of their employees and societies. Teraji defined sustainable social performance as “evaluation of organization on healthy work environment, social commitment and participation, education and training, and human resources development.” He added that as awareness among consumers on corporate social performance increases, management increasingly recognizes its responsibility for implementing ethical programs to enhance social welfare. There are several domains, namely human resources, corporate governance, human rights and the environment, that should be properly assessed (Bessire and Onnée, 2010). Brent and Labuschagne (2007) referred to the sustainable social performance as ‘achievements in creating social welfare (for various stakeholders including supplier, employee, customer and society) resulting from the undertaken operational efforts. In detail, the management has full responsibility for the implementation of social commitment and participation, social, administrative policies, human resource management and a healthy working environment. Besides, United Microelectronics Corporation quoted that the responsibility also includes employee benefits, staff relations, talent development, working conditions, public welfare support, social concerns and response. The exposure on sustainable social performance would ensure the organization to achieve its mission and vision as well as to stay competitive in the market.

Social media functions
Social media is bringing many changes in the cognitive process of its users, as from a study of Porter et al. (2007), the social media users consider themselves as agents of change. In an effort of providing support to their argument that the bombardment of information affects the cognition process as access to information made the users critical about the environment. Cho et al. (2014) argued that the bundling of social media platforms and their everchanging dynamics had provided an opportunity to maintain and manage their corporate reputation. They continued and argued that the social media platforms are offering an effective communication network between company and end users. According to Carim and Warwick (2013), top management of firms is increasingly realizing the fact that the social media platforms are the most effective platform of direct and indirect communication with clients.

According to Boyd and Ellison (2007), the social media is a web-based service that permits users to access and view the list of their connections, as well as those undertaken by others in the system, create a semi-public or public profile within a limited system and illustrate a list of many users with whom they are connected. The nature of connections and nomenclature might change according to the site. Concurrently, the term “social media” likewise appears, in general, converse, with the two items frequently used for connections.

Social media is unique, not because it permits strangers and users to meet, but instead because it enables individuals toward articulating and making their social media visible. As a consequence, connections between individuals, which would not be made otherwise, are brought to existence. However, this is frequently not the objective, as these meetings are often between “hidden ties” (Haythornthwaite and Andrews, 2011) sharing several offline connections. Many of the great social media demonstrates that partakers are not important to form connection with others and nor are they looking for new people. Mainly, Current
users of social media who are part of the process of communication in social media. This clear media is labeled as “social media” to emphasize a critical organizing feature of these tools. An extensive variety of technical features has been implemented by social media, but its backbone comprises of profiles that are visible, displaying clearly list of friends who, in turn, are likewise system users. Social media allows users to publish specific features as unique pages such as the definition of personal cases upon registration in one social media requiring users to fill a form with several information such as user name, age, interests and location (Boyd and Ellison, 2007). Using the answers to such questions, the profile is then generated. Users are also enjoined to upload their profile photos by most social media. Profile enhancement features are also carried by some sites, such as modifying their profile’s feel and look as well as adding multimedia content. Other social media, like Facebook, further let users add modules (“Applications”), which will enhance their profiles.

A profile’s visibility differs according to user discretion and site. Profiles on Tribe.net and Friendster, for instance, are, by default, crawled by many search engines. This issue makes them visual to the public, whether or not the user has an account. Conversely, LinkedIn has control on what a user can see, and this is based on the nature of his/her account (i.e. free or paid). On the contrary, social media such as MySpace permits users to select whether their profiles will be for the public or for “Friends only.” Facebook took the default approach differs from the rest of the social media where cleared for users of the same network access to their profiles, depending on the user chooses not to allow some individuals to reject the option. Social media differentiation can be seen in such structural variations around access and visibility, which is one of the main ways through which they separate themselves from other platforms (Boyd and Ellison, 2007). After making the individuals join the social media, the system asks them to identify people bound together by social relations. Again, depending on the social media, naming relations in these tools are different among the common relations such as “Fans,” “Friends” and “Contacts.” Although a majority of the social media requires a bidirectional or two-way confirmation message for friendships, some, however, do not. Sometimes, these one-directional tires are named as “Followers” or “Fans.” In many tools, however, these are called “Friend” as well.

The social media channels of communications are relatively newer than the traditional communication channels such as Radio, Television and Newspapers. Social media provides unique opportunities for marketing and organizational researchers, as the traditional theoretical framework are no more effective in answering the unique questions about the usage of social media and marketing communication tool. The conceptual model developed by Lovejoy and Saxton (2012) is among theoretical lenses used to highlight the relationship between social media and organizational communication. Through a content analysis of 100 non-profit organizations’ usage of Twitter, they have concluded the three main functions of social media as information function, community function and action function. The information function of social media is a function that views social media as a source of information provider. The action function refers to the usage of social media for creating a stimulus for donating, actively participating in events and volunteering. Finally, the community function of social media involves the engagement of social actors and communities.

**Information function.** The information function of social media is a strategy of messaging from the social media platform for the sole purpose of informing the general public about the contents (Lovejoy and Saxton, 2012). The unique function of social media from other communication vehicles is the wide dissemination of information. The information can be related to anything such as information related to organizational changes, product innovation, the company’s social responsiveness and company sustainability initiatives (Saxton et al., 2007). The first and most important objective of the information function is to raise awareness through this one-way communication wherein the viewer has the liberty to disseminate in his or her social circle.
The informational communication has appeared to be one of the most effective communication and a useful function of social media (Xifra and Grau, 2010). According to the Lovejoy et al. (2012), informational function is dominant on all social media channels. In another study of Saxton and Waters, the content analysis of top-100 non-profit firms found that more than 50 percent of Twitter updates from these firms were of informational nature. Thus, we expected that sustainability leaders would support the information function, and we also explored the way it was enacted.

**Action function.** The action function of social media is the second most important function that ensures that the firm's social media strategy is in action. The social media in action function advocates that the social media leaders can use the social media to change and shape the behavior by philanthropy, donations and offline demonstrations (Scherman et al., 2015). According to Lovejoy and Saxton (2012), the action function is set of provocative by the organization for their stakeholders to involve them in sustainability process. They continued and argued that it is one of the most outcome-oriented corporate strategies of any organization. The involvement of stakeholders through promoting and convincing about the positive outcomes of sustainability is at the heart of any sustainability strategy (Brinhurst et al., 2011).

The reorganizations can opt different ways, such as donation of a part of the sale price, volunteering in any environmental or social campaign, highlighting any social issue and helping in any situation of crisis. The action function of social media involves the composition of messages and producing video, audio and image messages to attract, encourage, motivate, stimulate and engage the stakeholders in a sustainability scheme. The core of any action function is to consider the audience of social media as a set of resources that can be mobilized to gain any sustainability advantage (Lovejoy and Saxton, 2012).

**Community function.** The third most important function in a theoretical model, proposed by the Lovejoy and Saxton (2012), is the community function. The community function uses social media in building and nurturing the passion of community members for sustainability initiatives. The organizations use cause and effect methods of communication that include dialogue with community members, which facilitates the community building for causes. Traditionally, the managers and the corporate heads used emails, title and print media for sending messages to encourage the existing and potential subscribers. According to Waters et al. (2009), the social media is medial platform of interactive characteristics, which offers unique opportunities to its users and originations for relationship building. They continued and argued that this relation building is crucial to the success of the organization in an effort of providing support to this argument. Lovejoy and Saxton (2012) claimed that the interactive feature of social media is emerging as one of the best channels of communication between organization and community. We anticipated that organizational sustainability communicators would use social media to create a presence of community by showing appreciation to the campus community.

**Corporate communication, sustainability and social media**

The corporate communication with stakeholders has a significant impact on the sustainability initiative. Many prior researchers (Signitzer and Prexl, 2007; Reilly and Weirup, 2012) have argued that corporate communication plays a significant role in achieving the desired results from the sustainability initiatives. Sustainability has its roots in organizational change, and communication is one of the most effective tools for managing organizational change (Kotter, 1979). The commitment level of organization with sustainability reported can be seen as a function of its communication strategy for change. For example, the organizational mission and vision can be related to sustainability initiatives that will help the firm in communicating the sustainability as a core business philosophy of the organization.
The social media for many firms has emerged as a major outlet of internal and external corporate communication for sustainability. The uniqueness of social media is that it not only conveys a message, rather it also provides an opportunity for direct feedback from users. Therefore, it can be argued that social media is an interactive platform that not only helps in conveying the corporate sustainability message, rather it also helps the firm in creating a direct communication with the stakeholders. (Kaplan and Haenlein, 2010). In a survey conducted by the USA Today, it is reported that around two-third of large firms operating in the USA are regular in reporting on social media and blogs (Mullaney, 2012). According to Heggestuen and Danova (2013), this percentage is higher in smaller firms.

The use of social media is becoming an increasing phenomenon and emerging as a hallmark of corporate communication. Kaplan and Haenlein (2010, p. 67) argued that social media has allowed the firms to develop a timely and direct communication with stakeholders. They further argued that social media helps in achieving the efficiency level that simply cannot be achieved from the traditional medium of corporate communication. According to Heggestuen and Danova (2013), more than 70 percent of firms in Fortune 500 are maintaining their active Facebook and Twitter accounts. According to the notification of SEC, the Facebook can be used for corporate disclosure announcement if it is a prerequisite to alert appropriately and quickly.

A case of Arab world

The impact of social media, corporate communication and sustainability on the success of the firms differ from region to region and country to country. The current research is focused on the Middle Eastern region of the world, which includes countries of Arabian Gulf. Although there is neither any established link nor any conceptualized model between social media, sustainability, corporate communication and firm performance, there is merging research focus on the issue of social media and its impact on organizational success in Arab Gulf. Recently, Abed et al. (2015), in order to highlight the role of social media in adopting e-commerce in small and medium firms of Saudi Arabia, carried out an analysis of previous researches. The conclusion of the study has presented the important insights that during the last decade, social media has emerged as having a significant impact on the adoption of e-commerce in KSA and this trend is more prominent in SMEs. This theoretical study has highlighted many new avenues adopted by the SMEs in KSA through social media platforms, and they are doing so by giving a push to their sale and marketing by transforming them to e-departments and e-stores.

Basri (2016) has carried out a study investigating the impact of social media on the success of small business entrepreneurs of the Arab world. In this study, he has found that the social media has transformed the ways of doing business and social media marketing is key for the success of any small entrepreneur. In providing support to his argument, he has argued and empirically proved that the social media applications are offering unique and cheap e-outlet to these entrepreneurs and acting as tools of operations for these small businesses. Besides, he has also argued that the social media outlets have offered them unique access to consumer changing behavior and also their immediate responses about the product or services being delivered. Omer (2015) argued that the small enterprises in Arab are not only social media for marketing purposes but also using this platform for the production relations and branding purposes. His opinion was consistent with the argument broached by Gundala and Khawaja (2014) who found that social media has a significant positive impact on branding and brand management on SMEs operating in UAE.

The Gerged et al. found that sustainability, awareness is increasing in the Arab region. The sustainability initiatives have been developed as the key differentiation strategies, and along with the initiative, the communication of these initiatives is of great importance.
The social media is merging as a media of cheaper access to a very large population. An effective social media strategy is being considered a core asset of a company. The communication of lengthy advertisement strategies of sustainability initiatives is easier and cheaper on social medias such as YouTube, Twitter and Facebook. Therefore, social media has a significant impact on the sustainability of firms. Many prior researchers (Campbell et al., 2014; Thackeray et al., 2013; Rui et al., 2013) have used this model to explore the role of social media as tool used by organizational communicators for the development of effective communication between organization and community. The findings of these studies have provided support to the findings of Lovejoy and Saxton (2012).

The implementation of sustainable practices among manufacturing firms has resulted in better economic performance in Arab countries (Cherian and Pech, 2017). The positive result from economic aspect can be achieved through multiple direct pathways of sustainable supply chain management. The previous research of Khan et al. (2018) investigated sustainability initiatives of certified Arab companies, and the result has confirmed the positive relationship between economic performance and sustainability initiatives. Consumers are the main driver of green practices implementation and they play a huge role by demonstrating their influence and by being environmentally conscious in choosing companies, increasing competitiveness and economic performance (Andić et al., 2012; Sulehat and Taib, 2016; Khalifa, 2018).

Conclusion
The business sustainable performance happens when a company or firm creates ongoing value for its stakeholders and shareholders while keeping up with the environmental requirement (Brent and Labuschagne, 2007). There are a few essential aspects of a firm’s sustainable value: doing well for the environment and society, and more importantly, keeping the customer and shareholders happy. According to Dunphy, “sustainability consists of actions that extend socially useful life of the organization, enhance the ability to maintain and renew viability of the biosphere and protect all living species, enhance ability of society to maintain itself and to solve its major problem and to maintain a decent of welfare, participation and personal freedom for present and future generations of humanity.”

Social media differ a lot regarding features and user base. This goes beyond profiles, comments, friends, private messaging, photo-sharing or video-sharing capabilities that are present in some sites, whereas others have built-in instant messaging and blogging in technology, for examples Facebook, Cyworld and MySpace. People from particular linguistic groups or geographical regions are targeted by many social media. This, however, is not always a determinant of the site’s audience. For instance, Orkut was launched in the United States as an English-only interface (Boyd and Ellison, 2007). According to Kopytoff, people from Brazil who speak Portuguese soon became Orkut’s dominant user group.

Moreover, some sites are created with diverse identity-driven categories in mind, such as according to religion, ethnicity, sexual orientation and politics, among others. Frequently designed to have wide accessibility, many social media, nonetheless, initially attract similar populations. Thus, it is common to find groups that use sites in order to isolate themselves according to nationality, learning level, age, or other factors that are usually found in community. This happens regardless of the designers’ intention. Many prior researchers (Campbell et al., 2014; Thackeray et al., 2013; Guo and Saxton, 2014; Rui et al., 2013; Ullah and Khan, 2017) have used this model to explore the role of social media as tool used by organizational communicators for the development of affective communication between organization and community. The findings of these studies have provided support to the findings of Lovejoy and Saxton (2012).

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Further reading


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