

An exploratory study on the use of social media as a business networking tool: the case of four female-owned fashion retail businesses in the Stellenbosch area, Cape Town

by

CHACHE JUDIE

A research project submitted in partial fulfilment of the requirement for Masters of Commerce degree in the School of Business and Finance, University of the Western Cape.

Faculty of Economics and Management Sciences,



SUPERVISOR: LEMAY LLORENTE QUESADA

May, 2015

Declaration

I declare that the study titled “*An exploratory study on the use of social media as a business networking tool: the case of four female-owned fashion retail businesses in Stellenbosch area, Cape Town*” is the result of my own work, which has not been submitted before for any degree or examination in any other university or campus, and that all sources used or quoted have been indicated and acknowledged as complete references

Judie Moraa Chache

Signature

Date:



Abstract

One major contribution to entrepreneurship in the past decade is the introduction of social media, which has changed the way in which businesses are operated. It is argued that using social media has signalled a departure for many businesses from the tradition of word-of-mouth advertising of products and services. Furthermore, it has been suggested that social media has become a crucial mechanism of promoting products owing to its potential of reaching many people as well as being cost effective. Following this line of thought, it can be argued that social media platforms can revolutionize communication among individuals and businesses by increasing their networking circle. This study aimed to establish how female-owned Small Micro and Medium Enterprises (SMMEs) in the fashion retail sector in Cape Town use social media for both business and social networking purposes. The study used a qualitative research design where data were collected through semi-structured interviews and unobtrusive methods. These techniques were preferred because they allowed for an in-depth understanding of social media networking strategies. The findings highlight that social media contributes towards enhancing the existing business networks and the working activities of the female entrepreneurs; with both weak and strong ties playing a vital role towards cementing these connections.

Key words: Social Media, SMME, Networking, Fashion Retail Businesses, Female Entrepreneurs, Business Networks, Stellenbosch

Acknowledgements

I would like to thank my creator “Abba Father” for his grace and mercies through out the whole of my study.

I would also like to express a great deal of gratitude to my supervisor, Mrs. Lemay Llorente Quesada for her support, commitment, guidance and motivation, which made the completion of this research project possible.

Thanks to all the participants who participated in the study for their compliance and availability of their time to assist me attain the necessary information that I needed for the study.

Many thanks to Prof. Philip Hirschoshn for sharing his experience and knowledge through out the whole programme.

Thanks to my classmates and friends for their support through the whole programme especially the late Mumba, Ade, Temitope, Ouesman, Kagisho, Noel, Ombati and the rest of my colleagues.

Great thanks to my family for the support and encouragment that I needed while pursuing the research project. I appreciate my mother Gladys for divine intervention and prayers that got me through when the going got tough, my dad Geoffrey who is my pillar and always believes in my abilities. I thank my siblings Yabez, Lisper and Willys and the wife Joan for their constant support, love and understanding.

Finally, I would like to thank Lisa and Liam, for their love, perserverance, understanding and support. I thank Mr. Patrick for his support through out the programme.

Table of Contents

Declaration.....	ii
Abstract.....	iii
Acknowledgements.....	iv
Table of Contents.....	v
List of Tables.....	ix
List of Figures.....	xi
Acronyms.....	xii
CHAPTER 1: INTRODUCTION TO THE STUDY.....	1
1.1 INTRODUCTION.....	1
1.2 Background of the Fashion Retail Sector in South Africa.....	2
1.3 Motivation of the Study.....	3
1.4 Statement of the Problem.....	4
1.5 Aims of the Research.....	5
1.6 Research Questions.....	6
1.7 Delimitations of the Study.....	6
1.8 Definition of Terms.....	6
1.9 Methodology.....	7
1.9.1 Sampling.....	8
1.9.2 Inclusion Criteria for the Sample.....	8
1.10 Significance of the Study.....	9
1.11 Structure of the Study.....	10
CHAPTER 2: LITERATURE REVIEW.....	11
2.1 INTRODUCTION.....	11
2.2 Overview to Networking Theory.....	11
2.2.1 Weak and Strong Ties.....	12
2.3 Business Networks and SMMEs.....	14
2.4 Business Performance Measures.....	16
2.5 The Advent of Social Media.....	17
2.6 Brief overview to the use of social media among female entrepreneurs.....	20
2.6.1 Challenges faced by female entrepreneurs in South Africa.....	23
2.7 Conceptual Framework.....	25
2.8 Concluding Remarks.....	26
CHAPTER 3: RESEARCH METHODOLOGY.....	27

3.1 INTRODUCTION	27
3.2 Research Design/ Methodology	28
3.3 Population and Sampling	30
3.3.3 The Inclusion Criteria.....	30
3.4 Data Collection Tools.....	31
3.5 Data Coding.....	31
3.6 Data Collection and Analysis	32
3.7 Reliability (Trustworthiness) and Credibility	34
3.8 Limitation of the Study	35
3.9 Ethical Measures	36
3.9.1 Informed Consent	36
3.9.2 Right to Privacy	36
3.9.3 Honesty with Professional Colleagues	36
3.10 Concluding Remarks	37
CHAPTER 4: RESEARCH FINDINGS.....	38
4.1 INTRODUCTION	38
4.2 Case 1: <i>Lily's Closet</i>	40
4.2.1 The Suppliers from <i>Lily's Closet</i>	41
4.2.2 Business Networking	42
4.2.3 Social Networking	43
4.2.4 Social Media Usage	43
4.2.5 Benefits of using social media.....	44
4.2.6 Challenges encountered while using social media	45
4.2.7 Business Performance.....	46
4.3 Case 2: <i>Tinsel Town</i>	46
4.3.1 <i>Tinsel Town's</i> Suppliers.....	47
4.3.2 Business Networking.....	47
4.3.3 Social Networking	48
4.3.4 Social Media Usage	49
4.3.5 Benefits of using social media.....	50
4.3.6 Challenges encountered while using social media	50
4.3.7 Business Performance.....	51
4.4 Case 3: <i>May Boutique</i>	51
4.4.1 The Suppliers from <i>May Boutique</i>	52
4.4.2 Business Networking	52

4.4.3 Social Networking	53
4.4.4 Social Media Usage	54
4.4.5 Benefits of using social media	55
4.4.6 Challenges encountered while using social media	55
4.4.7 Business Performance.....	55
4.5 Case 4: <i>100% ME</i>	56
4.5.1 <i>100% ME</i> Suppliers	56
4.5.2 Business Networking	57
4.5.3 Social Networking	58
4.5.4 Social Media Usage	58
4.5.5 Benefits of using social media	59
4.5.6 Challenges encountered while using social media	59
4.5.7 Business Performance.....	60
4. 6 KEY FINDINGS	61
4.6.1 Social networking activities of the female entrepreneurs.....	61
4.6.2 Female entrepreneurs business networking with the suppliers.	62
4.6.3 The use of Social Media	65
4.6.4 Benefits of using social media	67
4.6.5 Challenges encountered while using Social Media	67
4.6.6 Business Performance.....	68
4.7 Concluding Remarks	69
CHAPTER 5: ANALYSIS AND DISCUSSION OF THE FINDINGS.....	71
5.1 INTRODUCTION	71
5.2 Social media use for social networking purposes	72
5.3 Social media influence in business networking of the female entrepreneurs	74
5.4 Social media's contribution to business performance.....	79
5.5 Concluding Remarks	82
CHAPTER 6: CONCLUSION AND RECOMMENDATIONS	83
6.1 INTRODUCTION	83
6.2 Conclusion to the Study	83
6.3 Limitation of the Study	85
6.4 Recommendations	85
Bibliography	87
Addenda 1: Cover letter to the entrepreneurs	92
Addenda 2: Semi structured interview guide for the entrepreneurs	94

Addenda 3: Informed consent to the suppliers	97
Addenda 4: Questionnaire to the suppliers	98
Addenda 5: Transcriptions on business networking of the female entrepreneurs and their key suppliers	102
Addenda 6: Transcriptions on social networking of the female entrepreneurs	107
Addenda 7: Transcription on the use of social media.....	109
Addenda 8: Transcriptions on the benefits of using social media	111
Addenda 9: Transcription on some of the challenges the business owners encountered while using social media.....	112
Addenda 10: Transcription on business performance.....	113
Addenda 11: A sample of the hand- coded transcripts	114



List of Tables

Table 1: Participants profile.....	39
Table 2: Profile of the suppliers.....	40
Table 3: Business networking excerpts from the respondent (Lily’s Closet) and the suppliers.....	42
Table 4: Excerpts from the respondent (Lily’s Closet) on social networking.....	43
Table 5: Excerpts from the respondent (Lily’s Closet) on social media usage.....	44
Table 6: Excerpts from the respondent (Lily’s Closet) on benefits of using social media.....	45
Table 7: Excerpts from the respondent (Lily’s Closet) on the challenges she encounters while using social media.....	45
Table 8: Excerpts from the respondent (Lily’s Closet) on business performance.....	46
Table 9: Business networking excerpts from the respondent (Tinsel Town) and the suppliers.....	48
Table 10: Excerpts from the respondent (Tinsel Town) on social networking.....	49
Table 11: Excerpts from the respondent (Tinsel Town) on social media usage.....	49
Table 12: Excerpts from the respondent (Tinsel Town) on benefits of using social media.....	50
Table 13: Excerpts from the respondent (Tinsel Town) on the challenges she encounters while using social media.....	50
Table 14: Excerpts from the respondent (Tinsel Town) on business performance.....	51

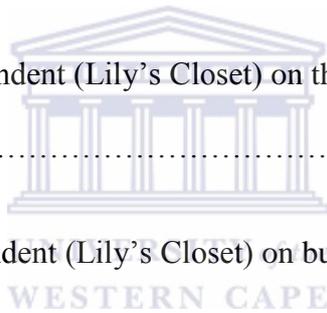
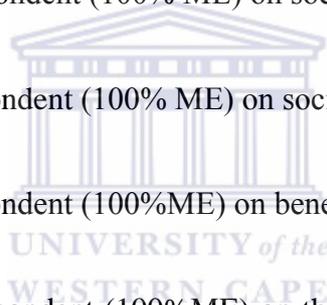


Table 15: Business networking excerpts from the respondent (May Boutique) and the suppliers.....	53
Table 16: Excerpts from the respondent (May Boutique) on social networking.....	54
Table 17: Excerpts from the respondent (May Boutique) on social media usage.....	54
Table 18: Excerpts from the respondent (May Boutique) on benefits of using social media..	55
Table 19: Excerpts from the respondent (May Boutique) on business performance.....	56
Table 20: Business networking excerpts from the respondent (100%ME) and the suppliers..	57
Table 21: Excerpts from the respondent (100% ME) on social networking.....	58
Table 22: Excerpts from the respondent (100% ME) on social media usage.....	59
Table 23: Excerpts from the respondent (100%ME) on benefits of using social media.....	59
Table 24: Excerpts from the respondent (100%ME) on the challenges she encounters while using social media.....	60
Table 25: Excerpts from the respondent (100%ME) on business performance.....	60



List of Figures

Fig 1. Conceptual Model26



Acronyms

EESA: Entrepreneurship Empowerment in South Africa

GEM: Global Entrepreneurship Monitor

GDP: Gross Domestic Product

SEDA: Small Enterprise Development Agency

SMME: Small Micro and Medium Enterprises



CHAPTER 1: INTRODUCTION TO THE STUDY

1.1 INTRODUCTION

With the advent of 21st century and the speed with which technology has changed society, social media platforms such as Facebook, LinkedIn and Twitter have contributed to faster and more effective communication among individuals and organizations. It goes without saying that businesses are rapidly learning to exploit the potential of social media platforms to increase their marketing services and growth. Although organizations are shifting from the traditional ways of marketing their products to web based technology, Hutchings (2012) observes that the use of social media in a commercial context is indeed a powerful and effective tool for business. For example, through social media, business organizations are able to advertise their products and services with the aim of growing their sales pitch as well as building a clientele base. Additionally, social media has influenced greatly the networking activity of large organizations and SMMEs alike by increasing network contacts locally, regionally, nationally and internationally (Constantinidis, 2011).

Networking is both an activity carried out by individuals and entrepreneurs, and it does not operate in a vacuum. Furthermore, networking as a business activity requires a business environment as well as individuals. This association is understood in the context of an interaction and interconnection between the individuals who aim to gain relevant information for business growth. Within networking processes, entrepreneurs need to possess skills to access strategic resources in developing new or existing ventures (Harris, Rae & Misner, 2012). The latter makes reference to skills that entrepreneurs can use to manipulate technological devices such as cell phones and computers. Regardless of the educational background of an entrepreneur, the notion of gender plays a role in determining who has an easier access to technological infrastructure. Scholars note that, the level of engagement is never the same between a male and female (Minniti, 2012; Constantinidis, 2011; Verhuel,

Vanstel & Thurik, 2006; Bennett & Dann, 2000; Cromie & Birley, 1992). For example, it is argued that males are advantaged for they are opportunity driven while females are necessity driven (Minniti, 2012; Constantinidis, 2011). Furthermore, Verhuel, et al., (2006) point out that, female and male entrepreneurs differ from each other due to their business and personal activities. They both start and run businesses in different sectors, develop different products, structure their business differently and pursue different goals. To support this, Cromie & Birley, (1992) sustain that, since some women entrepreneurs come from a domestic background their personal network of contacts tend to be less well-developed than that of their male counterparts. The latter suggests that they only start a business to cater for their needs and family (Constantinidis, 2011; Bennett & Dann, 2000).

1.2 Background of the Fashion Retail Sector in South Africa

The fashion retail industry is diverse and retail businesses today are faced with challenges of how to adapt to the rapidly changing economy, while trying to retain their cultural values and traditional knowledge. The intense competition in the business environment may result in SMME's finding it difficult to contest their position in the market. In order for small retailers to sustain their competitive edge, they need to adapt to the advanced technologies (Moon & Ngai, 2008). In addition, small businesses are expected to utilize their network circle to gain the necessary knowledge and skills required to sustain their business, and at the same time, be committed to their network circle.

In relation to fashion retail, Moloï and Nkhahle (2014) argue that fashion entrepreneurs in South Africa have a significant impact on the growth of small businesses within the country. In order for small businesses to contribute towards job creation, entrepreneurs need to be able to factor in their basic level of education, the skills they possess, their industry experience as well as the potential access to finances for starting up their small businesses (Xaba &

Rankhumise, 2014; Moon & Ngai, 2008). The fashion retail industry for small entrepreneurs is developing, not only at national and regional levels of the political sociology of the community, but also considered to be a cyclical reconsideration of culture and society (Xaba & Rankhumise, 2014; Moloï & Nkhahle, 2014). Based on the above, it can be argued that fashion leads towards creative skills and social development of individuals.

The individuals that are involved in selling fashion related products such as matric ball dresses, evening dresses, accessories, shoes, wedding gowns and other attractive garments are known as fashion entrepreneurs (Moloï & Nkhahle, 2014). In this case, the fashion retail industry is characterised by a wide variety of products that have short life cycle and they are sold according to different seasons. In addition, customers that desire high-end fashion are cautious of the trends in the market environment. Moreover the business needs to keep up with the complicated distributions and logistics operations (Moloï & Nkhahle, 2014; Moon & Ngai, 2008).



1.3 Motivation of the Study

The idea of undertaking this study came about in the year 2012, after participating in an Entrepreneurship Empowerment in South Africa (EESA) programme run by Dr. Michael Morris, an American entrepreneurial scholar.¹The programme entailed not only learning about small business entrepreneurs and entrepreneurship but also getting to understand more about business marketing and challenges in the sector. In the course of the EESA programme, the team worked together with entrepreneurs who had engaged with social media in marketing their products and services. Surprisingly, the level of engagement was not

¹ Dr. Michael Morris is an academic director, centre for entrepreneurship and innovation at the University of Florida. He founded the EESA program in 1997 at the University of Cape Town. Dr. Morris has written six books and over 100 peer-reviewed academic articles in the Journal of business venturing, the journal of management, Entrepreneurship theory and practice among others. He is currently the President of the United States Association for Small Business and Entrepreneurship and as editor of the Journal of Developmental Entrepreneurship. He is a former Fulbright scholar (South Africa, 1993) and has been inducted as a 21st Century Entrepreneurship Research Fellow by the Global Consortium of Entrepreneurship Centres.

beneficial to the business; due to the fact that, the entrepreneurs lacked the necessary technical skills and knowledge to operate and use the social media platforms to advertise their products and services.

As a result, our team had to re-build webpages, and in some cases improve or open new Facebook profiles for networking as well as marketing purposes. The team's guiding principle was that internet usage was a global phenomenon and an alternative tool that an individual or organization can utilize to disseminate information. Consequently, Sairosse and Mutula (2003:451) observed that, although the Internet has allowed many people to communicate in various forms, some cannot access the infrastructure. This observation resonates with challenges experienced by some of the entrepreneurs that were incorporated in the EESA programme. In reference to the exposition, if social media platforms can be embraced and utilized wisely, it can enhance business flexibility to transact and conduct business efficiently. The aim of this study was to provide a scholarly understanding of how female-owned SMME's in the fashion retail sector use social media for both social and business networking. In addition, the study investigated how social and business networking through social media influence business performance.

1.4 Statement of the Problem

According to Goldstruck (2012:1-2), the penetration of social media as a networking tool for the SMME's in South Africa is quite low and that while one in 10 SMME's are in their nascent stage of using social media as a marketing tool, 90% use the traditional word of 'mouth to mouth technique' as a marketing strategy². Further, a recent survey conducted by Effective Measure³ in March, 2014 revealed how 80.2% South Africans internet users use

² See the report by World Wide Worx and Fuseware (Available at <http://mybroadband.co.za/news/internet/44061-biggest-social-networks-in-south-africa.html>)

³ See the South African mobile report. A survey of desktop users attitude and use of mobile phone, March, 2014 (available at: www.effectivemeasure.com)

their smart phones to access the internet whilst 19.8% of the users use traditional methods of access. The focus of this study was to examine how female entrepreneurs in the fashion retail sector use social media as a business networking tool in running their small, micro- medium enterprises in Stellenbosch, South Africa

However, what is not clear is, the way in which the entrepreneurs apply these techniques, how they market their products and, the challenges they face in adopting social media. In the context of female entrepreneurial related studies, there have been complaints about little scholarly attention directed to the study of women in business and ownership as well as scarcity of literature about female entrepreneurs (Thareji & Kumar, 2014: 62; Martin & Wright, 2005:164; Baker, Aldrich & Liou, 1997:221). This research situates itself within these lacunae.

1.5 Aims of the Research

The main aim of this study was to unravel the issues and challenges that female entrepreneurs in the fashion retail sector in Stellenbosch, Cape Town face while trying to adopt the use of social media for networking purposes. The focal objectives are accentuated below:

- i) To explore how female entrepreneurs use social media for social networking purposes;
- ii) To examine the influence of social media in business networking practices of female entrepreneurs in the fashion retail sector and
- iii) To establish the contribution of social and business networking through social media towards the female entrepreneurs business performance.

1.6 Research Questions

This study sought to answer the following questions:

- i) How do female entrepreneurs in the fashion retail sector use social media for social networking purposes?
- ii) What is the influence of social media in business networking practices of female entrepreneurs in the fashion retail sector?
- iii) What are the contributions of social and business networking through social media towards the performance of the female entrepreneurs business?

1.7 Delimitations of the Study

The study focused on four cases of female entrepreneurs in the fashion retail sector in the Stellenbosch area. Consequently, generalizations and assumptions cannot be made about other fashion retail businesses in South Africa or elsewhere. The researcher used cross-sectional analysis, and therefore the research provided only a snapshot of how the entrepreneurs used social media for social and business networking purposes for that particular time.

1.8 Definition of Terms

The following terms were used through out the study.

Business Networks: - is whereby individuals are involved in different business activities to create, explore, and act on business opportunities (Gilmore, Carson & Rocks, 2006).

Business performance: - it “encompasses all the processes, information and systems used by managers to develop plans, monitor execution, forecast performance, report results and make decisions”(Axson, 2010:25).

Entrepreneur: - “is a person who has established the business as a new venture, where business growth is intended, for the prime reasons of generating profit and achieving personal satisfaction” (Bennett & Dann, (2000:79).

Female entrepreneur: - “is a woman, who has initiated a business, is actively involved in managing it, owns at least fifty per cent and has been in operation for one year or longer” (Moore & Buttner, 1997:13).

Network: - consists of a set of nodes or actors (organisations, individuals, work units and ties (relationships) that link them (Klerk, 2010:37).

Networking: -this refers to creating and establishing a relationship with other individuals to share information and advance (Hampton, Cooper and McGowan, 2009:195).

Social media: - Kaplan and Haenlein (2010:61) describe social media as “a group of internet-based applications that build on the ideological and technological foundation of web 2.0, and that allow the creation and exchange of user-generated content”.

Social network (networking): - is an interactive relationship or alliances that individuals have or seek to develop in pursuit of particular interest that they have (Van Zyl, 2008).

Online social network: - “is a type of website model where individual members become part of a broader virtual community” (Stokes, 2008).

Social networking sites: - these are sites that enable individuals from different locations who have a particular interest to connect and interact with each other (Stokes, 2008).

Small, micro and medium enterprises: - these are businesses consisting of less than 250 employees (IFC, 2009:9).

1.9 Methodology

The research adopted a qualitative case study design. Historically, many scholars within the international literature on networking have used quantitative methodology. Although, some scholars such as Jack (2010) as well as Hoang and Antonic (2003) advocate for more

qualitative approaches to be used. A qualitative approach enables a richer and detailed investigation of network ties by broadening the understanding of what really goes on within a network circle (Jack, 2010). From an interpretivist perspective the researcher was able to understand the entrepreneurs' experiences on the way they interacted with their suppliers within the fashion industry (Cilliers, 2014). In using qualitative case study approach, the researcher was able to gain insights from an in-depth interaction with the participants in understanding different dynamics on how female entrepreneurs use social media for business networking with their suppliers.

1.9.1 Sampling

The target population of the study comprised of female owned SMME fashion retail enterprises in Stellenbosch area. A purposive sampling technique was used. The decision was informed by Pascoe (2014:142) and Patton (1990:169) sentiments as they suggest that purposive sampling is a technique that allows the researcher to select "information rich" cases to answer the research questions. Originally, the pre-sample consisted of 29 female entrepreneurs. The researcher conducted an informal interview and the sample was reduced to seven respondents. From the seven respondents only four female entrepreneurs were able to meet the criteria mentioned below and were willing to participate in the study.

1.9.2 Inclusion Criteria for the Sample

Purposive sampling has several ways in which a researcher can use to select individuals to be included in the study, based on a set of characteristics. In this regard, criterion sampling technique was adopted in selecting the sample used "to review and study all cases that meet the predetermined criterion of importance" (Patton, 1990:238). The inclusion criterion for the sample used was:

- i) The female entrepreneur must be running her own business

- ii) The business must be at least one year old
- iii) The female entrepreneur must be using any form of social media platform such as Facebook, Twitter and LinkedIn.
- iv) The size of the business must fit the criteria that defines an SMME⁴
- v) The business can be online fashion retailer (e-commerce) or traditional fashion retailer.
- vi) The business must be located in the Cape Town area

1.10 Significance of the Study

It was envisaged that, after carrying out the study, the results will be available to females who engage in SMME's in the fashion retailing sector in Stellenbosch. This will enable female entrepreneurs to know the potential benefits of using social media as a marketing and networking tool. The study may also encourage the emerging female entrepreneurs to share ideas on how to promote products and services, and encourage each other on the challenges associated with setting up a business. The findings of this study will also add knowledge to the already established SMME's on how they can improve their networking skills and expand their businesses. The findings will be available to entrepreneurial organizations and agencies such as Small Enterprise Development Agency (SEDA) to encourage emerging female entrepreneurs on the importance of adopting social media to advertise their products and services. The findings will not only add to the body of knowledge on entrepreneurship in general, but also on women and social networking in particular.

⁴ The definition of SMME differs across the world, and there is no uniformly agreed definition of SMME because firms differ in their industry sector they are in. In terms of the number of sales that they make, the number of employees and the turnover that they make in a year. In South Africa a common definition of "SMME's are defined as registered business with less than 250 employees" (IFC, 2009:9). Available at (<http://www.ifc.org>).

1.11 Structure of the Study

This chapter entailed the introduction to the study, background of the fashion industry, motivations of the study, and aims of the research, research questions, and delimitation of the study, definition of terms, methodology and significance of the study. The following chapters of the study are structured as follows:

Chapter 2 Literature review: - In this chapter, the existing literature on networking, social networks, social media and female entrepreneurs in SMME is reviewed which leads to theoretical framework.

Chapter 3 Research methodology: - This chapter entails the research method that is applied in this study, as well as the research design used and an overview of the participants in the study.

Chapter 4 Data analysis and Findings: - In this chapter, the researcher presents the analysis and findings obtained from the data collected.

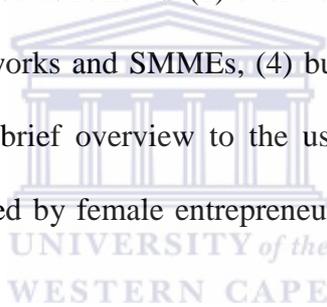
Chapter 5 Discussion: - The discussions of the salient findings relevant to this research as obtained in this research study, with regards to the results in chapter 4.

Chapter 6 Conclusions and Recommendations: - This chapter is a summary of the research project, followed by the conclusions that will be drawn from the study and finally recommendations will be given based on the findings of the study.

CHAPTER 2: LITERATURE REVIEW

2.1 INTRODUCTION

This chapter presents scholarly works related to networking and entrepreneurship. The understanding of networking and entrepreneurship is predicated on the notion that the way people network and interact is informed by their social backgrounds and orientations which then determine the success or failure of their business ventures. However, it is important to point out that networking and entrepreneurship are also influenced by geo-political contexts (Pearson & Richardson, 2001). In other words, studies conducted outside South Africa may not necessarily be similar, yet they provide points of departure and comparisons for this study. In this chapter it is structured as follows: (1) overview on networking theory, (2) weak and strong ties, (3) business networks and SMMEs, (4) business performance measures, (5) the advent of social media, (6) brief overview to the use of social media among female entrepreneurs, (7) challenges faced by female entrepreneurs in South Africa, (8) conceptual framework.



2.2 Overview to Networking Theory

As mentioned above, networking and entrepreneurship are influenced by geo-political and economic activities. Networking has become an integral part of human life to the extent that scholars across different academic fields have explored its applicability in management, business history, economics, anthropology, sociology and organizational fields (Hoang & Antoncic, 2003; Pearson & Richardson, 2001:657). The popularity of networking, as a field of study seems to stem from the important role it plays in binding and bringing individuals and organizations together. In addition, networking creates space where information is shared with a primary intention of gaining knowledge and skills from a network, to improve or grow business. Hampton, Cooper and McGowan (2009:195) define a network as an “interactive

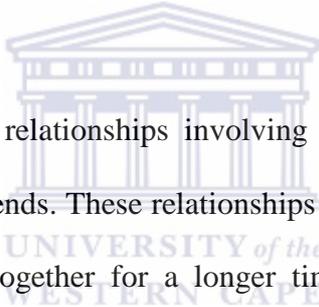
relationship that individuals have or may seek to develop between themselves and others in pursuit of enterprise in which they have [an] interest [in].” The relationship emanating from a practice of engagement within this network becomes a networking process which is grounded on what some commentators have described as weak or strong ties (Jack, 2005; Granovetter, 1983).

2.2.1 Weak and Strong Ties

In order to understand the dynamics of networking as a process within the context of weak and strong ties, Jack’s (2005) study, which is an extension of Granovetter’s, (1973) earlier work on the role, use and activation of strong and weak ties is a good example. Jack (2005) describes the nature of network ties arguing that its closeness is used as an indicator of its strength. Further on, he suggests that the operations and structure of the networks are influenced by the nature of the weak and strong ties. These ties refer to the intensity of a relationship among members of a network and are characterized by the frequency, closeness and their commitment at the level of communication. Furthermore, Granovetter (1983) provides a distinction between these ties by explaining that, weak ties involve individuals that are linked together as partners or associates that are within the same circle of profession. On the other hand, the strong ties involve individuals that emanate from the same family but also extend to include relatives and close friends.

In their seminal work, Chell and Baines (2000) found out that weak ties are a fundamental part of the entrepreneurial behaviour. The reason is that they define the characteristics an entrepreneur should possess to survive in a business environment. These characteristics include creativity, risk-taking, internal locus of control, need for achievement and persistence which the entrepreneur may have acquired from his/her interaction with other business associates (Elfring & Hulsink, 2007; Bennett & Dann, 2000:76). The assumption is that

business partners possess different skills and, when they interact within the same circle of network; the stronger their connection will be (Martinez & Aldrich, 2011). Conversely, Granovetter (1983:204) notes that individuals with few weak ties (from the same network circle) tend to be deprived of information from distant parts of the social network system. Consequently, these individuals are only confined to information from close friends. Here, Granovetter suggests that individuals with few weak ties should diversify by connecting with those outside their immediate network circle (see also Hoang & Antoncic, 2003; Chell & Baines, 2000). Although, weak ties relationships have low commitment level in the sense that individuals involved may withdraw from the already established network. As a result, entrepreneurs can rely on a strong tie network relationship which has a trust component and thus, a higher commitment level.



Strong ties are characterised by relationships involving individuals from either the same family (blood related) or close friends. These relationships are built on the understanding that when individuals grow or live together for a longer time (Jack 2005:1249), there is an intimate bond that is naturally created between them (Elfring & Hulsink, 2007). It is from the connection among individuals that the notion of trust is developed. Though, it does not imply that trust cannot be broken. In most cases, due to competition, power struggle, selfish interest and the desire to dominate, trust is likely to be lost to the extent that it can negatively affect the business venture. Nevertheless, if compared to weak ties (which have a low commitment), strong ties (due to their trust component), provides a better means for individuals to access necessary entrepreneurial skills and resources (Martinez & Aldrich 2011; Greve & Salaff, 2003; Hoang & Antoncic, 2003; Chell & Baines, 2000). However, it is important to note that the trust component can be abused especially in the cases where it becomes a conduit for seeking favours. Whereas it is posited by Hoang and Antoncic (2003:174) as well as Granovetter (1985:490) that strong ties enables an entrepreneur to get access to resources

more easily and at a lower cost, one can argue that the notion of ‘mixing friendship with business’ can bring about the downfall of the business (Martinez & Aldrich, 2011). The discussions in this section suggest that developing both weak and strong ties is essential for an entrepreneur. As noted by Hoang and Antoncic (2003) as well as Chell and Baines (2000), the ties allow an entrepreneur to gain access to the necessary resources and information needed for growth and development of a business venture. Nevertheless, there is a stronger indication that strong ties are more effective for conducting business activities. The perception of ties informs this study on how they influence business networks in the SMMEs which is discussed below.

2.3 Business Networks and SMMEs

Networking influences how owner managers engage in a network circle, in order to learn and acquire relevant information which becomes a platform for business activities. To make the latter effective, Gilmore et al., (2006:280-281) suggest that owner managers can position themselves within an existing network or start their own if they possess the necessary skills. The main reasons for joining a network or establishing a new one in the context of SMMEs is, according to Osterle, Fleisch and Alt (2001:2), to define a business network and coordinate processes within and across companies through a relationship between internal and external business partners (see also Klerk & Kroon, 2008; Gilmore et al., 2006; and Holm et al., 1999). Consequently, the established business networks relationships tend to be complex and dynamic, characterized by the direct and indirect relationship (Klerk & Kroon, 2008; Gilmore et al., 2006). In other words, the interdependence on firms through unbounded structures increases levels of interaction among firms. This practice as observed by Holm et al., (1999), enables greater achievement than when the firms are not engaged in any form of network. Thus, owner managers who do not engage in any networking activity are deprived of information that would have assisted them to access opportunities in the market, resources

for their business growth, and develop solutions to problems they face (Klerk & Kroon, 2008).

In a study on networking, entrepreneurship and microbusiness behaviour, Chell and Baines (2000) illustrate how networking processes among owner managers of small businesses enhance the performance of business. The authors contend that owner managers are able to gain insights from other businesses and apply the same knowledge, skills, information, or ideas for their own business. In general, Chell and Baines (2000) view networking as a tool that enables business partners to build a relationship from which they can use to enhance business performance. However, the strength of these processes or relationship is determined by “market commitment and market knowledge” (Forsgren, 2013:111). For instance, market commitment is comprised of pledges to specific business relationships within the business network. A firm, for example, can formulate a set of rules and guidelines that governs how new firms joining an established network should operate when conducting business. In such a setting, the company that sets the rules has a monopoly and, in doing so, this company is more likely to benefit more than the others (Forsgren, 2013; Perez & Sanchez, 2003).

Notwithstanding, the disadvantaged companies that are bound to benefit in other ways such as access to marketing knowledge. The parent company may provide business related advice or assistance to its subsidiaries in order to penetrate into a competitive market environment (Perez & Sanchez, 2003). Indeed, as Holm et al., (1999:467) conclude, business networks are “critical in developing inter-firm systems of workflow interdependence that promotes the creation of value.” Subsequently, sharing information is protected by intellectual property rights and as Forsgren (2013:117) suggests, due to these rights, companies are bound to restrict the flow of information to guard their ‘secret’ which gives them a competitive advantage over others.

The managers of smaller businesses benefit from parent business organizations by attaining physical assets as well as gaining different kinds of knowledge (Perez & Sanchez, 2003). Most companies develop links with various agents for the survival and development of their firms. Conversely, for owner managers to expand on their expertise they share their innovative knowledge with the suppliers to develop on the production of the firm (Klerk & Kroon, 2008; Perez & Sanchez, 2003; Chell & Baines, 2000). In so doing, the managers are strengthening their understanding and awareness between them and their suppliers. The literature suggests that suppliers' contacts and networks are essential in the development of the businesses supply chain (Perez & Sanchez, 2003). Furthermore, the networks structures within the organization can be formulated in a way in which information can be transferred from the suppliers to users (Holm et al., 1999). In the following section, the links between competitiveness and business performance are examined.

2.4 Business Performance Measures

The previous section reveals that business networks may provide firms with opportunities to venture into a competitive market. However, the sustainability within the competitive market is determined by the success or failure of business performance. According to Axson (2010:25) business performance management is a process where managers use information to “develop plans, monitor execution, forecast performance, report results and make decisions”. Within this process, managers acquire the necessary skills, information, or knowledge from a network circle in which s/he belong to, which in turn assist the managers to be operationally involved in the day to day running of the business. In this way, business decisions are grounded on good performance management. Kraus, Rigtering, Hughes and Hosman (2012), Chenhall and Smith (2007), and Murphy, Trailer and Hill (1996) suggest such a performance be evaluated based on financial or non-financial factors. These scholars argue that profits (financial) and successive organizational strategies (non-financial) such as manufacturing,

marketing, and research development of a firm could be possible indicators of a failed or a successful business performance (Chenhall & Smith, 2007). As a result, even within the SMME structure, entrepreneurial activities should gesture at not only proper organizational structure, but also at making profits⁵.

Furthermore, Murphy et al., (1996:18) state that “more established firms are more likely to be convergent on the performance measures [while] the younger firms may reflect [on] a wider range of performance dimensions.” In other words, the established firms focus mainly on one optimum performance dimension such as market share while small firms apply different dimensions in order to establish their performance. Due to increase in global competition that has equally forced some firms to either increase their level of operational efficiency or to close down. This is further complicated by the fact that customers have a wide range of products and services to choose from. As a result, firms become creative with and for their products not only to maintain a network relationship with customers, but also to compete effectively with other business establishments by maximizing profits (Ge, Hisrich & Dong, 2009). Nonetheless, following global trends, one of the creative tools that could be used by owner managers is the Internet. It can be used to advertise products, maintain a network of retail customers and suppliers as well as a platform of improving business performance particularly on a social media platform (Ge et al., 2009; Moller & Halinen, 1999).

2.5 The Advent of Social Media

Social media is one of the avenues small business owners can use to enhance their business competitiveness. In addition, social media has transformed the interaction among individuals and organizations around the world. Furthermore, business information can be disseminated within a click of a button. Scholars such as Edosomwan et al., (2011) view social media as a

⁵ There are other aspects of measuring performance: efficiency, growth, profit, size, liquidity, success/failure, market share and leverage of the firm (see Murphy et al., 1996).

communication platform in which individuals share information in the form of private messages, business ideas, global news among others. For Kaplan and Haenlein (2010:61) social media is “a group of internet-based applications that build on the ideological and technological foundation of web 2.0 [which] allow the creation and exchange of user-generated content”. Similarly, Kietzmann, Hermkens, McCarthy and Silvestre (2011) view social media as a functional building block framework that entails a lot of activities such as the exchange of information between individuals which can result into a relationship. Businesses can also design a website enabling them to share information with customers and clients or as a conduit of catapulting companies for recognition on a global scale.

In the 1960s, electronic email was invented as a way of communication among individuals, however, it was not available to the public until 1991 because of lack of appropriate infrastructure (Edosomwan et al., 2011; Mutula, 2001). With the invention of personal computers, and the Internet, emails became functional and “an excellent means of communication” (Mutula, 2001:28). Social media continued evolving in the 70s but its peak was in 2000, when there was a proliferation of various social networking sites (Kietzmann et al., 2011; Edosomwan et al., 2011). The different online sites launched in 2000 were: Six Degrees, Cyworld and Ryze, within a period of one year other sites emerged: Fotolog, Sky Blog and Friendster while in 2003 Myspace, LinkedIn, Last FM, Tribe.Net, Hi5 came into being (Kietzmann et al., 2011). From then onwards other popular sites such as Facebook, Dogster and Mxit came into existence in 2004. Other sites such as Yahoo! 360, YouTube, and Black Planet emerged in 2005 (Edosomwan et al., 2011; Kietzmann, et al., 2011).

Social networking sites display a range of media content for the public, and it's mainly popular among online users (Kahar, Yamimi, Bunair, & Habil, 2012). The use of social media ranges from personal to business purposes, and there are different descriptions of

media that are created by end-users for public consumption as stated by Kaplan & Haenlein (2010). For instance online social network application such as the Blog display content through text, while there are other medias that share information through visual aid (e.g Youtube). Furthermore, there are sites such as Facebook that are designed to exhibit content through text, pictures, videos and audio (Kahar et al., 2012; Kaplan & Haenlein, 2010; Stokes, 2008). Although the most common online sites used by consumers are Youtube, Facebook and Twitter (Kahar et al., 2012).

In the last ten years, the use of social media in South Africa has increased tremendously with platforms such as Facebook, LinkedIn, Twitter, and Mxit becoming favourites among the public. Goldstruck (2012) describes how most South Africans are using their mobile phones to access social media sites such as Facebook and Twitter. While in the 2013 report by World Worx and Fuse Ware reports Facebook has become one of the biggest social networks, as it has over 9.4 million active users. In the context of doing business, Goldstruck (2012) notes that, most South African individuals and business corporations are using social media as a business networking tool.

In general, the kind of information carried in these sites is normally in the form of audio-visual, texts and pictures/photos. The first social media platform that came to existence was in the form of Blogs (Berthon, Pitt, Plangger and Shapiro, 2012). These are websites where individuals post information in the form of texts, graphics or videos for commentary. In most cases, the comments are posted by individuals who are a part of the network. In the process of making comments, a network is created for individuals, groups, organizations, or companies to interact (Berthon et al., 2012; Stokes, 2008). In the context of business marketing, social media provides a platform for businesses to share or illustrate their products and services to their customer base. Moreover, social media is regarded as an excellent

platform that can be used by managers to reach target prospects based on the user-provided demographic information (Kahar, et al., 2012; Stokes, 2008). In the subsequent subheading, the specific works on female entrepreneurs are reviewed.

2.6 Brief overview to the use of social media among female entrepreneurs

The concept of entrepreneurship is understood in various ways (Bennett & Dann, 2000:75; Ahmad & Naimat, 2011:5784). Bennett and Dann (2000:75-76) note that the definition of entrepreneurship reflects a male bias component which limits the inclusion of the female entrepreneur. For this reason, Bennett and Dann (2000:76) propose a definition that is grounded on three perspectives: economic, psychological and feminist. The economic perspective entails entrepreneurs conducting business activities for monetary gains and business growth. The psychological perspective involves the attitudes and characteristics that an entrepreneur possesses to enable him/her gain access to the necessary resources (Bennett & Dann, 2000:76). Finally, the feminist perspective as viewed by the authors is concerned with female entrepreneurs who engage in business activities for profit generation. In other words, the feminist dimension involves the characteristics a female entrepreneur possesses which, as Bennett and Dann (2000) suggest, should be similar to that of their male counterpart. Subsequently, the entrepreneur should possess traits such as aggressiveness, that could be viewed as necessary for females to compete for resources with males for business performance and growth.

A female entrepreneur is “a woman who has initiated a business, actively involved in managing it [and who] owns at least fifty per cent of the business [that which] has been in operation for at least one year or longer” (Moore & Buttner, 1997:13). It is never easy for women when venturing into entrepreneurial activities. The reason being women come into entrepreneurship either from a domestic background or a non-managerial background

(Cromie & Birley, 1992), which might be probable that their personal network contacts are less developed than their male counterparts. Further on, Hanson and Blake (2009:139) remind us that gender is a marker of difference and inequality where men assume higher status and have more power. It is within such an arrangement when the male category control entrepreneurial infrastructure and resources (including accessibility to social media) that the female is positioned as an outsider in male dominated spaces. Therefore, fewer women achieve equal status in business organizations and firms and, even if they build their own firms, the notion that they have acquired the psychological status of an ‘outsider’ in the technological realms, they will require muscle to change to an ‘insider’ status. Although Cornelisse et al., (2011:5) report that businesses are generally adopting social media as a marketing tool, most women rely on their own personal websites to conduct business. The disadvantage is the lack of a network outside the personal or an individual limiting the flow of sharing valuable business information. Therefore, for women to disentangle themselves from being stereotyped, networking through social media may become an emancipatory tool to negotiate for a space in a male dominated field (Constantinidis, 2011; Blisson & Rana, 2001; Weiser, 2000:168). Women entrepreneurs who use Facebook as a networking tool are able to increase their clientele base both locally and internationally (Constantinidis, 2011:262).

The role of networking as an essential business activity is supported by Ahmad and Naimat (2011:5789) who point out that networking enables female entrepreneurs to gain access to resources which they would not have accessed if they operated without any networks (see also Hampton et al., 2009). With reference to methodological view points, Constantinidis (2011) focuses on measuring the network activity, examining the frequency of contact and networking activity between entrepreneurs and clients which, unlike in qualitative studies, misses out on personal narratives from interview tools. Such observations are echoed by

among others Jack (2010: 128) observes that survey studies lack concrete theoretical explanations on interaction through social networks. In relation to networking theory, the application of qualitative method would reveal more on the interplay between businesses and social dimensions on ties and networks to understand how individuals and organisations interact with each other in business environment (Jack, 2010:128). Nevertheless, her study is invaluable to this project which examined how female entrepreneurs in Stellenbosch area employ sites such as Facebook to boost their business activities.

In order for female entrepreneurs to establish and grow their businesses, they need to possess networking skills which will enable them to effectively develop and manage their network circle. Hampton et al., (2009) thoroughly discuss the nature and dynamics of female entrepreneurs networks in traditionally male dominated fields. The study was based in Northern Ireland and was grounded on qualitative in-depth interviews which allowed the authors to confirm that, female entrepreneurs networking activity during the early stages of business lacked quality and diversity due to their preference to network with only women. However, the growth in business indicated the value of having a mixed gender networks (2009:205). Additionally, similar to the South African context where women involvement in new venture creation is low (Minniti, 2012), the authors report that only 2.1% of women in Northern Ireland are thus involved (Hampton et al., 2009:194). Hence, female entrepreneurship development is required to encourage female entrepreneurs to undertake new venture set-up and growth; and this can be achieved through networking.

The networking activities of female entrepreneurs in a patriarchal environment is hindered by the strict religious, legal, social and cultural norms (Ahmad & Naimat, 2011; Hampton et al., 2009). These restrictions act as constraints towards their involvement in business activities. However, through an engagement in income generating activities that are boosted by

favourable networks, female entrepreneurs can uplift their living standards. In addition, they can also contribute to the economic growth and development of the country. Conversely, the networks examined by Ahmad and Naimat (2011) as well as Hampton et al., (2009) are not linked with internet social platforms. Further on, both authors viewed the networking activities of the female entrepreneurs through different networks such as organizations, and industry bodies. The core networks that the entrepreneurs engaged in enabled them to access valuable information that assisted them in decision making. In order to sustain their network circle they hosted formal meetings, group functions and kept regular contact (Hampton et al., 2009:203). The networking activity displayed by female entrepreneurs as Birley (1985) reported are mainly the traditional ways (functions) in how business individuals interact. The diversity and quality in a network circle plays a vital role towards business improvement. Additionally, networks were regarded as powerful tools to be strategically utilized to manage informal and formal relationships, gain key resources and deal with threats and opportunities (Ahmad & Naimat, 2011; Hampton et al., 2009:205; Birley, 1985:107). With this in mind it will be interesting to compare networking in the South African context on how the female in the retail sector use their networks.

2.6.1 Challenges faced by female entrepreneurs in South Africa

The Global Entrepreneurship Monitor (GEM) 2012 reports that there is a significant increase of female entrepreneurial activities in Sub-Saharan Africa. However, in South Africa, men are involved in these activities more than females (Minniti, 2012). Unlike men, women entrepreneurs seem not to take seriously the role of social media in enhancing business: “women entrepreneurs seem to resort to them [networks] for social relationship, while men do it for more instrumental advantages” (Constantinidis, 2011:258). This indicates that women use networks to discuss personal matters such as marital issues or general gossip while men use networks innovatively to exchange business related content. Conversely, this

can be regarded as a superficial assumption on how women use social media. Women use social media for other purposes other than social relationships such as online shopping, acquiring information on female products, gaining knowledge and advice on how to start a business venture. Further, Scott et al., (2012) point out that the challenges women encounter can be overcome if they are empowered through education. The empowerment can also be achieved if females are aware of the benefits of social media on the one hand, and on the other, that it is not a domain for men only. In this way, women can take this as a cue to define their destiny by positioning themselves in a perceived patriarchal society.

There is an indication from the above discussions that the main challenges women entrepreneurs in South Africa encounter in relation to online social networking are linked with education, motivation and attitudes (Scott et al., 2012). If these challenges are addressed through education, networking can become a tool for women entrepreneurs to get access to skills, knowledge and resources for undertaking entrepreneurial activities. As Ahmad and Naimat (2011) observe, innovative entrepreneurial activities are greater in women who know how to use social networks. It is for this very reason that education becomes vital. Indeed, Scott et al., (2012) echoed this view when they suggest that through education, networking and mentorship, women are bound to improve earnings, self-perception, and personal growth. Although the study by Scott et al., (2012) did not focus on the fashion retail sector, their work is beneficial as it lays not only the fundamental principles of examining the adoption and challenges associated with social media as a marketing networking tool among women entrepreneurs, but also the approaches of overcoming the challenges.

Reflecting on the contribution of social media and networking of women entrepreneurs towards SMME's, there is still need for research on how female entrepreneurs network with each other in a male dominated space. Some of the authors have pointed out that there are

certain industries that are masculinised and it is difficult for female entrepreneurs to penetrate. Women entrepreneurs can use information that they get through networking to integrate into their business strategies. Ultimately, despite the barriers faced by women in the use of social media, it has an effect on how female entrepreneurs network.

2.7 Conceptual Framework

The conceptual framework was formulated after reviewing the literature. According to Punch (2006), a conceptual framework displays the relationship of concepts or constructs being studied. Furthermore, the author states that the pre-specified research questions are often accompanied by a clear conceptual framework and developing and describing the framework can assist the researcher in clarifying the research questions. The conceptual framework for this study illustrates the constructs that influence the adoption of social media and subsequently contributes to the business venture. The constructs include; social networking, business networking and social media/ online social networking. All the constructs overlap among each other as well as with business performance. Social media as a concept acts as a tool for disseminating information and creates a platform where entrepreneurs can be able to network with each other. Social media usage has an influence on social networking as social networking enables female entrepreneurs to be connected either through close to causal relationship.

The conceptual model (below) indicates that social media use has an influence on how business networking activities are conducted within a firm. Social media sites enable business owners to communicate with their clients, suppliers, customers and they can also be able to form strategic alliances with other businesses. The model (see fig 1 below) also illustrates how both social and business networking through social media might influence the performance of the business. Networking through social media assists businesses to identify

opportunities and information that they need to increase performance. Social networking is important for entrepreneurs to develop as it would assist them in the fulfilment of their vision.

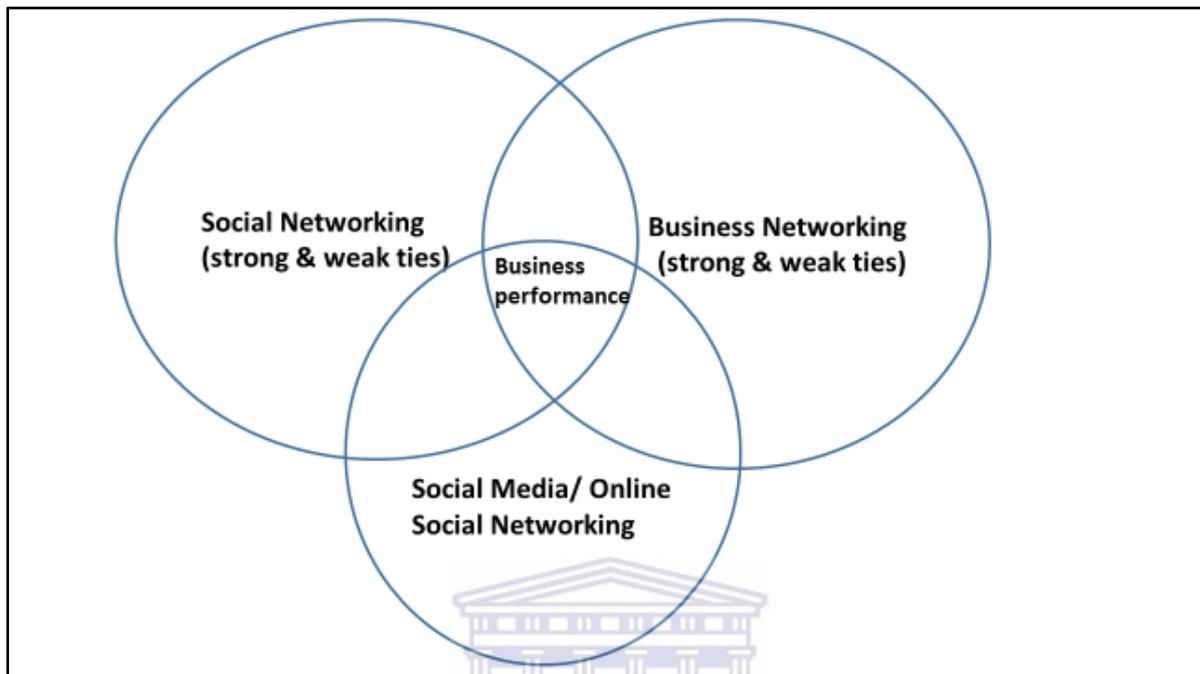


Figure 1: Conceptual model

Source: Researcher's own model



2.8 Concluding Remarks

In summary, the literature reviewed in this chapter focused on networking, business performance, social media and female entrepreneurs. Reflecting on networking theory, the authors point out on the strength of strong and weak ties tend to have an influence on how entrepreneurs acquire resources and run their daily activities. Although there is debate regarding which ties dominate during start-up and growth of the business, with regards to female entrepreneurial networking activity. The scholars point out that female entrepreneurs tend to rely mainly on the strong tie network relationship for support and advice.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 INTRODUCTION

The main aim of this chapter is to outline the methods used in the study. For credibility purposes, the researcher needed to establish not only the design and methods that are applicable, but also those that will enable him/her achieve the objectives of the study (Quinlan, 2011; Babbie & Mouton, 2001). These sentiments were also echoed by Punch (1998:3) in that, a researcher adopts a design that would enable him/her answer the research questions objectively and convincingly. For this reason, the study adopted a qualitative case study design. A qualitative design, as defined by Creswell (1994:1-2), is a holistic process of inquiry that seeks “to understand a social or human problem” rather than being “based on testing a theory composed of variables, measured with numbers and analysed with statistical procedures.” In addition, interpretivists’ researchers try to interpret and understand the human behaviour within a social environment, unlike positivists who want to discover and explain causal relationships. Consequently, interpretivists argue that individuals are always influenced by what is happening around the environment and they cannot be studied in a laboratory setting (Cilliers, 2014: 27). Furthermore, qualitative study seeks to acquire in-depth insights from humans in relation to their environment (Punch, 1998:3; Creswell, 1994:1-2). Therefore, interviews were conducted so as to gain in-depth understanding of how the female entrepreneurs in the fashion retail sector network.

In order to investigate, analyse and interpret the relationships between the female entrepreneur (owner manager) and their suppliers, a case study approach was used. As a relatively new research method, case study refers to an “empirical inquiry that investigates a contemporary phenomenon within its real life context when the boundaries between the phenomenon and context are not clearly evident and multiple sources of evidence are used” (Yin, 1984:23). The approach and the method used in this study are inductive. The reason for

using qualitative research is because it presents a complex set of issues (themes, key variables or both) to try and draw conclusions based on inferences from manipulating the data (Creswell, 1994). This study did not seek to prove the network structure that female entrepreneurs are tied to, but rather explored the networking activity of the female entrepreneurs with their suppliers and interrogated what actually goes on within their network circle. Also, the study examined how social media influenced the female entrepreneur's business performance as well as challenges encountered. The research design and methodology adopted for the study is discussed in detail below.

3.2 Research Design/ Methodology

A researcher adopts a research design depending on his/ her skills, assumptions, practices and understanding they have in collecting data (Nieuwenhuis, 2010:70). The qualitative research adopted in this study addresses complex issues that seek to draw conclusions from inferences made by manipulating the data. In which Creswell (1994:107) states as an inductive approach that is procession with terminology evolving and defined at the beginning of the plan or during the process of data collection. Examples of this for instance include, terms like social media platforms, networking, social networking sites and performance. The research design used in this study was case study⁶ which allows for thick description as the researcher incorporates multiple methods in data collection for triangulation purposes (Rule & John, 2011:7; Yin, 1994). However, Yin (1994) argues that the case study method has its detractors who argue that it's not systematic, the time scale is long and there is no basis for generalization. Moreover, Yin (1994) notes that there is a preference towards case study approach in business and management research as the quantitative approach lacks the objectivity and accuracy required. For this research, case study provided a holistic understanding of how the female entrepreneurs relate and interact (network) with each other

⁶ Recent authors refer to 'case study' as a research strategy rather than a design or approach.

through the use of social media. Using case study enabled a deeper understanding of the different dynamics among the female entrepreneurs networking circle (Nieuwenhuis, 2010:75).

In applying this design that utilizes multiple sources of data collection, it provided a rich description on the relationship between the female entrepreneurs and their suppliers. In addition, it sought to discover new patterns that may have emerged from the data, and to explain the significance of these findings through an examination of the relationships amongst the female entrepreneur and their contacts. Moreover, how the business owners interacted using social media platforms such as Facebook to increase sales, gain more clients and also access suppliers. Despite the criticism around the case study strategy and generalizations, the aim of this study was not to generalize the findings. This study was conducted as an exploratory study within a certain context instead of a broader population by particularly exploring how the female entrepreneurs use social media for networking purposes and the challenges they encounter.

Exploratory research seeks to investigate situations that might not have been searched previously and for which there might not exist established theories Rule and John (2011:19) as it is the case in this study. Furthermore, Babbie & Mouton (2001:80) identify a number of reasons for conducting exploratory study and it includes:- i) satisfying the researchers curiosity and desire to better understanding, ii) testing the feasibility of undertaking a more extensive study iii) determining priorities for future research iv) developing new hypotheses about an existing phenomenon. There has been little research conducted in South Africa on how female entrepreneurs use social media for social and business networking purposes. Therefore the study explored some of the issues that the female entrepreneurs encountered in the industry they operated in. Through interviews the researcher was able to capture some of

the issues that the female entrepreneurs encounter in the industry. The data collected was put through a rigorous inductive analysis in the process of concept building and theme formulation.

3.3 Population and Sampling

Population is the entire group of people that the researcher wishes to investigate (Sekeran, 2003:265). The target population of the study comprised of female entrepreneurs in the fashion retail sector that own small medium micro enterprises in Stellenbosch area. A sample, as defined by Sekeran (2003:266), is a “subset of the population”, which consists of individuals that are selected from the population. Originally, the pre-sample consisted of 29 female entrepreneurs. The researcher conducted an informal interview and the sample was reduced to seven respondents. From the seven respondents only four female entrepreneurs were able to meet the criteria mentioned below and were willing to participate in the study. Purposive sampling is a technique that allows the researcher to select “*information rich*” cases to answer the research questions was used (Patton, 1990:169). This was done after reviewing various online websites such as Google, Facebook and LinkedIn by typing in the search engines “fashion retail” and “female entrepreneurs in fashion”. The researcher also inquired from fellow students whether they knew or had knowledge of any female entrepreneur in the fashion retail sector. Finally, the researcher resorted to walking around Stellenbosch and Cape Town, going door to door to each of the stores to inquire whether the shop was owned by female entrepreneur.

3.3.3 The Inclusion Criteria

In order for the researcher to select the sample size, a set of characteristics was formulated in relation to the research questions. The inclusion criteria were based on tenets of purposive sampling. The criterion sampling, for example was used “*to review and study all cases that meet the predetermined criterion of importance*” (Patton, 1990:238).

For this study, the criterion for the sample used was:

- i. The female entrepreneur must be running her own business
- ii. The business must be at least one year old
- iii. The female entrepreneur must be using any form of social media platform such as Facebook, Twitter and LinkedIn.
- iv. The size of the business must fit the criteria that defines an SMME⁷
- v. The business can be online fashion retailer (e-commerce) or traditional fashion retailer.
- vi. The business must be located in the Cape Town area

3.4 Data Collection Tools

The data were collected through semi-structured interviews (see addenda 2) using a standard set of questions with more than one individually tailored question. The method was valuable to the study since it helped clarify responses and dig deeper to unearth meaning from respondent reasoning. Furthermore, the method was preferred to others because it created a rapport between the researcher and participants which enhances co-operation. According to Lee and Lings (2008), such co-operation yields high response rates. In addition, interviews are flexible and allow the researcher to ask for more detailed explanation of the participants view on a particular question (Strydom & Bezuidenhout, 2014).

3.5 Data Coding

Coding is the process in which a researcher marks the segment of data with either descriptives words, unique identifying names or symbols (Maxwell, 2013; Nieuwenhuis, 2010; Creswell, 1994). The researcher hand coded the qualitative information from the

⁷ See definition provided in Chapter One page 9

transcripts by highlighting different text segments using labels (see addenda 11). The coding process enabled the researcher to retrieve texts from the collected data that were associated with some thematic ideas. The themes were used to create headings in the findings chapter by displaying multiple perspectives from the individuals. Further on, the headings were displayed in a tabular format, supported by various quotes and specific evidence from the participants. The themes were analyzed for each individual case and across the different cases. Moreover, the sorted bits of the transcripts were examined together to compare the different cases in that respect. The whole process is regarded as open coding by Nieuwenhuis, (2010).

3.6 Data Collection and Analysis

In qualitative research, the process of data collection, data analysis and interpretation occur simultaneously in a back and forth motion between each of the research process. The back and forth movement provides a systematic technique that uses an inductive approach and for observation purposes (Neuman, 2006:15). The researcher gained entry to the field to conduct face-to-face interviews with the female entrepreneurs (owner-managers) at different boutiques in Stellenbosch area. The process involved collecting, analysing and interpreting data. The latter was informed by the fact that qualitative research tends to be an ongoing process (iterative). Unlike quantitative methods, that tends to be chronological or a step-by-step process (Nieuwenhuis, 2010:99; Neuman, 2006:15). The researcher was able to go back to the original field notes and verify conclusions or back to the participants to verify the data or even collect additional data (Nieuwenhuis, 2010:100). Therefore, the researcher was able to draw on and update existing theory during the whole process.

Data collected from the field in qualitative research is mainly *“used [in making] sense of [the] ongoing process that cannot be predicted in advance”* (Babbie, 2007:286). The

qualitative paradigm is different from quantitative research paradigm where the researcher has predefined hypotheses that he/she wants to test. Qualitative researchers try to focus on specific questions in an open-ended setting to try and gain insights from the natural setting. The participants for the study were contacted via email or telephonically where the research and the respondent agreed on the time schedule and place for conducting the interview. During the arrangements the researcher was able to build a positive rapport with the respondents. All the interviews were conducted face to face either at the respondent's shop or at a neutral place as agreed upon. The interviews were recorded (after obtaining consent, see addenda 3) using a digital voice recorder and transcribed by the researcher.

Moreover, data were generated from the in-depth semi-structured interviews with the four female entrepreneurs. The first phase of the interview included a semi-structured interview question protocol formulated specifically for the respondents. As mentioned before, the respondents were four female entrepreneurs and owners of their respective fashion boutiques (businesses) who are situated in Stellenbosch area. In the second phase, after obtaining consent from the female entrepreneurs, to gain access to their suppliers, a semi-structured questionnaire was also formulated (see addenda 4) targeting these suppliers. However, due to geographical location and confidentiality of the supplier details, this approach proved difficult to access the suppliers. For this reason, the questionnaire was emailed to the female entrepreneur who, in turn, sent them to their two main suppliers. The filled questionnaires from the suppliers were emailed back to the researcher via the female entrepreneurs for transcription.

Secondary data was also included in this study to support the arguments. The social sites (Facebook, Instagram, Twitter, and Pinterest), were consulted to view how female entrepreneurs had displayed their products and services, how they were communicating with

their clients, and also what content was used to market their products as well as the business venture. One of the female entrepreneurs had featured in an online newspaper article. The feature was helpful in the analysis and interpretation particularly on the use of online media for marketing and network purposes.

3.7 Reliability (Trustworthiness) and Credibility

Trustworthiness is essential while conducting a qualitative research. To ensure that trustworthiness was achieved, the framework of transferability, credibility, dependability and conformability was included (Koonin, 2014; Nieuwenhuis, 2010; Creswell, 2009; Babbie & Mouton, 2001). Trustworthiness is the extent to which one can believe in the research findings while credibility is the accuracy with which the researcher is able to interpret the data that has been provided by the participants. The latter was achieved through prolonged engagement, triangulation, purposive sampling, and the authority of the researcher. Transferability was enhanced by the purposive selection of the participants. The determination of the participant's characteristics was done for the purposes of identifying individuals who were able to provide a rich account of the phenomena under study (Babbie & Mouton, 2001). Dependability was addressed by maintaining a trail on the content that they displayed on their sites to allow checking of the findings against the raw data. Finally, conformability was enhanced by affording participants the opportunity to verify the accuracy of transcripts.

The quality of measurement regarding trustworthiness suggests that the same form of data and not necessarily the same content would have been collected using the same method of in-depth interviewing. Despite the interview questions were asked for the first time. The primary method of qualitative interviewing used in this study was a reliable tool as far as it produced detailed and rich information relevant to the investigation. Furthermore, the intention of the

investigation was to establish a further and fuller understanding of the meanings of networking relationships among the female entrepreneurs' and their suppliers.

The researcher was also able to maintain a journal to enhance self-reflection to separate responses from those of the participants so as to minimise biasness. In order to attain thick description, the researcher was able to reflect on the complexities in the data by identifying the variability and commonalities among the four cases of the female entrepreneurs. Finally, in order to ensure trustworthiness and credibility of the findings for this research project, the researcher used multiple sources of data collection by observing their Facebook pages and their other sites for triangulation purposes.

3.8 Limitation of the Study

The sample consisted of four cases of female entrepreneurs in the fashion retail sector in Stellenbosch area. Therefore the results attained cannot be generalized throughout the entire fashion retail sector in Cape Town or even Western Cape region. In addition, the sample size used is not a representative of all the fashion retailers in the Western Cape region. In future, this study could be replicated to other regions around South Africa. Existing literature on social media and female entrepreneurship is limited because it is a new area of research. Therefore, literature on social media and female entrepreneurs was found in different articles and applied to the research.

The research conducted is cross sectional design and therefore the findings only apply at the current time of the research although a longitudinal study over a long period of time will be able to highlight how networking using social media can be monitored over a long period of time.

3.9 Ethical Measures

Ethical consideration is important while conducting research. The participants were informed about ethical issues (see addenda 1), as they are supposed to be treated equitably. As there is potential for harm, stress, anxiety and a myriad of negative consequences that might occur. Most of the ethical issues fall into one of the three categories: informed consent, right to privacy, and honesty with professional colleagues.

3.9.1 Informed Consent

Research participants were informed about the nature of the study (see addenda 3). They were also told that their participation was voluntary because they have a right to decide whether to participate or not (Kervin 1992:38). The basic information of the study was available to the participants, which included the purpose of the study and the basic procedure, the roles and identity of the researcher and the use of data (Eriksson & Kovalainen, 2008:71).

3.9.2 Right to Privacy

The participant's information was kept confidential, as the participants to the study have a right to privacy which the researcher must respect. Under no circumstance was the research report, either oral or written, presented in such a way that others become aware of how a particular participant responded or behaved (Robson, 1993).

3.9.3 Honesty with Professional Colleagues

The researcher reported the findings in a complete and honest manner without misrepresenting what has been done or intentionally misleading others as to the nature of the findings. No matter how seemingly noble that conclusion might be because the aspect of integrity is crucial when one is a researcher and under no circumstances did the study fabricate data to support a particular conclusion (Eriksson & Kovalainen 2008).

3.10 Concluding Remarks

The use of qualitative research was considered beneficial to this research because the data gathered enabled an in-depth understanding of the networking activity of the female entrepreneurs. There were various advantages of using this method and it includes knowing how the female entrepreneurs networked using different social media platforms at the same time discovering a range of benefits that they gained while using social media for networking purposes.



CHAPTER 4: RESEARCH FINDINGS

4.1 INTRODUCTION

The previous chapters introduced the study, discussed the literature review and outlined the research methodology respectively. This chapter outlines the research findings and it commences with a brief demographic description of the research sample. Semi-structured interviews were used to collect primary data. Several themes emerged after coding the data. In general, the participants referenced the importance of establishing a good relationship in a network circle. Further, they pointed out the importance of social media as a tool for conducting business activities. In this chapter, the findings are presented in four cases as follows: Case 1 (*Lily's Closet*), Case 2 (*Tinsel Town*), Case 3 (*May Boutique*) and Case 4 (*100% ME*). Finally, the key findings are displayed across the four cases.

All the business owners⁸ were familiar with fashion retailing as they had background education in fashion design. The owner-manager from *100% ME* boutique has 28 years of experience in fashion retail and therefore has a vast experience in the sector. *Tinsel Town* owner-manager worked with big retailers before starting her own fashion retail shop. The four retail SMMEs owned by the female entrepreneurs included in the study are all situated around Stellenbosch area. As shown in Table 1 (below), all the interviewees are selling fashion designer clothing. However, one of the respondents (*Tinsel Town*) is renting and selling fashion designer clothes. It is also important to note that one of the interviewees (*100% ME*) has a factory where she designs her own clothing line, which is available in her shop. Notwithstanding, she also stocks other designers' clothing line in the same shop.

⁸ The researcher uses business owners, interviewees, participants and respondent interchangeably.

Table 1: Participants Profile					
Participants (Owner-managers)	Core business activities	Years of establishment	Ownership	No. of employees excluding the owner	Major market
<i>Lily's Closet</i>	Fashion Retailing (Selling)	2 years 6 months	Partnership 50/50 cc	3	Stellenbosch area
<i>Tinsel Town</i>	Fashion Retailing (Renting and Selling)	1 and a half years	Sole Owner	2	Stellenbosch area
<i>May Boutique</i>	Fashion Retailing (Selling)	2 years and a half	Sole Owner	1	Stellenbosch area
<i>100% ME</i>	Fashion Retailing (Selling and Manufacturing their own designs)	2 years	Sole Owner	3	Stellenbosch area

In order to explore in more detail the networking activities of the owner-managers, suppliers were also included in the study. It is important to highlight that the suppliers were not directly interviewed by the researcher due to the confidentiality of the business owner's source of supply. A semi structured interview questionnaire (see addenda 4) was formulated and emailed to the entrepreneurs then they sent it to their two suppliers participating in the study. Table 2 (below) provides a summary of the profile of all the suppliers.

Table 2: Profile of the Suppliers			
Participants (Suppliers)	Products & Services they offer	Years of distribution of the products and services	Location of the business
<i>Lily's Closet</i> supplier 1	Clothing, accessories, customized bridal wear and personal styling	3 years 6 months	Cape Town
<i>Lily's Closet</i> supplier 2	Jewellery	4 years	Cape Town
<i>Tinsel Town</i> supplier 1	Dress making	18 months	Somerset West
<i>Tinsel Town</i> supplier 2	Dress making	9 months	George Town
<i>May Boutique</i> supplier 1	Clothing	2 years	Cape Town
<i>May Boutique</i> supplier 2	Swim wear & nail polish	2 years	Cape Town
<i>100% ME</i> supplier 1	Jewellery	1 and a half years	Protea Heights, Cape Town
<i>100% ME</i> supplier 2	Clothing	2 years	Bracken Fell, Cape Town

4.2 Case 1: *Lily's Closet*

Lily's Closet, shop 104, is located in the CBD area of Stellenbosch at Eikestad Mall. The boutique was started in the year 2012 by two friends who had an interest in fashion. The friendship between the owners' dates back to grade 8 (standard 6) and they grew up in a

small town in Robertson. In addition, both owners' pursued studies in fashion. One owner has a degree in Surface Design⁹ while the other studied architecture and fashion. Similar to other entrepreneurs who start up their own ventures, these two young female entrepreneurs were inspired by a family member to start their own business. In order for them to start the business venture they had to learn about the fashion industry. Both of them started off by talking to local designers to familiarize themselves with the market. At the time, they found out that most designers focus on casual dresses and there was a gap in the market for cocktail dresses. Therefore, they decided to start a dress range that would give them an edge in the market.

It is important to highlight that *Lily's Closet* is a unique boutique in Stellenbosch by stocking and promoting only local fashion merchandise. The boutique is stocked with designer's clothes, jewellery, shoes, pouches and knitted scarfs. As a business venture that focuses in selling high-end fashion products, the owners ensured that they are aware of what their clients need. In these way, they learn about retail business on a daily basis.

4.2.1 The Suppliers from *Lily's Closet*

In the fashion industry, suppliers play a vital role in distributing their designed products and offering services to the fashion boutiques. Business owners rely on the suppliers to acquire their merchandise. Both of the suppliers from *Lily's Closet* are females and their business ventures are based in Cape Town. The suppliers offer different range of products and services. One of the suppliers offers customized bridal wear, clothing, accessories and personal styling, while the other offers jewellery. In order to establish a relationship between the business owner and the supplier, there has to be a form of business agreement that binds them. For example, one of the suppliers (supplier 1) has a business contract with the business

⁹ Surface design is a course that entails a little bit of graphics, interior and designing surfaces like 2 & 3 dimensional.

owners and all her clients while supplier 2 does not have a contract but has made other form of arrangement with the business owners. Further on the business owner buys her product each month on condition that she (supplier) continues producing good quality products that could sell. In the case of supplier 1, her clients contact her for new products when necessary. When the clients contact her on a regular basis it portrays that they like her products and they want to work with her.

4.2.2 Business Networking

As discussed previously in Chapter 2; it is important to note that networking is essential for the establishment and sustainability of the business venture (Holm et al., 1999). In this case, *Lily's Closets owners'* are committed in ensuring a cordial relationship with their suppliers (see table 3 below). The latter highlights the importance of establishing a good relationship with individuals that are in the same network circle.

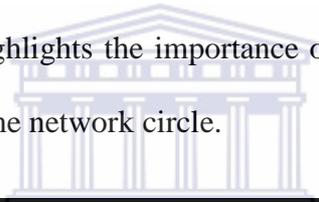

UNIVERSITY OF THE
WESTERN CAPE

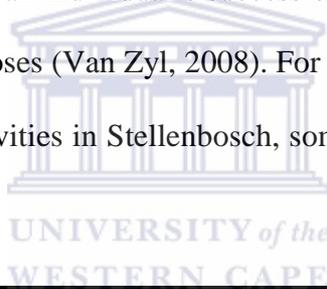
Table 3: Business networking excerpts from the respondent and the suppliers (see addenda 5 for more information).

Respondent (<i>Lily's Closet</i>)	Supplier 1	Supplier 2
[.] “We are learning every day about retail, about personal relationship with our clients”	“I have a well-established relationship with our clients”	“We are loyal to the shops (Clients) that we stock as we feel a longer relationship with a client will mean a better understanding of each other’s business and therefore better working relationships and better sales.
[.] “We’ve got a very good relationship with our clients and designers”	“My clients contact me for new products when they need to, this shows that they like to work with me and like my product. I get great response when I contact the clients my self-regarding new product”	“Has a well-established relationship with her clients. She communicates to her clients via Facebook and email”
[.] “We have established good business. I am talking about relationships but that’s very important. The firm cannot exist without the suppliers”	“I use Facebook, emails, twitter, Pinterest, Skype	

<p>[.] “we source some of the suppliers from Facebook if our customer likes a dress, we check the Facebook page of the designer and get their contacts”</p> <p>[...] “ so they rely on us to keep them up to date with the stock”</p> <p>[...] “we tell them what’s going on in Stellenbosch”</p>	<p>and Instagram to communicate with her clients”</p>	<p>“I have a personal relationship with my clients”</p> <p>“I discuss with my clients regarding the demand in the market and the product I need to supply them”</p> <p>“I can share with my clients the challenges I am facing while producing the product”</p>
---	---	---

4.2.3 Social Networking

Social networking is essential for an individual’s succession in the society and it can be done for both social and business purposes (Van Zyl, 2008). For instance, *Lily’s Closet* owners’ are involved in different societal activities in Stellenbosch, some of them are displayed on Table 4 (below).



<p>Table 4: Excerpts from the respondent on social networking (see addenda 6 for more information)</p>	
<p>Case 1</p>	<p>Social Networking</p>
<p><i>Lily’s Closet</i></p>	<p>[.] “We are involved in different activities that take place in the university of Stellenbosch. They usually dress on <i>Lily’s Closet</i> on the mere arena and it acts as a platform where we advertise the business”</p> <p>[.] “ We are friends with the shop owner from <i>Tinsel Town</i>, we knew her through her boyfriend who was my friend”</p>

4.2.4 Social Media Usage

As discussed in the previous Chapter, social media is regarded as a communication tool that enables individuals to interact among each other across different geographical areas

(Edosomwan et al., 2011). Further on, social media can be used for various services such as exchange of information between individuals which can result into a relationship. However, individuals use social media for different purposes, either for personal or business gain (see table 5 below).

Table 5: Excerpts from the respondent on social media usage (see addenda 7 for more information)	
Case 1	Social Media Usage
<i>Lily's Closet</i>	<p>[.]“marketing, competition, we will say if you like a post then you will win a bet bracelet and then all of a sudden everyone likes your post then more and more people see your post. Competitions like that or when we find a client that wears something from us we will take a photo, we will put it up so that they feel special, and they are part of us.</p> <p>[..] “It’s for customer base a lot of girls want people to know they know us and we know them and so it’s nice a lot of girls like it when we put them on Facebook wearing our dress”</p> <p>[...] “I use Facebook for business dealings but now Instagram is also a nice thing. I have a personal Facebook account myself but for Instagram I do not do it for myself but mostly for business”</p> <p>...] “ my eyes started opening when I started using social media more”</p> <p>[...] “I use social media platforms for networking purposes, meeting new people, and new designers”</p>

4.2.5 Benefits of using social media

From previous discussion in the preceding Chapter, social media is regarded as a platform where content is shared freely among individuals (Stokes, 2008). There are some of the benefits the business owners experienced such as; exposure of the business to the wider market. *Lily's Closet's* owners mentioned some of the benefits they have encountered while using social media (see table 6 below).

Table 6: Excerpts from respondent on benefits of using social media (see addenda 8 for more information)

Case 1	Benefits of using Social Media
<i>Lily's Closet</i>	<p>[.] “It’s easy, it’s very user friendly and then there is a lot as I said I sold couple of dresses and people see stuff and they are not really in the mood of going shopping and ill post something and they say okay I have to have this so they come for it. So they know what is in our store and they know exactly when the new stock arrives, when the sales starts”</p> <p>[.] “Social media enables one to sell more products and more people see us or get familiar with us. Creates awareness, you meet new clients and friends”</p>

4.2.6 Challenges encountered while using social media

Social media usage is beneficial to the business as displayed on table 6 (above). However, there are some challenges the business owner’s pointed out, that they experienced while using social media (see table 7 below).

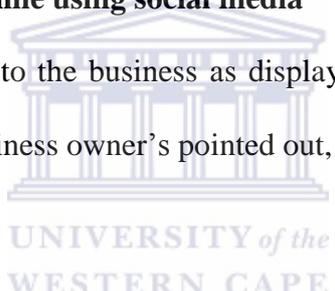


Table 7: Excerpts from the respondent on the challenges she encounters while using social media (see addenda 9 for more information)

Case 1	Challenges encountered while using Social Media
<i>Lily's Closet</i>	<p>[.] “I don’t know how to tweet because of the language used”</p> <p>[.] “if someone buys a dress from Facebook, they didn’t have the opportunity to try it on so there is a chance it might not fit and they might have to send it back”</p> <p>[.] “We had to learn to be triple sure before we post anything on Facebook because when you post something someone might ask if it’s in the shop and if it’s not they get very upset”</p>

4.2.7 Business Performance

Business performance has been discussed widely in Chapter 2. In this regard, Chenhall and Smith (2007) indicate that there are different measures of performance such as, the financial aspect (profits) on one hand and non-financial factors (successful organizational strategies) on the other. In this case, the respondent illustrated some aspects of their business performance (see table 8 below).

Table 8: Excerpts from the respondent on business performance (see addenda 10 for more information)	
Case 1	Business Performance
<i>Lily's Closet</i>	<p>[.] “At this stage (sic) we still need to get this shop running 100%. This year our next step is to go online because we have a lot of clients from Johannesburg”</p> <p>[.] “using online business is just another platform it doesn't cost us much, we will just pay a little for the domain so as to increase sales during holiday period”</p>

4.3 Case 2: *Tinsel Town*

Tinsel Town is located on the 32 Bird Street in Stellenbosch. The business owner was born in Polokwane, a town in the northern part of South Africa. She grew up in Stellenbosch and has a bachelor's degree in accounting. Her interest in opening up a shop at Stellenbosch came about when she travelled to London, where she gained exposure to the retail industry. After her studies, she worked as a fashion buyer for Tru-Worths and the Ackerman's Group for about six years before starting her own business. In Stellenbosch there is a number of schools and events that take place, therefore she saw a gap in the market for renting out evening wear. The initial idea for her store was to rent out dresses for between the ranges of R400 and R600. These dresses are normally sold for approximately R3000. Therefore, to rent the

dresses meant that the clients would find them more affordable for the specific occasion. Further, she wanted to present and avail all the necessary attire to the customer. It is no wonder that customers will walk into her store to find among others, shoes, dress, earrings, clutch bags.

As indicated before, her original idea was to rent dresses. However, she realised that some of the clients were interested in buying the dresses. Surprisingly, renting was also quite a new phenomenon to the people. While her merchandise is fashionable, she observed that renting of clothes is associated with some kind of stigma in South Africa. The people develop this idea that clothes are normally recycled over and over again. For this reason, she decided to sell shoes, accessories and jewellery as well as rent her dresses, handbags and shawls. She does not sell her own designs, but acquires merchandise from other designers.

4.3.1 Tinsel Town's Suppliers

Tinsel Town suppliers are females and they sew evening dresses depending on the order they receive from the business owner. One of the suppliers (supplier 1) is from Somerset West while the other supplier (2) sews from her home in George Town. The suppliers mainly communicate with the business owner via email, personal visits and phone calls. Both suppliers have established a good relationship with the business owner.

4.3.2 Business Networking

Regarding business networks, it is important to note that the business owner and the suppliers need to establish a good relationship as it benefits both of them. Moreover, business networks tend to be dynamic due to the direct and indirect relationship (Gilmore et al., 2006). Table 9 (below) presents the networking activity between the business owner and the two key suppliers.

Table 9: Business networking excerpts from the respondent and the suppliers (see addenda 5 for more information).

Respondent (<i>Tinsel Town</i>)	Supplier 1	Supplier 2
<p>[..] “am working with two suppliers from China and I do have couple of sources in South Africa as well not a lot but only two and then I do have a relationship with a seams dress that can also make on demand for me”</p> <p>[..] “I think at the moment is good, I stress if I don’t have a good relationship with a supplier because I am still a bit dependent on the supplier”</p> <p>[...] “I think the suppliers that I have cultivated over the past year I’ve got a good relationship with them”</p> <p>[...] “I check every day what they have available but I probably have to contact them once a week” [.] “Facebook is a good communication tool for business networking”</p>	<p>“ I have a good relationship with the business owner, we communicate weekly regarding deliveries, chit chat and other business matters”</p> <p>“ I communicate with the client via email, phone calls and personal visits”</p> <p>“I have a Facebook page that I display the products that I have to source new clients”</p> <p>“Sometimes I don’t get correct measurement of the clients which leads to delay of delivery”</p> <p>“I have a personal relationship with my clients”</p>	<p>“ I have a good relationship with my clients, although at first there was some miscommunication between me and the business owner due to the number of orders I should be getting monthly”</p> <p>“ I communicate with my clients via email, phone and personal visits”</p> <p>“I have a Facebook page but I am not keen in using it”</p> <p>“I send my products via post and with the postal strike its affecting my delivery of products to the clients”</p> <p>“ I do not have a personal relationship with my clients”</p> <p>“I do not communicate with the client regarding the demand in the market”</p>

4.3.3 Social Networking

Social networking of the business owner with friends, family members, customers and relatives can proliferate perceived benefit of achieving network externalities (Yu Lin & Peng Lu, 2011). In addition, the business owners can achieve positive feedback which would give

rise towards business progression. Table 10 (below) presents some key excerpts on social networking of *Tinsel Town* business owner.

Table 10: Excerpts from the respondent on social networking (see addenda 6 for more information)	
Case 2	Social Networking
<i>Tinsel Town</i>	<p>[.] “ When I sponsor the evening dresses then my logo has to be everywhere at the school and they need to market me”</p> <p>[.] “ like I am doing another event now at 444 market where I would be making wedding gowns because September is wedding month”</p> <p>[.] “ I have also gone to residents I have spoken to students, introduced new products and speak about my shop”</p>

4.3.4 Social Media Usage

Unlike traditional media, social networking sites can drive more sales of a business within a short period of time (Stokes, 2008). The business owners mentioned how they used social media for their personal as well as their business purposes. Table 11 (below) displays some of the key excerpts on how *Tinsel Town*'s owner makes use of social media platforms.

Table 11: Excerpts from the respondent on social media usage (see addenda 7 for more information)	
Case 2	Social Media Usage
<i>Tinsel Town</i>	<p>[..] “I use it mainly to show the customer and prospective customers what I have in stock and what they can afford to buy” [...] “It’s an important tool for me to communicate with my customers because my website is not really strong yet. Customers actually check on there what I have new, the things in and they would say we are looking for that size and I would tell them it’s still on its way but check Facebook and I will put it on there if it’s coming so I would literally go and say okay this dress size 34 has come in but I try to keep the word in very cool, fashionable, trendy and stuff”</p>

4.3.5 Benefits of using social media

Social media is regarded as a tool that is user friendly. Individuals can be able to interact with each other and share content. The business owner indicated that she has a personal and business account on Facebook that she uses for conducting business activities. Table 12 (below) displays the key benefit mentioned by *Tinsel Town*'s owner.

Table 12: Excerpts from the respondent on the benefits of using social media (see addenda 8 for more information)	
Case 2	Benefits of using Social Media
<i>Tinsel Town</i>	[.] “I can instantly load/upload images of my product that is coming in, I can talk to my customers, I ask them questions on social media like I would post two dresses that I want to buy so I would ask them which colour do you prefer and then they would tell me and then also I can share information on social media”

4.3.6 Challenges encountered while using social media

It was important to inquire some of the challenges the owners encountered while using social media. In table 13 (below) the *Tinsel Town* owner illustrated some of the challenges she experienced while using social media.

Table 13: Excerpts from respondent on the challenges they encounter while using social media (see addenda 9 for more information)	
Case 2	Challenges encountered while using Social Media
<i>Tinsel Town</i>	[.] “ I have shared pictures that actually belonged to two photographers and they were actually mad at me for that but it only happened once” [.] “When I opened a Facebook account I added a lot of friends at the beginning. I would target them from schools and then someone reported me and I was blocked from Facebook a couple of times”

4.3.7 Business Performance

The performance of a business portrays the potential traits of whether the business can survive in the particular industry it is operating from. Therefore, there are different measures of performance (as discussed in Chapter 2) that differs from one organization to the other. Table 14 (below) presents *Tinsel Town* business owner response regarding the performance of her business.

Table 14: Excerpts from the respondent on business performance (see addenda 10 for more information)	
Case 2	Business Performance
<i>Tinsel Town</i>	[.] “In August I wanted to do 60 rentals and we did about 120 rentals going out. The target for August was 60 thousand Rands which I thought was a lot and we have already done 75 thousand in three weeks” [.] “last year August we only did 10 thousand Rands so it has really grown a lot”



4.4 Case 3: *May Boutique*

May Boutique is situated in Stellenbosch on the De Wet Centre, between Bird and Church Street, Shop No. 1. The business owner comes from an entrepreneurial background where her family believe in engaging into entrepreneurial activities. All the family members work together, in order to advance their business. Her business is registered under the family business that is run by her father. However, she is the sole owner and manager of her fashion boutique. The entrepreneur acts as an example of how family backgrounds contribute to individual’s engagement into entrepreneurial activities. As a family they believed that it is better to be one’s own boss than working for someone else. The business owner originally comes from a small town in Karoo but she has been in Stellenbosch since the age of 13. She has a bachelor’s degree in fashion design, honours diploma in marketing and advertising

communication in management which gives her grounding in business. She started the business in the year 2012 and it has been in operation for at least two and a half years. The entrepreneur does not sell her own designs but acquire her merchandise from different designers. She mainly sells women fashion wear, swim wear, jewellery, shoes, nail polish and gumboots. Further on, she imports some of her merchandise from United Kingdom and other products are locally made in South Africa. The reason why she imports some of the merchandise it's because she wants to maintain exclusivity from the other boutiques in Stellenbosch.

4.4.1 The Suppliers from *May Boutique*

May Boutique's suppliers are located in Cape Town area. Both of the suppliers are female and they offer different products to the business owner. Maaji & Toy supplier offer swim wear and nail polish products while Chai designer offers a clothing line. The suppliers have a good relationship with the business owner. The essence of establishing a good relationship is because they rely on each other. The business owner needs the merchandise while the supplier needs to ensure that the products they are producing sell. Both suppliers have an agreement with the business owner on how frequent they should deliver their products.

4.4.2 Business Networking

Business networking is the relationship that the business owner has both internally and externally. The business owner interacts with different partners to acquire the necessary skills and resources that s/he needs. Table 15 (below) presents some key excerpts from *May Boutique* respondent and the suppliers.

Table 15: Excerpts from the respondent on business networking with the suppliers (see addenda 5 for more information)

Respondent (<i>May Boutique</i>)	Supplier 1	Supplier 2
<p>[...] “My key suppliers I would say the swim wear brand, they are very good suppliers, they also do the nail polish range”</p> <p>[.] “ I have a very good relationship with all my suppliers”</p> <p>[.] “ I think one builds a more customer relationship and let the supplier know what is happening”</p> <p>[.] “ I contact the suppliers via email whenever I need stock or they contact me”</p> <p>[.] “ one of my suppliers have actually suggested ways to help me grow our business kind of together”</p> <p>[..] “ a mistake that a lot of designers make is actually not considering the best place for their brands specifically”</p>	<p>“ I have a good relationship with my clients”</p> <p>“ The relationship with my clients is not personal strictly business” “ I communicate with my clients mainly via email and I distribute news letter regarding the new products that I have”</p> <p>“ I have a Facebook page that I display different designs of my product”</p> <p>“I get some of my clients through Facebook and referrals”</p> <p>“I do not have a personal relationship with the business owner”</p>	<p>“ The relationship that I have with my clients is good, we share information regarding business growth, deliveries, news stock”</p> <p>“My clients contact me once a week”</p> <p>“ I have a viable agreement with my clients”</p> <p>“we have a website page where we list the stores that stock our products just to direct the customers to the stockists”</p> <p>“We communicate with our clients mainly via email, Facebook and website”</p> <p>“We work on schedule and ensure that we deliver on time to avoid any delays”</p> <p>“We do not have a personal relationship with our clients”</p>

4.4.3 Social Networking

From previous sections, social connection of business owners through networking exposes them to a larger platform of members to interact with. Further on, the owners gain the necessary support that they need to establish and run their businesses. Table 16 (below) displays some of the activities the business owner engages in while social networking.

Table 16: Excerpts from the respondent on social networking (see addenda 6 for more information)

Case 3	Social Networking
<i>May Boutique</i>	<p>[.] “ I have three big brands that have distributors that do marketing for us so basically they list you as their stockist in magazines that gives me the exposure”</p> <p>[.] “ I get involved with activities in the university and schools around just to meet people and interact with them”</p> <p>[.] “I tried to interact with one of the business owner of the shops around and they thought that I would steal her own shops idea”</p>

4.4.4 Social Media Usage

The previous tables (see tables 5 and 11), displayed how the business owners’ use social media for both social and business activities. In this case, Table 17 (below) portrays how the business owner from *May Boutique* uses social media.

Table 17: Excerpts from the respondent on social media usage (see addenda 7 for more information)

Case 3	Social Media Usage
<i>May Boutique</i>	<p>[...] “I think you want to use it for marketing but I don’t think it’s necessarily effective for marketing. I think it’s more for online presence in general”</p> <p>[...] “ I use it for both business and personal purposes but am not very keen, I think it’s very important and that’s why people do it”</p> <p>[...] “My personal account is just for Facebook friends just to keep in touch with people, like keeping in touch with friends, how we communicate recently I find.”</p>

4.4.5 Benefits of using social media

As mentioned before, social media is an interactive tool. Consequently, many social media platforms offer advertising options that business owners can use to their advantage (Stokes, 2008). Table 18 (below) portrays some of the benefits illustrated by *May Boutique* owner.

Table 18: Excerpts from the respondent on the benefits of using social media (see addenda 8 for more information)	
Case 3	Benefits of using Social Media
<i>May Boutique</i>	[.] “ I would say that the fact that it is easy for people to contact you” [.] “ basically online awareness and obviously marketing it is good” [.] “ it’s just to keep people updated”

4.4.6 Challenges encountered while using social media

Although this was an important part of the research, the business owner from *May Boutique* indicated that she has not yet experienced any challenges while using social media. From the observation it can be argued that it’s due to her age, because she is only 28 years old. The assumption is that the ‘age’ factor might be the influence towards her technical skills in using technological devices.

4.4.7 Business Performance

As discussed before on the performance of businesses, Murphy et al., (1996) points out that, the more established firms converge to certain aspects of the performance measures such as market share. While the small firms tend to reflect to a wider range of performance measures (see table 19 below).

Table 19: Excerpts from the respondent on business performance (see addenda 10 for more information)

Case 3	Business Performance
<i>May Boutique</i>	[.] “It’s very tricky everything goes up every year, your rent goes up, and so you have to grow up at the same pace. I have only been able to grow at that specific pace however I wanted to grow faster than that”

4.5 Case 4: 100% ME

The *100% ME* is a fashion retail shop No. 124, situated at Eikestad mall in Stellenbosch. The business owner grew up in Kransefontein in the Free State. The entrepreneur has a vast experience in the fashion industry. She acquired her diploma in fashion design from a tertiary institution in Pretoria. Due to family responsibilities, she abandoned her job, from a fashion designer. She therefore started sewing clothes from home. She has been sewing matric ball dresses, wedding dresses for 28 years, took a break for two years after which she started the shop which has been in operation for 2 years. She does clothing for students but she has also started venturing into making clothing for professionals. In addition, she concentrates on a market segment of people over the age of 50 years that struggle getting clothing. She also makes wedding gowns especially for people who are not slim and struggle to find a gown that fits them. Since her main target is the middle class, she tries to fill that gap in the market by offering a range of products at an affordable price.

4.5.1 100% ME Suppliers

The business owner relies on designers (suppliers) for the products and services that they need to sell. Both suppliers are based in Cape Town; one is based at Protea Heights and the other in Bracken Fell. Both of the suppliers do not have a business contract with the business owner but they have a localized arrangement with the owner manager. The kind of products they sell include jewellery and clothing range. The jewellery supplier ensures that she

produces quality products from time to time while the clothing supplier produces her products on the order given by the owner.

4.5.2 Business Networking

Networking is an important aspect in a business environment where owner managers interact with other players that are either in the same industry or other industries. This study focused on the business relationship between the business owner (100% ME) and two of her key suppliers (see table 20 below).

Table 20: Excerpts from the respondent on business networking with the suppliers (see addenda 5 for more information)

Respondent (100%ME)	Supplier 1	Supplier 2
<p>[.] “I have a designer that import their clothing, they have a factory in China that makes for them”</p> <p>[...] “ I have silver rhythm is a company that imports from China the soap good candy, the handbags and the scarf’s that are in the store”</p> <p>[.] “ I have a good relationship with my suppliers”</p> <p>[.] “One of my designers her stuff is more summery so I will not contact her two to three months in winter. In summer I contact her twice a week but I don’t buy bulk because of the size that I am”</p>	<p>“ I communicate with the business owner on a monthly basis regarding deliveries and business prices”</p> <p>“I have a well-established relationship with the business owner and all my clients”</p> <p>“ The business owner supports my business regularly and she is a good payer”</p> <p>“ I communicate with the business owner and my clients via Facebook and email”</p> <p>“I have a personal relationship with the business owner and my clients. I communicate</p>	<p>“I do not discuss with the business owner regarding the demand in the market”</p> <p>“I am not able to share the challenges that I face while producing the product”</p> <p>“ I communicate with the business owner on a daily basis on making plans to meet, deliveries, business prices and other business matters”</p> <p>“ I have a good relationship with the business owner, we have a good working relationship over a period of 2 years”</p> <p>“ I use email, Facebook and LinkedIn to communicate with my clients”</p> <p>“I have a personal relationship with my clients, I am able to communicate with them</p>

[.] “ I have a good relationship with one of my supplier who allows me to buy even one garment from his shipment because I pay him often, he never waits for his money”	with them regarding the kind of products I need to supply them”	regarding the demand in the market, the challenges that I am facing and the kind of product I should supply them”
---	---	---

4.5.3 Social Networking

As mentioned above from the previous sections on social networking, the social connection a business owner has exposes him/her to larger pool of customers to interact with. In addition, the social relationship enables the business owner to establish the business (see table 21 below).

<p>Table 21: Excerpts from the respondent on social networking (see addenda 6 for more information)</p>	
<p>Case 4</p>	<p>Social Networking</p>
<p><i>100% ME</i></p>	<p>[.] “I was involved in a community project where we would contribute money and go to schools and speak to parents regarding drugs. While I advertise the business in the school because I want the mum’s to come to my shop”</p> <p>[.] “In the mall itself, I get involved with the meetings and different activities where we socialise. It enables me to get a foot grounding for advertising my business”</p>

4.5.4 Social Media Usage

It was important to inquire how the business owners use social media. This is because people use social media for different purposes. Table 22 (below) displays how *100%ME* business owner uses social media.

Table 22: Excerpts from the respondent on the use of social media (see addenda 7 for more information)

Case 4	Social Media Usage
<i>100% ME</i>	<p>[...] “ I use Facebook strictly for business, I have a personal one but we link that to the business”</p> <p>[...] “We also thought that Facebook is better than website because it’s more expensive.” [...] “So we started with Facebook, I have it in my own name as well but I never use it. I only registered to link the business to that so its solely for the business”</p>

4.5.5 Benefits of using social media

As mentioned earlier, there are different benefits that individuals and businesses experience while using social media for, either personal or business purposes. The business owner from *100% ME* illustrated some of the benefits she experienced while using social media for business (see table 23 below).

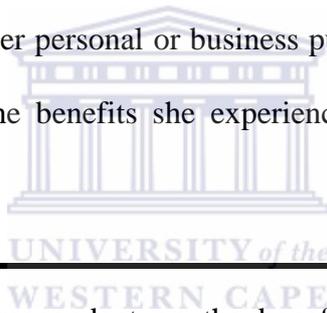


Table 23: Excerpts from the respondent on the benefits of using social media (see addenda 8 for more information)

Case 4	Benefits of using Social Media
<i>100% ME</i>	<p>[...] “ to get your product out there, for marketing”</p> <p>[...] “I got some of the suppliers from using social media, so I think it’s getting yourself out there because it’s a powerful tool. It increases the performance of the business”</p>

4.5.6 Challenges encountered while using social media

Undoubtedly, social media has contributed to the way people communicate and interact with each other. However, despite the many benefits of using social media there are some of the challenges that the business owner portrayed (see table 24 below).

Table 24: Excerpts from the respondent on the challenges she encounters while using social media (see addenda 9 for more information)

Case 4	Challenges encountered while using Social Media
100% ME	<p>[.] “I don’t have the patience for social media, it frustrates me endlessly”</p> <p>[.] “ I used to update regularly when I got new stuff in, one day I got very sick because I was working 24/7 non- stop and using social media regularly can actually steal your personal life”</p>

4.5.7 Business Performance

The performance of the business relies mainly on the management system of the firm (Axson, 2010). The owner-manager ensures that all the plans are well executed towards the companies’ objectives. Further on there are various indicators that portray whether a business is performing well or not. Table 25 (below) describes some key indicators towards the business performance of 100%ME.

Table 25: Excerpts from the respondent on business performance (see addenda 10 for more information)

Case 4	Business Performance
100% ME	<p>“Since I started operation I really didn’t in my wildest imagination thought I was going to start a factory as well, the business is bigger already than I thought it would be” [.] “I am still not making enough money but I can pay everything. I can pay the people I employ but we cannot live from it yet but mainly because all the money that is coming out it is either going back to the shop or the factory but we grew. I can see where the money is going”</p>

The above presentations of the data are from the four cases used in the study. The cases were discussed separately to illustrate how the female entrepreneurs use social media for social and business networking. Furthermore, the influence social media had on their business

performance and the challenges they encountered. The following is the key findings of the study across the four cases.

4. 6 KEY FINDINGS

In this section, the researcher highlights the main findings. The study primarily sought to answer the following questions: how the female entrepreneurs in the fashion retail sector use social media for social networking purposes; the influence of social media in the business networking practices of the female entrepreneurs; and the contributions of social and business networking through social media towards performance.

4.6.1 Social networking activities of the female entrepreneurs

The similarity among all the respondents in social networking was their involvement in school projects which acted as a link where they would be able to showcase their businesses. These links were used to obtain more customers and gain exposure for their business. However, in some instances they got involved in sponsorship programmes to obtain local information. In addition these activities were used to maintain local market positions. For instance *100% ME* business owner indicated:

“I was involved in a community project where we would contribute money and go to schools and speak to parents regarding drugs. While I advertise the business in the school because I want the mum’s to come to my shop”

Respondent from *Tinsel Town* agrees:

“When I sponsor the evening dresses then my logo has to be everywhere at the school and they need to market me”

Although there are some similarities on how the respondents associate with the community around them, some of them are involved into other groups that enable them to gain the necessary information, advice and exposure in the fashion industry that they are in. The involvement of the owners from *Lily’s Closet* and *Tinsel Town* have engaged in different

groups of people that are in the same industry for social and business purposes (see tables 4 and 10). This kind of link enables them to gain first experience of the fashion industry, business to business marketing and meeting other people. However not everyone is willing in establishing links with other people. For example:

“I tried to interact with one of the business owner of the shops around and they thought that I would steal her own shops idea” (Respondent from May Boutique).

Most business owners protect the intellectual property and therefore it is difficult for them to open up and share information. Conversely some business owners can go an extra mile to establish their social networks. One of the respondents (*May Boutique*) uses distributors to try and feature in the magazines so as to be able to get the exposure:

“I have three big brands that have distributors that do marketing for us so basically, they list you as their stockist in magazines that gives me the exposure” (May Boutique)

Social networking using online sites such as Facebook can give individuals the opportunity to meet other people. In general, all the respondents indicate the importance of belonging in a social network circle as it establishes ones business. Though, they are not using online social network sites to its full potential.

4.6.2 Female entrepreneurs business networking with the suppliers.

All the female entrepreneurs and suppliers indicated that they have a good relationship. However, one of the suppliers from *Tinsel Town* pointed out a misunderstanding between herself and the owner:

“I have a good relationship with my clients, although at first there was some miscommunication between me and the business owner due to the number of orders I should be getting monthly”.

The above suggests that in certain cases there are issues that may hinder the smooth running of a business. Maintaining a good relationship is therefore essential for proper networking to

get supplies. In this case, networking is necessary because business owners rely solely on their suppliers in order to get the products that they need to sell (see tables 3, 9, 15 and 21).

Their businesses are still at a start-up phase and at the moment they cannot buy in bulk from their suppliers. The main reason why the business owners cannot buy in bulk from their supplier is due to seasonality of the fashion products. Further on, the fashion retail industry is very competitive and stocks last only per season. For example, *100% ME*'s owner illustrated that: *“One of my designers her stuff is more summery so I will not contact her two to three months in winter. In summer I contact her twice a week but I don't buy bulk because of the size that I am”*.

Both the owners and suppliers found it comfortable to communicate with each other via email. The main reason for choosing traditional method (email) versus the modern method (social media platforms) might be due to confidentiality purposes. A statement made by one of the entrepreneurs from *Lily's Closet*: *“We contact each other mainly via email”*. The aforementioned claim is collaborated with *May Boutiques* owner and her suppliers who use email to communicate with each other. She claims: *“I contact the suppliers via email whenever I need stock or they contact me”*.

Despite the business owners using mainly email as a way of communicating with their suppliers. They all (both business owners and suppliers) have a Facebook account for social and business purposes. Further on, the suppliers indicated that they also use other social media platforms to communicate with their clients. The supplier from *100% ME* asserts:

“I use email, Facebook and LinkedIn to communicate with my clients”

The supplier from *May Boutique* supports the use of other platforms by stating:

“With our clients we communicate mainly via email, Facebook and website”

The above observation suggests the idea of confidentiality does not affect all the female entrepreneurs in the study. It also illustrates that both the female entrepreneur and supplier can use different platforms to communicate with each other. From the data displayed above (see tables 3, 9, 15 and 21) the relationship between the female entrepreneur and their supplier is personal. For example supplier from *100% ME* has a clear cordial relationship:

“I have a good relationship with the business owner; we have a good working relationship over a period of 2 years”

The supplier from *Lily’s Closet* agrees:

“We are loyal to the shops (Clients) that we stock as we feel a longer relationship with a client will mean a better understanding of each other’s business and therefore better working relationships and better sales”

In accordance with networking literature, loyalty plays a major role in networking as it builds on trust. It would therefore be easy for the suppliers and the entrepreneurs to share critical information in building their businesses. Further, the link between the suppliers and the female entrepreneurs represented weak tie and strong tie connection. The weak tie connection was drawn on some of the suppliers indicating that they have a personal relationship with their clients. This relationship was established so as the business owners can be able to acquire the necessary resources that they need which they couldn’t acquire from their family members. The personal ties which were used by the respondents consisted of individuals that the entrepreneur was familiar with overtime which led to strong tie connection. *Lily’s Closet* business owner illustrated the kind of relationship that she has with one of her suppliers. She asserts that:

“One of the suppliers has become more like our friend, if she is not happy with something she tells us, she is not shy because we are friends. If we are not happy we email her and say this and this you can’t leave stock for so long send us new stuff”

Depicting from the data social media has actually influenced how the female entrepreneurs source some of their suppliers. For example, respondent from *Lily’s Closet* indicated:

“We source some of the suppliers from Facebook if our customer likes a dress, we check the Facebook page of the designer and get their contacts”

While the supplier from *May Boutique* pointed out:

“I get some of my clients through Facebook and referrals”.

The latter statement illustrates that some of the respondents are actually using social media platforms to enhance their business networks. However, some of the interviewees are not keen on the use of social media. For instance the supplier from *Tinsel Town* illustrated that, “*I have a Facebook page but I am not keen in using it”*. There is still need to improve business networking activity of the female entrepreneurs with their suppliers through different social media platforms.

Overall, the business ventures of all the entrepreneurs that participated in the study are still at their start-up phase. Their businesses have not been in operation for more than 3 years (see table 1). The findings highlighted that there is a need to network with other business contacts as its essential especially in gaining the necessary resources and information that they need in establishing their business ventures. Networking is essential for businesses and owner-managers can either use strong or weak ties connections to increase their access to resources, advice and support that they need to establish their business.

4.6.3 The use of Social Media

All the interviewees (both business owners and suppliers) had some knowledge about social media and they use it for different activities. The most commonly used social media platform is Facebook and they indicate that they use it mainly for business purposes although they also have a personal account as well. One of the respondents (*Tinsel Town*) noted that she uses Facebook mainly to show the customer and prospective customers what she has in stock and what they can afford to buy. Social media can be used by small, micro and medium businesses to market their products and services. Respondent from *Tinsel Town* indicated:

“Facebook is an important tool for her to communicate with her customers because her website is not strong yet”

Respondent from *100% ME* concurs:

“We also thought that Facebook is better than website because it’s more expensive.”

This implies that, they are familiar about other platforms and domains that they can use for their business. However, they are keen in noting which platform is beneficial and at a lower cost and effective for their business. However, some of the respondents had reservations about the use of social media. For example, *May Boutique* business owner indicated that she is not keen on using Facebook:

“I have a Facebook page for business which I think is like having an online presence”

Moreover, respondent from *100% ME* highlighted:

“I use Facebook strictly for business, I have a personal one but we link that to the business”

Despite the business owners having a Facebook page, they are not exploiting the full benefits. They might be using the platform because other competitors are using it and they don’t want to miss out. However, using social media platforms is essential for business to be able to display the kind of products and services that they are offering to reach a wide range of customers. The platform can also enable them communicate with their potential customers and clients. They can even gain business connections that will benefit their business. It can also provide them with different opportunities in which they can venture into (see tables 5, 11, 17, and 23).

Some of the business owners use social media for networking purposes by meeting new people, clients, designers and customers. *Lily’s Closet* owner illustrated:

“I use it for networking you meet new people, new designers. I might see a dress that one of my clients like or whatever then I’ll go see the designer and click on their page”

In general, the business owners are using social media for their business but they are still learning on how they can exploit the full benefits of using social media.

4.6.4 Benefits of using social media

The main benefit that all the respondents pointed out is the exposure social media gives them in order to sell their products and services as well as communicate with their potential customers. Below are some of the comments illustrated by the respondents on how they benefit from using social media:

“Social media enables one to sell more products, more people see us or get familiar with us” (Lily’s Closet respondent) “to get your product out there, for marketing” (100% ME respondent) “basically online awareness and obviously marketing it is good” (May Boutique respondent).

Social media has transformed the way people communicate nowadays and there are different platforms that people can use to interact. Some of the interviewees illustrated that using social media platform is not complicated and it’s a powerful tool for communication:

“It’s easy, its very user friendly” (Lily’s Closet respondent), “I can instantly load/upload images of my product that is coming in, I can talk to my customers” (Tinsel Town respondent) “I got some of the suppliers from using social media, so I think it’s getting yourself out there because it’s a powerful tool. It increases the performance of the business” (100%ME respondent)

Depicting from the respondents, the use of social media enables them to connect with their strong and weak tie connections.

4.6.5 Challenges encountered while using Social Media

All the respondents apply social media differently for both their personal lives as well as business. Each one of them has faced some challenges however *May Boutique* business owner pointed out that she has not yet faced any challenge while using social media. According to *Lily’s Closet* owner, she does not know how to tweet because of the language used in that platform. In this case, the business owner needs the skills to be able to exploit the

benefits of using such a platform. Moreover, *100% ME* owner pointed out that she doesn't have the patience for social media; this might be due to her age as she does not adhere with upcoming platforms.

Despite the benefits of using social media, there are challenges that come along with it. Social media platform enables the business owners to share information about their products and services. If one is not careful of the content they display it might damage their brand:

"I have shared pictures that actually belonged to two photographers and they were actually mad at me for that but it only happened once" (Respondent from *May Boutique*). Another challenge might be, *"if someone buys a dress from Facebook, they didn't have the opportunity to try it on so there is a chance it might not fit and they might have to send it back"* (Respondent from *Lily's Closet*).

While using social media for business, the owner must ensure that s/he updates the content about their products. In the fashion industry buyers like checking online on what's new, this applied where one of the respondent (*Tinsel Town*) indicated that they had to be triple sure before they posted anything online.

In brief, the respondents are still learning on how to use social media and be able to mitigate the challenges that come along with it.

4.6.6 Business Performance

SMMEs tend to face difficulty in maintaining and improving business performance in time, unless they can actively manage the pressures from the environment (Kraus et al., 2012). For instance, the respondent from *May Boutique* indicated that she has only been able to grow at a specific pace because:

"It is very tricky as everything goes up every year, your rent goes up so you have to grow at the same pace"

Their businesses are still small and therefore it is premature to state that their business performance has improved because less than 3 years is a short timeframe to determine growth. For example, the respondent from *Lily's Closet* indicated that they still need to get the shop running 100% meaning that they are still not stable. Although, they are planning to increase their sales by using online domain to cover for their off-peak season. They are still in start-up phase which encompasses early stages of development of the business.

However, the respondent from *Tinsel Town* pointed out that in the month of August she wanted to rent out 60 dresses but she was able to rent out 120. Her target for the month of August was sixty thousand rands and she already made seventy five thousand rands that's a projection towards business performance. Kraus et al., (2012) suggest that SMMEs should be encouraged to implement entrepreneurial mind-set so as to recognize the threats and opportunities in the market. For example, the business owner from *100% ME* owns a factory where she manufactures her clothing range within the limited time that she has been in operation. However she points out that she is still not making enough money yet, although she can still pay for everything (employees). It would be difficult to determine the growth of the business because they are still in the developmental stage of their businesses (see tables 8, 14, 20 and 26).

4.7 Concluding Remarks

This chapter presented the findings of the four cases in a tabular format, followed by the presentation of the key findings across the four cases. Relevant quotes from the transcripts highlighted points concerning the variables that were used in the study. The text in the transcripts were sorted according to the theme codes and then the main findings were presented across the four cases after examining the individual cases. The findings highlight a trend of how the female entrepreneurs are using social and business networks for business operation. Furthermore, how social media influences their networking activities and

performance of their businesses. The following chapter presents the analysis and discussion of the findings.



CHAPTER 5: ANALYSIS AND DISCUSSION OF THE FINDINGS

5.1 INTRODUCTION

The aim of this study was three fold: to explore how female entrepreneurs in the fashion retail sector use social media for social networking purposes; to examine the influence of social media in business networking practices of the female entrepreneurs in the fashion retail sector; and to establish the contributions of social media towards business performance of female entrepreneurs in the fashion retail sector.

The sample included in the study consisted of four fashion retailers and their key suppliers. The business owners mainly engage in selling designers produce such as jewellery, clothing, shoes and handbags. Although, all the entrepreneurs are selling designers products; others such as *100% ME* and *Tinsel Town* have ventured into other activities such as manufacturing their own products, and hiring some of the clothing to customers. The fashion retailer's target markets are university students and other schools located in Stellenbosch.

These business owners target middle-income group or more specifically, LSM 6- LSM 10¹⁰. All the interviewees indicate that they are familiar with the term social media and the different type of platforms that they can use to market their products and services. The four cases in the sample have a wide variety of products from different designers. *Lily's Closet*, for example, offers trendy fashion clothes for young ages. *100% ME* mainly focuses on professional women, sewing of matric ball dresses and wedding dresses. However, the latter is undertaken on demand and as a substitute activity. The stock in *May Boutique* comprise of clothing, swimwear, nail polish and gumboots. Further *Tinsel Town* deals with dinner dresses, matric ball dresses, bride's maid dresses and wedding dresses. She hires and sells her dresses

¹⁰ LSM (Living standard measure) is a scale used to indicate the wealth status of a group. The LSM has become the most widely used marketing research tool in Southern Africa (Haupt, 2001). It divides the population into 10 LSM groups, (10) being the highest while (1) being the lowest (see <http://www.saarf.co.za/LSM>)

and clutch bags. The entrepreneurs are keen on quality and exclusivity of their products. They believe quality and exclusivity is the main differentiator and attraction for potential customers. The notion of exclusivity is echoed by *Lily's Closet* owner manager who argues that, in fashion exclusivity is important because customers always look for quality products that are unique. All the interviewees agreed on the fact that they stock products that sell. Further on, they also pointed out in cases where designer's products do not sell, the supplier dropped from their network.

5.2 Social media use for social networking purposes

Entrepreneurs are regarded as social beings and therefore they cannot operate in isolation (Batool and Riaz, 2012). The findings highlight the way the entrepreneurs are involved in different activities around the community. The owners from *Tinsel Town* and *Lily's Closet* are members of a fashion council. Within this body, they participate in events that enable them to gain the necessary exposure needed in advertising their products and services as well as meeting new clients. According to Van Zyl (2008), individual succession in society depends on the shape and size of an individual's social network, the ability to network and form connections with other social groups. For instance, the respondent from *100% ME* emphasized on the engagement into any societal activity that may be taking place. Her engagement in the community activities gives her the groundings to interact with other people. It is this interaction with the community members that creates a platform where she is able to advertise her products.

The data revealed that the entrepreneurs are still using traditional ways of social networking (see addenda 6). However some of the respondents (*Tinsel Town* and *Lily's Closet*) are using social media platforms such as Facebook to join different groups of people that have similar interest in fashion. *Tinsel Town* owner pointed out that she has a website page for the

business where she is able to communicate with interested customers. Van Zyl (2008) argues that social networking that incorporates web 2.0 technology has been credited with the ability to expand social contacts, accelerate business processes and the improvement of customer relations.

The most commonly used social network site by the respondents is Facebook. This platform allows the business owners to display content regarding new products range, competitions, their contact details, other social network sites, and directions to the store. *Lily's Closet* owners strongly believe that, with the installation of Instagram application on her phone it is easier for her to upload the products to other social sites such as Facebook, Twitter and Picasa. The use of social networking sites enables individuals to tag, book-mark and allows individuals to be able to search for industries and information that they need (Van Zyl, 2008).

The findings support the notion of using social networking sites for engaging with customers and meeting up with people from the same social group. The respondent from *Tinsel Town* illustrates how Facebook's search engine enables individuals to key-in words which makes it easy for them to find her business. The latter suggests that networking through social media creates a platform where the entrepreneurs can display their business contents at the same time gaining the necessary exposure. In addition, the utilization of social networking applications supports the maintenance of personal relationships, discovery of potential relationship and with the help in the conversion of potential ties into weak and strong ties (Van Zyl, 2008; Greve & Salaff, 2003; Granovetter, 1973).

Despite the undeniable advantages of using social network applications, *May Boutique*, *Tinsel Town* and *100% ME* owners, are aware of the disadvantages of using social networks. According to *Tinsel Town's* respondent, when it comes to safety one needs to be careful while using different social networking sites. In her view social networks might lead to a

decrease in productivity especially when an entrepreneur spends more time on networking and less time on making sales. This illustrates that the entrepreneur is aware of the shortcomings of using social network sites. To mitigate the risk involved, the owner updates her Facebook page in the evenings and allocates time to send and reply to emails. In this way, the business owner is able to maintain her productivity and workflow activities.

5.3 Social media influence in business networking of the female entrepreneurs

Networking is essential for businesses in increasing their platform for larger expansion of their firm. Owner-managers can position themselves within a network circle in order to gain the necessary information, skills and resources that they need in establishing and sustaining their business (Klerk & Kroon, 2008; Gilmore et al., 2006; Osterle et al., 2001). The findings highlight that the entrepreneurs used strong and weak ties connections in conducting their business activities. That occurrence is indicated during the start-up phase, when all the entrepreneurs reported on their families' active involvement in assisting them setting up their ventures. *Lily's Closet*, for example, borrowed money from their parents and the father renovated the shop. For *Tinsel Town*, the boyfriend renovated the shop, *May Boutique*, is under the family business. Finally in the case of *100% ME*, the husband borrowed a loan from a bank to pay for the shop. In general, these scenarios confirms that strong tie connections are essential during start-up phase as they offer the entrepreneur the necessary support that they need because of the high level of commitment, closeness, relations and trust (Elfring & Hulsink, 2007; Jack, 2005; Granovetter, 1985; Granovetter, 1973).

The authors such as (Granovetter, 1985) believe that, from the economical perspective, strong ties are cheap, trustworthy due to the continuing relationship and reliable. In accordance to the literature, the business owner from *Lily's Closet* emphasized the importance of using a family member when she needs anything done at the shop because it would be cheaper than

sourcing from outside. *100% ME's* business owner pointed out that her husband helps her out with balancing the books and administration. This implies that she does not need to seek out assistance from outside to help her with her financials. Furthermore, the business owner from *Tinsel Town* and *100% ME* pointed out that, when the business was not doing well and they could not get help from outside, their family members came through for them. As Elfring and Hulsink (2007) and Granovetter (1983) have observed, indeed, strong tie connection tend to have a greater motivation and is of great assistance during good and bad times as well as it is readily available for the entrepreneur to access.

Notwithstanding, the advantage that comes along with using strong tie connections there are some of the disadvantages. The findings revealed that some of the business owners experienced challenges when they sought assistance from family members. For instance, the business owner from *Tinsel Town* noted that due to the challenges that she encounters with employees, she employed a family member to help her out but she could not adhere to her requirements which raised some conflicts. The aforementioned suggests that one needs to be keen while engaging family members into the business, unless the family member understands the nature of the business and is willing to adhere to the nature of the business. In spite of the strong tie connection displayed by the female entrepreneurs engaged in this study, they still have weak tie connection that is more active than the strong tie relationship.

The business owners indicated that they have a good relationship with their suppliers; this might be because of the nature of their business. For example, the business owners from *Tinsel Town* and *100% ME* illustrated the importance of maintaining a good relationship with the suppliers. Both have a relationship with their seams dress supplier who can make on-demand what they want. This kind of relationship, leads to high level of commitment which later might result to improved trust amongst the network. The aforementioned is supported by

commentators such as Martinez & Aldrich (2011); Jack (2010); Granovetter (1985); and Granovetter (1983) who point out that a weak tie provides individuals with access to information and resources that are beyond their social circle. The business owners from *Lily's Closet*, *May Boutique* and *Tinsel Town* noted that they send sales report to their suppliers every two weeks, weekly or on a monthly basis. In addition, they update the suppliers on what their customers are looking for. This refers to the importance of maintaining a good relationship with the supplier so as to be able to access the necessary resources that one needs. The suppliers on the other hand pointed out that they had a well- established relationship with their clients. One of the supplier from *Lily's Closet* indicated that they are loyal to the shops (clients) they network with. The reason being that a long term relationship with a client will mean a better understanding of each other's business; therefore leading to a better working relationship and better sales. The former illustrates that the suppliers also ensure that they have a well- grounded relationship with their clients to increase mutual understanding and benefit from the network circle. Weak ties play a vital role in enhancing access to business opportunities as well as increase sales.

The findings highlight that the suppliers and the business owner share relevant information and support each other's businesses. The designers for *May Boutique* have proposed ways in which they can grow their business together. For *Tinsel Town*, the designers refer new customers to the owner. Additionally, the designers would encourage the business owner to participate in events, which are organized by the same designers. This confirms what Martinez and Aldrich (2011); and Jack (2005) observed that weak ties can be used to generate business and enhance reputation together with providing the necessary resources that the business needs. In addition, the stronger the interaction with the same network circle, the stronger the connection will be. In this case, the findings suggest that the female

entrepreneurs have a close relationship with their suppliers in how they interact and communicate with each other and the content that they share.

The nature of the respondents' relationship and flexibility of their contact with their designers is related to what Jack (2005) and Granovetter (1973) refer to as the strength of a network tie. The nature of network tie strength is determined by its closeness. The closeness is characterised by, among others, the intensity of the relationship among its members, frequency of contact, closeness, commitment and the level of communication. All the respondents displayed some level of communication that they have with their suppliers. In the early stages, the female entrepreneurs sought personal networks as they were deemed important in validating the business idea. However, as the business develops, the entrepreneurs create formal networks that focus on their industry, in order to gain further benefits, particularly in reputation building and growth of their business (Hampton et al., 2009). Surprisingly, all the business owners' formal network contacts include female suppliers. The findings are supported by Hampton et al., (2009) findings where the female entrepreneur's network circle consisted of females during start-up and developmental stages of the business.

The findings support the argument that an entrepreneur uses strong tie connection during start-up phase of the business. However as the business grows, entrepreneurs engage in weak tie connection to gain the necessary information that s/he needs to establish and sustain their business (Martinez & Aldrich, 2011; Granovetter, 1983). This is because weak tie connection is diverse, heterogeneous and provides the owner manager with latest information, skills that s/he needs for business development. The female entrepreneurs own small, micro, medium businesses and they are still at their developmental stages and that's why they are still relying heavily on their network circle to build relationship with their suppliers because they provide

them with the products that they need for their business. Although some of the suppliers and business owners pointed out that they have a personal relationship with each other due to the level of interaction among each other and the level of commitment towards each other's business.

There are some of the challenges that the suppliers encountered while networking such as; fabric availability, lack of getting information from the business owner which led to delay in delivering the product on time. One of the suppliers from *Tinsel Town* emphasized that it's important to have a good channel of communication with the client. In the beginning there was mis-communication between her and the business owner regarding the number of orders that she would be getting on a monthly basis. The latter implies that communication is key within a network circle. Individuals need to build trust among each other, in order to benefit from one another. The business owner from *Tinsel Town* relies on few suppliers and she mainly stresses if she has a misunderstanding with a supplier since she solely relies on them. This suggests that the business owner has minimal level of control over her suppliers which may jeopardize her business progress. It is therefore important to ensure that there is some level of understanding between the network members to increase the levels of benefit between both parties.

The findings highlight that the business owners and suppliers communicate among each other mainly via email, phone and sometimes Facebook. The business owners prefer using emails while communicating with their key suppliers due to privacy reasons and it's more professional than using other platforms. However, both the suppliers and business owners gained necessary exposure while using social media platforms such as Facebook, Instagram, Pinterest, Twitter and LinkedIn. Some of the suppliers were able to gain clients and meet new people while some of the business owners pointed out that they were able to get some of their

suppliers from Facebook. These findings are parallel to earlier studies on how female entrepreneurs use virtual social network Facebook. Constantinidis (2011) found that Facebook was a useful tool it enabled the women to gain new suppliers, subcontractors and business partners despite the sector in which the female is in. The current result seems to reflect this belief. The business owners were in recognition of the importance of networking through social media and they are using some of the social media platforms. However, they were not taking advantage of all the options the sites had to offer towards their relationship cultivation efforts.

5.4 Social media's contribution to business performance

The findings highlight the evolution in the use of social media platforms by the female entrepreneurs in their networking activities. All respondents have some knowledge about social media and the different types of platforms such as Facebook, Instagram, Pinterest, LinkedIn, Picasa, Skype, and Emails. The most commonly used social media platform by the respondents is Facebook and they indicate that they use it mainly for business purposes although they also have personal accounts as well. For instance, business owner from *Tinsel Town* indicated that she uses Facebook to mainly show the potential customers and prospective customers what she has in stock and what they can be able to afford to buy. To support this, a supplier from *Lily's Closet* pointed out that they use Facebook, Pinterest and Instagram to display the kind of products they so as to gain necessary exposure that would enable them to meet potential clients. Therefore, social media can be used by small, micro and medium businesses to market their products and services to increase sales.

All the business owners note that Facebook is an important tool for online presence and communicating with potential customers and business partners. The business owner from *Lily's Closet* indicated that she was more enlightened when she started using social media

more for business purposes. In addition, she was also able to sell four dresses online to one of her customers and they would like to have online shopping so as to increase sales during off peak seasons. This infers that social media enables entrepreneurs to increase sales, gain the necessary information that they need in ways that they can improve their businesses. Other business owners also have website pages for their businesses, although they use it to communicate with their customers, to display what they have new and the stock that is coming in. *Tinsel Town* business owner illustrated that she literally communicates with her customers regarding the size of the dresses they are looking for and if it's still on its way she will tell them to check on Facebook as she will put in on there when the dress will be at the shop. In other words, the business owner is able to increase performance by influencing the perception of her customers and increase viral marketing.

However, some of the business owners had reservations about the use of social media especially Facebook. For example, *May Boutique* and *100% ME* owners are not keen in using Facebook. They have a Facebook page just for having an online presence. The latter suggests that either the female entrepreneurs have not realised the full potential benefits of using social media or they are just following the band wagon because other businesses are using it. Further, this would lead them to miss-out on the exposure that they would get will using social media for networking activities. Although the business owner from *100% ME* noted that she doesn't have the time to keep on updating on social media platforms. Creating a profile and then abandoning it will create only minimal exposure for the small, micro and medium enterprises and it could turn off potential customers if they witness inactivity on the site. This shows that she needs to find ways in which she can be able to mitigate the risk of missing out of identifying opportunities and expanding the network web to increase business performance.

Some of the limitations encountered by the business owners while using social media is based on the user generated content. The business owner from *Tinsel Town* shared pictures that belonged to two photographers that she wasn't aware of while in *Lily's Closet* they pointed out that if someone purchases a dress online, they do not have the opportunity to try it on therefore there is a chance it might not fit them and they might send it back. This implies that, social media is a new phenomenon and there are few handbooks that exist to guide the business owner's on how to use these sites. Instead, they are learning through active participation on the site an overwhelming task on the entrepreneurs without a solid understanding of the sites. The entrepreneurs must be aware of the perceived positives and negatives of using social media for business activities. As Van Zyl (2008) observes that social networking sites can lead to potential loss of confidential or sensitive information. It might also damage the businesses reputation either through intentional acts of vandalism and misinformation or through negligent acts or omissions. Therefore, the business owner's need to ensure that the content they display is up to date and use it more efficiently to collaborate with their suppliers and customers.

At least two of the business owners (*Tinsel Town* and *Lily's Closet*) have recognized the need to take positive actions when it comes to using different social media platforms to enhance their networking activities. They are eager to learn and adopt sites that would give them the exposure that they need to increase their network circle and sales. Social media platforms would enable them to reach a wide diverse network in terms of age, culture and socio-economic status. Then, the business owner's will need to start using more social networks to meet the needs of their customers and clients. Furthermore, the entrepreneur's participation to fashion shows and being members of the Cape Town fashion council would increase their networking activities thus yielding the benefits of growing their business venture.

In general, the fashion industry is diverse and very competitive because there are some pioneering firms that small businesses have to compete with (Moon & Ngai, 2008). For instance, *May Boutique* business owner indicated that foreign fashion retailers like Zara and H&M are entering into the South African market. The emergence of big foreign fashion retailers into the local market, acts as a big threat to the small businesses in the fashion retailing sector as it increases competition. Therefore, besides the influx of products from China and other countries, it also shows that the South African government is doing little to protect the local products and entrepreneurs. The fashion entrepreneurs have a significant impact on the growth of small businesses within a country (Moloi & Nkhahle, 2014). Therefore it is essential for small, micro and medium businesses to network using social media applications so as to be able to nurture their business and increase the performance of their business.

5.5 Concluding Remarks

This chapter discussed and analysed the key findings of the study in relation to the literature. In this regard it can be stated that through the findings the main themes emerged concerning; social and business networking through social media, business performance of the businesses and the possible challenges that the business owners encountered while using social media. The following chapter presents the conclusion and recommendation of the study.

CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

6.1 INTRODUCTION

The discussion of the findings was presented in the previous chapter. This chapter presents the conclusions and implications of the research findings on the role of social media for both social and business networking of the female entrepreneurs in the fashion retail sector in Stellenbosch area. The main objectives of this study was to explore how the female entrepreneurs use social media for social networking purposes; examine the influence of social media in business networking practices and; to establish the contribution of both social and business networking towards business performance. The findings highlight that the business owners were keen in establishing their networks. Further on the female entrepreneurs were familiar with social media and its affordances but they are not using it to its full extent. The limitations of this research project will be pointed out. Conclusions are drawn based on the results obtained, and recommendations for future research will be addressed.

6.2 Conclusion to the Study

Entrepreneurship has contributed to the economic growth throughout the world. In the South African context, entrepreneurship contributes to the Gross Domestic Product (GDP) of the country. According to the GEM report, 2012 the female entrepreneurs in sub-Saharan countries such as South Africa are necessity driven rather than opportunity driven. However, the female entrepreneurs have started taking up the centre stage by engaging in opportunity driven business ventures. The study focused on how the female entrepreneurs in the fashion retail sector use social media for networking purposes. It has been observed that the female entrepreneurs are using different social media platforms such as Facebook, Twitter, Instagram and Pinterest to display their products and also network.

The evidence suggests that female entrepreneurs are still relying on traditional ways to social network. Examining the entrepreneur's social networking activity, they are engaged in different community projects in the society. Their individual engagement in the societal activities depends on the networks and form of connections they form within the social groups that would increase their success (Van Zyl, 2008). In order, for the business owners to expand their network externalities they need to use social media to its full potential for social networking purposes.

Moreover, while business networking, the business owners were able to use social media platforms to interact with their suppliers and customers. Some of the business owners were able to increase their sales through social media, meet new suppliers, clients, and market their products and services. They used platforms such as Facebook to display their products and services and to communicate with their customers. The findings indicate that, some of the entrepreneurs sourced their suppliers from using social media (Facebook) while a few of the suppliers gained clients through social media. Although not all the female entrepreneurs were using social media to its full potential, despite social media being regarded as an essential tool towards business networking.

In the previous chapter, one of the key findings in relation to social and business networking; was that both weak ties and strong ties connections played a vital role in enhancing the development of the business. The relationship (strong ties and weak ties) enabled the entrepreneurs to spot opportunities and acquire the necessary resources. With regards to the four cases, the business owners have a stronger relationship with their suppliers. Their relationship goes beyond professional. However, they are still at their start-up phase, and they need to build trust among their business network.

Overall, there is a trend of how the entrepreneurs are using both social and business networks for their business operations. The data reveal that the entrepreneurs are familiar with social media and its affordances, although the researcher believes they are not using it to the full extent. This might be because these entrepreneurs do not possess the necessary technical skills to explore the full potential of using social media platforms for their businesses. Despite the lack of technical skills, the business owners were able to gain exposure into the market after using social media. The exposure led to increased sales pitch which influenced the performance of their business. Although at this stage their businesses are still at developmental stages; therefore there are no clear indicators of their performance measures.

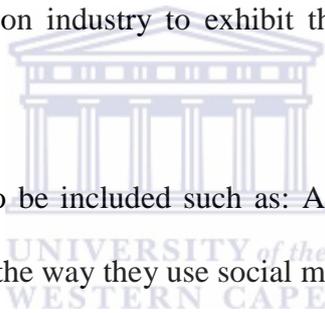
6.3 Limitation of the Study

This study focused on use of social media as a networking tool towards the female entrepreneurs businesses in the fashion retail sector. The study contributed to how SMMEs are using social media platforms towards business activities. However, there were some limitations to the study. This research was limited to SMMEs in the fashion retail sector in the Western Cape Province. The sample was drawn from Stellenbosch area only, therefore, the findings cannot be generalized to other SMMEs. In addition, all the business owners considered that their businesses were performing well; however, there was no evidence of the yardstick they use in measuring performance.

6.4 Recommendations

Although the present study has made significant contributions to the body of knowledge regarding the use of social media towards SMMEs in the fashion retail sector, however certain areas still need to be explored. Based on the findings of this study, the following recommendations are made:

- A mixed method approach could be used with the application of quantitative methods to look at the structural characteristics of the female entrepreneurs network while qualitative method to support quantitative results by providing more in-depth investigation of the ties that link actors which will help to broaden understanding on what really goes on in networks.
- The study focused on only four case studies within a particular area. Therefore, a larger sample of multiple case studies could be included from different parts of the region.
- A comparative case study can be conducted between the males and females entrepreneurs in the fashion industry to exhibit the networking behaviour between them.
- Other variables could also be included such as: Age, Education level of the female entrepreneurs to establish the way they use social media.



Bibliography

- Ahmad, H. & Naimat, S., 2011. Networking and Women Entrepreneurs: Beyond Patriarchal Traditions. *African Journal of Business Management*, 5 (14), pp. 5784-5791.
- Anon., 2009. *The SME Banking Knowledge Guide*. [Online]
Available at: <http://www.ifc.org>
[Accessed 1 October 2013].
- Anon., 2014. *Effective measure*. [Online]
Available at: <http://www.effective measure.com>
[Accessed 17 September 2014].
- Axson, D. A., 2010. *Best Practices in Planning and Performance Management: Radically Rethinking Management for a volatile world..* 3rd ed. New Jersey: John Wiley & Sons. Inc.
- Babbie, E., 2007. *The Practice of Social Research*. Eleventh Edition ed. Belmont, CA: Thomson Learning Inc..
- Babbie, E. & Mouton, J., 2001. *The Practice of Social Research*. Cape Town: Oxford University Press.
- Baker, T., Aldrich, H. & Nina, L., 1997. Invisible Entrepreneurs: The Neglect of Women Business Owners by Mass Media and Scholarly Journals in the USA. *Entrepreneurship & Regional Development*, Volume 9, pp. 221-238.
- Batool, H. & Riaz, S., 2012. How does the social networking affect new entrepreneurial ventures in UAE. *International Conference on Technology and Business Management*, pp. 151-162.
- Bennett, R. & Dann, S., 2000. The Changing experience of Australian female entrepreneurs. *Gender, work and Organization*, 7(2), pp. 75-83.
- Berthon, P. R., Pitt, L. F., Plangger, K. & Shapiro, D., 2012. Marketing meets web 2.0, social media, and creative consumers: Implications for international marketing strategy. *Business Horizons*, Volume 55, pp. 261-271.
- Birley, S., 1985. The Role of Networks in the entrepreneurial process. *Journal of business venturing*, Issue 1, pp. 107-117.
- Blisson, D. & Rana, B. K., 2001. *The Role of Entrepreneurial networks: The influence of Gender and Ethnicity in British SMEs*. Taipei, Taiwan, International conference for small business.
- Chell, E. & Baines, S., 2000. Networking, Entrepreneurship and Microbusiness behaviour. *Entrepreneurship and Regional Development*, 12(2000), pp. 195-215.
- ChenHall, R. H. & Smith, K. L., 2007. Multiple Perspectives of Performance Measures. *European Management Journal*, 25(4), pp. 266-282.
- Cilliers, F. d. P., 2014. Research Paradigms and Traditions. In: F. d. P. Cilliers, C. Davies & R. M. Bezuidenhout, eds. *Research Matters*. Cape Town: Juta and Company Ltd, pp. 18-35.

- Constantinidis, C., 2011. How do women entrepreneurs use the virtual network facebook? The impact of gender. *Entrepreneurship and innovation*, 12(4), pp. 257-269.
- Cornelisse, S. et al., 2011. Entrepreneurial Extension Conducted via Social Media. *Journal of Extension*, 49(6), pp. 1-5.
- Creswell, J. W., 1994. *Research Design- Qualitative and Quantitative approaches*. Carlifonia: Sage.
- Creswell, J. W., 2009. *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches*. 3rd ed. London: SAGE publication.
- Cromie, S. & Birley, S., 1992. Networking by female business owners in Northern Ireland. *Journal of business venturing*, 7(3), pp. 237-251.
- Edosomwan, S. et al., 2011. The History of Social Media and its Impact on Buisness. *The Journal of Applied Management and Entrepreneurship*, 16(3).
- Elfring , T. & Hulsink, W., 2007. Networking by Entrepreneurs: Patterns of Tie-Formation in Emerging organizations. *Organizational Studies*, 28(12), pp. 1849-1872.
- Eriksson, P. & Kovalainen, A., 2008. Qualitative Methods in Business Research. In: London: SAGE, pp. 70-74.
- Forsgren, M., 2013. *Theories of the multinational Firm: A multidimensional creature in the global economy*. 2nd ed. UK: Edward Edgar Publishing, Inc..
- Fuseware & World wide worx, 2012. *South African Social Media Landscape*. [Online] Available at: <http://mybroadband.co.za/news/internet/44061-biggest-social-networks-in-south-africa> [Accessed 15 March 2013].
- Ge, B., Hisrich, R. D. & Dong, B., 2009. Networking Resource Acquisition, and the Performance of Small and Medium Sized Enerprises: An empirical study of three major cities in China. *Fall*, 7(3), pp. 221-239.
- Gilmore, A., Carson, D. & Rocks, S., 2006. Networking in SMEs: Evaluating its contribution to marketing activity. *International business review*, Volume 15, pp. 278-293.
- Goldstruck, A., 2012. Internet matters:The quiet engine of the South Africa economy:Internet access in South Africa. *Johannesburg:World Wide Worx*.
- Granovetter, M., 1983. The Strength of weak ties: A Network Theory Revisited. *Sociology Theory*, Volume 1, pp. 201-233.
- Granovetter, M., 1985. Economic action and social structure: The problem of Embeddedness. *American Journal of sociology*, 91(3), pp. 481-510.
- Granovetter, M. S., 1973. The Strength of weak ties. *American Journal of Sociology*, 78(6), pp. 1360-1380.
- Greve , A. & Salaff, J. W., 2003. Social Networks and Entrepreneurship. *Entrepreneurship Theory and Practice*, 1(262), pp. 1042-2587.

- Hampton, A., Cooper, S. & McGowan, P., 2009. Female Entrepreneurial Networks and Networking Activity in Technology-based Ventures: An Exploratory Study. *International Small Business Journal*, 27(2), pp. 193-214.
- Hanson, S. & Blake, M., 2009. Gender and Entrepreneurial Networks. *Regional Studies*, 43(1), pp. 135-149.
- Harris, L., Rae, A. & Misner, I., 2012. Punching above their weight: the changing role of networking in SMEs. *Journal of Small Business and Enterprise Development*, 19(2), pp. 335-351.
- Haupt, P., 2001. *The SAARF Universal Living Standards Measure (SU-LSM) 12 Years of Continuous Development*. [Online]
Available at: <http://www.saarf.co.za>
[Accessed 10 March 2015].
- Hoang, H. & Antoncic, B., 2003. Network-based research in entrepreneurship a critical review. *Journal of Business Venturing*, Volume 18, pp. 165-187.
- Holm, D. B., Eriksson, K. & Johanson, J., 1999. Creating value through mutual commitment to business network relationship. *Strategic Management Journal*, Volume 20, pp. 467-486.
- Hutchings, C., 2012. Commercial use of facebook and twitter-risks and rewards. June.
- Jack, S. L., 2005. The role, use and activation of strong and weak network ties: A qualitative analysis. *Journal of management*, 42(6), pp. 1233-1259.
- Jack, S. L., 2010. Approaches to studying networks: Implications and outcomes.
- Kahar, R., Yamimi, F., Bunair, G. & Habil, H., 2012. Trusting the social media in small business. *Social & Behavioral Sciences*, Volume 66, pp. 564-570.
- Kaplan, A. & Haenlein, M., 2010. Users of the world, unite! The challenges and opportunities of social media. *Business horizons*, Volume 53, pp. 59-68.
- Kervin, J. B., 1992. *Methods of Business research*. Newyork: Harper Collins.
- Kietzmann, J. H., Hermkens, K., McCarthy, I. P. & Silvestre, B. S., 2011. Social Media? Get Serious! Understanding the functional building blocks of Social Media. *Business Horizons*, Volume 54, pp. 241-251.
- Klerk, S. D., 2010. The importance of networking as a management skill. 41(1), pp. 37-49.
- Klerk, S. d. & Kroon, J., 2008. Business networking relationship. 39(2), pp. 25-35.
- Koonin, M., 2014. Validity and Reliability. In: S. C. Van der Merwe, ed. *Research Matters*. Cape Town: Juta & Company Ltd, pp. 252-260.
- Kraus, S., Rigtering, J. C., Hughes, M. & Hosman, V., 2012. Entrepreneurial Orientation and the Business Performance of SMEs: a quantitative study from Netherlands. *Management Science*, Volume 6, pp. 161-182.
- Lee, N. & Lings, I., 2008. In: *Doing Business Research: A Guide to Theory and Practice*. London: SAGE.

- Martinez, M. A. & Aldrich, H. E., 2011. Networking strategies for Entrepreneurs: Balancing Cohesion and Diversity. *International Journal of Entrepreneurial Behaviour and Research*, 17(1), pp. 7-38.
- Martin, L. M. & Wright, L. T., 2005. No gender in cyberspace? Empowering Entrepreneurship and Innovation in Female-run ICT Small Firms. *Entrepreneurial Behaviour & Research*, 11(2), pp. 162-178.
- Maxwell, J., 2013. *Qualitative research design: an interactive approach*. London: Sage.
- Minniti, M., 2012. *Global Entrepreneurship Monitor*. [Online] Available at: <http://www.gemconsortium.org> [Accessed 15 July 2013].
- Moller, K. K. & Halinen, A., 1999. Business Relationships and Networks: Managerial Challenge of Network Era. *Industrial Marketing Management*, Volume 28, pp. 413-427.
- Moloi, K. C. & Nkhahle, M. A., 2014. Perceived success of entrepreneurs in the vaal region of South Africa with special reference to fashion. *Mediterranean journal of social sciences*, 5(1), pp. 225-233.
- Moon, K. L. & Ngai, E. W., 2008. The Adoption of RFID in Fashion Retailing: A business value-added Framework. *Industrial Management Data Systems*, 108(5), pp. 596-612.
- Moore, D. P. & Buttner, E. H., 1997. *Women Entrepreneurs: Moving Beyond the Glass Ceiling*. s.l.:SAGE Publication.
- Murphy, G. B., Trailer, J. W. & Hill, R. C., 1996. Measuring Performance in Entrepreneurship Research. *Journal of Business Research*, Volume 36, pp. 15-23.
- Mutula, S. M., 2001. Internet access in East Africa: a future outlook. *Library Review*, 50(1), pp. 28-34.
- Nieuwenhuis, J., 2010. Qualitative research designs and data gathering techniques. In: K. Maree, ed. *First steps in Research*. Pretoria: Van Schaik, pp. 69-97.
- Osterle, H., Fleisch, E. & Alt, R., 2001. *Business Networking. Shaping Collaboration between enterprises*. 2nd ed. Berlin: Springer-Verlag.
- Pascoe, G., 2014. Sampling. In: F. d. P. Cilliers, C. Davis & R. M. Bezuidenhout, eds. *Research Matters*. Cape Town: Juta & Company Ltd, pp. 142-143.
- Patton, M. Q., 1990. *Qualitative Research and Evaluation Methods*. 3rd ed. s.l.: Newbury Park SAGE publication.
- Pearson, R. & Richardson, D., 2001. Business networking in the industrial revolution. *The Economic History Review*, 54(4), pp. 657-679.
- Perez, M. P. & Sanchez, A. M., 2003. The development of university spin-offs: early dynamics of technology transfer and networking. *Technovation*, Volume 23, pp. 823-831.
- Punch, K. E., 1998. *Introduction to Social Research: Quantitative and Qualitative approaches*. s.l.:Sage.

- Punch, K. F., 2006. *Developing Effective Research Proposals*. 2nd Edition ed. s.l.:s.n.
- Quinlan, C., 2011. *Business Research Methods*. United Kingdom: Cengage Learning EMEA.
- Robson, C., 1993. In: *Real World Research: a resource for social scientists and practitioner researchers*. 3rd ed. s.l.:Oxford Blackwell.
- Rule, P. & John, V., 2011. *Your guide to Case Study Research*. 1 ed. Pretoria: Van Schaik.
- Sairosse, T. M. & Mutula, S., 2003. Economic Impact of the Internet: Study of Cybercafes in Gaborone, Botswana. *Library Hi Tech*, 21(4), pp. 451-462.
- Scott, L. et al., 2012. Enterprise and Inequality: A Study of Avon in South Africa. *Entrepreneurship Theory and Practice*, 36(3), pp. 543-568.
- Sekaran, U., 2003. *Research Methods for Business: A skill building approach*. 4th ed. USA: John Wiley & Sons, Inc.
- Stokes, R., 2008. Social Media Channels. In: S. Blake, ed. *eMarketing: The Essential Guide to Online Marketing*. Cape Town: Quirk eMarketing (PTY) Ltd, pp. 365-403.
- Strydom, A. & Bezuidenhout, R. M., 2014. Qualitative data collection. In: F. d. P. Cilliers, C. Davis & R. M. Bezuidenhout, eds. *Research Matters*. Cape Town: Juta and Company Ltd, pp. 173-203.
- Thareji, R. & Kumar, V., 2014. What makes women to enter into entrepreneurship?. *An international multidisciplinary research journal*, 4(6), pp. 158-170.
- Van Zyl, A. S., 2008. The impact of social networking 2.0 on organisations. *Emerald Group Publishing Limited*, 27(6), pp. 906-918.
- Verhuel, I., Van Stel, A. & Thurik, R., 2006. Explaining female and male entrepreneurship at the country level. *Entrepreneurship and regional Development: An International Journal*, 18(2), pp. 151-183.
- Weiser, E. B., 2000. Gender differences in Internet use patterns and Internet application preferences: A two sample comparison. *Cyber Psychology and Behaviour*, 3(2).
- Xaba, G. M. & Rankhumise, E. M., 2014. Business owner's perspectives in pursuance of their businesses: what matters most?. *Problems and perspectives in management*, 12(2), pp. 181-189.
- Yin, R. K., 1984. *Case Study Research: Design and Methods*. 1st ed. Beverly Hills, Calif: Sage.
- Yin, R. K., 1994. *Case Study Research: Design and Methods*. 2nd ed. Newbury park: Sage.
- Yu Lin, K. & Peng Lu, H., 2011. Why people use social networking sites: An empirical study intergrating network externalities and motivation theory. *Computers in human behavior*, Volume 27, pp. 1152-1161.

Addenda 1: Cover letter to the entrepreneurs



UNIVERSITY of the
WESTERN CAPE



ECONOMIC AND MANAGEMENT SCIENCE DEPARTMENT
EMS BUILDING, FOURTH LEVEL

021 9593228

Information Sheet

RESEARCH TITLE: An Exploratory study on the use of social media as a business networking tool: the case among four female-owned fashion retail businesses in the Stellenbosch area, Cape Town.

Dear Participant,

My names are Judie Chache; I am a master's student at the University of the Western Cape. You are invited to participate in my research study as, it is in partial completion of my research project towards an MCom degree at the School of Business and Finance.

Before you decide to participate, it is important for you to understand the purpose of the research and what it entails. Please take the time to read the following information carefully and if you are unclear of anything, I would be glad to clarify/ answer any questions you may have.

PURPOSE OF THE STUDY

To explore in-depth how female SME owners in the fashion retail sector adopt the use of social media as a means of business networking, marketing activities and the possible challenges they encounter while running the business.

DESCRIPTION OF STUDY AND YOUR INVOLVEMENT

The purpose of this exploratory study is to establish whether female entrepreneurs in the fashion retail sector in Cape Town use social media as a networking tool; examine how social media influences their business strategy formation; identify the challenges that the female entrepreneurs face in the use of social media as a business networking tool during the start-up and growth of their business; finally to identify how social media influences their business performance.

The researcher would also require access to the network circle the female entrepreneur is in contact with so as, to identify the networking relationship.

CONFIDENTIALITY

Please be advised that the results of the study will neither divulge the organization's particulars nor the individual's particulars, as to maintain confidentiality at all times. Any information that can connect the responses to an individual/organization will remain confidential. The researcher shall

keep all data, including a signed consent form which is required from you should you agree to participate in this research study. Also, note that all the relevant information regarding the research will be available to you if you wish. Please note that participation in this study is voluntary and you may withdraw at any stage of the study if you wish to do so.

Finally, the consent form is provided below could you please complete the consent form and return it to me.

Yours Faithfully,

.....

Judie Chache

FURTHER INQUIRIES

Should you have further questions or wish to know more, I can be contacted as follows:

Student Name: Judie Chache

Student Number: 3217471

Mobile Number: 0713057725/ 0846737463

Email: jdchache@gmail.com

I am accountable to my supervisor: Mrs. Lemay Llorente Quesada

Telephone: 021-959 9306

Email: Lquesada@uwc.ac.za



Addenda 2: Semi structured interview guide for the entrepreneurs



**University of the western cape
Economic and Management Sciences Faculty
School of Business and Finance
Private Bag X17
Belville
7535**

Date of interview:-
Time of interview:-
Name of interviewer:-
Name of interviewee:-
Start time:-
End time:-
Place:-

Semi- structured interview guide for the entrepreneurs

Section 1. Biographical information

i) Please indicate your age group:

18-29 30-39 40-55 >55

ii) What is your marital status?

iii) What is your highest level of completed education?

Section 2. Background questions

- (i) Please tell me about yourself (background)
- (ii) What is the nature of your business?
- (iii) How long has the business been in operation?
- (iv) What prompted you to start it?

- (iv) Why fashion retail?
- (v) Did you ever try other business sectors other than fashion? Yes or No
- (vii) Are you the sole owner of this business? Yes or No Please motivate
- (iv) Do you have a desire to expand your business? Yes or No
Please Motivate
- (viii) Do you find any challenges in conducting business in this sector? Yes or No
If yes, briefly explain

Section 3. Business networking questions

- (i) Do you sell your own designs? Yes or No, If no, where do you acquire your merchandise from?
- (ii) How do you market your products and services?
- (iii) Which marketing method would you say is effective for your business? Why do you say so?
- (v) In your opinion, what separates your business/ company from the other competitors in the fashion industry?
- (vi) Have you achieved your goals since you started operation? Yes or No
Please motivate?
- (vii) Who are the key networks/ suppliers in your business network?
- (viii) How is the relationship with each of the suppliers?
- (ix) How often do you contact them?
- (x) Through which media do you use to communicate with your suppliers?

Section 4. Social media use questions

- (i) How familiar are you with social media?
- (ii) What do you use social media for?
- (iii) Do you use it for personal purposes or business purposes? Yes or No Please motivate your answer
- (iv) Which social media platforms (Facebook, LinkedIn, Twitter) do you use oftenly?
- (v) Which one do you prefer most for your business dealings? Please motivate
- (vi) Would you say it is a useful communication tool for your business networking?
- (vii) How do you separate business networking and personal networking?
- (viii) Please mention atleast three benefits of using social media for business purposes

(ix) Are there any challenges that you have encountered while using social media for business activities? Yes or No Motivate

(x) Is there anything else you would like to add regarding the use of social media in business?



Addenda 3: Informed consent to the suppliers

Background to the study

My name is Judie Chache. I am a student at the University of the Western Cape pursuing a masters degree in management (MCom). I am conducting research on Small Medium Enterprise owned by female entrepreneurs in the Fashion retail sector in Cape Town. I have already conducted formal interviews with selected female entrepreneurs. I am therefore conducting this survey to examine the relationship between you (as a supplier) and the female entrepreneur. As you know, the female entrepreneur relies on the supplier to source the products they need for their business. I hope this study will reveal more about the use of social media as a networking tool among female entrepreneurs and their suppliers.

The study is strictly for academic purposes. If you decide to volunteer, I will ask you some questions about your business. I will also ask you about your relationship with the (Owner-managers of the boutiques) female entrepreneurs and a few things about yourself. The survey is anonymous and might take 20 to 25 minutes to fill it.

You may not benefit personally from your participation in this study. However, the information obtained from this research may be helpful to female entrepreneurs in fashion sector. To those who are planning on ways to use social media platforms more effectively for economic development in South Africa and else where in Africa. I do not anticipate any risk or problems with participating.

Your participation is entirely voluntary. You may withdraw at any time during the survey without any prejudice. You may also decide to skip any questions that you prefer not to answer.

If you have any questions about participation in this study, please feel free to ask at anytime-before, during or after the survey questions. Please find below my details as well as my supervisor's. Please be informed that ethical consideration have been considered by the Universities ethical clearance committee and therefore this survey is not harmful to participants like you.

Your contribution will be highly appreciated.

Contact details

Judie Chache (Researcher)

Economic and Management Science Faculty

Email: 3217471@myuwc.ac.za

Cell no: +27713057725

Lemay Llorente Quesada (Supervisor)

Academic Development Department

Economic and Management Sciences Faculty

Tell no:- 0219599306

Email:- Lquesada@uwc.ac.za

Addenda 4: Questionnaire to the suppliers
Questionnaire

Dear respondent, this questionnaire aims at obtaining primary data regarding your networking activities with your clients. Kindly be informed that both the researcher and the supervisor (i.e. lecturer) will use all information obtained for academic research purposes only. You can be rest assured that both the researcher and supervisor will guarantee ethical and careful use of the information. Please note that participation in this study is voluntary and you may withdraw at any stage of the study if you wish to do so.

A. Biographical information

1. Please indicate your age group?

18-29 30-39 40-55 >55

2. Please indicate your gender

Male Female

3. What is your highest level of completed education?

Primary

Secondary

University

College

Other specify.....



B. Background questions

4. What kind of products/ services do you provide?

.....
.....
.....

5. How long have you been supplying your products?

.....

6. Where is the business based?

.....

7. Do you have a contract with the business owner?

YES NO

8. If no, what kind of arrangement do you have with the business owner?

.....
.....
.....

9. How often do you communicate with your clients?

Daily

Weekly

Monthly

Yearly

Other specify.....

10. From the list below, what kind of information do you share with your clients?

Arranging a call back

Chit chat

Making plans to meet

Information or important news

Family matters

Deliveries

Business prices

Other business matters

Other specify.....

11. Do you have a well established relationship with your clients?

YES

NO

12. Please motivate your response

.....
.....
.....

13. Are there any challenges that you have faced while distributing your products?

YES

NO

14. If yes, please motivate your answer by listing three challenges

.....
.....
.....

C. Social media use questions

15. Are you familiar with the term social media?

YES

NO

16. Please motivate your answer

.....
.....
.....

17. Do you use social media for your day to day operation?

YES

NO

18. If yes, which of the following social media platforms do you communicate with your clients?

Facebook

Emails

Twitter

LinkedIn

Pinterest

Skype

Other specify.....

19. Do you think social media is a good communication tool for business?

YES

NO

20. Please motivate your response?

.....
.....

.....
21. Are there any challenges that you have encountered while using social media for business activities?

YES NO

22. If yes, Please list key challenges

.....
.....
.....

23. How do you mitigate the negative impact of the above challenges?

.....
.....
.....

D. Your business relationship with your clients

24. Do you have a personal relationship with your clients?

YES NO

25. Do you communicate with your clients about the kind of products that you need to supply to them?

YES NO



26. Do you discuss with your clients regarding the demand in the market?

YES NO

27. Is there a time that you did not obtain critical information from your client, which led to a delay of completion of work?

YES NO

28. Are you able to share with your clients some of the challenges that you face while producing the products?

YES NO

Thank You!

Addenda 5: Transcriptions on business networking of the female entrepreneurs and their key suppliers

Entrepreneurs	Business networking	Suppliers	Business networking
<p>Respondent 1 (Lily's Closet)</p>	<p>[..] “We are learning every day about retail, about personal relationship with our clients”</p> <p>[.] “We’ve got a very good relationship with our clients and designers”</p> <p>[.] “We have established good business am talking about relationships but that’s very important. The firm cannot exist without the suppliers”</p> <p>[.] “We contact each other mainly via email”</p> <p>[.] “we source some of the suppliers from Facebook if our customer likes a dress, we check the Facebook page of the designer and get their contacts”</p> <p>[...] “ some of the designers, when they come to the shop they bring their stock themselves they don’t use courier service, so those people you build a relationship with more”</p> <p>[...] “I send them sales report every two weeks so they know which stock sold or else you need to bring in more stock because your rail is a bit empty”</p> <p>[...] “ so they rely on us to keep them up to date with the stock”</p> <p>[...] “we tell them what’s going on in Stellenbosch”</p> <p>[...] “One of the supplier has become more like our friend, if she is not happy with something she tells us, she is not</p>	<p>Supplier 1 (Lily's Closet)</p> <hr/> <p>Supplier 2 (Lily's Closet)</p>	<p>“I have a well-established relationship with our clients”</p> <p>“My clients contact me for new products when they need to, this shows that they like to work with me and like my product. I get great response when I contact the clients my self-regarding new product”</p> <p>“I use Facebook, emails, twitter, Pinterest, Skype and Instagram to communicate with her clients”</p> <hr/> <p>“We are loyal to the shops (Clients) that we stock as we feel a longer relationship with a client will mean a better understanding of each other’s business and therefore better working relationships and better sales.</p> <p>“Has a well-established relationship with her clients. She communicates to her clients via Facebook and email”</p> <p>“I have a personal relationship with my clients”</p> <p>“I discuss with my clients regarding the demand in the market and the product I need to supply them”</p> <p>“I can share with my clients the challenges I am facing while</p>

	<p>shy because we are friends. If we are not happy we email her and say this and this you can't leave stock for so long send us new stuff."</p>		<p>producing the product"</p>
<p>Respondent 2 (Tinsel Town)</p>	<p>[..] "am working with two suppliers from China and I do have couple of sources in South Africa as well not a lot but only two and then I do have a relationship with a seams dress that can also make on demand for me"</p> <p>[..] "I think at the moment is good, I stress if I don't have a good relationship with a supplier because I am still a bit dependent on the supplier"</p> <p>[...] "I think the suppliers that I have cultivated over the past year I've got a good relationship with them"</p> <p>[...] "I check every day what they have available but I probably have to contact them once a week"</p> <p>[.] "Facebook is a good communication tool for business networking"</p> <p>[..] "for support and advice I would rather go to my family but advice I would go to business contacts but as I said I don't really think I have a lot of people I could speak to right now that can help me with advice and stuff because I don't know the right people</p>	<p>Supplier 3 (Tinsel Town)</p>	<p>" I have a good relationship with the business owner, we communicate weekly regarding deliveries, chit chat and other business matters"</p> <p>" I communicate with the client via email, phone calls and personal visits"</p> <p>"I have a Facebook page that I display the products that I have to source new clients"</p> <p>"Sometimes I don't get correct measurement of the clients which leads to delay of delivery"</p> <p>"I have a personal relationship with my clients"</p>
		<p>Supplier 4 (Tinsel Town)</p>	<p>" I have a good relationship with my clients, although at first there was some miscommunication between me and the business owner due to the number of orders i should be getting monthly"</p> <p>" I communicate with my clients via email, phone and personal</p>

	yet”		visits” “I have a Facebook page but I am not keen in using it” “I send my products via post and with the postal strike its affecting my delivery of products to the clients” “ I do not have a personal relationship with my clients” “I do not communicate with the client regarding the demand in the market”
Respondent 3 (<i>May Boutique</i>)	[...] “My key suppliers I would say the swim wear brand, they are very good suppliers, they also do the nail polish range” [.] “ I have a very good relationship with all my suppliers” [.] “ I think one builds a more customer relationship and let the supplier know what is happening” [.] “ I contact the suppliers via email whenever I need stock or they contact me” [.] “ one of my suppliers have actually suggested ways to help me grow our business kind of together” [.] “ a mistake that a lot of designers make is actually not considering the best place for their brands specifically”	Supplier 5 (<i>May Boutique</i>)  Supplier 6 (<i>May Boutique</i>)	“ I have a good relationship with my clients” “ The relationship with my clients is not personal strictly business” “ I communicate with my clients mainly via email and I distribute news letter regarding the new products that I have” “ I have a Facebook page that I display different designs of my product” “I get some of my clients through Facebook and referrals” “I do not have a personal relationship with the business owner” “ The relationship that I have with my clients is good, we share information regarding business growth, deliveries, news stock” “My clients contact me once a

			<p>week”</p> <p>“ I have a viable agreement with my clients”</p> <p>“we have a website page where we list the stores that stock our products just to direct the customers to the stockists”</p> <p>“We communicate with our clients mainly via email, Facebook and website”</p> <p>“We work on schedule and ensure that we deliver on time to avoid any delays”</p> <p>“We do not have a personal relationship with our clients”</p>
<p>Respondent 4 (100% ME)</p>	<p>[.] “I have a designer that import their clothing, they have a factory in China that makes for them”</p> <p>[...] “ I have silver rhythm is a company that imports from China the soap good candy, the handbags and the scarfs that are in the store”</p> <p>[.] “ I have a good relationship with my suppliers”</p> <p>[.] “One of my designer her stuff is more summery so I will not contact her two to three months in winter. In summer I contact her twice a week but I don’t buy bulk because of the size that I am”</p> <p>[.] “ I have a good relationship with one of my supplier who allows me to buy even one garment from his shipment</p>	<p>Supplier 7 (100% ME)</p>	<p>“ I communicate with my clients on a monthly basis regarding deliveries and business prices”</p> <p>“I have a well-established relationship with my clients”</p> <p>“ The business owner supports my business regularly and she is a good payer”</p> <p>“ I communicate with my clients via Facebook and email”</p> <p>“I have a personal relationship with my clients and I communicate with them regarding the kind of products I need to supply them”</p> <p>“I do not discuss with my clients regarding the demand in the market”</p>

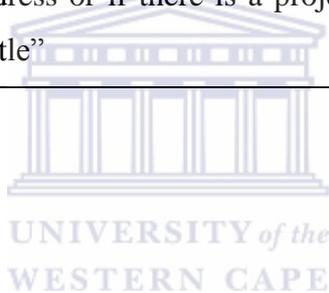
	<p>because I pay him often, he never waits for his money”</p>		<p>“I am not able to share the challenges that I face while producing the product”</p>
		<p>Supplier 8 (100% ME)</p>	<p>“ I communicate with my clients on a daily basis on making plans to meet, deliveries, business prices and other business matters”</p> <p>“ I have a good relationship with the business owner, we have a good working relationship over a period of 2 years”</p> <p>“ I use email, Facebook and LinkedIn to communicate with my clients”</p> <p>“I have a personal relationship with my clients, I am able to communicate with them regarding the demand in the market, the challenges that I am facing and the kind of product I should supply them”</p>



Addenda 6: Transcriptions on social networking of the female entrepreneurs

Entrepreneur	Social networking
Respondent 1 (<i>Lily's Closet</i>)	<p>[.] “The other big thing is the hostels when they have a mere arena they come and borrow our clothes for the evening. Semi-formal and formal they will dress in Lily’s and other students would see”</p> <p>[.] “We get invited to fashion shows and we are members of Cape Town fashion council. If there is any cause or something they have then we will go if it’s necessary”</p> <p>[.] “We will go to a workshop or when other designers invite us to their fashion shows and then we get to meet other people. I do think it’s important to network with others even the shop owners”</p>
Respondent 2 (<i>Tinsel Town</i>)	<p>[.] “I do a lot of promotional things where I get a lot of exposure. One of the best for me is beauty pageants at schools and student residents for girls, I would sponsor them the evening dresses”</p> <p>[.] “ When I sponsor the evening dresses then my logo has to be everywhere at the school and they need to market me”</p> <p>[.] “I sponsor celebrities for instance I sponsored two girls that took part in miss South Africa this year, with the dresses that they wore for the interview then they would tag me on Facebook then I get a lot of feedback from that”</p> <p>[.] “ like I am doing another event now at 444 market where I would be making wedding gowns because September is wedding month”</p> <p>[.] “ I have also gone to residents I have spoken to students, introduced new products and speak about my shop”</p> <p>[...] “ I have built quite a lot of relationship with makeup artist, photographers, like people in my industry but to me they are business contacts”</p> <p>[.] “When I see a Facebook page of a make-up artist, photographers. I would like their page and join their network as it relates to my industry”</p>
Respondent 3 (<i>May</i>)	<p>[.] “ I have three big brands that have distributors that do marketing for us so basically they list you as their stockist in magazines that</p>

<i>Boutique)</i>	<p>gives me the exposure”</p> <p>[.] “ I get involved with activities in the university and schools around just to meet people and interact with them”</p> <p>[.] “I tried to interact with one of the business owner of the shops around and they thought that I would steal her own shops idea”</p>
Respondent 4 (100% <i>ME)</i>	<p>[.] “I was involved in a community project where we would contribute money and go to schools and speak to parents regarding drugs. While I advertise the business in the school because I want the mum’s to come to my shop”</p> <p>[.] “In the mall itself, you pay money to the mall they use their advertising campaigns which are effective. If there is anything in the mall we try to be part of it because that’s a good foot ground”</p> <p>[.] “what we always do for high stances we would sponsor an infinity dress or if there is a project at the university I would also give a little”</p>



Addenda 7: Transcription on the use of social media

Entrepreneurs	Social media usage
<p>Respondent 1 (<i>Lily's Closet</i>)</p>	<p>[.]“marketing, competition, we will say if you like a post then you will win a bet bracelet and then all of a sudden everyone likes your post then more and more people see your post. Competition like that or when we find a client that wears something from us we will take a photo, we will put it up so that they feel special, so that they feel part of us. It’s for customer base a lot of girls want people to know they know us and we know them and so it’s nice a lot of girls like it when we put them on Facebook wearing our dress”</p> <p>[...] “ I use it for business but I have a personal Facebook myself but for Instagram I do not do it for myself but mostly for business”</p> <p>[.] “ I use Facebook often for business dealings but now Instagram is also a nice thing”</p> <p>[...] “ my eyes started opening when I started using it more”</p> <p>[...] “I use it for networking you meet new people, new designers. I might see a dress that one of my clients like or whatever then I’ll go see the designer and click on their page”</p>
<p>Respondent 2 (<i>Tinsel Town</i>)</p>	<p>[.] “ I use it mainly to show the customer and prospective customers what I have in stock and what they can afford to buy”</p> <p>[...] “It’s an important tool for me to communicate with my customers because my website is not really strong yet. Customers actually check on there what I have new, the things in and they would say we are looking for that size and I would tell them it’s still on its way but check Facebook and I will put it on there if it’s coming so I would literally go and say okay this dress size 34 has come in but I try to keep the word in very cool, fashionable, trendy and stuff”</p>
<p>Respondent 3 (<i>May Boutique</i>)</p>	<p>[...] “I think you want to use it for marketing but I don’t think it’s necessarily effective for marketing. I think it’s more for online presence in general”</p> <p>[...] “ I use it for both business and personal purposes but am not very keen, I think it’s very important and that’s why people do it”</p> <p>[...] “My personal account is just for Facebook friends just to keep in touch with people, like to keep in touch with friends, how we communicate recently I find.”</p>
<p>Respondent 4</p>	<p>[...] “ I use Facebook strictly for business, I have a personal one but we link that to the</p>

<i>(100% ME)</i>	business” [...] “We also thought that Facebook is better than website because it’s more expensive.” [...] “So we started with Facebook, I have it in my own name as well but I never use it. I only registered to link the business to that so its solely for the business”
------------------	---



Addenda 8: Transcriptions on the benefits of using social media

Entrepreneurs	Benefits of using social media
<p>Respondent 1 <i>(Lily's Closet)</i></p>	<p>[...] “ it’s easy, its very user friendly and then there is a lot as I said I sold couple of dresses and people see stuff and they are not really in the mood of going shopping and ill post something and they say okay I have to have this so they come for it. So they know what is in our store and they know exactly when the new stock arrives, when the sales starts”</p> <p>[.] “Social media enables one to sell more products, more people see us or get familiar with us. Creates awareness, you meet new clients and friends”</p>
<p>Respondent 2 <i>(Tinsel Town)</i></p>	<p>[.] “I can instantly load/upload images of my product that is coming in, I can talk to my customers, I ask them questions on social media like I would post two dresses that I want to buy so I would ask them which colour do you prefer and then they would tell me and then also I can share information on social media”</p>
<p>Respondent 3 <i>(May Boutique)</i></p>	<p>[.] “ I would say that the fact that it is easy for people to contact you”</p> <p>[..] “ basically online awareness and obviously marketing it is good”</p> <p>[..] “ it’s just to keep people updated”</p>
<p>Respondent 4 <i>(100% ME)</i></p>	<p>[...] “ to get your product out there, for marketing”</p> <p>[...] “I got some of the suppliers from using social media, so I think it’s getting yourself out there because it’s a powerful tool. It increases the performance of the business”</p>

Addenda 9: Transcription on some of the challenges the business owners encountered while using social media

Entrepreneurs	Challenges encountered while using social media
<p>Respondent 1 <i>(Lily's Closet)</i></p>	<p>[.] "I don't know how to tweet because of the language used"</p> <p>[.] "if someone buys a dress from Facebook, they didn't have the opportunity to try it on so there is a chance it might not fit and they might have to send it back"</p> <p>[.] "We had to learn to be triple sure before we post anything on Facebook because when you post something someone might ask if it's in the shop and if it's not they get very upset"</p>
<p>Respondent 2 <i>(Tinsel Town)</i></p>	<p>[.] " I have shared pictures that actually belonged to two photographers and they were actually mad at me for that but it only happened once"</p> <p>[.] "When I opened a Facebook account I added a lot of friends at the beginning. I would target them from schools and then someone reported me and I was blocked from Facebook a couple of times"</p>
<p>Respondent 3 <i>(May Boutique)</i></p>	<p>[.] "I have not faced any challenges yet while using social media"</p>
<p>Respondent 4 <i>(100% ME)</i></p>	<p>[.] "I don't have the patience for social media, it frustrates me endlessly"</p> <p>[.] " I used to update regularly when I got new stuff in, one day I got very sick because I was working 24/7 non- stop and using social media regularly can actually steal your personal life"</p>

Addenda 10: Transcription on business performance

Entrepreneurs	Business performance
Respondent 1 (<i>Lily's Closet</i>)	<p>[.] “At this stage we still need to get this shop running 100%. This year our next step is to go online because we have a lot of clients from Johannesburg”</p> <p>[.] “using online business is just another platform it doesn't cost us much, we will just pay a little for the domain so as to increase sales during holiday period”</p>
Respondent 2 (<i>Tinsel Town</i>)	<p>[.] “In august I wanted to do 60 rentals and we did about 120 rentals going out. The target for august was 60 thousand Rands which I thought was a lot and we have already done 75 thousand in three weeks”</p> <p>[.] “last year august we only did 10 thousand Rands so it has really grown a lot”</p>
Respondent 3 (<i>May Boutique</i>)	<p>[.] “It's very tricky everything goes up every year, your rent goes up, and so you have to grow up at the same pace. I have only been able to grow at that specific pace however I wanted to grow faster than that”</p>
Respondent 4 (<i>100% ME</i>)	<p>“Since I started operation I really didn't in my wildest imagination thought I was going to start a factory as well, the business is bigger already than I thought it would be”</p> <p>[.] “I am still not making enough money but I can pay everything. I can pay the people I employ but we cannot live from it yet but mainly because all the money that is coming out it is either going back to the shop or the factory but we grew. I can see where the money is going”</p>

Addenda 11: A sample of the hand- coded transcripts

