THE ROLE OF SOCIAL MEDIA NETWORKS IN THE DEVELOPMENT OF COMPETITIVE ADVANTAGE OF SMALL AND MICRO ENTERPRISES IN KENYA
(Case of Small Firms within Village Market in Nairobi)

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DECLARATION

This research project is my original work and has not been presented for a degree in any other University.

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MR. SHADRACK BETT

This project has been submitted for examination with my approval as University Supervisor.

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This proposal has been submitted with my approval as the Chairman, Department of Business Administration.

Signature ........................................ Date ..............................
ABSTRACT

By utilizing electronic media and social networks, the ways of conducting businesses are rapidly changing and evolving. New business opportunities are emerging due to elimination of geographical barriers and the clientele being reached varies in age, culture and financial capability. With the growth of social media networks, most people tend to access their profiles in their work area networks. Social networks enable a business to be where the customers are. The sites rely on the regular presence of millions of users. The general objective of the study was to investigate the role of social media networks in development of competitive advantage of SMEs firms within Village Market in Nairobi. The population of this study was 130 respondents the owners and employees in SMEs firms within Village Market in Nairobi. The researcher interviewed 101 respondents from the entire population selected in groups. Questionnaires were used to obtain important information about the population. The data was coded and descriptive statistics such as means, standard deviation and frequency distribution were used to analyse the data. Multiple Linear Regression analysis and Chi-Square Test were applied to determine the relationship of the variables. The study concludes that Facebook is the tool being used by the majority of SMEs as in conducting their business and this has been used for quite sometimes by majority of the SMEs. The study also concludes that SMEs owners have adequate information in regard to the role played by social media in running of their business and that’s why they are all moving the social media way. The study thus recommends SMEs to adopt the modern technology since they will have the opportunity to capitalize on the advantages of deploying a social media workforce using applications such as text messaging, email and data transfer. This will also help the SMEs enjoy the benefits of social media that is in the ability of firms to interact with their customers as seen by the anticipation of the drive towards customer value or relationship marketing.