FACTORS INFLUENCING THE USE OF SOCIAL MEDIA AS MAIN COMMUNICATION CHANNEL: A STUDY AMONG THE DIGITAL IMMIGRANT EMPLOYEES OF GENTING MALAYSIA BERHAD

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ABSTRACT

Genting Malaysia Berhad (GENM) is the largest integrated resort operator in Malaysia and is exploring the viability of using social media as a primary channel for communication and collaboration among its employees. Currently, GENM employees are already using social media but in an unofficial capacity using different social media sites. GENM management is interested to find out what caused the adoption in order to ensure successful implementation of an official enterprise wide social media tool within the organization. Additionally, GENM is also concerned on the adoption ability of older employees as there is a perception that these employees are more technologically challenged than the younger employees. This research then extended the use of the Unified Theory of Acceptance and Use of Technology (UTAUT) to explain the factors contributing to the adoption and use of social media in GENM focusing on the older workers. In this research, older workers are referred as digital immigrants. The design adopted by this research is quantitative and data were collected from 243 respondents listed as GENM employees and categorically qualified as digital immigrants. It is found that social influence is the strongest predictor with a regression estimate of 0.592 followed by performance expectancy with regression estimate of 0.388 of behavioral intention in using social media in GENM. While effort expectancy and facilitating conditions had an insignificant effect with p-value greater than 0.05. Overall, the study’s empirical results confirmed the theoretical model by predicting 73.3% of the behavioral intention to use social media in GENM.
APPROVAL PAGE

I certify that I have supervised this study and that in my opinion it conforms to acceptable standards of scholarly presentation and is fully adequate, in quality and scope, as a thesis for the fulfillment of the requirements for the degree of Doctor of Business Administration.

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DECLARATION

I hereby declare that the thesis submitted in fulfilment of the DBA degree is my own work and that all contributions from any other persons or sources are properly and duly cited. I further declare that the material has not been submitted either in whole or in part, for a degree at this or any other university. In making this declaration, I understand and acknowledge any breaches in this declaration constitute academic misconduct, which may result in my expulsion from the programme and/or exclusion from the award of the degree.

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CHAPTER 1: INTRODUCTION

The urge to form partnerships, to link up in a collaborative arrangement, is perhaps the oldest, strongest, and most fundamental force in nature. There is no solitary, free living creatures: every form of life is dependent on other forms (Thomas, 1980).

Social media are the emerging channels for digital communications which enable users to create and consume digital information within the same platform. Social media are groups 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 (Kaplan & Haenlein 2010). These applications are generally free, easy to use, internet-based platforms that can be accessed via computers or smartphones.

According to statistics site Statista (2017), in 2016, 68.3% of internet users or 2.34 billion were social media users and are expected to grow to 2.95 billion by 2020. In addition, email traffic has declined by 10% in the last five years and analysts are predicting further reduction of email volume being sent as social media replaces the mode of communication for users (Statista, 2017b). This is one of the defining phenomena of the present times reshaping the world as we know it.

In Malaysia, social media penetration is even higher compared to global rate with 98% of total Malaysian internet population or 20.66 Million social media users (Department of Statistics Malaysia, 2015). TNS (2014) released a global study identifying Malaysia as one of the most socially engaged markets in the world with social networking as the second most used online activity. The Malaysian Communications and Multimedia Commission [MCMC] (2016) released similar findings stating that 80% of Malaysians visited social media sites with 50% accessing
it daily versus the global daily active rate of 37%. Furthermore, the study released by MCMC revealed that aside from communicating with family and friends, 70% of Malaysian social media users communicate with co-workers via social media (MCMC, 2016). This phenomenon is actively shaping how people behave and communicate using online personas and social media is still undergoing transformation as more people use it for different applications. While social media is still undergoing evolutionary transformation, it is best to understand its beginnings to put context to this research.

Social media’s beginning happened a decade after the discovery of networked media when Tim Berners-Lee managed to connect hypertext technology to the internet which formed the basis of networked communications in 1991 (Oxford University Press, 2015). During that time, networked media were generic services that enabled people to communicate digitally and create online groups but it doesn’t connect people together automatically. The primary tools were in the form of e-mails and closed-network online groups. Not until the last decade, networked communications have changed to interactive two-way vehicles for networked sociality (Castells, 2007; Manovich, 2009). Media evolved and matured together with the public who uses them as part of everyday social practices. In today’s language, it is called social media.

Currently, there are several social media sites available to users depending on the purpose. Majority of them were meant for personal use but can also be utilized by professional users. Different authors came up with several ways to define and classify social media sites. Mayfield (2008) classified it into 6 functional characteristics such as blogs, wikis, podcasts, social networks, forums and content communities. Safko (2010) expanded Mayfield’s classification from 6 to 12 based on functional abilities by adding content sharing platforms, location-based services, video sharing, photo
sharing, audio sharing, and other networks. Weinberg and Pehlivan (2011) classified social media sites based on the richness of the content and the longevity of the information. In summary, most of these preliminary classifications were based on the sites’ functionalities and the type of content use. The problem with this approach was that it limited the analysis on the technical aspects of the platform as opposed to the reasons why people use it in the social context. Furthermore, if we look at social media sites as purely functional abilities, there will be conflicts on future research because social media sites are developed dynamically and it’s still in constant flux that its future form is yet to be determined. Evidently, social media platforms, rather than being finished products, are dynamic objects that are tweaked in response to their users’ needs and their owners’ objectives, but also in reaction to competing platforms and the larger technological and economic infrastructure through which they develop (Feenberg 2009). Every year, new features and functions are introduced to the market and older features are phased out which makes it difficult to analyze from a functional perspective.

Using a different perspective, Cook (2008) classified it by looking at how it is used for interaction using the “4Cs” – communication, co-operation, collaboration and connection. Cook proposed that a site can be clustered and analyze based on one or a combination of the 4Cs. Cook’s classification model is a step closer to understanding how these sites are used and to what purpose. By combining functional characteristics identified by other authors and clustering them to 4 areas of application, he segmented social media sites that are alike and look at them from the 4Cs lens. The only challenge with this view was that social media sites are evolving and until recently, all social media sites can almost do all the 4Cs which makes it harder to delineate which site does what. Van Dijck (2013) came out with a modified classification of social media
sites and this is based on the users’ main activity and classified it into four types – social networking sites, user generated content sites, trading &marketing sites, and play & game sites. This categorization embraces the 4Cs but focuses on how the users use the site. Instead of clustering sites based on its ability for communication, co-operation, collaboration, and connection, Van Dijck combined these four elements and added user activity as a layer for segmentation. This classification elevates the original definition of social media sites from purely functional abilities to psychosocial applications of a site. It elevates the classification because it goes beyond functional capabilities that can be replicated easily. And more often there is a confluence of functionalities that makes all these sites look the same on the surface. Looking at all the popular social media sites today, all of them can do most likely the same thing - connect users, create and share content (photos, videos, audio, text), private 1-to-1 messaging or group chats, public chat groups and every site has an app for smartphones. The functionalities are almost the same however, how users use these sites make the differentiation. Van Dijck’s approach is more flexible than the previous definitions because it does not restrict the analysis to functions and focuses on known social activities done by people as reflected in their everyday offline behavior. Hence, this research will adopt Van Dijck’s classification of social media and each type are further defined below.

Social networking sites (SNS) primarily promote interpersonal contact, whether between individuals or groups. They forge personal, professional or geographical connections and encourage weak ties. Weak tie was a concept that helped bridge different networks together to facilitate the flow of information. This will be further explained in later sub sections of this research as it relates to the overall theoretical basis on this research. Examples of social networking sites are Facebook,
Twitter, LinkedIn, and Google+. This research also categorized hybrid instant messaging platforms like WeChat, Facebook Messenger and WhatsApp as social networking sites as their functions are evolving to have social networking features or used in conjunction with mainstream social networking sites.

The second category is called user generated content (UGC) and these sites support creativity, foreground cultural activity and promote the exchange of amateur and professional content. Content is the information and experiences that are directed towards an end-user or audience. Content is "something that is to be expressed through some medium, as speech, writing or any of various arts". Content can be delivered via many different media including the Internet, television, audio CDs, books, magazines, and live events, such as conferences and stage performances (Odden, 2013). Popular UGC sites are Youtube, Flickr, and Wikipedia.

The third category is Trade & Marketing sites (TMSs). These sites focused on helping people buy and sell products or services. Some examples, Craigslist, eBay and other buy & sell platforms.

Last is the Play & Game sites (PGS). It is still a growing category and consumed mostly by younger demographics. These are games like Farmville, Cityville, Angry birds, The Sims Social and many more.

For this research, the author focused on the ability of a social media site to connect employees in real-time especially those that belong to an organization with a workforce widely dispersed geographically. By enabling employees to connect in real-time, the author believes that this will help facilitate the flow of information, ease of collaboration and timeliness in delivering projects that ultimately aids in improving company bottom-line. The author believes that the use of social media in a professional setting is already happening in the workplace but not as mainstream as
other known tools. The author believes that there is adoption of this technology for the purpose mentioned above but there is less knowledge on how the adoption came to be. Due to this reason, the author concentrated primarily on social networking sites because the foundation of online sociality and the digitization of human connectedness began in these sites. Across this entire research, social media and social networking will be used synonymously and interchangeably.

1.1 Background of the study

**The Social Media Shift.** Media ecology theory postulated that media affects the progression of society and significant changes across time is driven by the rise of technology during that period of time (McLuhan, 1966). Since the introduction of mass print media in pre-telephony time, it has been noted its power to drive people’s behavior. Ong (1982) further developed the media ecology theory and suggested that the way people think has fundamentally changed when writing was able to be mass reproduce through print. The evolution of media - print, radio, TV, telephony and now the age of the internet and social web, are significant technological milestones that has changed people’s thinking and behavior. Figure 1 shows the different milestones in media and predicted direction in 2020.

![Figure 1: Key milestones in media evolution (Briggs, ASA and Peter Burke, 2005)](image-url)

Figure 1: Key milestones in media evolution (Briggs, ASA and Peter Burke, 2005)
This is evident on how media were consumed in the past few years. Meeker’s (2017) annual comprehensive report on the global internet trend showed that there is solid growth in internet users with mobile as the key media of access as shown in figure 2 and 4. Zooming into Malaysia, the internet users have grown by 22% since 2014 as reported in the recent Internet Users Survey conducted by the Malaysian Communications and Multimedia Commission as shown in figure 3. Also, the Malaysian internet landscape resembles the global trend as the key media of access is mobile phone at 89.4% as shown in figure 5.

Figure 2: Global Internet Users: Internet Trends 2017 – Code Conference (Meeker, 2017)

<table>
<thead>
<tr>
<th>Internet users</th>
</tr>
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<tbody>
<tr>
<td>Estimated number of Internet users in Malaysia</td>
</tr>
<tr>
<td>2014</td>
</tr>
<tr>
<td>2015</td>
</tr>
<tr>
<td>2016</td>
</tr>
</tbody>
</table>

Figure 3: Malaysia Internet Users – Internet Users Survey 2017 (MCMC, 2017)
Figure 4: Time spent per adult per day with digital media: Internet Trends 2017 – Code Conference (Meeker, 2017)

Figure 5: Percentage of devices used by Internet users, compared with 2015 data in parentheses – Internet Users Survey 2017 (MCMC, 2017)
Even the advertising spend has shifted with the internet overtaking TV ad spend from advertisers in the USA as shown in figure 6 and 8. Focusing on Malaysia, the internet advertising is forecasted to grow at a CAGR of 12.7% between 2014 and 2015 as shown in figure 7. In terms of advertising spend share, it is still predicted the Malaysian advertisers will spend the same amount on TV advertising but with internet ad spend growing from 5% in 2014 to 8% to 2019 as reported by PWC in their annual report as shown in figure 9.

Figure 6: % of Time Spent in Media vs % of Advertising Spend: Internet Trends 2017 - Code Conference (Meeker, 2017)

Figure 7: Malaysia’s total internet advertising spending (US$ million) - – Malaysia entertainment and media outlook 2015-2019 (PWC, 2015).
Figure 8: Internet vs TV Ad Spend: Internet Trends 2017 - Code Conference
(Meeker, 2017)

Figure 9: Malaysia advertising spend by platform – Malaysia entertainment and media outlook 2015-2019 (PWC, 2015).

This is evidence that behavior has shifted and preference for online media has been growing in the last decade. Zooming into social media, similar trend has been seen since the socialization of the world wide web. In figure 10, the report shows that
there is deep focus in understanding how to use social media for both marketing and advertising.

Figure 10: Social Advertisers: Internet Trends 2017 - Code Conference (Meeker, 2017)

Popular social media site Pinterest is also evolving from a user generated content site where users get creative ideas is now enabling e-commerce functionalities, so people can buy directly what they see.

Figure 11: Pinterest: Internet Trends 2017 - Code Conference (Meeker, 2017)
Facebook is also finding ways to improve their advertising capabilities and uses big social data to automate and link advertising to actual customers buying within their platforms. They are even evolving their messenger platform to be more artificially intelligent in order to be able to engage on a deeper level with consumers as shown in figure 12.

![Facebook Users: Internet Trends 2017 - Code Conference (Meeker, 2017)](image)

Figure 12: Facebook Users: Internet Trends 2017 - Code Conference (Meeker, 2017)

In today’s content driven social web space, brands are also moving towards content creation and curation in order to engage better with their target customers. Brands like the ones listed in figure 13 are heavily investing on user generated content in Instagram to help them tell their brand stories better. In figure 14, influencers are often engaged by brands to help them reach people faster and also leverage on the influencer’s trust-building reputation to endorse their products and services.
Consumers exposed to social customer care are more demanding of this service as shown in figure 15. It seems to be a common perception that engaging with customer support online should be faster as compared to the traditional call centre touch-point.