Impact of Social Media Usage by Employees on Customer Relationship Performance

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THE IMPACT OF SOCIAL MEDIA USAGE BY EMPLOYEES ON CUSTOMER RELATIONSHIP PERFORMANCE

A Dissertation

Submitted to the Graduate Faculty of the University of South Alabama in partial fulfillment of the requirements for the degree of Doctor of Philosophy in Business Administration

by Neda Mossaei
MBA, California State University Bakersfield, 2016
BS, California State University Bakersfield, 2004
December 2021
ACKNOWLEDGMENTS

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Lastly, I thank my husband Allen and my son Aidan for your understanding and support during this long journey. I know the many hours I spent reading and writing didn’t allow me to spend any time with you two. Now that I am all done, I am looking forward to spending more quality time together.
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<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>AICR</td>
<td>Awareness of Employee Impact on Corporate Reputation</td>
</tr>
<tr>
<td>AMOS</td>
<td>Analysis of Moment Structures</td>
</tr>
<tr>
<td>B2B</td>
<td>Business to Business</td>
</tr>
<tr>
<td>CB-SEM</td>
<td>Covariance-Based Structural Equation Modeling</td>
</tr>
<tr>
<td>CCA</td>
<td>Confirmatory Composite Analysis</td>
</tr>
<tr>
<td>CFA</td>
<td>Confirmatory Factor Analysis</td>
</tr>
<tr>
<td>CNA</td>
<td>Community Norm Adherence</td>
</tr>
<tr>
<td>CRM</td>
<td>Customer Relationship Management</td>
</tr>
<tr>
<td>CRP</td>
<td>Customer Relationship Performance</td>
</tr>
<tr>
<td>EO</td>
<td>Employee Orientation</td>
</tr>
<tr>
<td>eWOM</td>
<td>Electronic Word of Mouth</td>
</tr>
<tr>
<td>FL</td>
<td>Fornell-Larcker</td>
</tr>
<tr>
<td>GOF</td>
<td>Goodness-of-Fit</td>
</tr>
<tr>
<td>HOC</td>
<td>Higher Order Construct</td>
</tr>
<tr>
<td>HTMT</td>
<td>Heterotrait-Monotrait</td>
</tr>
<tr>
<td>ICT</td>
<td>Information Communications Technology</td>
</tr>
<tr>
<td>LM</td>
<td>Linear Regression Model</td>
</tr>
<tr>
<td>MAE</td>
<td>Mean Absolute Error</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Full Form</td>
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<tr>
<td>--------------</td>
<td>-----------</td>
</tr>
<tr>
<td>PEU</td>
<td>Perceived Ease of Use</td>
</tr>
<tr>
<td>PLS</td>
<td>Partial Least Squares</td>
</tr>
<tr>
<td>PLS-SEM</td>
<td>Partial Least Square-Structural Equation Modeling</td>
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<tr>
<td>PU</td>
<td>Perceived Usefulness</td>
</tr>
<tr>
<td>R-A</td>
<td>Resource Advantage Theory</td>
</tr>
<tr>
<td>RMSE</td>
<td>Root Mean Square Error</td>
</tr>
<tr>
<td>TAM</td>
<td>Technology Acceptance Model</td>
</tr>
<tr>
<td>UGC</td>
<td>User Generated Content</td>
</tr>
<tr>
<td>VIF</td>
<td>Variance Inflated Factor</td>
</tr>
<tr>
<td>WSMU</td>
<td>Work-Related Social Media Usage</td>
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</table>
ABSTRACT

Mossaei, Neda, PhD., University of South Alabama, December 2021. The Impact of Social Media Usage by Employees on Customer Relationship Performance. Chair of Committee: Joseph F. Hair, Jr., PhD.

Widespread usage of social media has led some executives to embrace social media usage at work. However, there are still many companies that do not value social media, and its capabilities to strengthen the firm-customer relationship. This study aims to explore the perception of employees toward social media usage for work-related purposes. Additionally, this study explores the impact of social media usage on Customer Relationship Management (CRM) and ultimately on customer relationship performance. This research advances the understanding of social media usage at work by employing resource advantage theory and technology acceptance model. This study concludes with several recommendations for future work-related social media usage research.
CHAPTER I
INTRODUCTION

Decision makers regularly explore different ways to utilize social media platforms, such as Facebook, Twitter, and YouTube, to increase companies’ profitability (Kaplan & Haenlein, 2010). The corporate sector realized early on that incorporating social media in their marketing strategy would lead to higher customer engagement and, therefore, higher profitability (Crawford, 2009). Indeed, managers who view customer engagement in social media as an exchange relationship are able to create value for their companies (Sashi, 2012).

Social media has enhanced interactions and communications between customers and firms (Kim & Ko, 2010). The Trainor et al. (2014, p. 6) study demonstrated that “investment in social media technology can provide firms with substantial relationship management benefits.” Moreover, customer-firm relationships are being enhanced by social engagement through collaborative conversations (Peters et al., 2010). Knowledge gathered from utilizing social media will influence the development of customer relationship management strategies employed by companies to sustain existing and expand new customer relationships. Social media strategies will also enable firms to enhance brand loyalty and strengthen customer-firm relationships by offering
relevant and popular contents as well as effective campaigns on social media platforms (Erdoğmuş & Cicek, 2012).

Due to widespread use of social media, companies not using social media likely lose opportunities to convert social media users to potential customers. Gartner (2020) reports 82% of the US population uses Facebook, making Facebook the most popular social media platform, followed by Instagram with only 42%. Moreover, among Facebook users approximately 68% are daily users (Gartner, 2020) which indicates how crucial it is for companies to have a Facebook page to communicate with users and convert them to future customers. Even with this social media usage statistics, there are still companies such as Sherwin-Williams that instead of embracing employee’s social media usage for work they terminate their employment. Social media stars and influencers with millions of followers could attract so many new customers by their talent and passion for the work they do for their employers. Unfortunately, in case of Sherwin-Williams, they lost their talented employee with 1.2 million TikTok followers, Tony Piloseno, and his viral paint-mixing videos on social media to a competitor, Florida Paints, and potentially millions of dollars in revenue (Insider, 2020; Marketingdive, 2020; PR Daily, 2020; The Deep Dive, 2020). Therefore, motivating employees to create positive electronic word of mouth (eWOM) for the companies they work for (Zhang et al., 2021) by sharing companies posts or sharing their own work-related posts could be a great marketing strategy.

Although social media usage is so common for most individuals, social media utilization for work-related purposes needs to be clearly explained in employee handbook and accepted by them for successful implementation of social media strategies. Indeed,
social media implementation success depends on the way employees perceive using social media for work-related tasks. The current study utilizes resource advantage theory and the technology acceptance model as the theoretical basis for understand the effects of social media utilization for work-related tasks, and how employees perceive the use of social media at work. Specifically, employees’ perceived ease of use and usefulness is assessed based on the technology acceptance model to facilitate better understanding of overall employee perceptions of social media usage.

Another advantage of embedding social media in organizational culture is being able to incorporate social media in customer relationship management (CRM) technologies, often referred to as social “CRM.” Social CRM is defined as “the integration of customer-facing activities, including processes, systems, and technologies, with emergent social media applications to engage customers in collaborative conversations and enhance customer relationships” (Trainor, 2012, p. 319).

1.1 Purpose

The purpose of this study is to determine the impact of social media usage at work on customer relationship management (CRM) and customer relationship performance. Also, to examine whether the employee perception of social media usage influences the relationship between social media usage at work and customer relationship management. As mentioned above there are still companies, such as Sherwin-Williams, that do not allow employees to use social media for work-related purposes. These companies lose the opportunity of connecting with existing and potential customers, therefore missing the chance of benefiting from higher customer relationship performance.
Thus, this research is aiming to encourage the usage of social media at work by employees, whether using personal or company social media, to interact/build relationship with customers and promote their companies.

The research questions guiding this study are:

RQ1: Does the employee perception of social media usage affect the company's social CRM?

RQ2: Does adoption of social media by firms’ employees affect customer relationship performance?

1.2 Contribution

The contribution of this study is to explore the effects of social media usage at work in stakeholder-oriented companies, its effects on social CRM, and customer relationship performance. This research also attempts to explore the effects of employee perception of social media usage on work-related social media and social CRM. Finally, this research could be beneficial to companies such as Sherwin-Williams that do not embrace employee social media usage, by encouraging them to leverage the power that employees have on social media to promote their companies and build relationships with customers.

1.3 Dissertation Format

This dissertation consists of five chapters. Chapter I begins with the introduction of this research. Chapter II includes a literature review of the constructs examined in this study: work-related social media usage, perceived ease of use, perceived usefulness,
social CRM, stakeholder orientation, employee orientation, and customer relationship performance. The hypotheses are also presented in Chapter II. Chapter III explains what methodology has been selected for this research and related processes. Chapters IV and V discuss the data analysis and findings of this research.
CHAPTER II

LITERATURE REVIEW

2.1 Social Media

Social media platforms are “a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0 and facilitate the creation and exchange of user-generated content” (Kaplan & Haenlein, 2010, p. 61). The widespread utilization of social media platforms has influenced the way customers and firms communicate (Edosomwan et al., 2011). In response, many firms have restructured their internal departments, such as marketing and operations, to respond to the emerging reliance on social media to communicate with stakeholders (Aral et al., 2013). As one example, social media has been leveraged by firms to improve customer-firm interactions and to create value for stakeholders (Choudhury & Harrigan, 2014). This new way of communicating has provided firms with capabilities that enable them to more effectively engage with customers compared to the tools utilized in the past.

Historically, communications with stakeholders have been primarily one-way and initiated from companies to customers only (Jovevski & Vasilevski, 2019). More recently, social media platforms have enabled firms to communicate with customers, and for customers to also communicate with firms (Kaplan & Haenlin, 2010). Social media
has, therefore, revolutionized the way companies and customers interact (Matthews, 2010). Companies have increasingly embedded social media in their marketing and communication strategies and have benefitted from various tools social media provides. For example, customers increase the efficiency and effectiveness of the companies through social media engagement and offering their feedback and ideas for product improvement (Guesalaga, 2016). Customers also create a bond with firms through social media by actively interacting with them via online posts, comments, likes, updates and so forth (Gu & Ye, 2014). The most desirable outcomes from customer relationships are customer loyalty and positive word-of-mouth communications that lead to long-term mutually beneficial relationships (Ntale & Ngoma, 2013). These mutually beneficial relationships help employees and managers to be responsive to customers’ needs by tailoring their products and services to what customers desire. Additionally, as a result of the widespread usage of these platforms companies have begun using social media as a collaborative and learning tool for their employees as well as customers (Powell, 2012).

Despite all the benefits social media provides, some firms continue to use only one-way communication with customers whereas most companies are benefitting from two-way communications with their customers (Lepkowska-White et al., 2019). The current research focuses on companies that have adopted social media platforms such as Facebook and Instagram for employees to communicate with customers, build relationships with them, and accomplish relevant work-related tasks.

In the current research, perception of employees is examined based on perceived ease of use and perceived usefulness in using social media to achieve workplace objectives. This study aims to answer the following research questions:
RQ1: Do employee perceptions of social media usage affect the company's social CRM?

RQ2: Does adoption of social media by a firm’s employees affect customer relationship performance?

2.1.1 Social Media Characteristics

Social media’s characteristics have been described as facilitating dialogue and uncontrollable (Lee et al., 2013). For example, when a tweet or a video reporting mishandling of customer interaction is shared on social media platforms, customers often start commenting and it is not easy for firms to control these types of posts. One of the new phenomena surfacing in social media platforms and potentially threatening brands has been referred to as “collaborative brand attack” (Rauschnabel et al., 2016). According to Rauschnabel et al. (2016), collaborative brand attacks are created by social media users whose aim is to collaboratively harm the brands or force them to change their behavior for various reasons. One approach to control these crises is to monitor user-generated-content and develop a response strategy to minimize further damage to the brand. Thus, effective case management of the situation is critical to companies since potential recovery outcomes for metrics such as satisfaction and word of mouth are linked to recovery initiatives (Gelbrich & Roschk, 2011).

2.1.2 Employees’ Social Media Usage at Work

Social media utilization at work is viewed positively by some scholars. For example, social media usage at work is beneficial to employees by enabling them to know detailed information about their coworkers (Wang et al., 2016) and providing them
with effective collaboration, greater knowledge sharing, and enhanced productivity (Leftheriotis & Giannakos, 2014). In addition, one study proposed two categories of utilization—work-oriented social media and socialization-oriented social media (Song et al., 2019). Their research also demonstrated that employees incorporating work and personal social media generally have higher performance compared to the ones not using social media. Another study by van Zoonen et al. (2016) reported the usage of large-scale content analysis of employees' personal Twitter posts to examine whether employees using their social media for work purposes. Specifically, eight of ten employees used their personal Twitter account for work to either communicate with co-workers, share information about their organization, or their profession. These firms also benefit from employees acting as a company advocate and promoting their company on their personal social media platforms (Dreher, 2014). Thus, it is often beneficial for companies to promote social media usage and encourage employees to use their personal social media account in addition to their work accounts for work purposes.

### 2.1.3 Social Media and Employee Performance

Social media use for work can be differentiated into public social media use (e.g., Facebook) and enterprise social media use (e.g., Yammer). Public social media are defined as “web-based services that allow individuals to (1) construct a public or semi-public profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections and those made by others within the system. The nature and nomenclature of these connections may vary from site to site” (Boyd & Ellison, 2007, p. 211). In contrast, enterprise social media is defined as web-based platforms used by firms to allow workers to (a) communicate with
coworkers or everyone in the organization (b) implicitly or explicitly choose coworkers as communication partners (c) post, review, edit, and organize files shared by themselves or coworkers (d) view all the files and communications shared amongst all employees in the organization at any time (Leonardi et al., 2013). The current study focuses on public social media use by employees by exploring the employees’ perceptions of social media usage for work purposes.

Another factor positively associated with employee performance and stronger relationships among employees is social connectedness (Kügler et al., 2015). For example, feeling connected with others via social media often has a positive effect on employees by creating a sense of emotional and work support (Moqbel & Nah, 2017). At the same time, however, Cao & Yu (2019) found employees who use social media extensively may face emotional exhaustion and lower performance. As a result, employees should be encouraged to use a combination of communication approaches to reduce potential social media overload. Firms should also develop guidelines for employees regarding the scope of social media usage at work (van Zoonen et al., 2017). If the time allowed and scope of engagement with social media platforms is clearly outlined and explained in company policies, then employees will benefit from a better balancing of work-life demands and more efficient work-related communications. For example, one study found employees using social media on a limited basis are better able to create a balance between work and non-work-related activities at work (Kühnel et al., 2020).

The overall effect of social media usage at work, however, needs further investigation. Table 1 illustrates how social media is being used in various companies and
countries to build relationships with stakeholders, disseminate and gather information, and its effects on employee satisfaction.

Table 1. Social Media Usage in Various Companies.

<table>
<thead>
<tr>
<th>Authors</th>
<th>Methodology</th>
<th>Key Findings</th>
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<tbody>
<tr>
<td>Brennan &amp; Croft (2012)</td>
<td>Content analysis and text mining to assess the social media usage in B2B</td>
<td>Social media is widely being used by big companies, but usage is not universal. U.S. companies are further ahead in using social media compared to other countries. Also, these tools are used to become more aware of market trends and build relationships with stakeholders.</td>
</tr>
<tr>
<td>Mergel (2013)</td>
<td>Social media directors of the Federal government were interviewed. Twenty-five interview partners reflecting fifteen departments participated in the study. Interviews included questions regarding transparency, participation, and collaboration.</td>
<td>Utilization of social media in the public sector in the U.S. Federal government dictates that executives gather social media information from social media platforms, but publicly engaging with the public is not appropriate. Social media platforms can also be used to disseminate correct information to U.S. citizens.</td>
</tr>
<tr>
<td>Khan et al. (2014)</td>
<td>A survey consisting of 43 items distributed to 289 government employees in Korea.</td>
<td>This study examined the benefits and risks associated with social media usage in public sectors. The study found the effect of social media usage benefits on employees’ satisfaction was higher than the risks.</td>
</tr>
<tr>
<td>Study</td>
<td>Sample</td>
<td>Findings</td>
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<tr>
<td>Schmidt et al. (2016) <em>Computers in Human Behavior</em></td>
<td>A survey distributed to 327 unionized retail employees in the Midwestern United States. A sample of 106 was analyzed.</td>
<td>Findings of this study identified the percentage of co-worker social media connections has a significant positive relationship with perceptions of organizational support and spontaneity. Also, the density of social media connections to co-workers is more important than the overall number.</td>
</tr>
<tr>
<td>Schaarschmidt &amp; Walsh (2018) <em>Journal of Business Research</em></td>
<td>Two quantitative studies were conducted with employed individuals via MTurk.</td>
<td>Found drivers of online employee behaviors, such as community norm adherence (CNA) and awareness of employee impact on corporate reputation (AICR), do not have a straightforward relationship. Also, found that for employees to show CNA, a minimum level of social media advocacy is required. If advocacy is too low, employees deviate from what managers expect from them to behave online. If advocacy is too high, employee behavior deviates from what is known to be socially acceptable since they behave according to their own rules.</td>
</tr>
<tr>
<td>Jafar et al. (2019) <em>Industrial Management &amp; Data Systems</em></td>
<td>A total of 1400 questionnaires sent to employees; 833 valid responses were received. PLS-SEM was used to analyze the data.</td>
<td>This study found that work-related social media use has a positive and significant effect on sharing and obtaining information. Also, sharing and obtaining information have a positive and significant effect on employees’ work performance. However, rules and policies for social media users have an adverse moderating effect on using social media for personal and work-related information sharing and gathering.</td>
</tr>
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Table 1 continued.

<table>
<thead>
<tr>
<th>Study</th>
<th>Methodology</th>
<th>Findings</th>
</tr>
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<tr>
<td>Song et al. (2019). <em>Information and Management.</em></td>
<td>This research conducted a qualitative study among the employees of a large financial company in China. The aim was to uncover (1) employee social media usage at work toward team goals, (2) creation and usage of social resources at work, and (3) existence of synergies between work-related social media and socialization social media. The main goal was to determine the effect of workplace social media usage on employee performance.</td>
<td>This study found that the combination of work-oriented and socialization-oriented social media usage at work improves employees’ performance. Therefore, work oriented and socialization related social media usage are considered complementary to each other and create synergies in the workplace.</td>
</tr>
<tr>
<td>Zhang et al. (2020) <em>SAGE Open</em></td>
<td>A survey was sent to 278 Chinese enterprise employees. PLS and AMOS were used to analyze the data and explore the effects of social media usage on employee knowledge sharing motivation.</td>
<td>Social media usage influences self-efficacy knowledge, and also impacts knowledge sharing motivation.</td>
</tr>
<tr>
<td>Sakka &amp; Ahammad (2020) <em>Journal of Business Research</em></td>
<td>Conceptual paper</td>
<td>The study focuses on employee social media usage, employee psychological and social well-being, employee branding and ambassadorship, and the importance of having employees as ambassadors to communicate with other stakeholders.</td>
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2.1.4 Work-related Social Media Usage (WSMU)

Workplace social media use has attracted the attention of researchers. For example, to better understand employee behavior concerning social media usage, Landers & Callan (2014) analyzed different dimensions of workplace social media usage. In their research, they categorized employee behavior based on social media usage context into nine categories, as described below.

1. *Information gathering* refers to seeking work-related tutorials and solutions in social media platforms such as YouTube.

2. *Communication with customers* refers to communication via social media platforms by friending (e.g., Facebook) or following (e.g., Instagram) customers. This way of communication provides employees with a friendlier way of interacting with customers by liking or commenting on their posts on social media.

3. Employees are also able to look for *potential customers* on social media platforms by reaching out to the friends and families of their existing customers.

4. *Crowdsourcing* refers to seeking help in social media platforms by asking for recommendations to solve problems that employees are not able to solve on their own.

5. *Intra-office communication* refers to communication amongst employees and managers if the common sources of office communications such as emails and phone calls are not successful.
6. *Relaxation and leisure* refer to employees using social media during their break time to relax and increase their mental clarity.

7. *Participation in the online work community* refers to participating in the organization’s social media platforms by posting on the companies’ official sites and/or communicating with co-workers and customers.

8. *Organizational reputation management* refers to monitoring and responding to customers' dissatisfactory or angry comments to protect the company's reputation.

9. *Social media as a technical solution* refers to the technical capabilities provided by social media to employees. These technical capabilities consist of but are not limited to scheduling meetings and file transferring in social media platforms such as Facebook.

The scales developed by Landers & Callan (2014) are adapted in the current research to evaluate employees’ social media usage at work. In addition, the company's social media platforms and personal social media accounts used for work purposes were both evaluated. Thus, social convergence is also assessed as part of employee social media usage at work.

### 2.1.5 Social Convergence

Social convergence is an important concept associated with social media that needs to be examined. The concept of social convergence is defined as adding co-workers and managers as friends or posting work-related contents on personal social media accounts when there is no clear distinction between personal life and work-life (Parker et al., 2019). Companies could benefit from identifying whether employees are using their
personal social media accounts for work, and how successful are those employees who use their social media for work purposes. For example, easy accessibility of social media via smartphones enables employees to stay connected and more engaged in social media platforms (Cao & Yu, 2019). Smartphones also facilitate easy access to company emails from any location instantly. As a result, employees can respond to their clients quickly and efficiently via their smartphones. A primary concern with ease of access, however, is balancing work and family life. Some research has shown that employees using their smartphones to work from home in their off time can reduce workload and family conflicts (Derks et al., 2016). These findings are likely because employees do not feel they are completely unaware of work activities when away from work. Thus, knowing the level of social convergence among employees helps companies provide their employees with the tools they need, such as smartphones, to maximize the benefits of social media usage at work.

Several studies have examined work-related social media behavior using Landers & Callan’s (2014) scale. Table 2 summarizes the methodology and findings of these studies.
<table>
<thead>
<tr>
<th>Authors and Journals</th>
<th>Method</th>
<th>Key Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cilliers et al. (2017) <em>SA Journal of Human Resource Management</em></td>
<td>A work-related Social Media Questionnaire was sent to 202 university staff; 134 questionnaires were returned.</td>
<td>Workplace Social Media Usage Framework was proposed to include three factors: 1) problem-solving 2) communication with co-workers and clients, and 3) reputation management. Job performance was eliminated to due construct validity.</td>
</tr>
<tr>
<td>Janneck et al. (2015) <em>International Conference on Web Information Systems and Technologies</em></td>
<td>The survey received a total of 51 responses.</td>
<td>This study found that despite the popularity of Facebook, individuals are not using Facebook for work-related purposes to engage in work-related activities or talking about work-related issues and problems.</td>
</tr>
<tr>
<td>van Zoonen et al. (2018) <em>Computers in Human Behavior</em></td>
<td>Two-waves of data were collected among employees who had Facebook and LinkedIn accounts. A total of 515 responses were assessed.</td>
<td>Employees’ ambassadorship behaviors vary in Facebook and LinkedIn. Employees tend to be organization ambassadors on Facebook when they feel their organization represents them. Conversely, whether employees identify with their organization or not they will share professional and work-related information with others on LinkedIn due to the professional characteristics of this platform.</td>
</tr>
<tr>
<td>van Zoonen et al. (2016) <em>Computers in Human Behavior</em></td>
<td>A content analysis of employees’ personal Twitter posts was used to examine whether employees were using their personal social media for work purposes.</td>
<td>This study found that eight of ten employees used their personal Twitter account for work to either communicate with co-workers, share information about their organization, or their profession.</td>
</tr>
</tbody>
</table>
2.2 Theoretical Underpinning

2.2.1 Resource Advantage Theory

According to resource advantage theory, firms use available resources in different areas such as financial, physical, legal, human, organizational, informational, and relational to achieve superior financial performance (Hunt & Morgan, 1995). In other words, resource advantage theory enables companies to employ the resources available to them to achieve competitive advantage (Hunt, 1997). These resources do not necessarily need to be owned by firms, but only available to them. Social media could be viewed as a resource that provides firms with dynamic capability that could facilitate more advanced CRM competency and customer engagement. Employees could also be viewed as the firm's internal customers (Berry et al., 1976). Hunt and Morgan (1995) also proposes that skilled and knowledgeable employees are considered to be resources for firms as well. Firms could also benefit from encouraging employees to be ambassadors for their organizations by using social media accounts whether personal accounts or company accounts (van Zoonen et al., 2018).

2.2.2 Technology Acceptance Model (TAM)

The technology acceptance model (TAM) was proposed by Davis (1985) to explain computer usage behavior. Later research by Davis et al. (1989) extended the TAM to include user acceptance and rejection of technology usage. TAM has been applied in many technological acceptance circumstances, including the Internet and many of its associated tools (Horton et al., 2001) as well as social media (Rauniar et al., 2014). Applications involved mostly attempts to explain the individual's behavior based on
perceived ease of use and perceived usefulness (Davis et al., 1989). Perceived ease of use was defined by Davis et al. (1989, p. 320) as “the degree to which a person believes that using a particular system would be free of effort.” Perceived usefulness is defined as “the degree to which a person believing that a particular system would enhance his or her job performance” (Davis et al., 1989, p. 320). The widespread popularity and usage of social media suggest that understanding user behavior towards social media usage is fundamental in developing new technologies (Rauniar et al., 2014). Additionally, firms will benefit from knowing employee perceptions of utilizing social media technology to improve the effectiveness of communication technologies being utilized in their firms (Sakka & Ahammad, 2020). TAM helps to discover the attitude of employees toward social media usage, and whether they find social media useful and easy to use at work. This also helps to determine whether the generation gap is still a factor in using social media at work (Todisco et al., 2021).

Thus, resource advantage theory and TAM are used as theoretical foundations of the current study. The theories facilitate examination of the perceptions of employees in using personal or work social media accounts for work purposes (ease of use and usefulness), as well as the impact on CRM and ultimately on customer relationship performance.
2.3 Construct Definitions and Hypothesis Development

2.3.1 Customer Relationship Management (CRM)

In retail and service industries, implementation of customer relationship management (CRM) strategies is an important step in collecting information about customers’ experiences and making it possible for the firms to react and respond to these experiences (Orantes-Jimenez et al., 2017). CRM is a combination of practices, technologies, and other relevant customer-oriented tools that enable companies to manage their relationships with their customers (Trainor et al., 2014). These tools and technologies facilitate measurement of CRM capabilities and the value they add to continuously evaluate the business-customer relationship.

CRM provides firms with capabilities through utilizing different technologies to better understand their customers, build long-term relationships (Rababah et al., 2011) and create value for them (Ryals & Knox, 2001). Companies have used CRM technologies to track customers' shopping patterns and customize their products to serve these frequent customers. For example, accessing information by mining customer data has been used to enhance the relationship and higher customer retention (Chen & Popovich, 2003). In short, CRM takes relationship marketing (Berry, 1983) to a new, higher level where relationships are being managed for purposes beyond marketing by emphasizing more personalized relationships (Wilson et al., 2002). Relationship marketing also focuses on individual customers intending to strengthen and maintain this relationship. CRM techniques enable companies to access and analyze customer data pools to know their customers better and continue providing them with what they need.
Thus, CRM plays a major role in building, maintaining, and enhancing relationships with the customer in the long term (Srivastava et al., 1999).

### 2.3.2 Social Customer Relationship Management (Social CRM)

Social media technologies are increasingly being used to achieve and enhance CRM objectives. Firms are incorporating social media platforms such as LinkedIn, Facebook, and Twitter into their CRM technology for continuous communication exchanges with customers and to obtain information on current market trends (Rodriguez et al., 2015). While the initial purpose of creating social media platforms was not CRM-related, these platforms have benefited and enhanced organizations’ CRM practices (Harrigan et al., 2015). In short, social media technologies have transformed customer relationships with firms from passive to highly active and responsive (Choudhury & Harrigan, 2014). Social media platforms have also made it easier for firms to track customers’ service experiences and to tailor their services to fit customers’ needs. When customers are being valued and heard, they create strong relationships with the firms that provide them with products and services.

Relationship quality is very important for firms to fulfill customers’ needs associated with existing relationships (Hennig-Thurau & Klee, 1997). Incorporating social media in CRM strategies has improved the relationship quality between firms and customers since firms are more aware of customers' needs and expectations. Firms that are successful in creating a quality relationship with their customers will benefit from this long-term and profitable relationship (Rodriguez et al., 2015). Relationship quality will also help to build and maintain an effective relationship with customers (Alamgir & Uddin, 2017).
Customers have become more sophisticated with their purchases since they have virtually unlimited access to so many companies’ social media platforms to educate themselves about different products and services (Dewnarain et al., 2019). Indeed, use of social media by consumers whether to check the company’s ratings, write reviews (Kim et al., 2016), or comment on their social media posts has introduced a new way of communication between customers and firms (Gautam & Sharma, 2017). Firms ultimately recognized that to stay competitive in the new market with social media use, they have to embrace these new platforms. These customer-centric firms were able to develop higher CRM capabilities by incorporating social media technologies in their CRM structure (Trainor et al., 2014). They also benefit from higher performance in terms of sales and customer retention. Since social media impacts social CRM, the following hypothesis is proposed:

**H1:** Social media usage by employees is positively associated with social CRM.

### 2.3.3 Stakeholder Orientation

Stakeholders are an important element for management to consider in decision making. Stakeholders are defined as “any group or individual who can affect or is affected by the achievement of the organization’s objectives” (Freeman, 1984, p.46). Core stakeholders consist of employees, customers, suppliers, shareholders (Patel, et al., 2016), although several less strategic stakeholders, such as the community, are relevant in some contexts. In this study, the primary focus will be on the role of employees as stakeholders.

Stakeholder theory has been divided into three components: descriptive/empirical, normative, and instrumental (Donaldson & Preston, 1995). Stakeholder theory is
descriptive since corporations use it to define the type of corporate and business strategies they implement in their structure to create value for their stakeholders. Stakeholder theory is also normative. Within this context, it can be thought of as “individual moral rights” that companies intend to satisfy. Normative concepts provide answers to questions regarding attributes concerns, ends, and means for the stakeholders (Frooman, 1999). The third concept in stakeholder theory is instrumental. This concept is viewed as instrumental since the processes and company goals need to be determined and specified to achieve the desired performance (Donaldson & Preston, 1995). These concerns clarify questions regarding who the stakeholders are, what their wants are, and how as stakeholders they are getting what they desire from firms.

In addition to the three stakeholder components, three processes have been identified as part of stakeholder orientation. These three processes must be followed by managers to create consistency in philanthropic activities in firms (Godfrey, 2005). The processes are transparency, stability, and responsiveness. Additionally, these processes could extend to any activities managers undertake in any firm to ensure the stakeholders are aware of the firms’ activities. This continuous interaction with stakeholders strengthens the relationship between managers and stakeholders and directly influences firm performance (Berman et al., 1999). Firms that seek to enhance their relationship with their stakeholders by creating trust and transparency are also helping managers to address ethical issues that may arise along the way (Colombetti & Torrance, 2009).

Freeman’s work on stakeholder theory has been categorized into five themes (Laplume et al., 2008). These themes are as follows:

1. Stakeholder definition and salience
2. Stakeholder actions and responses
3. Firm actions and responses
4. Firm performance
5. Theory debates

The focus of this paper is on employees and customers as stakeholders. To some extent, employees could be categorized as customers and more specifically as internal customers (Conduit & Mavondo, 2001), but they take actions and respond to their employer’s directions. Therefore, all of the above themes except the theoretical debates category are incorporated in the current study (Laplume et al., 2008).

2.3.4 Customer Orientation

Customers’ perceptions of the extent of customer-centricity of firms have a direct effect on the revenue produced by these customers (Habel et al., 2020). This is a primary reason why major companies such as Amazon emphasize their goal is to be the most customer-centric firm ever. Customer satisfaction is the ultimate goal of firms that try to reorganize their structure to be customer-centric (Lee et al., 2015). Incorporating customer-centricity in a firm leads to customer satisfaction. But if the industry is highly profitable, not as many firms are trying to be customer-centric, and the competitive intensity is lower (Lee et al., 2015). Firms should also recognize that being customer-centric will not necessarily result in high financial performance (Lee et al., 2015).

Customer-oriented companies are typically less profitable in the early stages of incorporating a customer-centric approach since they incur more costs by changing their structure to be customer-oriented (Lee et al., 2015). But in the long run, they benefit from loyal customers (Shah et al., 2006). Customer-centric firms provide superior value to
their customers by anticipating their needs, which results in greater customer satisfaction (Slater & Narver, 1995). Blocker et al. (2011) referred to the approaches of these firms as embracing both responsive and proactive customer orientations, and the findings demonstrated that responsive and proactive customer orientations positively affect customer value.

Responsive customer orientation is based on effectively communicating customer needs, and its success is highly influenced by the firm’s capabilities. Proactive customer orientation assumes the firm is effectively predicting future customer needs and reacting to those anticipated future needs. To be successful with either of these orientations, firms must be aware of customer needs and react to those needs before customers feel the need, so that customers will ultimately be satisfied (Blocker et al., 2011). Therefore, with stakeholder orientation likely impacting social CRM and customer relationship performance, the following hypotheses are considered:

**H2:** Customer orientation is positively associated with customer relationship performance.

**H3:** Customer orientation is positively associated with social CRM.

**H4:** Employee orientation is positively associated with social CRM.

**H5:** Employee orientation is positively associated with customer relationship performance.

Table 3 outlines key findings on customer orientation and its dimensions in selected literature. It also shows that customer-oriented firms benefit from being innovative, having more engaged customers, and gaining a competitive advantage.
<table>
<thead>
<tr>
<th>Authors and Journal</th>
<th>Method</th>
<th>Key Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saxe &amp; Weitz (1982) <em>Journal of Marketing Research</em></td>
<td>24-item scale for SOCO developed.</td>
<td>Scale development. SOCO scale could be used to access the impact of organizational policy on salespeople behavior.</td>
</tr>
<tr>
<td>Thomas et al. (2001) <em>Journal of Personal Selling &amp; Sales Management</em></td>
<td>Questionnaires were sent to salespeople’s managers and A-class customers. The study focused on the business-to-business setting.</td>
<td>Reduced the 24-item SOCO scale to a 10-item scale by maintaining the dimensionality and consistency of the scale.</td>
</tr>
<tr>
<td>Brown et al. (2002) <em>Journal of Marketing Research</em></td>
<td>Data collection via questionnaire from restaurant employees and managers. SEM was used for data analysis.</td>
<td>Analyzed customer orientation based on basic personality traits of salespeople. Results showed that personality traits such as agreeableness and need for activity increase customer orientation.</td>
</tr>
<tr>
<td>Periatt et al. (2004) <em>Journal of Personal Selling &amp; Sales Management</em></td>
<td>Data collection via survey using 24-item SOCO scale. Participants were 354 marketing professionals</td>
<td>This study cross-validated the 10-item SOCO scale revised version (Thomas et al., 2001) of the 24-item SOCO scale developed by Saxe &amp; Weitz (1982). The 10-item scale minimizes response fatigue and is generalizable.</td>
</tr>
<tr>
<td>Hennig-Thurau (2004) <em>International Journal of Service Industry Management</em></td>
<td>Conceptual</td>
<td>Conceptualizes the four dimensions of customer orientation for service employees. The dimensions are technical skills, social skills, motivation, and decision-making power</td>
</tr>
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</table>
Table 3 continued.

<table>
<thead>
<tr>
<th>Reference</th>
<th>Methodology</th>
<th>Findings</th>
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<tbody>
<tr>
<td>Ramani &amp; Kumar (2008) <em>Journal of Marketing.</em></td>
<td>Data collected from senior and top-level managers with no industry specification for the findings to be generalizable. Surveys were sent to 375 potential participants in 175 industries. 211 responses in 120 firms were used in this study.</td>
<td>Introduced interaction orientation which consists of four dimensions: 1) customer concept, 2) interaction response capacity, 3) customer empowerment, 4) customer value management. The study showed firms that focus on interaction orientation could gain a competitive advantage in the market.</td>
</tr>
<tr>
<td>Asikhiya (2010) <em>International Journal of Marketing Studies</em></td>
<td>Data collection via distribution of questionnaire in small and medium scale businesses in Nigeria.</td>
<td>The results showed that adapting customer orientation, market orientation, and good managerial attitudes decreases failure in small and medium businesses in Nigeria.</td>
</tr>
<tr>
<td>Wang &amp; Kim (2017) <em>Journal of Interactive Marketing</em></td>
<td>Data collection from Facebook and COMPUSTAT.</td>
<td>Investing in Social CRM can improve customer engagement and firm value.</td>
</tr>
<tr>
<td>Feng et al. (2019) <em>Journal of Business Research</em></td>
<td>Data collected from 264 Chinese firms to analyze the effects of customer orientation on firm performance with leadership as a moderator based on social learning theory and interactive perspective.</td>
<td>This study showed that leadership positively influencing CO and firm performance with competitive intensity being an important factor.</td>
</tr>
<tr>
<td>Yoo et al. (2019) <em>Asia Pacific Journal of Marketing and Logistics</em></td>
<td>Data collection via a survey in Japan and China. Two social media were used to measure consumer UGC innovation.</td>
<td>Customer orientation was the most important aspect of innovation and firms to focus on customer-oriented users.</td>
</tr>
</tbody>
</table>
2.3.5 Customer Relationship Performance

Proposition four in resource advantage (R-A) theory indicates the firm’s objective is to create a superior financial performance (Hunt, 1997). Superior performance is not possible unless the firm’s resources are converted into unique capabilities (Day, 1994). If firm resources are not available, they are considered potential capabilities. Examples of capabilities include core employees (Lopez-Cabrales et al., 2006), information technology, or social media (Luo et al., 2013). Trainor et al. (2014) found that improving performance is possible when the integration of various software and hardware technologies in CRM systems is combined with social media marketing strategies. This combination provides firms with unique capabilities that could lead to improved performance. Superior performance is often determined through customer relationship performance (Trainor et al., 2014) or firm financial performance (Hunt, 1997). Customer relationship performance assumes the outcome of successful implementation of CRM drives value to firms and customers (Wahab et al., 2011). Customer relationship performance could also be improved at a faster rate with the high-level CRM technology use (Jayachandran et al., 2005).

Social media is one of the technologies that could be used to improve CRM, and performance outcomes – if leveraged properly (Nam et al., 2019). Although, adopting the latest technology does not necessarily lead to higher customer relationship performance unless it is coupled with employee-customer interactions whether in person or on social media (Josiassen et al., 2014). Social information processes that stem from assessing big social media data are an essential part of the social CRM (Harrigan et al., 2020). In the current study, when we focus on firm performance, with the main emphasis being on
customer relationship performance and not financial performance. More specifically, a primary objective of this research is to assess customer relationship performance when firms utilize social media in their CRM systems. Thus, with social media and social CRM having a potential impact on customer relationship performance the following hypotheses are being considered: Remember to renumber hypotheses.

**H6:** Social CRM is positively associated with customer relationship performance.

**H7:** Social media usage is positively associated with customer relationship performance.

### 2.4 Theoretical Model

The theoretical model in Figure 1 proposes that social media usage by employees in combination with stakeholder orientation are antecedents of social CRM, which in turn influences customer relationship performance. The relationship between social media usage and social CRM is moderated by employee perceptions regarding social media usage. These perceptions are ease of use and usefulness of utilizing social media to accomplish work-related tasks. The theoretical model is specified based on the technology acceptance model (TAM) (Rauniar et al., 2014).
Social media platforms, as relatively new technology, require companies to provide employees with proper training so they are perceived as easy and useful to use (Falco et al., 2020). At the same time, employees as stakeholders play a significant role in the success of CRM performance (Moghadam et al., 2013). Technology acceptance by employees, therefore, is a vital part of overall technology utilization success (Chatterjee et al., 2020). Since employee perceptions of social media usage potentially influence the relationship between social media usage and social CRM, the following hypothesis is considered:
**H8:** Social media usage and social CRM are positively associated with employee perceptions of social media usage.

**H8a:** Social media usage and social CRM are positively associated with perceived ease of use of social media.

**H8b:** Social media usage and social CRM are positively associated with perceived usefulness of social media usage.

### 2.5 Control Variables

The theoretical model examined in this research focuses on work-related social media usage and the perceptions of employees about social media usage in stakeholder-oriented firms, and its impact on customer relationship performance. There are, however, extraneous variables that could influence these relationships. The inclusion of control variables enables researchers to uncover true relationships among the constructs (Carlson & Wu, 2012; Spector & Brannick, 2011). The most common control variables explored in employee behavior literature are age and gender (Araslı et al., 2014; Chen et al., 2018; Parker & Allen, 2001). In addition to these two control variables, company size is another variable to consider when the performance of the companies is being analyzed (Indra et al., 2021; Terziovski & Samson, 2000). Thus, the control variables of gender, age, and company size are included in this study.
CHAPTER III
METHODOLOGY

This research builds on the conceptual model developed by Trainor et al. (2014) by adding stakeholder orientation constructs and employee perceptions of social media usage as elements of this model. The employee perception of social media usage construct is assessed based on the Technology Acceptance Model. A quantitative approach is used to explore stakeholder orientation, employee perceptions of social media usage and its impact on social CRM, and customer relationship performance constructs. The Trainor et al. (2014) study focused on technology, environment, and customers. Their framework was adapted for the current study and is shown in Figure 2. As can be noted, the concept of customer-centric management is replaced by the stakeholder orientation construct that is used to evaluate the effects of stakeholder orientation on social CRM and customer relationship performance. In addition, employee perceptions of social media usage are assessed to determine whether their perceptions influence the relationship between social media usage and Social CRM.
Although the perception of employees regarding social media usage at work seems to be an important factor, very limited research is published in this area. The social media technology use analyzed in Trainor et al. (2014) is being assessed with Landers & Callan (2014) work-related social media usage (WSMU) measure. The WSMU construct evaluates the positive and negative sides of social media usage at work by employees. The beneficial work-related social media behaviors construct (Landers & Callan, 2014) measures the positive aspects of using social media usage, such as extra and intra office communication, reputation management, and task related is being evaluated. The negative side of social media usage is not examined in this research. Figure 3 displays the higher order construct (HOC) items that are being evaluated to measure WSMU (Sarstedt et al., 2019).
The following hypotheses will be examined:

**H1:** Social media usage by employees is positively associated with social CRM.

**H2:** Customer orientation is positively associated with customer relationship performance.

**H3:** Customer orientation is positively associated with social CRM.

**H4:** Employee orientation is positively associated with social CRM.

**H5:** Employee orientation is positively associated with customer relationship performance.

**H6:** Social CRM is positively associated with customer relationship performance.

**H7:** Social media usage is positively associated with customer relationship performance.

**H8:** Social media usage and social CRM are positively associated with employee perceptions of social media usage.
**H8a:** Social media usage and social CRM are positively associated with perceived ease of use of social media.

**H8b:** Social media usage and social CRM are positively associated with perceived usefulness of social media usage.

*Figure 4.* Model of Relationships of all Hypotheses. The role of stakeholder orientation, social media usage, and employee perception of social media usage on social-CRM and customer relationship performance.
3.1 Sample and Data Collection

The sample for this study includes business-to-consumer salespeople. The Prolific platform is used to design and set up the survey, and also to collect data from marketing, sales, and retail employees. To ensure a sufficient sample size, a good rule of thumb is 10:1 ratio for observations to variables (Hair, Hult, et al., 2017). Based on this guideline, the suggested sample size for this study is a minimum of 160 respondents. A total of 214 responses were collected for analysis. Social media studies mostly rely on self-report data (Charoensukmongkol, 2014), and to minimize common methods variance, guidelines from Podsakoff et al. (2003) are followed, including variation in scale formats and order of questions.

3.2 Measures

3.2.1 Stakeholder Orientation

Stakeholder orientation including customer orientation and employee orientation are assessed using a six-item measure from Narver & Slater (1990), and a seven-item measure from Yau et al. (2007), respectively. Employees are asked to rate the level of customer orientation of the company. The questions are evaluated on a seven-point Likert scale anchored with 1 = *Strongly Disagree* and 7 = *Strongly Agree*. The following questions are asked to examine the extent of customer orientation in the firm. The question prompt is “Please rate the extent to which your company treats its customers.” The questions are as follows:

1. My company is committed to its customers.
2. My company creates customer value.
3. My company understands customer needs.
4. My company has objectives for customer satisfaction.
5. My company provides after-sale service.
6. My company has programs to encourage customer loyalty.

Respondents are also asked to rate their workplace based on the level of employee orientation. The questions are evaluated on a seven-point Likert scale anchored by 1 = *Strongly Disagree* and 7 = *Strongly Agree*. The following questions are asked to assess the extent of employee orientation in the firm:

1. My company has regular staff appraisals in which supervisors discuss employees’ needs.
2. My company has meetings on an ongoing basis to discuss employees' work concerns.
3. Regular meetings are setup with employees to offer them the training they need to complete their tasks at work.
4. Managers try to find out the true feelings of staff about their jobs.
5. My company surveys staff at least once each year to assess their attitudes towards their work.
6. My company has regular meetings to ensure employees are aware of any changes within the company.
7. My company compensates employees for their hard work.
3.2.2 Work-Related Social Media Usage (WSMU)

Social media usage is assessed using an adapted scale from Landers & Callan (2014). The 21-item scale is measured using a seven-point Likert scale anchored by 1 = *Strongly Disagree* and 7 = *Strongly Agree*. Items include the following

**Information Gathering**

1. I have found tutorials on social media to help me to learn how to perform my job better.

**Communicating with Existing Customers**

2. I regularly communicate with existing customers via social media.

3. I maintain contact with existing customers using social media.

**New Customer Outreach**

4. I reach out to potential new customers using social media.

5. I have identified potential customers by searching social media.

**Crowdsourcing**

6. I request help from people on social media when I am having trouble solving a problem at work.

7. When I cannot solve a problem at work, I ask for help on social media.

**Intra-office Communication**

8. I use social media to contact my coworkers when I am unable to reach them by other means.

9. Through social media, I maintain contact with other people in my organization.

**Participation in Online Work Community**
10. I regularly post on my organization’s social media platform.

11. I use my organization’s official social media presence to network with customers.

**Organizational Reputation Management**

12. I have found pictures, videos, or other content on social media sites about a coworker that may harm his or her reputation.

13. When I have social media content about a coworker that may harm their reputation, I have warned him/her about the content.

14. I have told one or more of my coworkers about slander others have posted on social media about them.

15. When someone posts something negative about our organization on social media, I report it to management.

16. When someone posts something negative about our employees on social media, I tell them about it.

17. If I find something on social media that will harm the reputation of my coworkers, I tell them about it.

18. If I find something on social media that will harm the reputation of our organization, report it to management.

**Social Media as Technical Solution**

19. I have often used software features of social media to accomplish a work task more easily.

20. I have taken advantage of the technical features of social media (like file sharing or scheduling functions) to accomplish work tasks.
21. I have often used software features of social media to accomplish a work task faster.

*Relaxation and Leisure Behavior Scale*

22. When I have completed pressing tasks at work, I use social media to relax.

23. I use social media in my free time at work.

### 3.2.3 Employee Perceptions of Social Media Usage

Employee perceptions of social media usage are obtained using the Rauniar et al. (2014) information communications technology (ICT) scale. This scale measures perceived ease of use and perceived usefulness of using social media.

### 3.2.4 Perceived Ease of Use

Perceived ease of use of social media is assessed using the adapted scale from Rauniar et al. (2014). An eleven-point slider scale anchored by 0 = *Strongly Disagree* and 10 = *Strongly Agree* is used. Items include the following:

1. Social media is flexible to interact with in completing my work tasks.
2. I find it easy to get social media to do what I want to do at work.
3. It is easy to become skillful at using social media.
4. I find social media easy to use.
5. Interactions using social media are understandable.
6. Techniques for using social media are clear.

### 3.2.5 Perceived Usefulness

Perceived ease of use of social media is assessed using a scale adapted from Rauniar et al. (2014). The eight-item measure is assessed using an eleven-point slider
scale anchored by 0 = *Strongly Disagree* and 10 = *Strongly Agree*. Items include the following:

1. Using social media makes it easier to stay in touch with my customers.
2. Using social media enables me to get re-connected with customers.
3. Social media is useful in completing my work tasks.
4. Using social media enhances my effectiveness in staying in touch with my customers.
5. Using social media makes it easier to communicate with my customers.
6. Social media helps me learn useful information about my customers.
7. Social media enables me to be more prepared to meet the needs of my customers.
8. I sometimes adapt my selling approaches based on what I learn on social media.

### 3.2.6 Social-CRM Usage

Social-CRM usage by the employees is assessed using an adapted scale from Trainor et al. (2014). The five-item measure is evaluated using a seven-point Likert scale anchored by 1 = *Strongly Disagree* and 7 = *Strongly Agree*. The prompt is “To what extent are the following social media technologies are part of the customer relationship management in your organization?” Items include the following:

1. Facebook
2. YouTube
3. Twitter
4. Instagram
5. LinkedIn
The next question is “If the social media technologies you are using for customer relationship management (CRM) are not listed in the previous question please identify the CRM that your company uses.”

3.2.7 Customer Relationship Performance

Customer relationship performance of the company is assessed using the adapted scale from Rapp et al. (2010). The twelve-item measure using an eleven-point slider scale is anchored by 0 = *Strongly Disagree* and 10 = *Strongly Agree* The prompt is “Please rate the following statements compared to your company’s competitors:” and the items include the following:

1. Our customers have been shopping with our firm for a long time.
2. Once we get new customers, they tend to stay with our company.
3. Our customers are very loyal to our firm.
4. Our customers are satisfied with our company.
5. Customer retention is very important to our firm.
6. Our customers comment on our company posts.
7. Our customers tag our company on their personal social media posts to show their satisfaction with us.
8. Our customers report that they like our company posts.
9. Our customers express their happiness with their purchase by posting a photo of themselves on our company's social media platforms.
10. Our customers refer us to their friends and family by tagging us on their personal social media.
11. Our customers express their happiness with their purchase by posting a photo of themselves on our company social media platforms.

12. Our customers tag salespeople on their personal social media posts to show their satisfaction with us.

3.3 Pretest

The purpose of pretesting is to evaluate the quality of the questions with a small sample of the target population and identify and resolve any problems with the questionnaire sequence or content. Relying on previously used scale questions does not guarantee the questionnaire works the same in a different study (Czaja, 1998). Thus, pretesting is necessary for developing questionnaires to identify errors arising from questionnaire design prior to distributing the survey to the target population (Reynolds et al., 1993). A pretest was conducted with 30 employees who are working in sales and marketing sectors in various companies to examine the effectiveness, quality, validity, and reliability of the survey questions.

3.4 Data Analysis

Partial Least Square-Structural Equation Modeling (PLS-SEM) is used for data analysis. PLS-SEM has several advantages over other methods such as covariance-based structural equation modeling (CB-SEM). PLS-SEM does not assume normal distribution of data (Hair, Hult, et al., 2017), which is a common characteristic of most survey data. In contrast, CB-SEM assumes the data is normally distributed. Another superior
characteristic of PLS-SEM is that it works with both large and small sample sizes, and the method maximizes prediction of dependent variables (Hair, Hult, et al., 2017).

In this study, PLS-SEM is employed since the focus is on prediction, as opposed to the confirmation of the theory, the model is relatively complex, and the sample size is small (Hair, Hult, et al., 2017; Hair, Matthews, et al., 2017). Another consideration when deciding between PLS-SEM and CB-SEM is the covariance-based SEM requires goodness-of-fit (GOF), which often reduces the validity of the theoretical constructs, but GOF is not a required metric for PLS-SEM (Hair et al., 2020).

In PLS-SEM the evaluation of relationships between dependent, independent, mediation and moderation variables, is executed simultaneously (Sarstedt et al., 2020) and in two steps. This two-step process starts with the analysis of the measurement models and ends with assessment of the structural model. In Chapter IV these two steps are explained in detail.
CHAPTER IV
DATA ANALYSIS AND RESULTS

4.1 Measurement Model Assessment

In partial least squares structural equation modeling (PLS-SEM), the method used for measurement model confirmation is confirmatory composite analysis (CCA), as compared to confirmatory factor analysis (CFA) used in covariance-based structural equation modeling (CB-SEM) (Hair et al., 2020). CCA is a seven-step process for reflective constructs and assesses the item loadings, composite reliability, AVE, discriminant validity, and nomological and predictive validity (Hair et al., 2020).

Item loadings are shown in Table 4, and all are meaningful and significant at .000. The recommended cutoff for item loadings is .708 (Hair, Hult, et al., 2017). Five items were removed in the pretest based on low loadings. These items were, EO_7 (Loading .271), PEU_4 (Loading .373), CRP_6 (Loading .347), CRP_9 (Loading .283) and CRP_12 (Loading .408). Ten items are shown in Table 4, with loadings between .50 and .708 that were retained since they were measuring important aspects of their construct and also met recommended minimum guidelines (Hair et al., 2020).
<table>
<thead>
<tr>
<th>Variable</th>
<th>Loading</th>
<th>Variable</th>
<th>Loading</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customer Relationship Management</strong></td>
<td></td>
<td><strong>Customer Orientation</strong></td>
<td></td>
</tr>
<tr>
<td>CRM_APP</td>
<td>0.685</td>
<td>CO_1</td>
<td>0.782</td>
</tr>
<tr>
<td>CRM_FB</td>
<td>0.724</td>
<td>CO_2</td>
<td>0.777</td>
</tr>
<tr>
<td>CRM_INS</td>
<td>0.748</td>
<td>CO_3</td>
<td>0.764</td>
</tr>
<tr>
<td>CRM_LINK</td>
<td>0.557</td>
<td>CO_4</td>
<td>0.740</td>
</tr>
<tr>
<td>CRM_TW</td>
<td>0.779</td>
<td>CO_5</td>
<td>0.526</td>
</tr>
<tr>
<td>CRM_YT</td>
<td>0.754</td>
<td>CO_6</td>
<td>0.594</td>
</tr>
<tr>
<td><strong>Customer Relationship Performance</strong></td>
<td></td>
<td><strong>Employee Orientation</strong></td>
<td></td>
</tr>
<tr>
<td>CRP_1</td>
<td>0.506</td>
<td>EO_1</td>
<td>0.809</td>
</tr>
<tr>
<td>CRP_2</td>
<td>0.701</td>
<td>EO_2</td>
<td>0.868</td>
</tr>
<tr>
<td>CRP_3</td>
<td>0.633</td>
<td>EO_3</td>
<td>0.803</td>
</tr>
<tr>
<td>CRP_4</td>
<td>0.795</td>
<td>EO_4</td>
<td>0.781</td>
</tr>
<tr>
<td>CRP_5</td>
<td>0.809</td>
<td>EO_5</td>
<td>0.744</td>
</tr>
<tr>
<td>CRP_7</td>
<td>0.818</td>
<td>EO_6</td>
<td>0.820</td>
</tr>
<tr>
<td>CRP_8</td>
<td>0.781</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CRP_10</td>
<td>0.756</td>
<td>WSMU_1</td>
<td>1.000</td>
</tr>
<tr>
<td>CRP_11</td>
<td>0.588</td>
<td>WSMU_2</td>
<td>0.986</td>
</tr>
<tr>
<td><strong>Perceived Ease of Use</strong></td>
<td></td>
<td>WSMU_3</td>
<td>0.985</td>
</tr>
<tr>
<td>PEU_1</td>
<td>0.825</td>
<td>WSMU_4</td>
<td>0.954</td>
</tr>
<tr>
<td>PEU_2</td>
<td>0.858</td>
<td>WSMU_5</td>
<td>0.948</td>
</tr>
<tr>
<td>PEU_3</td>
<td>0.650</td>
<td>WSMU_6</td>
<td>0.944</td>
</tr>
<tr>
<td>PEU_5</td>
<td>0.705</td>
<td>WSMU_7</td>
<td>0.935</td>
</tr>
<tr>
<td>PEU_6</td>
<td>0.741</td>
<td>WSMU_8</td>
<td>0.933</td>
</tr>
<tr>
<td><strong>Perceived Usefulness</strong></td>
<td></td>
<td>WSMU_9</td>
<td>0.949</td>
</tr>
<tr>
<td>PU_1</td>
<td>0.875</td>
<td>WSMU_10</td>
<td>0.954</td>
</tr>
<tr>
<td>PU_2</td>
<td>0.948</td>
<td>WSMU_11</td>
<td>0.962</td>
</tr>
<tr>
<td>PU_3</td>
<td>0.949</td>
<td>WSMU_12</td>
<td>0.924</td>
</tr>
<tr>
<td>PU_4</td>
<td>0.924</td>
<td>WSMU_13</td>
<td>0.574</td>
</tr>
<tr>
<td>PU_5</td>
<td>0.806</td>
<td>WSMU_14</td>
<td>0.804</td>
</tr>
<tr>
<td>PU_6</td>
<td>0.854</td>
<td>WSMU_15</td>
<td>0.801</td>
</tr>
<tr>
<td>PU_7</td>
<td>0.888</td>
<td>WSMU_16</td>
<td>0.865</td>
</tr>
<tr>
<td>PU_8</td>
<td>0.834</td>
<td>WSMU_17</td>
<td>0.871</td>
</tr>
<tr>
<td></td>
<td></td>
<td>WSMU_18</td>
<td>0.839</td>
</tr>
<tr>
<td></td>
<td></td>
<td>WSMU_19</td>
<td>0.824</td>
</tr>
<tr>
<td></td>
<td></td>
<td>WSMU_20</td>
<td>0.898</td>
</tr>
<tr>
<td></td>
<td></td>
<td>WSMU_21</td>
<td>0.961</td>
</tr>
<tr>
<td></td>
<td></td>
<td>WSMU_22</td>
<td>0.875</td>
</tr>
<tr>
<td></td>
<td></td>
<td>WSMU_23</td>
<td>0.529</td>
</tr>
</tbody>
</table>
Composite reliability assesses the internal consistency reliability of each construct (Hair et al., 2019). The recommended cutoff for composite reliability is 0.70 (Hair et al., 2019). As shown in Table 5, all composite reliabilities exceed 0.70 indicating adequate reliability.

Convergent validity is evaluated based on average variance extracted (AVE). As shown in Table 5, all AVEs exceed the 0.50 recommended cutoff (Hair et al., 2019). The lowest AVE in the model is 0.461 for WSMU is slightly below the threshold of 0.50 and that might be because only the positive side of social media usage is examined in this study and negative side was left for future studies.

Discriminant validity measures the difference between the constructs (Hair et al., 2019). The Heterotrait-Monotrait (HTMT) ratio is used to measure discriminant validity among the constructs. HTMT measures the true correlations between constructs with the recommended threshold of less than 0.85 if the constructs are conceptually different (Hair et al., 2019). Confidence intervals should not contain the value one for the constructs to meet discriminant validity guidelines (Hair et al., 2019). Also, if HTMT for similar constructs are below .90, with a confidence interval that does not include a 0 or a 1, discriminant validity exists (Henseler et al., 2015). Table 5 shows that all HTMT values are less than the 0.85 threshold. The HTMT value for PU and PEU is 0.886 which is acceptable since the constructs are similar and HTMT is less than .90. The confidence intervals do not contain the value one or zero for all constructs except between customer and employee orientation and social CRM and CRP. Therefore, discriminant validity exists between all constructs except stakeholder orientation constructs and CRP and social CRM.
Table 5. Reliability, Convergent, and Discriminant Validity of Variables.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Comp Rel.</th>
<th>AVE</th>
<th>HTMT</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 CRP</td>
<td>.943</td>
<td></td>
<td>.804</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 EO</td>
<td>.916</td>
<td>.645</td>
<td>.286</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 PEU</td>
<td>.929</td>
<td>.867</td>
<td>.504</td>
<td>.237</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 CO</td>
<td>.882</td>
<td>.652</td>
<td>.282</td>
<td>.398</td>
<td>.191</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Social CRM</td>
<td>.859</td>
<td>.604</td>
<td>.508</td>
<td>.241</td>
<td>.592</td>
<td>.150</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 PU</td>
<td>.968</td>
<td>.789</td>
<td>.586</td>
<td>.220</td>
<td>.886</td>
<td>.233</td>
<td>.697</td>
<td></td>
</tr>
<tr>
<td>7 WSMU</td>
<td>.945</td>
<td>.461</td>
<td>.495</td>
<td>.309</td>
<td>.840</td>
<td>.231</td>
<td>.684</td>
<td>.848</td>
</tr>
</tbody>
</table>

The Fornell-Larcker test was also used since two of the constructs, stakeholder orientation and CRM, failed the discriminant validity test with HTMT. The Fornell-Larcker test compares the AVE for any two constructs with square root of correlations between the two constructs (Fornell & Larcker, 1981). Table 6 shows the square root of the AVE on the diagonal in bold. According to results for the Fornell-Larcker (FL) criterion, the diagonal values in Table 6 need to be larger than respective rows and columns. All constructs pass the FL criterion test.

Table 6. Fornell-Larcker Criterion for Discriminant Validity.

<table>
<thead>
<tr>
<th>Variable</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRP</td>
<td><strong>0.897</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EO</td>
<td>0.273</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PEU</td>
<td>0.446</td>
<td>0.216</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CO</td>
<td>0.256</td>
<td>0.351</td>
<td>0.161</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social CRM</td>
<td>0.447</td>
<td>0.199</td>
<td>0.510</td>
<td>0.117</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PU</td>
<td>0.553</td>
<td>0.218</td>
<td>0.803</td>
<td>0.213</td>
<td>0.629</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WSMU</td>
<td>0.460</td>
<td>0.278</td>
<td>0.756</td>
<td>0.214</td>
<td>0.610</td>
<td>0.813</td>
<td><strong>0.679</strong></td>
</tr>
</tbody>
</table>
The last two steps of CCA contains the evaluation of nomological and predictive validity (Hair et al., 2020). Nomological validity evaluates the correlation of constructs in the study model with empirical findings to confirm theoretical consistency with prior research. The nomological relationships in this study is supported by prior literature (Rapp et al., 2010; Rauniar et al., 2014; Trainor et al., 2014). Predictive validity is the assessment of correlations in longitudinal studies. This study is not a longitudinal study; therefore, establishing predictive relevance is not one of the objectives of this research.

Figures 5 and 6 show the final complete PLS model and structural model respectively.

Figure 5. Final Complete PLS Model. Path coefficients and loadings are shown on the arrows and the value inside the circles indicate the AVE for each constructs.
4.2 Structural Model Assessment

Structural model evaluation consists of six steps: multicollinearity evaluation, path coefficients and their significance, total variance explained by $R^2$ in all the dependent variables, effect sizes explained by $f^2$ in independent variables, predictive relevance $Q^2$, and out-of-sample prediction assessment using PLSpredict (Shmueli et al., 2019).

Multicollinearity is assessed using variance inflated factor (VIF) statistic and VIF for all the constructs in the model is less than the threshold of five (Hair et al., 2016). The
VIF for the constructs are shown in Table 7 and they are below the more recent suggested threshold of 3.0 indicating multicollinearity is not an issue in this model (Hair, Hollingsworth, et al., 2017).

Table 7. Variance Inflated Factor Multicollinearity.

<table>
<thead>
<tr>
<th>Variable</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 CRP</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 EO</td>
<td>1.202</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.200</td>
</tr>
<tr>
<td>3 PEU</td>
<td></td>
<td>1.200</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 CO</td>
<td>1.162</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.814</td>
</tr>
<tr>
<td>5 Social CRM</td>
<td>1.597</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 PU</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.814</td>
<td></td>
</tr>
<tr>
<td>7 WSMU</td>
<td>1.687</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.102</td>
<td></td>
</tr>
</tbody>
</table>

The next step is to analyze the path coefficients and their significance. Bootstrapping with 5000 samples was conducted to calculate the significance level of the path coefficients. Table 8 shows the path coefficients, significance and whether the hypotheses are supported.
Table 8. *Path Coefficients, Significance, Hypotheses Results.*

<table>
<thead>
<tr>
<th>Structural Model Path</th>
<th>Significance</th>
<th>Hypothesis</th>
<th>Supported?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Direct Effects</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WSMU → Social CRM</td>
<td>***</td>
<td>H1</td>
<td>Yes</td>
</tr>
<tr>
<td>CO → CRP</td>
<td>ns</td>
<td>H2</td>
<td>No</td>
</tr>
<tr>
<td>CO → Social CRM</td>
<td>ns</td>
<td>H3</td>
<td>No</td>
</tr>
<tr>
<td>EO → Social CRM</td>
<td>ns</td>
<td>H4</td>
<td>No</td>
</tr>
<tr>
<td>EO → CRP</td>
<td>ns</td>
<td>H5</td>
<td>No</td>
</tr>
<tr>
<td>Social CRM → CRP</td>
<td>***</td>
<td>H6</td>
<td>Yes</td>
</tr>
<tr>
<td>WSMU → CRP</td>
<td>***</td>
<td>H7</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Control Variables</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender → CRP</td>
<td>ns</td>
<td>Control</td>
<td>No</td>
</tr>
<tr>
<td>Comp Size → CRP</td>
<td>ns</td>
<td>Control</td>
<td>No</td>
</tr>
<tr>
<td>Age → CRP</td>
<td>ns</td>
<td>Control</td>
<td>No</td>
</tr>
<tr>
<td><strong>Mediation Effects</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WSMU → PEU → Social CRM</td>
<td>ns</td>
<td>H8a</td>
<td>No</td>
</tr>
<tr>
<td>WSMU → PU → Social CRM</td>
<td>ns</td>
<td>H8b</td>
<td>No</td>
</tr>
</tbody>
</table>

*Note.* *** $p \leq .001$; ** $p \leq .01$; * $p \leq .05$.

Hypothesis 1 that work-related social media usage is positively related to social CRM is supported with a positive path coefficient of 0.61 and significance of (0.000).

Hypothesis 2 that stakeholder orientation is positively related to customer relationship performance is not supported with a positive path coefficient of 0.140 and significance of (0.125). Hypothesis 3 that stakeholder orientation is positively related to social CRM is not supported with path coefficient of 0.03 and significance of (0.607). Hypothesis 4 that employee orientation is positively related to social CRM is not supported with a path coefficient 0.40 and significance of (0.480). Hypothesis 5 that employee orientation is
positively related to customer relationship performance is also not supported with a positive path coefficient of 0.11 and significance of (0.088). Hypothesis 6 that social CRM is positively related to customer relationship performance is supported with a path coefficient of 0.26 and significance of (0.000). Hypothesis 7 that work-related social media usage is positively related to customer relationship performance is supported with path coefficient of 0.24 and significance of (0.002).

In the next step, the moderating results were assessed. The moderating effect of perceived ease of use on work-related social media usage and social CRM was not significant ($p = 0.482$) and a path coefficient of 0.038. The moderating effect of perceived usefulness on work-related social media usage and social CRM was also assessed and was not significant with ($p = 0.943$) and path coefficient of 0.003. Therefore, hypotheses H8a and H8b are not supported.

The effect of control variables on dependent construct of customer relationship performance was also assessed. The evaluation of control variables helps to determine whether control variables are influencing the dependent variables (Carlson & Wu, 2012; Spector & Brannick, 2011). The control variables of company size, gender and age that were assessed in the current study were not statistically significant in the structural model indicating these control variables did not have a meaningful effect on customer relationship performance. The results for control variables of gender, age, and company size were not significant with path coefficients of 0.004, -0.007, 0.054, and significance of 0.940, 0.917,0.44 respectively.

The next step in the CCA process is to examine the $R^2$ of all dependent variables. The $R^2$ metrics (coefficient of determination) is used to determine the in-sample
prediction power (Sarstedt & Mooi 2014). The $R^2$ values of 0.25, 0.50, 0.75 considered to be weak, moderate, and strong respectively (Hair et al., 2019). The $R^2$ of work-related social media usage is 0.691 is considered to be moderate. Social CRM is 0.374, customer relationship performance is 0.295, indicating the weak prediction power.

The effect sizes $f^2$ of independent variables are examined next. According to Cohen (1988), the $f^2$ effect sizes of 0.02, 0.15, and 0.35 are considered small, medium, and large, respectively. The effect sizes of work-related social media usage on social CRM is 0.530 which considered to be a large effect, and perceived usefulness on work-related social media usage is 0.389, which considered to be a large effect based on Cohen (1988) guideline. Work-related social media usage on customer relationship performance is 0.048, social CRM on customer relationship performance is 0.061, perceived ease of use on work-related social media usage is 0.096, stakeholder orientation on customer relationship performance 0.023, stakeholder orientation on social CRM is 0.001 and employee orientation on social CRM are both 0.002, employee orientation on customer relationship performance is 0.013, therefore, all of which are considered small effect sizes (Cohen, 1988).

Steps five and six of the CCA process evaluates the in-sample and out-of-sample predictive power. The predictive power is evaluated by using $Q^2$ known as blindfolding (Geisser, 1974; Stone, 1974). The $Q^2$ metric has been used as out-of-sample assessment in previous research. PLSpredict is a more valid metric for assessment of out-of-sample prediction (Hair, Hollingsworth, et al., 2020), is used in this research for evaluating in-sample prediction. The blindfolding ($Q^2$ predictive relevance) process includes the elimination of raw data values, imputation of values then estimation of the model (Hair et
Q² values larger than zero are meaningful, but less than zero indicate lack of predictive relevance (Hair, Hollingsworth, et al., 2017). In this study, the cross-validated redundancy approach is used to calculate the Q² values since this approach is a better approach compared to cross-validated communality (Hair et al., 2019). The Q² values for this study are as follow: work-related social media usage (0.313), social CRM (0.209), customer relationship performance (0.223) which all consider to be meaningful. The Q² values for stakeholder orientation, employee orientation, perceived ease of use, and perceived usefulness are zeros indicating lack of predictive relevance.

PLSpredict is the last step of the CCA process. PLSpredict measures out-of-sample prediction by randomly splitting the total sample into several subgroups known as holdout samples or testing data. In this study the sample size is 214, therefore, the number of folds is \( k = 7 \) and the number of repetitions is set to 10. The PLSpredict results indicate the customer relationship performance has higher RMSE and MAE error terms under linear regression model (LM) than the PLSpredict modeling, indicating the PLS model exhibits good out-of-sample predictive power ((Hair, Hollingsworth, et al., 2017; Shmueli et al., 2019).

The discussion of findings is provided in Chapter V. The next chapter also offers managerial implications, followed by research limitations, and future research recommendations.
CHAPTER V
DISCUSSION

This study furthers investigation into whether WSMU and employee perception of social media usage affect social CRM and customer relationship performance in stakeholder oriented firms. This research explores the role of social media usage for work-related purposes at work, and its impact on customer relationship management processes and performance. Research questions include the following: Do employee perceptions of social media usage affect companies’ social CRM? and Does adoption of social media by firm’s employees affect customer relationship performance?

Table 9 lists the hypotheses and the results of the current study.
Table 9. *Study Hypotheses and Results.*

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>H1</strong>: Social media usage by employees is positively associated with social CRM.</td>
<td>Supported</td>
</tr>
<tr>
<td><strong>H2</strong>: Customer orientation is positively associated with customer relationship performance.</td>
<td>Not Supported</td>
</tr>
<tr>
<td><strong>H3</strong>: Customer orientation is positively associated with social CRM.</td>
<td>Not Supported</td>
</tr>
<tr>
<td><strong>H4</strong>: Employee orientation is positively associated with social CRM.</td>
<td>Not Supported</td>
</tr>
<tr>
<td><strong>H5</strong>: Employee orientation is positively associated with customer relationship performance.</td>
<td>Not Supported</td>
</tr>
<tr>
<td><strong>H6</strong>: Social CRM is positively associated with customer relationship performance.</td>
<td>Supported</td>
</tr>
<tr>
<td><strong>H7</strong>: Social media usage is positively associated with customer relationship performance.</td>
<td>Supported</td>
</tr>
<tr>
<td><strong>H8</strong>: Social media usage and social CRM are positively associated with employee perceptions of social media usage.</td>
<td>Not Supported</td>
</tr>
<tr>
<td><strong>H8a</strong>: Social media usage and social CRM are positively associated with perceived ease of use of social media.</td>
<td>Not Supported</td>
</tr>
<tr>
<td><strong>H8b</strong>: Social media usage and social CRM are positively associated with perceived usefulness of social media usage.</td>
<td>Not Supported</td>
</tr>
</tbody>
</table>

One of the first studies that examined the effects of social CRM on customer relationship performance was the Trainor et al.’s study in 2014. In their study the positive effect of social CRM on customer relationship was supported. Information captured by the use of social media technology also showed to lead to improved customer relationship performance (Harrigan et al., 2020; Jayachandran et al., 2005; Nam et al., 2019; Trainor et al., 2014). This study also supports the positive effect of social CRM on customer relationship performance.
relationship performance with significance level of 0.000 (H6). Current study also supports the positive effect of work-related social media usage on social CRM with significance level of 0.000 (H1). The stakeholder orientation and employee orientation showed to have positive effect on customer relationship performance according to Berman et al. (1999). This study does not support the positive effect of stakeholder orientation and employee orientation on customer relationship performance with significance level of 0.125 and 0.088 respectively (H2, H5). The stakeholder orientation and employee orientation showed to have positive effect on social CRM according to Blocker et al. (2011) but this study does not support the stakeholder orientation and employee orientation to have positive effect on social CRM with significance levels of 0.607 and 0.480 respectively (H3, H4). This could be because social CRM consists of processes such as relationship initiation, relationship maintenance and relationship termination (Reinartz et al., 2004) that are not discussed in this study. The employee perception of social media usage is found not to be a moderating factor between work-related social media usage and social CRM (H8). The reason why this moderating effect is not supported could be because of the widespread usage of social media in personal and professional life (Powell, 2012). No prior studies have studied the moderating effect of employee perception on work-related social media usage and social CRM.

The overall contribution if this study is that companies that utilize social media usage for their employees could benefit from higher customer relationship management by leveraging employees to promote them. Also, if companies utilize social media usage for their employees and incorporate social media in their CRM systems (social CRM) then they could benefit from higher customer relationship performance.
This study also found that most companies have been using Facebook, LinkedIn, and Instagram. The number of participants reported using the social media, and the social media platforms used at work are as follow: 172 Facebook, 122 LinkedIn, 111 Instagram, 79 Twitter, 28 Pinterest, and 3 TikTok. The percentage of companies having social media policy for their employees was 56.5%. Out of 56.5% employees with having social media policy, 19.6% reported having social media policy discourages them to use social media at work while 36.9% reported no difference.

5.1 Theoretical Implications

The theoretical foundation of this study includes R-A theory and TAM. Employees as internal customers and as firm resources found to have positive effects on customer relationship performance of the firms. These findings support the R-A theory for the firms. This study also found that the ease of use and usefulness of social media technology is still significant for work-related social media tasks. Therefore, TAM is supported by the current study. This research finds support for the relationship between work-related social media usage and customer relationship performance meaning social media usage at work could contribute to higher customer relationship performance. Thus, incorporation of social media in organizational culture specifically in CRM systems could lead to higher customer relationship performance.

5.2 Practical Implications

This study shows the importance of social media usage at work. This study found that work-related social media usage has a positive effect on social CRM meaning social
media incorporation in CRM is highly recommended for managers and executives in order to achieve higher customer relationship performance. However, this does not mean that using social media for work-related tasks alone would lead to higher customer relationship performance. Thus, social media needs to be incorporated in CRM technologies in order for firms to reach better customer relationship performance. For example, companies such as Dunkin donuts are encouraging employees to create contents and share them on social media platforms such as TikTok. By using employees as influencers, companies are benefiting from free exposure (Inflow, 2021). Additionally, employees’ passion for their work builds stronger relationship with existing customers and attracts new customers.

Additionally, this study shows that firms being stakeholder and employee orientated alone is not sufficient to lead to more improved social CRM and customer relationship performance.

The perceived ease of use and usefulness of social media usage found to be significant in work-related social media usage. Therefore, it is recommended for the mangers to provide employees with resources they need to assure social media usage is easy to use and useful in the work setting. The perception of employees of social media usage however did not find to have a moderating effect on work-related social media usage and social CRM. Therefore, this means if employees are using social media for work-related tasks, it could lead to improved social CRM and ultimately higher customer relationship performance.

The percentage of employees reporting they do not have a social media policy at work was 43.5%. This means managers could clarify social media usage at work for
employees by implementing clear social media usage policy in employee handbook. This helps employees know their limitation of using social media for work-related purposes, and also, helps companies to benefit from employees who are active users of social media and influencers.

5.3 Limitations

There are four main limitations to the current study. The survey is a self-reported sample of marketing, sales and retail employees who participated in Prolific online platform to take the survey. Also, the study focused on organizations in the service sector. These limitations may constrain the generalizability of the findings; therefore, future research can focus on different populations and contexts. Additionally, this study could be more beneficial if examined in a longitudinal study, specifically, in companies that do not currently use social media for work-related purposes and in their CRM. For example, a five-year study could show how companies’ CRM and customer relationship performance have changed after incorporating social media. Lastly, this research examined the work-related social media usage by business to consumer employees and not business to business employees.

5.4 Future Research

I propose four avenues for future research. First, our model specifications could be tested by adding all constructs of stakeholder orientation such as stockholders and suppliers to provide more conclusive empirical evidence of all items associated with stakeholder orientation. Second, it would be helpful to better understand the role of
positive and negative work-related social media usage in organizations. Therefore, examining the positive side of work-related social media usage accompanied with negative side of social media usage will give scholars more thorough analysis of WSMU. Third, it would be interesting to explore different measures of customer relationship performance, for example asking the customers what they think about the companies, rather than only asking about employees’ perception of customer satisfaction and retention. Fourth, considering the social nature of selling and employee-customer interactions, online content analysis or even qualitative survey design could clarify what strategies are more beneficial to improve relationship with customers in selected companies.

5.5 Conclusions

Customer satisfaction and loyalty that leads to higher customer relationship performance has been the ultimate goal of most if not all firms. Thus, technologies such as social media, strategies such as allowing employees to use social media for work-related tasks and creating stakeholder oriented firms could help companies achieve the goal of improved customer relationship performance. Additionally, companies should consider the fact that only allowing employees to use social media at work is not sufficient to improve customer relationship performance. But if social media is incorporated in all aspects of the firms such as CRM, then the improved customer relationship performance will be the outcome. However, longitudinal studies are needed to determine what additional technologies need to be incorporated in company structure to lead to improved social CRM and customer relationship performance.
REFERENCES


Fornell, C., & Larcker, D. F. (1981). Structural equation models with unobservable variables and measurement error: Algebra and statistics. *Journal of Marketing Research, 18*(3), 382-388.


Appendix A

IRB June 15, 2021

INSTITUTIONAL REVIEW BOARD
June 15, 2021

IRB Number and Title: [1617285-3] The role of stakeholder orientation, social media usage and employee perception of social media usage on social-CRM and customer relationship performance.
Reference Number: 20-210
Principal Investigator: Nada Mossael
Next Report Due Date: June 14, 2022

The annual Check-In has been completed to notify the IRB that the research remains ongoing.

An annual notification will be automatically generated through IRBNet 60 and 30 days prior to the next Check-In. Failure to submit the annual Check-In form will result in the project being closed.
Appendix B

IRB February 11, 2021

INSTITUTIONAL REVIEW BOARD  
February 11, 2021

Principal Investigator: Neda Mossaei
IRB # and Title: IRB PROTOCOL: 20-210
Status: APPROVED Review Type: Exempt Review
Approval Date: February 11, 2021 Submission Type: Amendment/Modification
Initial Approval: June 15, 2020 Expiration Date:
Review Category: 45 CFR 46.104 (d)(2): Research that only includes interaction involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures or observation of public behavior (including visual or auditory recording):

ii. Any disclosure of the human subjects’ responses outside of the research would not reasonably place the subjects at risk of criminal or civil liability or be damaging to the subjects’ financial standing, employability, educational advancement, or reputation

This panel, operating under the authority of the DHHS Office for Human Research and Protection, assurance number FWA 00001602, and IRB Database #0000286 or #00011574, has reviewed the submitted materials for the following:
1. Protection of the rights and the welfare of human subjects involved
2. The methods used to secure and the appropriateness of informed consent
3. The risk and potential benefits to the subject

The regulations require that the investigator not initiate any changes in the research without prior IRB approval, except where necessary to eliminate immediate hazards to the human subjects, and that all problems involving risks and adverse events be reported to the IRB immediately!

Subsequent supporting documents that have been approved will be stamped with an IRB approval and expiration date (if applicable) on every page. Copies of the supporting documents must be utilized with the current IRB approval stamp unless consent has been waived.

Notes:
Exempt review and approval for study title change and more scales have been added to measure more constructs
All research related documents have been revised accordingly
Appendix C

IRB June 15, 2020

INSTITUTIONAL REVIEW BOARD
June 15, 2020

Principal Investigator: Neda Mosaei
IRB # and Title: IRB PROTOCOL: 20-210
[1817285-1] The Effects of Organizational Culture on Entrepreneurial Oriented Firms and Their Performance.
Status: APPROVED Review Type: Exempt Review
Approval Date: June 15, 2020 Submission Type: New Project
Initial Approval: June 15, 2020 Expiration Date:
Review Category: 45 CFR 46.104 (d)(2): Research that only includes interaction involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures or observation of public behavior (including visual or auditory recording):
ii. Any disclosure of the human subjects' responses outside of the research would not reasonably place the subjects at risk of criminal or civil liability or be damaging to the subjects' financial standing, employability, educational advancement, or reputation

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BIOGRAPHICAL SKETCH

Name of Author: Neda Mossaei

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