

ROLE OF SOCIAL MEDIA MARKETING ON PERFORMANCE OF SMEs IN BATTICALOA



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ABSTRACT

Social media marketing has become a transformative tool for business development globally, particularly for Small and Medium Enterprises (SMEs) striving for visibility, customer engagement, and competitive advantage. This study investigates the role of social media marketing on performance of SMEs in Batticaloa Region. The research focuses on Five dimensions of perceived usefulness, perceived ease of use, compatibility, facilitating conditions and cost. The study also explores how these dimensions influence performance of SMEs.

The research adopts a quantitative approach, collecting data from 313 SME owners and managers selected through purposive sampling. A structured questionnaire was administered, and the data were analyzed using descriptive statistics, correlation, and regression analysis (SPSS 26.0 Version).

The assessment revealed that the levels of the five dimensions Perceived Usefulness, Perceived Ease of Use, Compatibility, Facilitating Conditions, and Cost are generally high among SMEs in the Batticaloa with univariate analysis. The correlation analysis confirmed that all five Perceived Usefulness, Perceived Ease of Use, Compatibility, Facilitating Conditions, and Cost have a significant positive relationship with the performance of SMEs in adopting social media marketing strategies. The regression analysis revealed that each of the five dimensions Perceived Usefulness, Perceived Ease of Use, Compatibility, Facilitating Conditions, and Cost significantly impact the performance of SMEs in adopting social media marketing strategies.

The significance of this research lies in its practical implications for SMEs owners, policymakers, and digital marketers. It offers insights into how low-cost, high-reach platforms like Facebook, Instagram, and WhatsApp can be leveraged to boost business growth and long-term sustainability. Furthermore, the study fills a notable gap in empirical literature within the Sri Lankan context, especially in under-researched Eastern regions. The study recommends that SMEs invest in tailored social media strategies and training to maximize marketing effectiveness. Future research could explore longitudinal effects and industry-specific outcomes across diverse regions.

Keywords: *Social Media Marketing, Perceived Usefulness, Perceived Ease of Use, Compatibility, Facilitating Conditions, Cost, and Performance of SMEs*

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