



# Unlocking SME Potential: How Digital and Organizational Readiness Influence Attitudes Toward Social Media Live Streaming

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**Abstract:** This study investigates the impact of digital and organizational readiness on SMEs' attitudes toward social media live streaming. Using a quantitative research design, data will be collected through a cross-sectional survey of SME business owners and managers, with a minimum sample size of 200 respondents. The key constructs explored include digital readiness, organizational readiness, and attitudes toward live streaming. Digital readiness is assessed through factors such as digital infrastructure, employee skills, and technological updates, while organizational readiness is measured by company culture, management commitment, and resource availability. Attitudes toward live streaming are evaluated based on beliefs in its strategic value and potential benefits for business growth. Data analysis will be conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM) to examine the relationships between these constructs and to test the study's hypotheses. It is anticipated that the findings will confirm that both digital and organizational readiness significantly influence SMEs' attitudes toward live streaming, facilitating its effective adoption and utilization. This research provides critical insights into how SMEs can strategically navigate the challenges and opportunities presented by social media live streaming, ultimately enhancing their business performance and customer engagement.

**Keywords:** Social media Live Streaming, Digital Readiness, Organizational Readiness, SMEs, Attitude toward

## Introduction

Live streaming in social media has transformed the way individuals and businesses engage with their audiences. This interactive form of content delivery has become a powerful tool for influencers, organizations, and content creators to connect with viewers in real-time (Fletcher & Gbadamosi, 2022). The immediacy and interactivity of live streaming not only capture consumer attention but also sustain their interest, particularly in the realm of e-commerce (Ngo, 2023). Platforms that focus on live streaming services provide a unique space for content creators and followers to interact throughout the production process, fostering participatory branding and enhancing engagement (Meisner & Ledbetter, 2020). The growth of social media live streaming can be attributed to advancements in mobile Internet technology, which have facilitated its widespread adoption and popularity (Lum, 2023). Businesses, especially small and medium

enterprises (SMEs), have leveraged social media live streaming as a mainstream trend in e-commerce. Live streaming e-commerce is acknowledged for its potential in boosting consumption, enhancing industrial integration, fostering innovation, and encouraging entrepreneurship (Liu, 2023).

This shift towards live streaming has enabled SMEs to seize new opportunities beyond traditional brick-and-mortar establishments, allowing them to broaden their market reach and expand their businesses (Sharma, 2023). Social media live streaming, in particular, presents both benefits and challenges for SMEs. A key advantage is the increased customer engagement it enables, allowing real-time interaction between businesses and their customers. This real-time engagement can, in turn, lead to greater brand loyalty and higher sales (Xu et al., 2023). Additionally, live streaming can serve as a powerful marketing tool, enabling SMEs to showcase products dynamically and interactively, which can be particularly effective during events like product launches or promotions (Lee & Chen, 2021). However, the challenges are equally notable. For instance, the intensity of live social interactions can lead to higher product return rates, as seen in livestream e-commerce, where the persuasive effect of live interactions often results in customers making impulsive purchases that they later return (Feng et al., 2024).

Moreover, SMEs face technical and managerial challenges in adopting these technologies, such as ensuring data quality and the sustainability of data communication systems, which are crucial for the effective operation of digital twins and other advanced digital tools (Ward et al., 2023). The digital transition also necessitates increased capacitation across various roles within SMEs, from technical to managerial positions, to effectively leverage these new tools (Carvalho et al., 2024). Furthermore, while social media can significantly aid in new product introductions (NPI), the managerial perception of social media's contribution can either enhance or inhibit this process, particularly if managers have a high risk-taking attitude, which can distract from focused innovation efforts (Brooks et al., 2023). Lastly, the dynamic capabilities required for successful social media adoption, such as sensing, seizing, and reconfiguration, present another layer of complexity that SMEs must navigate to fully benefit from these platforms (Hu et al., 2023; Sari et al., 2023).

While social media live streaming presents significant opportunities for growth and customer engagement, it also comes with considerable challenges that SMEs need to manage strategically. Given the challenges and opportunities outlined, this study aims to investigate how digital readiness and organizational readiness impact attitudes toward live streaming on social media among business owners and managers. By understanding these influences, the research seeks to provide insights that can help SMEs effectively navigate the complexities of social media live streaming and enhance their strategic approach to leveraging these platforms for growth and customer engagement.

## Methodology

This study employs a quantitative research design to investigate the impact of digital readiness and organizational readiness on attitudes toward live streaming on social

media among business owners and managers. Utilizing a cross-sectional survey approach, data will be collected from a sample of respondents at a single point in time. The target population includes business owners and managers of SMEs who are either engaged in or considering the adoption of live streaming on social media. To select suitable respondents, a purposive sampling method will be employed, with a minimum sample size of 200 aimed at ensuring adequate statistical power for the analysis.

The research constructs include digital readiness, organizational readiness, and attitudes toward live streaming. Digital readiness will be assessed through items related to digital infrastructure, employees' digital skills, and ongoing updates to digital capabilities. Organizational readiness will be measured by items concerning company culture, management commitment, and resource availability for live streaming. Attitudes toward live streaming will be evaluated based on beliefs in its business benefits, positive views on its strategic incorporation, and confidence in its potential to enhance customer engagement. Data collection will be carried out using a structured questionnaire distributed via face-to-face interviews. The questionnaire will include a clear introduction to the study to ensure that respondents understand its purpose and significance, with participation being voluntary and responses kept confidential and anonymous. Data analysis will be conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS software.

The analysis will involve assessing the reliability and validity of measurement items, confirming construct validity through convergent and discriminant validity tests, and evaluating the relationships between constructs using the structural model. Hypotheses will be tested to determine the influence of digital readiness and organizational readiness on attitudes toward live streaming. A bootstrapping procedure with 5,000 resamples will be performed to assess the significance of path coefficients, and model fit indices will be examined to ensure the robustness of the model. This analysis aims to provide valuable insights into how digital and organizational readiness affect attitudes toward social media live streaming among business owners and managers.

## Result and Discussion

This study aims to explore the impact of organizational readiness and digital readiness on SMEs' attitudes toward adopting live streaming on social media. Hypothesis H1 posits that SMEs with higher organizational readiness will exhibit a more favorable attitude toward live streaming. The anticipated findings suggest that organizational readiness plays a critical role in shaping SMEs' attitudes toward live streaming. Organizational readiness encompasses factors such as technological infrastructure, human resources, and external preparedness. This assertion is consistent with extant research that underscores the importance of organizational factors in technology adoption (Yang et al., 2022; Nair et al., 2019). For instance, SMEs with robust technological infrastructure and supportive management are better positioned to leverage live streaming effectively, thereby enhancing customer engagement and potentially improving business performance.

The integration of social media into SMEs' communicative strategies further highlights the necessity for organizational readiness to fully capitalize on the benefits of live streaming (Ngammoh et al., 2021; Diana et al., 2023). Consequently, the anticipated results are expected to confirm that higher organizational readiness facilitates a more positive attitude towards live streaming, enabling SMEs to utilize this technology for cost reduction and community building, as observed during the COVID-19 pandemic (Tian et al., 2022 ; Indrawan et al., 2022)

## Discussion

Digital readiness is hypothesized to significantly impact SMEs' attitudes toward live streaming, as indicated in Hypothesis H2. Digital readiness includes motivators such as innovativeness and optimism, as well as inhibitors like insecurity and discomfort (Blut & Wang, 2020; Ritonga et al., 2018). The findings are expected to reveal that SMEs with higher digital readiness, characterized by technological sensemaking, agility, and implementation, are more likely to adopt a positive attitude toward live streaming. This aligns with the literature suggesting that digital readiness enhances SMEs' capabilities to effectively utilize live streaming for stakeholder engagement and marketing (Pingali et al., 2023).

The perceived ease of use and usefulness of digital media further contribute to positive attitudes, reinforcing the significance of digital readiness in facilitating effective communication and engagement (Camilleri, 2019). The interactive nature of live streaming, which fosters social presence and engagement, is anticipated to positively influence SMEs' attitudes (Lin & Lee, 2024). Furthermore, the results are expected to support the hypothesis that SMEs with higher digital readiness will demonstrate a more favorable attitude toward live streaming, thereby enhancing their ability to explore and exploit this technology effectively (Andrade et al., 2021; Brooks et al., 2023).

## Conclusion

In conclusion, the study is anticipated to provide significant insights into how organizational and digital readiness influence SMEs' attitudes toward live streaming on social media. The findings are expected to confirm that both organizational readiness and digital readiness positively impact SMEs' attitudes, thereby facilitating the adoption and effective use of live streaming. SMEs with higher organizational readiness are likely to be more receptive to integrating live streaming into their business strategies, while those with higher digital readiness will leverage live streaming more effectively for stakeholder engagement and marketing. This research contributes to the understanding of how readiness factors shape technological adoption in SMEs, offering valuable implications for practitioners and policymakers aiming to support SMEs in navigating digital transformation and enhancing their business performance through social media live streaming.

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