

## ***Unlocking Growth through Social Media Marketing: Empirical Evidence from Small Businesses in Sétif, Algeria***

استكشاف فرص النمو من خلال التسويق عبر وسائل التواصل الاجتماعي: دراسة ميدانية على المؤسسات الصغيرة في سطيف، الجزائر

**Manel REBBOUH<sup>1,\*</sup>**

<sup>1</sup> Sétif I University-Ferhat Abbas -(Algeria), manel.rebbouh@univ-setif.dz

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### ***Abstract:***

*This study investigates the role of social media marketing in enhancing the performance of small and medium-sized businesses (SMBs) in Sétif, Algeria. It focuses on three key dimensions: online advertising, and customer interaction. A descriptive and analytical approach was adopted, using a structured questionnaire and SPSS (v26) for data analysis. The findings reveal a statistically significant and positive impact of social media platforms on business performance. Social media proved effective in expanding market share, improving customer satisfaction, and reducing marketing costs. The study provides evidence-based recommendations for SMBs to adopt strategic digital engagement practices to sustain growth and competitiveness.*

**Keywords:** Social Media Marketing; Business Performance; Social Media Advertising; Social Media Interaction; Small Businesses in Sétif

**Jel Classification Codes:** L25; M31

\*Corresponding author,

## **Introduction:**

Social media marketing has become a prominent and vital role in organisations' marketing strategies regardless of their type. It is no longer just a means of communication and interaction with the audience but has become a strategic tool for brand building, increasing brand awareness, and generating sales.

Small businesses can use social media platforms such as Facebook, Twitter, Instagram, and LinkedIn to reach a wide audience at a low cost compared to traditional advertising methods. It allows them to precisely target specific audiences, and customise messages according to their interests and needs, thus increasing the chances of marketing campaign success.

Furthermore, direct interaction through social media enables small businesses to connect with their audience on a more personal level, contributing to building sustainable customer relationships. By monitoring interactions and analysing data, small businesses can evaluate the performance of their marketing campaigns and continuously adjust their strategies to effectively achieve their goals.

Of course, small businesses need a well-thought-out strategy and engaging content to capture the audience's attention and provoke their interaction. They also need to take advantage of available tools and technologies to measure and continuously improve the performance of their campaigns

## **A- Problem of the study:**

The impact of social media marketing on the performance of small and medium-sized businesses (SMBs) in Algeria is a multifaceted issue. Social media platforms offer a cost-effective way for SMBs to reach a wider audience, engage with customers and enhance brand awareness. However, the effectiveness of these strategies can vary significantly based on several factors, including the nature of the business, the target audience, and the specific social media tactics employed. Based on this premise, the research question is formulated as follows:

"How does social media marketing contribute to the growth and performance of small businesses in Sétif?"

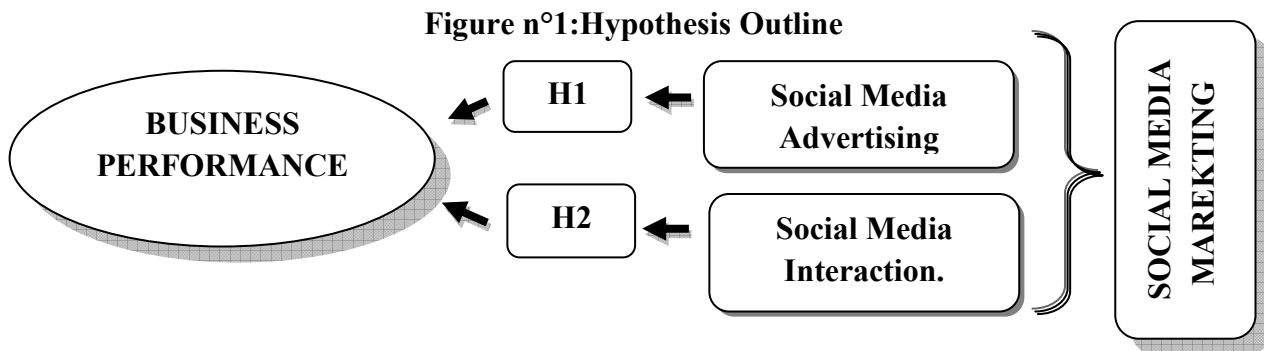
Based on the above-mentioned study question, the sub-questions that the study seeks to answer are as follows:

- ✓ What is the impact of advertising through social media on small business performance in Sétif?
- ✓ What is the impact of interaction through social media on small business performance in Sétif?

## **B- Hypothesis outline and hypotheses of the study:**

This study will investigate the hypotheses and aim to construct a model that elucidates and clarifies the dynamics of these hypotheses. The model will explore the relationships, whether correlational or causal, between the variables.

- ✓ **Hypothesis Outline:** Figure n°1 shows the relationship between study variables based on the issue and objectives.



Source: Prepared by the student relying on previous studies

From Figure n°1, the following hypotheses can be formulated:

✓ **Main Hypothesis:**

There is a significant impact between social media marketing as an overall independent variable and the performance of small businesses as a dependent variable in the province of Sétif.

✓ **Sub-Hypotheses:**

- Social media marketing significantly influences small business performance in Sétif through advertising.
- Social media marketing significantly influences the performance of small businesses in Sétif through interaction.

**C- Importance of the study:**

The significance of the study lies in several key aspects, which can be summarized as follows:

- Contributes to the development of scientific literature on social media marketing, providing a deeper understanding of its role in small businesses.
- Offers opportunities to discover new theories or refine existing ones related to digital marketing and its effects.
- Help small businesses design and implement effective social media marketing strategies.
- Contributes to identifying the best metrics and methods for assessing the effectiveness of social media marketing campaigns.
- Supports businesses in analysing social media data to improve performance and make informed decisions.
- Encourages innovation in marketing strategies and helps small businesses adapt to rapid changes in the digital marketplace.

**D- Study Objectives:** This study aims to:

- Assess how digital platforms influence business performance.
- Enhance customer relations, and information accessibility, and reduce marketing costs.
- Improve business outcomes through social media marketing.
- Reduce marketing costs through the effective use of social media, targeting relevant audiences more efficiently and reducing reliance on traditional advertising methods.

- Improve overall business outcomes by analysing the effectiveness of social media marketing strategies in driving growth, increasing customer acquisition, and boosting revenue.

#### **E- Study Methodology:**

To cover all aspects of the research and verify the validity of the proposed hypotheses, the descriptive method is adopted for the theoretical part, while the analytical method is used to interpret and analyze the results related to the practical part, relying on the SPSS (Version 26) software package (Statistical Package for the Social Sciences).

#### **F- The Study Structure/ Sections:**

- **Study Literature Section :** This section provides a comprehensive review of existing literature related to social media marketing, its application in small businesses, and its impact on business performance. It will explore various theories, models, and findings from previous research, establishing the theoretical framework for the study.
- **Applied Study Section:** In this section, the focus is on the empirical data collected from small businesses in Sétif, Algeria. This section will detail the research methodology, data collection methods, analysis of results, and findings based on the responses of the businesses involved in the study.

#### **G- The limits of the study**

The study's limitations include:

- **Conceptual:** Focused on basic social media marketing concepts, such as ads, word-of-mouth, and interaction, to assess their impact on business performance.
- **Spatial and Temporal:** Concentrated on Sétif province and data from September to November 2024.

#### **H- The Study Concepts / Operational Definitions:**

- **SB:** A small business is a privately owned and operated organization, typically with a small number of employees and a relatively low volume of sales. These businesses often focus on serving local markets and providing personalized services or niche products.
- **SM:** social media refers to online platforms and tools that allow people to create, share, and engage with content and connect with others. It enables communication, networking, and community building on a global scale through various digital channels.
- **SMM:** Social media marketing is the use of social media platforms to promote products or services, engage with target audiences, and drive traffic to a business. It involves creating and sharing content, running advertisements, and analyzing performance metrics to enhance brand visibility and customer loyalty.
- **Advertising:** Advertising in social media involves promoting products, services, or brands through paid content on social media platforms to reach and engage target audiences. It leverages user data and platform algorithms to deliver personalized ads, aiming to drive awareness, engagement, and conversions.
- **Interaction:** Interaction in social media refers to the engagement between users through activities such as liking, commenting, sharing, and messaging, which fosters communication and community. It involves both passive actions (viewing or liking content) and active participation (commenting or sharing).

#### **I-The Study LiteratureSection:**

##### **I-1- Small Businesses (SMBs)definition in Algeria**

Small and medium-sized businesses (SMBs) are businesses that maintain revenues, assets, or several employees below a certain threshold. The definition of SMEs varies by country, with

each nation setting specific criteria for what constitutes a small or mid-size business. These organizations employ a significant portion of the workforce and contribute to economic development.

The SME is defined in the old directive Law 01-18 as follows: "The SME, regardless of its legal nature, is defined as a producer of goods and/or services. It operates from 10 to 250 persons does not exceed its annual turnover of 2 billion dinars or does not exceed the total annual revenue (budget) of 500 million dinars and meets the independence criteria.

New Law No. 17-02 was issued on 11 January 2017 which amends and supplements the 2001 Law, which includes the new guiding law for the development of SMEs, this law came to amend the financial limits (number of workers and annual proceeds) between small, medium and large organisations in line with the economic development and the state's goals to develop this sector. (Ministère de l'industrie, 2025)

This legal framework categorizes SMEs into three distinct groups (Khaidher, Safi, & Eneizan, 2019):

- **Micro-enterprises:** Employing 1 to 9 individuals, with an annual turnover not exceeding 40 million dinars or a total annual balance sheet not exceeding 20 million dinars.
- **Small enterprises:** Employing between 10 and 49 individuals, with an annual turnover not exceeding 400 million dinars or a total annual balance sheet not exceeding 200 million dinars.
- **Medium enterprises:** Employing between 50 and 250 individuals, with an annual turnover ranging from 400 million to 4 billion dinars or a total annual balance sheet ranging from 200 million to 1 billion dinars.

## **I-2-Business Performance:**

The concept of business performance can be interpreted in various ways, often focusing on efficiency and effectiveness. Other related terms include productivity, economic efficiency, profitability, and effectiveness, though their meanings may differ slightly. (Zsidó, 2015)

Business performance has two components: financial and non-financial. Both are crucial for start-up development. Financial performance measures money value and operations, while non-financial performance covers aspects like brand reputation, customer satisfaction, organizational efficiency, and innovation. Financial performance ensures short-term survival, especially for early-stage businesses, while non-financial performance supports long-term growth. (Artha & Satriadhi, 2023)

## **II-Social Media Marketing:**

Social media has become an essential aspect of our lives, enabling users to connect and engage without the need for face-to-face interactions. For both individuals and organisations, social media offers ample opportunities to reach a wide audience through digital communication channels. In today's world, it's nearly impossible to escape references to social media in commercials, whether on TV, radio, magazines, movie trailers, podcasts, or newspapers. Businesses often encourage viewers to 'like us on Facebook,' 'follow us on Instagram,' or 'subscribe to our YouTube channel' as part of their brand promotion and visibility enhancement.

In January 2019, the world's population was estimated to be over 7.7 billion people, with 3.397 billion of them using social media. Furthermore, nearly one million new users join some type of social media every day, or one every 10 seconds; every minute, 300 hours of video are uploaded to YouTube alone (Chauhan, Raj, & Thakur, 2022).

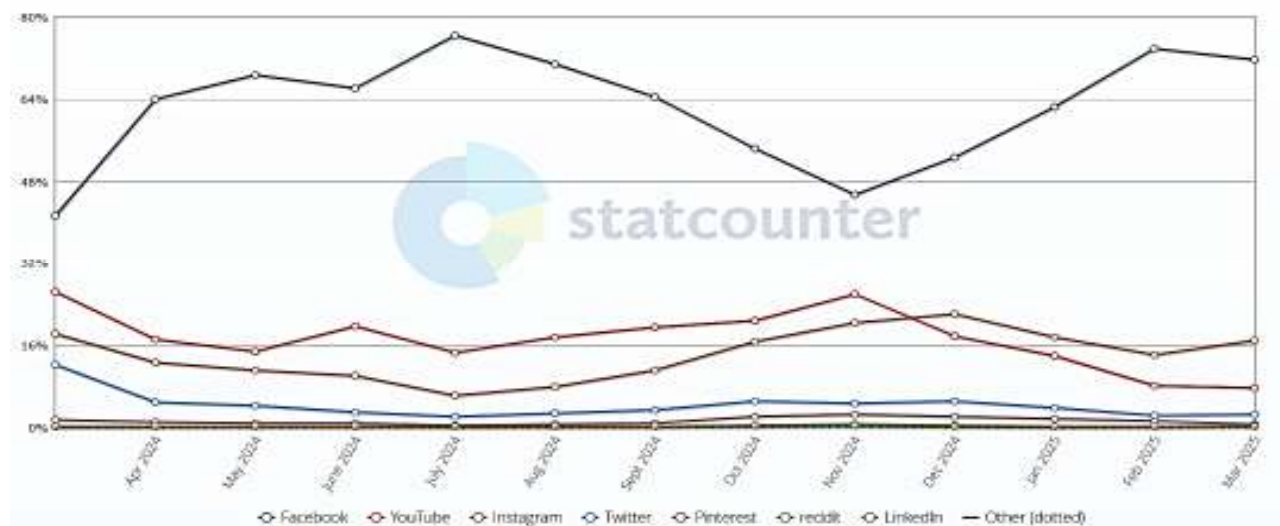
## II-1- Definition of Social Media Marketing

Social media marketing supports group interaction, community building, and content creation/exchange (Fischer, 2022). Content can be text, audio, images, or videos. User involvement and co-creation based on Web 2.0 are crucial. There are six types of social media: blogs, social networking sites, virtual social worlds, collaborative projects, content communities, and virtual game worlds.

Social media complements rather than replaces telephone or email communication. It is seen as an extension of CRM, impacting the sales processes of B2B and B2C organizations. However, its potential is not fully utilized, with slower adoption in B2B compared to B2C organizations.

Social Media Marketing is also defined as “a growing marketing and most in-trend marketing technique nowadays. Organisations are shifting towards the use of different social media channels or sites to promote their businesses”. The reason behind this shift is the increased traffic of consumers on these social networking sites. Consumers are making use of different social media platforms for different activities. (Chauhan, Raj, & Thakur, 2022)

**Figure n°2: Social Media Stats in Algeria – from March 2024 to March 2025**



**Source:** (Statcounter Globalstates, 2025)

According to Between March 2024 and March 2025, social media usage trends in Algeria revealed Facebook's clear dominance as the most-used platform. Its share of web traffic referrals fluctuated but remained consistently high, peaking around mid-2024 and again toward the start of 2025, reaching close to 75%. This underlines Facebook's continued relevance as a central platform for communication, content sharing, and digital marketing. In contrast, YouTube, which started the period with a relatively strong presence, experienced a steady decline, likely due to shifting user preferences toward shorter, more interactive content. Instagram showed a gradual upward trend,

reflecting growing user engagement and visual content consumption, particularly notable during the final quarter of 2024. Pinterest also gained momentum during this period, overtaking YouTube in some months, indicating its increasing role in product discovery and consumer research. Meanwhile, Twitter and LinkedIn maintained relatively low and stable shares, serving niche audiences focused on news, discourse, and professional networking. Reddit remained marginal, while other emerging platforms did not significantly impact the landscape. Overall, the data highlights a dynamic yet Facebook-centric social media environment in Algeria, with Instagram and Pinterest emerging as important secondary platforms.

## **II-2- Social media marketing dimensions:**

According to (Olubunmi & Samour, 2025), SMM includes Three Dimensions of Social Media Marketing:

### **-Social Media Advertising**

Organizations utilize platforms like Facebook and Instagram to create dedicated pages for advertising, aiming to reach a broad audience and enhance user engagement. These platforms offer advanced targeting options based on demographics, interests, and behaviours, enabling businesses to effectively promote their products and services.

### **-Electronic Word of Mouth (eWOM)**

The rise of social media has amplified the impact of eWOM, where users share their experiences and opinions about brands. User-generated content, such as reviews and comments, is often perceived as more authentic and trustworthy than traditional advertising, significantly influencing consumer behaviour and brand perception.

### **-User Interaction**

User interaction on social media encompasses actions like likes, comments, and shares, which are crucial for building brand awareness and fostering community engagement. These interactions not only enhance visibility but also provide valuable feedback, allowing organizations to better understand and meet customer needs.

## **III- The Applied Study Section**

### **III-1-Study Variables:**

**-Independent Variable: Social Media Marketing (SMM):** This variable refers to the strategies and activities small businesses implement through social media platforms to promote their products or services. It includes Advertisements on social media platforms, Engagement on social media platforms.

**-Dependent Variable: Small Business Performance:** This variable represents the business outcomes resulting from the use of social media marketing. It can be measured through indicators such as: Sales growth; Customer acquisition; Customer retention and loyalty; Brand awareness; Profitability and Market expansion.

### **III-2- Study Sample and Tools:**

- **The Study Sample:** The researcher utilized a non-random sample, also known as a convenience sample, where individuals were selected based on material, human, and time constraints. The study tool was distributed to 40 small businesses in the Sétif province. After examination, 36

questionnaires were returned, and four were excluded for not meeting the required conditions. Therefore, the study sample consisted of 32 small businesses.

- **The Study Tool:** The questionnaire was chosen as the study tool for data collection. It is defined as "a tool for collecting data related to a specific research topic, usually consisting of a form with several questions that the study sample is asked to answer" (Moser, 2019). Based on this, a questionnaire was designed and directed to a sample of small businesses in the Sétif, province. The questionnaire was divided into three sections:

- **Section One:** Personal Data (Demographic Data)
- **Section Two:** Social Media Marketing
- **Section Three:** Business Performance

Responses to statements in both the second and third sections were measured using the Likert scale, considered one of the most suitable scales for measuring study variables. A five-point scale was used, with responses ranging from "Strongly Disagree" to "Strongly Agree," rated from 1 to 5.

#### III-4-Statistical Methods Used

The Statistical Package for the Social Sciences (SPSS) version 26 was used to enter, store, and analyse the collected data to answer the study questions and test its hypotheses. The following statistical tools were employed:

- **Simple Linear Correlation Matrix (Correlation):** To study the construct validity of the tool and the internal consistency of its statements.
- **Cronbach's Alpha Coefficient:** To measure the reliability of the questionnaire.
- **Arithmetic Means:** To determine the degree of agreement of the study sample on the questionnaire questions.
- **Standard Deviation:** To understand the extent of dispersion and variability of the responses from the arithmetic mean.
- **Skewness and Kurtosis Coefficients:** To test the normality of the distribution.
- **Simple Linear Regression:** To test the study hypotheses.
- **Multiple Linear Regression:** To test the study model.
- **T-Test for Independent Samples:** To test the hypotheses related to the gender variable.
- **One-Way ANOVA:** To test the hypotheses related to other demographic variables.

**Table n°1: Cronbach's alpha coefficient values for the questionnaire items.**

| Value of the reliability coefficient<br>Cronbach's alpha. | Dimensions |
|-----------------------------------------------------------|------------|
| Advertisements on social media platforms                  | 0,730      |
| Engagement on social media platforms                      | 0,920      |
| Business performance                                      | 0,695      |

Source: Prepared by the researcher using SPSS v26.

It is evident from **Table n°1** that Cronbach's alpha coefficient for each dimension ranges from 0.550 as the minimum to 0.920 as the maximum. The overall tool stability is 0.848, representing 84.8%. Since this value exceeds the acceptable reliability threshold of 0.70 (70%), this ratio is considered good for scientific research purposes. This indicates that the questionnaire exhibits a high level of consistency and can be relied upon in the field application of the study.

#### IV-Analysis of Study Variables:

We present the statistical findings of the study and proceed to test the research hypotheses based on the data collected from small businesses in Sétif.

##### IV-1-Analysis of the first dimension: Social Media Advertising

**Table n°2: social media advertising**

| Questionnaire Items                                                                                                                     | Agreement level | Sig Significance level | Test T | SMA    | Standard deviation |
|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|--------|--------|--------------------|
| Advertising through social media is considered an important tool for our organization.                                                  | Agree           | 0,000                  | 22,502 | 4,7500 | 0,43994            |
| Social media advertising is effective in convincing customers about our products.                                                       | Agree           | 0,000                  | 6,429  | 4,0000 | 0,87988            |
| Advertising our products on social media platforms is more effective in attracting new customers compared to other advertising methods. | Agree           | 0,000                  | 10,649 | 4,0625 | 0,56440            |
| Our organization regularly updates information on social media to ensure customer satisfaction.                                         | Agree           | 0,000                  | 16,703 | 4,5000 | 0,50800            |
| Social media advertising allows us to evaluate our organizational performance and expand our market share.                              | Agree           | 0,000                  | 10,424 | 4,1875 | 0,64446            |
| Our organization provides diverse information about its products through social media to increase sales.                                | Agree           | 0,000                  | 12,771 | 4,3750 | 0,60907            |
| Our advertising strategies are aligned with performance objectives and serve as a mechanism to achieve targeted profitability.          | Agree           | 0,000                  | 18,940 | 4,1250 | 0,33601            |
| Our organization has achieved significant returns through reliance on social media advertising.                                         | Agree           | 0,000                  | 14,731 | 3,8750 | 0,33601            |
| Advertising on social networking sites plays a key role in our marketing activities.                                                    | Agree           | 0,000                  | 20,993 | 4,2344 | 0,33262            |

Source: Prepared by the researcher using SPSS v26.

The statistical analysis of the questionnaire responses reveals a strong overall agreement among participants regarding the effectiveness and importance of advertising through social media platforms. The mean scores for all statements are notably high, ranging from 3.87 to 4.75, indicating that respondents generally perceive social media advertising as a valuable tool for enhancing businesses performance. The highest mean (4.75) was recorded for the statement that views social media advertising as an important tool for the business, reflecting a strong consensus. In contrast, the lowest mean (3.88) still falls within the "Agree" range, suggesting that even the less emphatic statements are positively evaluated.

All the T-test values are significant at the 0.000 level, confirming that the observed means differ significantly from a neutral or undecided stance, and thus support the reliability of the responses. The standard deviations are relatively low, indicating a high level of consistency in participants' views. For example, the standard deviation of 0.33 for the statement related to advertising on social networking sites reflects a strong agreement with minimal variation in opinion.

#### IV -2-Analysis of the second dimension: Social Media Interaction

**Table n°3: Social Media Interaction**

| Questionnaire Items                                                                                                            | Agreement level | Sig Significance level | Test T | Standard deviation | SMA     |
|--------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------|--------|--------------------|---------|
| Our business interacts with customers through various social media platforms.                                                  | Strongly Agree  | 0,000                  | 10,564 | 4,5000             | 0,80322 |
| We carefully record and review customer feedback received over different time periods.                                         | Agree           | 0,000                  | 4,527  | 3,6875             | 0,85901 |
| Through our interactions, we aim to make decisions that are beneficial to both the customer and the company.                   | Agree           | 0,000                  | 9,396  | 3,9375             | 0,56440 |
| Our business responds promptly and efficiently to customer inquiries.                                                          | Agree           | 0,000                  | 5,947  | 4,1250             | 1.07012 |
| We address customer problems in a timely and appropriate manner.                                                               | Agree           | 0,000                  | 7,874  | 4,0000             | 0,71842 |
| Engaging with customer messages and comments helps us evaluate our business performance.                                       | Agree           | 0,000                  | 7,043  | 4,0000             | 0,80322 |
| We consistently follow up on comments to accurately meet the needs and preferences of our customers.                           | Agree           | 0,000                  | 8,127  | 3,8750             | 0,60907 |
| Customer comments provide valuable insights into their requirements and expectations.                                          | Agree           | 0,000                  | 7,927  | 3,9375             | 0,66901 |
| Participating in conversations on social media enables our business to adapt marketing programs to better suit customer needs. | Agree           | 0,000                  | 10,564 | 3,8750             | 0,94186 |
| Interaction on social networking sites is a key component of our customer engagement strategy.                                 | Agree           | 0,000                  | 4,527  | 3,9931             | 0,62149 |

**Source: Prepared by the researcher using SPSS v26.**

The statistical results clearly highlight the significant role of social media interaction in enhancing the performance of small businesses in Sétif. Respondents strongly agreed that their businesses interact with customers through various social media platforms (mean = 4.50,  $T = 10.564$ ,  $p < 0.001$ ), confirming the centrality of these tools in daily communication. Businesses also reported that they respond promptly and effectively to customer inquiries (mean = 4.13), although the relatively high standard deviation (1.07012) suggests some variation in responsiveness across firms. The data further indicate that organizations engage with customer messages and feedback to improve performance and decision-making, with consistent agreement that such interactions help adapt marketing strategies to customer needs (means ranging from 3.87 to 4.00). However, the practice of systematically recording customer feedback over time showed a slightly lower mean (3.69), pointing to a potential area for improvement. Importantly, interaction on social media is not only viewed as a communication channel but as a strategic component of customer engagement, supporting continuous improvement, customer satisfaction, and informed decision-making. All statements showed high statistical significance ( $p = 0.000$ ), reinforcing the reliability of the findings and the strong impact of social media engagement on small business outcomes.

#### IV -3-Analysis of the variable:BusinessPerformance

**Table n°4: Business Performance**

| Questionnaire Items                                                                                        | Agreement level | Sig Significance level | Test T | standard deviation | SMA     |
|------------------------------------------------------------------------------------------------------------|-----------------|------------------------|--------|--------------------|---------|
| The company has witnessed growth in market share after adopting social media marketing.                    | Agree           | ,000                   | 7,155  | 4,0625             | 0,84003 |
| The company aligns its activities with market needs based on insights derived from social media platforms. | Agree           | ,000                   | 9,396  | 3,9375             | 0,56440 |
| The company pays close attention to analyzing market share trends.                                         | Agree           | ,000                   | 5,000  | 3,6250             | 0,70711 |
| The company consistently seeks to expand its market share.                                                 | Strongly Agree  | ,000                   | 14,281 | 4,5625             | 0,61892 |
| The company strives to broaden its activities and operations.                                              | Agree           | ,000                   | 10,424 | 4,1875             | 0,64446 |
| Market share is measured regularly and compared with results from previous years.                          | Agree           | ,000                   | 7,874  | 4,0000             | 0,71842 |
| The company has achieved high profits through its reliance on social media marketing.                      | Agree           | ,000                   | 8,984  | 4,0625             | 0,66901 |
| The company aims to generate higher profits in the future.                                                 | Agree           | ,000                   | 15,766 | 4,3125             | 0,47093 |
| Social media marketing has contributed to reducing costs and improving cost control.                       | Agree           | ,000                   | 8,590  | 3,8125             | 0,53506 |
| The company prioritizes achieving customer satisfaction throughout the relationship.                       | Agree           | ,000                   | 10,424 | 4,1875             | 0,64446 |
| Customer satisfaction is considered a key indicator in evaluating the company's performance.               | Agree           | ,000                   | 12,555 | 4,1875             | 0,53506 |
| The company makes continuous efforts to understand and meet customer needs.                                | Agree           | ,000                   | 8,984  | 4,0625             | 0,66901 |
| The company ensures that customers feel valued and involved in decision-making processes.                  | Agree           | ,000                   | 13,806 | 4,0625             | 0,43533 |
| The number of potential customers is increasing steadily.                                                  | Strongly Agree  | ,000                   | 16,703 | 4,5000             | 0,50800 |
| Current customers express satisfaction with the company's products.                                        | Agree           | ,000                   | 15,766 | 4,0625             | 0,66901 |

Source: Prepared by the researcher using SPSS v26.

The analysis reveals a strong positive perception of the impact of social media marketing on various performance indicators for small businesses in Sétif. Respondents generally agreed that their companies experienced growth in market share after adopting social media marketing (mean = 4.06,  $T = 7.155$ ,  $p < 0.001$ ), and aligned their activities with market demands based on insights from these platforms (mean = 3.94). A strong commitment to expansion was evident, with high agreement on efforts to grow market share (mean = 4.56) and broaden operational activities (mean = 4.19). Regular monitoring of market share performance was confirmed (mean = 4.00), suggesting a data-informed approach to strategy. Profitability also showed promising results: respondents noted high profits resulting from social media efforts (mean = 4.06) and expressed future aspirations for further financial gains (mean = 4.31). Moreover, social media marketing contributed to cost reduction and better control (mean = 3.81), enhancing operational efficiency. In terms of customer-

related outcomes, businesses demonstrated a strong focus on customer satisfaction (mean= 4.19) and acknowledged it as a key performance indicator. Efforts to understand and meet customer needs were reported as ongoing (mean = 4.06), with organizations striving to make customers feel valued and involved (mean = 4.06). Importantly, the increase in potential customers (mean = 4.50) and current customer satisfaction (mean = 4.06) underscore the broader business value gained through digital engagement. All results showed high statistical significance ( $p = 0.000$ ), supporting the robustness of these findings.

### V-Testing the Hypotheses of the Study:

#### V-1-Testing the first hypothesis:

**-H0:** Social media advertising does not significantly improve business performance, according to the study sample, at  $\alpha \leq 0.05$ .

**-H1:** social media advertising significantly improves business performance at  $\alpha \leq 0.05$ .

**Table n°5: Testing the first hypothesis**

| Significance levels | Student value T | Regression co-efficient A | Constant slope value B | Significance levels | Fisher value F | LinkR2 | Independent variable              |
|---------------------|-----------------|---------------------------|------------------------|---------------------|----------------|--------|-----------------------------------|
| 0,000               | 4,676           | 0.392                     | 0.722                  | 0,000               | 9,009          | 0.819  | advertising on social media sites |

Source: Prepared by the researcher using SPSS v26.

The results presented in **Table n°5** indicate a strong relationship between social media advertising and business performance, with a correlation coefficient ( $R^2$ ) of 0.819, signifying that approximately 81.9% of the variance in business performance is explained by advertising on social media platforms. The Fisher test value ( $F = 9.009$ ) and its corresponding significance level ( $p = 0.000$ ) confirm the statistical significance of the regression model. Additionally, the regression coefficient ( $A = 0.392$ ) and the constant term ( $B = 0.722$ ) suggest a positive influence of social media advertising on performance outcomes. The T-value ( $T = 4.676$ ) further reinforces this effect, with a p-value of 0.000, which is well below the 0.05 threshold.

#### V-3-Testing the second hypothesis:

**-H0:** Social media interaction does not significantly improve business performance in the study sample ( $\alpha \leq 0.05$ ).

**-H1:** Interaction on social networking sites significantly improves business performance according to the study sample ( $\alpha \leq 0.05$ ).

**Table n°6: Testing the second hypothesis**

| Significance levels | Student value T | Regression coefficient A | Constant slope value B | Significance levels | Fisher value F | LinkR2 | Independent variable             |
|---------------------|-----------------|--------------------------|------------------------|---------------------|----------------|--------|----------------------------------|
| 0,000               | 6,489           | 0.547                    | 0.647                  | 0,000               | 28,153         | 0,614  | <b>Social Media Interaction.</b> |

Source: Prepared by the researcher using SPSS v26.

The regression analysis results shown in **Table n°6** reveal a strong positive relationship between social media interaction and business performance, with a coefficient of determination ( $R^2$ ) of 0.614, indicating that 61.4% of the variance in business performance is explained by interaction on social networking sites. The F-value ( $F = 28.153$ ) is statistically significant at  $p = 0.000$ ,

confirming that the model is valid. Furthermore, the regression coefficient ( $A = 0.547$ ) indicates a moderately strong positive effect, while the T-value ( $T = 6.489$ ) also supports the significance of the independent variable, with a p-value of 0.000—well below the threshold of 0.05.

#### **V-4-Results of the Study:**

The findings of the study reveal that social media marketing plays a significant role in enhancing the performance of small businesses in Sétif, Algeria. Two primary dimensions were examined: advertising through social media platforms and interaction with customers via social networks.

The results show that advertising on social media positively contributes to increasing brand visibility, attracting new customers, and supporting overall business growth. Business owners reported that social media advertising serves as an effective tool for reaching target audiences and promoting products or services more efficiently than traditional methods. Since the significance level is less than 0.05, we reject the null hypothesis and accept the alternative hypothesis, confirming that social media advertising has a statistically significant positive effect on the performance of small businesses in Sétif.

In addition, the study confirms that interactive engagement with customers on social networking platforms significantly improves business performance. Activities such as responding to inquiries, following up on feedback, and adjusting strategies based on customer preferences help businesses foster stronger relationships, enhance satisfaction, and drive customer loyalty. Given that the significance level is also below 0.05, the null hypothesis is again rejected in favor of the alternative, indicating that interaction on social media platforms has a statistically significant and positive impact on small business performance.

In summary, the results underscore that both advertising and interaction on social media are critical drivers of improved performance, enabling small enterprises to strengthen their market presence, boost profitability, and thrive in the competitive digital landscape.

#### **V-Practical Suggestions for Small Businesses in Sétif, Algeria**

- Develop a Clear Social Media Strategy: Define SMART (Specific, Measurable, Achievable, Relevant, Time-bound) objectives tailored to your business goals and local market realities.
- Collaborate with Local Influencers: Partner with micro-influencers in Sétif and nearby regions to boost credibility and increase visibility among potential customers.
- Encourage Customer Interaction: Respond promptly to comments and messages to build trust and foster a loyal community around your brand.
- Invest in Targeted Social Media Ads: Use geo-targeted campaigns on Facebook and Instagram to reach Algerian consumers more effectively and convert interest into sales.
- Track and Analyse Performance: Monitor engagement, reach, and ROI using tools like Facebook Insights or Instagram Analytics, and adjust your strategy based on data.
- Stay Informed on Trends and Platform Changes: Continuously update your knowledge of platform algorithms and user behaviour to remain competitive in a fast-changing digital space.
- Understand Your Local Target Audience: Conduct regular research to grasp the socio-demographic profile, consumption habits, and online preferences of customers in Sétif.
- Focus on the Most Relevant Platforms: Prioritize platforms like Facebook and Instagram, which are most widely used in Algeria, for more effective reach and engagement.
- Create a Localized Content Calendar: Schedule regular posts during peak activity times in Algeria to ensure a consistent and visible online presence.
- Prioritize Customer Service on social media: Use messaging apps like Messenger and WhatsApp to provide fast, effective support and enhance customer satisfaction.

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