

# Student Entrepreneurs' Intention to Adopt Social Media as a Business Platform: A Sri Lankan Study

Samsudeen Sabraz Nawaz

Senior Lecturer in MIT South Eastern University of Sri Lanka [sabraz@seu.ac.lk](mailto:sabraz@seu.ac.lk)

Kaldeen Mubarak

Senior Lecturer South Eastern University of Sri Lanka [kmmubarak@seu.ac.lk](mailto:kmmubarak@seu.ac.lk)

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## Abstract:

Social media is one of the major players in today's social commerce world. Although connecting people around the world to connect and share their interests, it is becoming as a business platform for not only small startup firms but student entrepreneurs too. The purpose of this investigation is to delineate the factors that influence student entrepreneurs' behavioural intention to use social media as their business platform. This study used quantitative approach using questionnaire survey. The duration was four months in the year 2019. Responses from 559 student entrepreneurs were included for analysis. Partial Least Square Structural Equation Modeling using SmartPLS 3 software was deployed to validate the measurement and structural model and test the hypotheses. It was found in this study that Performance Expectancy, Effort Expectancy, Social Influence, Facilitating Conditions, Perceived Enjoyment and Perceived Risk were positively and significantly impacting student entrepreneurs' behavioural intention to use social media as the business platform. This investigation primarily based the well-known UTAUT for the model to study student entrepreneurs' behavioural intention to adopt social media as their business platform. Findings of this study would put up a foundation for those who design and implement programmes promoting the social media as business platform for not only student entrepreneurs but other startups as well.

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## I. Introduction

Various business activities such as promotion, advertising and marketing are increasingly being transformed by social media (SM) platforms prominently Facebook, YouTube, Instagram, Twitter and several others. SM enables users to not only link with people, but also to expand their network. With such tremendous connectivity and networking power, the entrepreneurs of today leverage on these tools to expand their business reach and disseminate information about the products and services that they offer. The sharing of experiences by users through SM is a free marketing tool for businesses.

Additionally, these platforms enable a two-way interactive communication between users about

their actual and honest accounts, reviews and thoughts of the products and services that they

have taken up, which are also readily available for others to read. For student entrepreneurs, SM is an excellent avenue for marketing their goods and services, as well as for keeping in contact with existing and prospective customers. Entrepreneurship entails the ability to identify business prospects via a thorough understanding of resource requirements, planning, acquisition and implementation. All these require the active participation of such student entrepreneurs in terms of disseminating information about the benefits of their business endeavors, which is achievable through the use of SM.

Brown proved in their study that individuals value the opinions of outsiders more than those within their social network; in the context of SM, an example would be random online reviews. There is a rapid growth in the reliance on Word of Mouth or WOM via media channels including SM as indicated by the study, which shows that it has a significant influence on the user's decision making.

Entrepreneurship is an increasingly growing sector in Sri Lanka attributed to the numerous instruments and policies made available for entrepreneurs such as funding, physical infrastructures, and business advisory services. Additionally, higher learning institutes in the country encourage students to take up entrepreneurship subjects as offered in their business and management courses. This is a drive to inculcate a business culture among the young generation.

In brief, entrepreneurs leverage on SM for operating their business due to the instantaneous and straightforward capability of the platform to disseminate information. Additionally, the persuasiveness of SM helps in bringing in more online customers. Its interactive feature also enables users to share about their actual and honest accounts of the goods and services that they have taken up. As such, SM has been deemed by researchers as a good start-up strategy for budding entrepreneurs who are looking to initiate an online business.

## **II. Social Media Usage as a Business Platform**

Most studies on SM as a business platform had focused on the driving factors behind such adoption. Nevertheless, the workings of the adoption itself had received very little attention in research, rendering it to be a critical topic in literature review particularly in relation to budding student entrepreneurs. SM adoption as a business platform entails the practice of using SM as a business operating tool. In this current study,

the driving factors behind SM adoption as a business tool are examined with particular attention on performance expectancy (PE), effort expectancy (EE), social influence (SI), facilitating conditions (FC), perceived enjoyment (PE<sub>n</sub>) and Perceived Risk (PR).

The advent and popularity of SM has opened up various business opportunities thus creating a today's most prominent phenomenon. Dong-Hun [8] indicated time, cost, audience, and relation as the values of SM as a business tool. In terms of the value of time, SM facilitates in the instantaneous dissemination of information with a longer lasting impact than that distributed by traditional media. According to the aforementioned study, information via SM is spread in under an hour. In terms of audience, information disseminated via SM has a wider reach than traditional media, which means that information can be relayed anytime and anywhere. In the aspect of cost, most SM are free or only incur very little in finding customers. And finally, in terms of relations, the connections established via SM are based on mutual agreement and interaction, which reduces the possibility of misinterpretations and confusion.

## **III. Theoretical Foundation**

The underlying theory behind the concept of this study is an adapted version of the Unified Theory of Acceptance and Use of Technology (UTAUT)[9]. The original study Venkatesh [9] provided the theory, its development, and certain initial empirical tests of UTAUT. The theory has been attributed for explaining a major portion of variance in behavioural intention (BI) of adoption toward using technology and recent research has found the theory to be a popular choice within the scholarly area of information system and information technology, examining adoption and diffusion issues. According to the UTAUT, PE, EE, and SI are three constructs that directly determine the BI to use a particular technology while BI and FC have been expressed as

constructs that affect technological usage directly. UTAUT also takes into consideration four moderating variables, including, age, gender, voluntariness, and experience that alter the influence of the determinants on the intention and/or behavior.

This study believes that a more in-depth understanding of the factors influencing not only the adoption, but also the depth of usage would help student entrepreneurs stimulate faster and deeper penetration of the SM platform and realize its benefits as a business platform. The study therefore forwards a promising adapted UTAUT model deployed for understanding the adoption and the depth of SM usage as a platform for business by student entrepreneurs in Sri Lanka. The constructs derived from the original UTAUT model include PE, FC, and PEn. Two other constructs, namely, PR and perceived trust have been integrated into the model in this study because of their profound significance in recent related studies. Moreover, the present study would test the mediating effect of SM adoption on the relationships between PE, PR, Perceived Trust, FC, and PEn with the Depth of SM Usage among Student Entrepreneurs in Sri Lanka.

#### Performance Expectancy

PE is defined by [9] as “the degree to which an individual believes that using the system will help him / her to attain gains in job performance.” In the context of this study, PE entails the extent to which the student entrepreneurs have faith that the use of SM in operating their online-business can help improve their performance i.e. in terms of disseminating information about their business in a timely and faster manner than conventional media. Information on SM is deemed by student entrepreneurs as a motivating factor for the operation of their online business.

The PE construct had been examined in numerous studies using the UTAUT model. Gupta investigated the adoption of ICT in a state organization in India and found that PE is

positively linked to ICT use. Meanwhile, a study in Thailand examined the driving factors to the adoption of health information technology and found PE to be one of them. Wang indicated that PE, SI and EE have a positive influence on the intention to use m-learning, which is in line with the findings made by. Based on the said results, PE is indicated as the solidest determinant of intention to use m-learning, as high performing individuals are more inclined to adopt m-learning. The study by utilizing the UTAUT model to examine the factors and predictors of m-banking adoption in Sri Lanka showed that PE has a significant positive impact on m-banking usage. Similarly, found that PE has a significant impact on customer intention to use m-Internet services in the context of Sri Lanka. Meanwhile, in the context of China, uncovered that PE influences the continuous mobile internet usage.

In a study on Saudi Arabia, also found evidence that PE is positively correlated to behavioral intention to use m-commerce. Likewise, in a comparative study on Malaysia and South Korea, established that PE directly affects the intention to use Internet marketing in both countries. In the context of Morocco found that PE positively influences the intention of students in a national business and management school to adopt e-entrepreneurship.

Meanwhile, [23] uncovered that PE has a significant positive impact on the behavioral intention of stock investors to use mobile stock trading. Using the UTAUT model, [24] also found evidence that PE in Facebook usage during the teaching/learning process has a positive correlation to the perceived advantages of Facebook as a SM platform. studied the factors and predictors of m-banking adoption among Sri Lankans using the UTAUT model. They found that PE significantly affected behavioral intention towards m-banking usage. In another study by it was found that PE significantly influencing the customers' intention to use m-Internet services in Sri Lanka.

As proven by all the aforementioned UTAUT-based studies, PE is indeed correlated to the behavioral intention to adopt and use new technology. In terms of business operations, student entrepreneurs are indicated to have a high belief that SM can improve their performance in the aspects of productivity, efficacy, and time savings. Hence, it is unsurprising that they use SM as their online business operating tool. Hence the following is hypothesized:

H1: Performance Expectancy positively and significantly impacts student entrepreneurs' Intention to adopt Social Media as the business platform.

#### Effort Expectancy

Venkatesh [9] defined EE as “the degree of ease associated with the use of the system”. In the context of the current study, this factor entails the student entrepreneurs' perception of how much effort and time are required for them to sell their products or services using SM to be able to give a significant contribution to their business. Intense efforts in examining the relationship between EE and behavioral intention or usage have been demonstrated in recent years where several studies based on the UTAUT model had indicated that EE has a significant positive effect on the behavioral intention to adopt and use new technology. Wang demonstrated that the construct has a significant effect on individual intention to use M-Learning. Simply put, the users believe that M-learning is easy to use owing to its facilitative features such as light pen data entry, handwriting recognition, touch screen menus, and natural language processing.

Another research indicated that EE has a significant influence on the behavioral intention to use IT innovations. Moghavvemi pointed out that the construct can also play the role of moderator. Yu demonstrated that EE significantly drives individual intention when it comes to mobile banking usage, whilst revealed that the construct

also significantly affects the intention of stock investors to use mobile stock trading.

A study on kiosk users demonstrated that EE significantly affects users' behavioral intention, thus requiring kiosk developers to re-design their hardware or software to be more users friendly. Sin carried out a comparative study on South Korean and Malaysian technology users and discovered that EE significantly influences the intention of the South Korean users to adopt internet marketing as they utilize the technology more than the Malaysians do. A contrasting finding came up in a study on 3G Mobile Communication which indicated that EE does not drive behavioral intention because, according to a majority of technology adoptions suggest the impact of “ease of use” on behavioral intention.

Utilizing an adapted version of the UTAUT model in their study, found that EE has a positive effect on the intention to use digital library, with gender, age, and experience acting as the moderator. Meanwhile, indicated that technology awareness moderates the driving factors for EE on behavioral intention to adopt new technology. The study by verified the UTAUT model hypothesis that EE positively influences the intention of smart phone users in Korea to purchase the App-Book. The said study also indicated that user age and experience moderate EE and drive the intention to purchase the App-Book.

Further research on this construct include the study by which demonstrated that EE influences the intention of consumers in Indonesia to use e-Money as micro payment transaction. Also, in the context of Indonesia proved that EE significantly affects the acceptance of new technology (optimization skill in search engine).

In the comparative study on technology adoption between the US and Korea carried out by it was found that EE has a more profound influence in the US than in Korea. In the context of a non-western region, the study by validated the UTAUT Model hypothesis on online banking behaviour when it demonstrated that EE is the



main driving factor in internet banking usage with users' experience acting as the moderator.

In general, based on all the aforementioned researches, EE has been proven as a key construct in the UTAUT model. In the context of this current study, it significantly affects the intention of student entrepreneurs to adopt SM as a business platform due to its ease of use in comparison to conventional media and the perception that less effort is needed albeit with better business results. Hence the following is hypothesized:

H2: Effort Expectancy positively and significantly impacts student entrepreneurs' Intention to adopt Social Media as the business platform.

#### Social Influence

Numerous studies on the relationship between SI and intention or usage behavior have indicated that this construct significantly affects the intent or usage of new technology. Alkhunaizan and Love demonstrated the effect of SI on M-commerce usage intention in the context of Saudi Arabia. SI is defined by as "the degree to which an individual perceives that others believe he or she should use the new system". In the context of this study, SI entails the expectation and perception of the student entrepreneurs on whether their friends, family, relatives, partner, neighbors and co-workers would use SM and whether this intent is reflected through their behavior. Gender and race moderate this correlation between SI and SM adoption.

Yu revealed that SI is the key factor driving mobile banking usage intention in Taiwan. Meanwhile, demonstrated gender difference as the moderator between SI and behavioral intention in the usage of mobile stock trading among stock investors. Many scholars believe that technology acceptance is best examined using the UTAUT model as it has been comprehensively developed based on eight previously established theories.

As previously mentioned in the previous section, [30] indicated that users' age and experience act as the moderator between SI and the intention to

purchase the App-Book. Yang and Forney also found a significant correlation between SI and mobile shopping usage intention. In the context of M-learning, urged industry players and educators to take note of the significance of SI as usage and familiarity of a certain technology could potentially drive users to influence others close to them to use the said technology as well. The same study demonstrated that SI significantly affects the intent to use M-learning, with age and gender differences acting as the moderator in the relationship. Meanwhile, indicated that SI positively impacts the perceived benefits of Facebook as a learning tool.

In the context of blogging activities, found that SI significantly affects the willingness of users to participate in blog activities due to a sense of community identification and belonging. However, the comparative study by showed that SI does not affect the intention of users in Malaysia and South Korea to use internet marketing. Despite that, this current study still considers SI as one of the driving factors of SM adoption as a business platform based on the belief of the student entrepreneurs that their intention to do so would be influenced by a person close to them. Hence, SM is perceived as a key tool in conducting their online business. Hence the following is hypothesized:

H3: Social Influence positively and significantly impacts student entrepreneurs' Intention to adopt Social Media as the business platform.

#### Facilitating Conditions

Venkatesh defined FC as "the degree to which an individual believes that an organizational and technical infrastructure exists to support use of the system". In the context of this current study, this construct entails the resources available that would facilitate the student entrepreneurs' use of the Internet and SM applications including the provision of electricity, infrastructure, computers and other relevant gadgets by the university or the government. Venkatesh pointed out that such

facilitating conditions directly affect usage, and that intention does not mediate the relationship. Moderating the relationship between facilitating condition and usage are age and experience of the users, whereby those in the older age bracket and with more experience are more significantly affected.

Escobar-Rodríguez demonstrated that in terms of Facebook usage, the facilitating conditions have a positive effect on the users' perceived relevance of Facebook as a SM platform. In the context of this current study, this finding indicates that the student entrepreneurs' perception of the available facilitating resources for Facebook influence their usage intention of the SM platform. In the comparative study by the FC made available to Internet marketing usage were shown to have an effect on the intention of Malaysian and South Korean users to use the technology. Similar results were also indicated in the studies by and Mean while, pointed out that FC in technology usage are important for users with low level technology anxiety than those with more severe technology anxiety. Yu also demonstrated the positive correlation between FC and individual behavior in mobile banking usage. However indicated that FC have no significant effect on mobile service adoption, similar to the findings by which state a negative correlation between FC and the intention to purchase the App-Book. In spite of such findings, the current study still maintains that FC have a significant positive effect on SM adoption as a business platform. Hence, FC as a whole is perceived as one of the main driving factors influencing the adoption of SM as a platform for business by student entrepreneurs. Hence the following is hypothesized:

H4: Facilitating Conditions positively and significantly impacts student entrepreneurs' Intention to adopt Social Media as the business platform.

### Perceived Enjoyment

Carroll & Thomas and Malonedefined PEn as "the extent to which the activity of using the computer is perceived to be enjoyable in its own right, apart from any performance that may be anticipated". In the context of the current study, PEn entails whether or not the student entrepreneurs feel any sense of enjoyment or excitement in using SM for operating their online business. Such feelings of enjoyment and excitement as a result of the SM would motivate them further in their business operations.

PEn has long been associated as being either the precursor or the result of Perceived Ease of Use (PEOU) Venkatesh also concluded the correlation between PEn and PEOU. Apparently, PEOU has a more profound impact on behavioral intention in the context of game-based training. Venkatesh & Davis demonstrated that PEn significantly affects PEOU in the context of multimedia system usage in property management. However, in the study by no relationship was found between PEn and behavioral intention as mediated by perceived usefulness, and PEOU in the context of a virtual workplace system.

SM appeals more to the younger generation due to their high perception of enjoyment in using the platform to connect with others. Dickinger indicated that PEn takes precedence over perceived usefulness as proven by the higher prevalence in attitude and intention towards usage caused by the former. Heerink also proved that PEn significantly affects the intention of users to use a robotic system.

Meanwhile, [46] verified that PEn positively affects Internet-related activities including messaging, browsing, downloading, and purchasing. Likewise, proved that Information Technology usage is driven by PEn. In the context of blogging, a study demonstrated that PEOU and PEn are key factors in influencing participation in blog activities, whereby without both, bloggers would find it difficult to intrinsically motivate the participants' involvement.

Guo studied the acceptance of Mobile Social Networking Sites (SNS) and found that PEn affects the intention to use Mobile SNS, and that the perception of enjoyment between the male and female genders is the same. Hence, it can be concluded that gender does not affect PEn in the context of Mobile SNS usage. This is in line with the findings by that PEn significantly affects the intention to use SNS continuously for both men and women. In the context of India, demonstrated the strong relationship between PEn and the intention to use 3G Technology. Guo also reiterated the role of PEn in influencing technology or system usage due to the value of entertainment attached to it.

In view of the need to further explore the concept of enjoyment, this study considers PEn as one of the main driving factors that influence SM adoption as a platform for business by student entrepreneurs. Entertainment values such as being fun and relaxing could motivate their use of SM in operating their online business. To attain such entertainment values, the role of enjoyment in SM study is pertinent. Hence the following is hypothesized:

H5: Perceived Enjoyment positively and significantly impacts student entrepreneurs' Intention to adopt Social Media as the business platform.

#### Perceived Risk

PR explains the uncertainty in any given situation on one hand and, the adoption of SM refers to the degree to which the technological abilities of installed technologies (i.e., hardware and or software) are exploited on the other hand[49]. The concept of PR is associated to the possibility of experiencing negative consequences such as losses in an uncertain situation, generally comprising of performance loss, financial loss, time loss, psychological loss, social loss, privacy loss, and overall risk. Risk and entrepreneurship are not only connected but also compatible as risky and proactive behaviour is considered the basis of entrepreneurial activities . On the other

hand, research reveals that risk influences the adoption of technology, particularly in the case of acquiring financial services. Recent research also found evidence of linkage between PR and adoption in a study on future entrepreneurs to adopt e-entrepreneurship. The varied findings on the construct convinced us to believe that the concept of risk requires further investigation.

Although PR is defined as the unpredictability and uncertainty associated with the usage of a system by consumers this study operationalizes risk as the positive perception of the Sri Lankan student entrepreneurs towards uncertainty resulting from the usage of SM as a platform to operate businesses. PR has been integrated into this study in order to explain the risk taking behaviour of student entrepreneurs in developing countries towards projects based on information technology, such as using SM as a platform to operate business activities. Thus, it is only expected rationally that entrepreneurs who would consider using SM for business activities as less risky, would tend to be keener towards its usage as a platform to operate business. Hence the following is hypothesized:

H6: Perceived Risk positively and significantly impacts student entrepreneurs' Intention to adopt Social Media as the business platform.

Based on the discussion and hypotheses, the model shown in Figure 1 is derived:

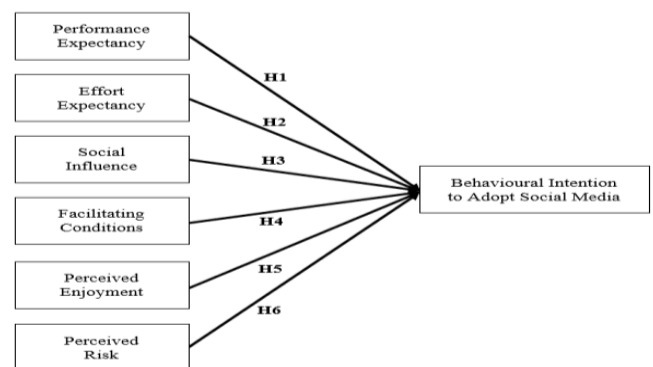


Figure 1: Proposed Model

#### IV. METHODOLOGY

We used quantitative approach based on questionnaire survey in this cross-sectional study. Researchers use quantitative approach to test the relationships between the predictor and predicted variables identified in a research model. Items for the instrument to measure the underlying concepts were adapted from IS literature. The items for the survey was designed with simple and unbiased wordings to enable the respondents understand the questions without any problem. All items measure responses in a seven-point Likert scale ranging from Strongly Disagree to Strongly Agree.

Population of this study was students from all higher educational institutions in Sri Lanka who run individual or grouped businesses in any means; doing business individually in a physical space or online or hybrid of these. Since it was not possible for us to get the population framework, we resorted to convenient sampling method. Questionnaire was solely developed in Google Forms and the link for the form was circulated among these students in a variety of ways; Facebook messages, emails, WhatsApp message for individuals and Groups. After allowing four months for collection responses from February 2019 to May 2019, we were able to receive 597 responses. Data were imported into Microsoft Excel application for screening and cleaning to see 559 valid responses after discarding incomplete records. Final dataset was imported into SmartPLS 3 application for further analysis.

#### V. Data Analysis

Respondents' profile

Respondents' profile was obtained using descriptive analysis, shown in Table 1. Out of the 559 respondents, males were 417 (75%), females were 136 (24%), and six (1%) respondents did not mention the gender. Around 10% of the respondents were from the age of 20-22 years group while more than 85% percent of the respondents were from the age of 23-25 years old. The reason for this is that when undergraduate

students reach their final year of studies, they have opportunities to go for industrial training and come out with start-up projects. Only 1% were above the age of 25 since they might have got deferment in their degree programmes and still following the courses. Smartphones were the primary mobile device used by the respondents (91%). Tabs and PDAs were used by 08% of the respondents and there were only seven respondents (01%) who mentioned that they used other devices.

Table 1. Demographic of the Respondents

| Variable                  | Frequency | (%) |
|---------------------------|-----------|-----|
| <b>Gender</b>             |           |     |
| Male                      | 417       | 75% |
| Female                    | 136       | 24% |
| Missing                   | 6         | 1%  |
| <b>Age</b>                |           |     |
| 20-22                     | 57        | 10% |
| 23-25                     | 483       | 86% |
| >25                       | 3         | 1%  |
| Missing                   | 16        | 3%  |
| <b>Mobile Device Used</b> |           |     |
| Smartphones               | 511       | 91% |
| Tab                       | 32        | 6%  |
| PDA                       | 9         | 2%  |
| Other                     | 7         | 1%  |

Measurement Model

We used partial least square (PLS) structural equation modelling to analyze the data to validate the measurement and structural model and test the hypotheses. Hulland[54] suggested evaluating the model in two stages by first estimating the measurement model and then the structural model. Indicators' reliability (Cronbach's Alpha), Internal Consistency (CR), Convergent and Discriminant validity are assessed in the measurement model analysis. Path coefficients with their significance



are estimated in the second stage and the results are shown in Table 2.

Table 2: Results of reliability test

|                 | Cronbach's Alpha | rho_A | CR    | AVE   |
|-----------------|------------------|-------|-------|-------|
| PE              | 0.892            | 0.895 | 0.92  | 0.699 |
| EE              | 0.897            | 0.899 | 0.924 | 0.709 |
| FC              | 0.804            | 0.834 | 0.884 | 0.717 |
| SI              | 0.886            | 0.887 | 0.921 | 0.745 |
| PE <sub>n</sub> | 0.886            | 0.887 | 0.921 | 0.745 |
| PR              | 0.861            | 0.886 | 0.9   | 0.646 |
| BI              | 0.904            | 0.906 | 0.933 | 0.776 |

According to Table 2 the Cronbach's alpha values earned by PE, EE, FC, SI, PE<sub>n</sub>, PR and BI are all above the cut off value of 0.7 [55] confirming the instrument to be reliable. The composite reliability values for all constructs are also above 0.8 which satisfies the threshold value of 0.7 [55]. Indicators are considered to be reliable when their values are above 0.7. According to Table 3, outer loadings of indicators of all latent variables show values above 0.7.

Table 3: Factor Loadings

|                   | PE    | EE    | SI    | FC    | PE <sub>n</sub> | PR    | BI    |
|-------------------|-------|-------|-------|-------|-----------------|-------|-------|
| PE2               | 0.760 |       |       |       |                 |       |       |
| PE3               | 0.852 |       |       |       |                 |       |       |
| PE4               | 0.852 |       |       |       |                 |       |       |
| PE5               | 0.867 |       |       |       |                 |       |       |
| PE6               | 0.844 |       |       |       |                 |       |       |
| EE1               |       | 0.795 |       |       |                 |       |       |
| EE2               |       | 0.875 |       |       |                 |       |       |
| EE3               |       | 0.861 |       |       |                 |       |       |
| EE4               |       | 0.803 |       |       |                 |       |       |
| EE5               |       | 0.872 |       |       |                 |       |       |
| SI1               |       |       | 0.871 |       |                 |       |       |
| SI2               |       |       | 0.847 |       |                 |       |       |
| SI3               |       |       | 0.900 |       |                 |       |       |
| SI4               |       |       | 0.833 |       |                 |       |       |
| FC1               |       |       |       | 0.818 |                 |       |       |
| FC2               |       |       |       | 0.894 |                 |       |       |
| FC4               |       |       |       | 0.826 |                 |       |       |
| PE <sub>n</sub> 1 |       |       |       |       | 0.862           |       |       |
| PE <sub>n</sub> 2 |       |       |       |       | 0.876           |       |       |
| PE <sub>n</sub> 3 |       |       |       |       | 0.881           |       |       |
| PE <sub>n</sub> 4 |       |       |       |       | 0.833           |       |       |
| PR1               |       |       |       |       |                 | 0.866 |       |
| PR2               |       |       |       |       |                 | 0.885 |       |
| PR3               |       |       |       |       |                 | 0.657 |       |
| PR4               |       |       |       |       |                 | 0.783 |       |
| PR5               |       |       |       |       |                 | 0.806 |       |
| BI1               |       |       |       |       |                 |       | 0.841 |
| BI2               |       |       |       |       |                 |       | 0.904 |

|     |       |
|-----|-------|
| BI3 | 0.880 |
| BI4 | 0.897 |

When a set of indicators represents one and the same underlying construct, it is considered to have convergent validity, their unidimensionality can demonstrate this. According to [55], the Average Variance Explained (AVE) values of the constructs should be above 0.5. According to Table 2, the AVE values of all constructs are above this requirement and they indicate sufficient convergent validity.

Conceptual difference between constructs is demonstrated by discriminant validity [56]. The

Fornell-Larcker[57] criterion demands that the square root of AVE of reflective constructs should be more than its correlations with other constructs and value of above 0.7 should be loaded on reflective indicators. Table 4 confirms that all constructs in the model satisfied the Fornell-Larcker criterion. Hence the discriminant validity of the constructs is also established.

Table 4: the Fornell-Larcker criterion

|     | BI    | EE    | FC    | PE    | PEn   | PR    | SI    |
|-----|-------|-------|-------|-------|-------|-------|-------|
| BI  | 0.881 |       |       |       |       |       |       |
| EE  | 0.637 | 0.842 |       |       |       |       |       |
| FC  | 0.536 | 0.495 | 0.847 |       |       |       |       |
| PE  | 0.604 | 0.608 | 0.467 | 0.836 |       |       |       |
| PEn | 0.643 | 0.612 | 0.504 | 0.563 | 0.863 |       |       |
| PR  | 0.615 | 0.546 | 0.48  | 0.542 | 0.559 | 0.804 |       |
| SI  | 0.532 | 0.497 | 0.427 | 0.412 | 0.444 | 0.514 | 0.863 |

Structural Model

Next step after making sure that the reliability and validity of the measurement model are established is the assessment of the structural model. The researcher carried out this assessment using SmartPLS 3. Coefficient of determination and path coefficient level of significance are used to estimate the goodness of the model [55]. The R2 value shows the predictive strength of the proposed model and path coefficients characterize the impact of exogenous variables on the endogenous variables [58].

|           |       |       |       |       |
|-----------|-------|-------|-------|-------|
| FC -> BI  | 0.115 | 4.195 | 0.000 | 0.021 |
| PEn -> BI | 0.223 | 4.404 | 0.000 | 0.063 |
| PR -> BI  | 0.180 | 5.382 | 0.000 | 0.043 |

Table 5: Results of Hypotheses Test

|          | Coefficient | t-value | p-value | f <sup>2</sup> |
|----------|-------------|---------|---------|----------------|
| PE -> BI | 0.162       | 3.426   | 0.001   | 0.035          |
| EE -> BI | 0.180       | 2.354   | 0.019   | 0.038          |
| SI -> BI | 0.135       | 3.912   | 0.000   | 0.030          |

As shown in Table 5, all independent constructs in the model were significantly influencing the dependent variable. The path coefficients of the structural model were evaluated to evaluate their statistical significance, for this purpose the Bootstrapping algorithm was run in the software. The statistical significance of them are also shown in the same Table with t-values and p-values. Accordingly, PE (b=0.162, t=3.426, p<0.001), EE (b=0.180, t=2.354, p<0.05), SI (b=0.135, t=3.912, p<0.001), FC (b=0.115, t=4.195, p<0.001), PEn (b=0.223, t=4.404, p<0.001), and PR (b=0.180, t=5.382, p<0.001) were impacting the BI to adopt SM. Hence, the statistically significant

relationships confirm that hypotheses H1, H2, H3, H4, H5, and H6 are supported.

Table 6: Coefficient of Determination

|    | R Square | R Square Adjusted |
|----|----------|-------------------|
| BI | 0.600    | 0.596             |

Table 6 shows the coefficients of determination ( $R^2$ ) which reflects the amount of variance the exogenous variables have in the endogenous variable. Accordingly, the BI to adopt SM scored .596 meaning that 60% of the variance are explained by PE, EE, SI, FC, PEn and PR in such BI. Although it is hard to define a clear rule of thumb for acceptable  $R^2$  values since it depends on model complexity and research discipline, however, different scholars have prescribed different cut-off points for  $R^2$  values. In the same token, [59] mention that  $R^2$  value of the endogenous variable should be at least 0.10. Hence, the  $R^2$  value scored in this investigation by the dependent variable is well above the recommended values.

The Table 5 also shows the Effect Size ( $f^2$ ) which is used to see the impact of exogenous variables on the endogenous variables. In the PLS path model, a test was done by removing an exogenous construct to see if such removal had substantial effect on the endogenous construct. To calculate this effect, the formula  $f^2 = (R^2_{Incl.} - R^2_{Excl.}) / (1 - R^2_{Incl.})$  suggested by [58] was used in this study. According to [60] guidelines, the values of  $f^2 \geq 0.02$ ,  $f^2 \geq 0.15$ , and  $f^2 \geq 0.35$  represent small, medium, and large effect sizes, respectively [55]. According to the Table 5, the values of  $f^2$  ranged from 0.021 to 0.063 meaning the impact of exogenous variables on the endogenous variables was small.

Table 7: Predictive Relevance

| Variable | SSO      | SSE      | $Q^2 (=1-SSE/SSO)$ |
|----------|----------|----------|--------------------|
| BI       | 2,232.00 | 1,257.26 | 0.437              |
| EE       | 2,790.00 | 2,790.00 |                    |

|     |          |          |
|-----|----------|----------|
| FC  | 1,674.00 | 1,674.00 |
| PE  | 2,790.00 | 2,790.00 |
| PEn | 2,232.00 | 2,232.00 |
| PR  | 2,790.00 | 2,790.00 |
| SI  | 2,232.00 | 2,232.00 |

Stone-Geisser's  $Q^2$  value [61] is calculated to evaluate the quality of PLS model; this is an indicator of model's predictive relevance, shown in Table 7. It is the capability of the model to predict [62]. When the value of  $Q^2$  is greater than zero it means the model has predictive relevance and if it is less than zero it means the model lacks predictive relevance. Further, the values of  $Q^2 \leq 0.02$  but  $< 0.15$ ,  $Q^2 \geq 0.15$  but  $< 0.35$ ,  $Q^2 \geq 0.35$  means Weak Effect, Moderate Effect and Strong Effect, respectively [55]. Blindfolding technique was used to measure the  $Q^2$  values to confirm the predictive relevance. The results in the Cross Validated Redundancy approach showed that BI ( $Q^2 = 0.437$ ) had predictive relevance with strong effect.

## VI. Discussion and Conclusion

The findings of this study revealed that PE had a positive and significant impact on students' BI to adopt SM as a business platform. This finding is consistent with previous studies by [9],[63] and [64]. This could be interpreted that students feel that SM can be used in order to increase their business' performance and acknowledge the benefits of SM as business platform for them. EE and SI constructs were also proved to be positively and statistically significantly impacting such intention to adopt SM, which is in alignment with [9], [63] and [64]. This finding reveals that these entrepreneurs will make use of this novel media if they find it easy to use and do not need to exert addition effort to learn to use the system, and when their friends, families and others close to them use SM, and these entrepreneurs seem to be motivated and influenced by people around

them. FC showed to have a positive and statistically significant impact on the intention. This finding is also in alignment with previous studies (e.g.; [9],[65] and [64] but not in consistent with the finding of [63]. Given the technological and organizational infrastructure, they are willing to adopt SM for their business. Finally, as found by [63], PEnand PR factors were positively and significantly impacting the student entrepreneurs' behavioral intention to adopt SM as their business platform. Anticipating the fun and enjoyment associated with such adoptionwillingness to face the risk of unfavorable outcomes that might occur when they adopt SM as their business platform, these entrepreneurs show positive intention towards such usage.

Making use of the well-known UTAUT model and having an amendment on the same, this study attempted to investigate if student entrepreneurs are attracted by SM as a business platform and all constructs in the proposed model sufficiently predicted student entrepreneurs' adoption of SM as their business platform. Research works in recent times have paid attention on the usage, adoption and value of electronic business. In the same token, this investigation has attempted to add to the body of existing literature by making an amendment on the existing UTAUT model and applied it in the domain of SM adoption as a platform for business by student entrepreneurs in Sri Lankan context. Addition of PEn and PR can be seen as a major integration in the model in SM adoption literature. Those who involve in making decision and creating organizational policies can make use of the findings of this study and fine tune their strategies in relation to SM adoption.

#### VII. Limitations and Future Direction

Studies of this nature are intrinsically embodied with some limitations. The sample of this study was selected conveniently from university students and questionnaire was developed using an electronic platform and administered via emails, Facebook and WhatsApp messages.

Future studies could have more diversified groups and administer questionnaire by non-electronic means too. Further, data could be collected during different times because responses will vary depending on the availability of respondents. The research approach was quantitative; future studies could adopt mixed-method to complement the shortcomings quantitative and qualitative methods. Although the proposed model was primarily based on UTAUT, constructs like price value and moderators were not taken into account in this study; future works could incorporate these variables and come out with a wholistic picture. Finally, future studies can be conducted in cross-country nature so that the differences in culture and other aspects could be delineated.

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