



Research Paper

Innovation and Social Media Agility on the Survival of Small and Medium Enterprises (SMEs) in Ibadan, Oyo State, Nigeria

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ABSTRACT

The survival of small and medium-sized enterprises (SMEs) serves as a significant driver for global economic growth, particularly in developing and emerging nations. Innovations and social media agility are pivotal for SMEs' survival as they empower agile adaptation to market shifts and enhance visibility, customer engagement, and market reach. This study investigates the influence of innovation capability and social media agility on the survival of Small and Medium Enterprises (SMEs) in Ibadan, Oyo State, Nigeria. The study population comprised 8,396 entrepreneurs in Oyo state. The Cochran formula was used to select a sample size of 460 respondents. The findings revealed that both market innovation and organizational innovation significantly contribute to SME survival. The model explains 24.4% of the variation in SME survival. The study revealed that innovation capability exhibits a positive and significant effect on SME survival, indicating its crucial role in enhancing resilience. Additionally, social media agility demonstrates a positive and significant impact on SME survival, implying the importance of agile social media practices for SMEs' sustainability. The study concluded that fostering innovation and enhancing social media agility are essential strategies for promoting the survival and growth of SMEs in a dynamic business environment. The study recommends that SMEs should improve their market and organizational innovations while leveraging the benefits of social media to build business resilience.

KEYWORDS: Innovations, Social media agility, Small and Medium Enterprises (SMEs), Business Survival, Resilience

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I. INTRODUCTION

Small Medium Enterprises (SMEs) development is a significant catalyst for economic progress, playing a crucial role in the majority of economies worldwide, especially in developing and emerging countries. They account for 99 per cent of all enterprises in the European Union (EU) and have generated 85 per cent of new employment over the past five years, and account for two-thirds of all private sector engagement (Gherghina et al., 2019). For example, approximately 23 million SMEs supported 90 million jobs in 2015, generating an additional 3.9 billion EUR in value-addition. In contrast to large corporations, small and medium-sized enterprises (SMEs) exhibit remarkable flexibility. This manifests in their ability to navigate technical shifts, distribute income more effectively, and adapt to market fluctuations and new customer demands while their organizational structure allows for faster decision-making (Gherghina et al., 2019).

Small and medium-sized enterprises (SMEs) are widely recognized as the backbone of an economy due to their substantial contributions to poverty reduction, job creation, promotion of foreign trade, and

technological innovation. Moreover, SMEs make substantial contributions to the development of developing economies (Yoshino and Taghizadeh-Hesary, 2019). In Nigeria, the number of SMEs employing 10 to 99 individuals outweighs the number of large-scale industries employing 100 or more individuals. 70% of industrial employment and approximately 50% of manufacturing output are accounted for by small enterprises (Ogunmuyiwa & Okunleye, 2019). Despite the widespread recognition that small and medium-sized enterprises (SMEs) are vital to economic development, their ongoing sustainability has been jeopardized by a multitude of challenges.

Research has indicated that a significant proportion of newly established enterprises experience failure during the initial year of operation, with the failure rate for new firms within the first eight months recorded at 5 out of 8 (Kerdpitak et al., 2021). According to studies, only an insignificant proportion of SMEs employing less than 10 individuals in the UK succeed in scaling up over a span of three years, and 75% of new SME firms in Kenya fail within the initial three years (Dwivedi et al., 2022). Similarly, in Nigeria, several small and medium-sized organizations (SMEs) have failed to fulfil expectations and have shut down before reaching their fifth anniversary (Pinsonneault & Inmyung, 2022). Inadequate management practices and restricted capital availability have been found to inhibit the survival and growth of these small and medium-sized enterprises (Kerdpitak et al., 2021). Additionally, these enterprises encounter market limitations at the local level due to macroeconomic instability, such as elevated input costs, inadequate infrastructure, and excessive tax rates, which have adversely affected their market share (Pinsonneault & Inmyung, 2022). Entrepreneurs in Nigeria who embark on SMEs also face numerous obstacles, including registration and licensing requirements, securing initial capital, intense competition, gaining consumer loyalty, and dealing with asymmetric information (Aribaba et al., 2019).

The high failure rate of SMEs within their first year of operation has become a significant worry as it prevents the economy from capitalizing on the advantages associated with a flourishing SME sector. Consequently, studies have been carried out to identify the factors and barriers inhibiting the survival and growth of small and medium-sized enterprises (SMEs) (Muna et al., 2022). A significant portion of the research conducted has associated SMEs failure to inadequate management, restricted financial accessibility, unreliable power supply, costly raw materials, and transportation expenses with insufficient capital and financial resources been highlighted as the most significant factors (Muna et al., 2022; Abdurrahman et al., 2022; Rajapathirana & Yan, 2018). Although SMEs face several obstacles that hinder their growth and survival, experts have emphasized the benefits of utilizing internal organizational strengths as a means of reacting to evolving market dynamics. Internal competencies, such as product offering innovation, organizational innovation, market innovation, and process innovation have been posited to provide entrepreneurs with valuable advantages in a demanding environment (Nwankwo & Kanyangale, 2020; Fadun, 2018).

Hongbo and Koffi (2019) emphasized the importance for small and medium-sized enterprises (SMEs) in developing nations to adopt innovation and actively pursue creative strategies in order to stay competitive in their respective industries. Similarly, Juris et al (2021) confirmed that developed nations are characterized by a knowledge economy that is driven by three crucial factors: science and research, the quality of human capital, and innovative entrepreneurship. The failure rate observed by SME owners/managers in Nigeria may, therefore, be attributed to their failure to showcase their innovative potential. In order to remain competitive in the fast-paced and ever-evolving marketplace, small and medium-sized firms (SMEs) must continuously innovate to adapt to the frequent disruptions in the market. Furthermore, considering that the marketplace now encompasses virtual space, it becomes crucial for SMEs to have an agile social media interface in order to effectively interact, engage, and fulfil client requirements. This study argues that the deployment of agile social media interfaces by SMEs has the potential to boost their innovation capabilities and improve their chances of survival in Nigeria.

According to Manuel (2023), innovation-related initiatives have a favourable and significant impact on the performance of small and medium-sized enterprises (SMEs). Hongbo and Koffi (2019) also asserted that marketing innovation has a more substantial impact on the performance of small and medium-sized enterprises (SMEs). Similarly, Zhang and Hartley (2018) also discovered a direct correlation between a company's capacity to innovate and its overall success. On the other hand, Onngam and Charoensukmongkol (2023) found that social media agility has a beneficial impact on the business performance of small and medium-sized enterprises (SMEs). The study conducted by Bruce et al. (2023) also demonstrated that the utilization of social media contributes to the performance and sustainability of small and medium-sized enterprises (SMEs). However, there is a lack of research that investigates the relationship between a company's ability to innovate and its use of social media in order to determine the impact on the survival of small and medium-sized enterprises (SMEs). This study aims, therefore, to explore the interplay between SMEs' innovative prowess and social media agility on the survival of small and medium-sized enterprises (SMEs) in Ibadan Oyo State, Nigeria. Specific objectives are to:

- i. evaluate the effect of market innovation survival of SMEs in Ibadan Oyo State, Nigeria.
- ii. assess the effect of organizational innovation on the business survival of SMEs in Ibadan Oyo State, Nigeria.

- iii. investigates the moderating effect of social media agility on the relationship between innovation capability and SME survival in Ibadan Oyo State, Nigeria.

II. REVIEW OF RELATED LITERATURE

2.1 Business Survival

Business survival, often referred to as organizational resilience refers to an organization's capacity to effectively manage obstacles, adjust to evolving market conditions, and maintain operations for an extended period. Due to the internationalization of business activities and the growing complexity and volatility of the business environment, crises appear to have become routine occurrences in the evolution of organizations. While certain organizations possess greater resilience to adverse environmental conditions and crisis management, others fail to confront the complexities of the business world and are compelled to cease operations (Chen et al., 2021). Business survival depends on several aspects, including financial resilience, organizational flexibility, and innovative capability. Financial resilience is a key factor in determining the longevity of an organization. Small and medium-sized enterprises (SMEs) frequently have financial limitations as a result of their restricted capital accessibility, unpredictable market circumstances, and changeable customer requirements. Individuals or organizations who have strong financial management techniques, sufficient cash reserves, and a variety of sources of income are more prepared to handle economic downturns, handle unforeseen costs, and continue operating throughout periods of financial difficulty (Zahedi et al., 2022). Furthermore, the implementation of efficient cost control, careful investment choices, and tactical pricing approaches all play a role in improving financial stability and guaranteeing long-term business survival. Nevertheless, relying just on financial resilience is inadequate to ensure the survival of a business. Both organizational adaptation and agility are equally crucial. Small and medium-sized enterprises (SMEs) need to have the capacity to quickly adapt to market fluctuations, technology progress, and regulatory modifications. This involves cultivating a culture that promotes invention, stimulates experimentation, and embraces ongoing enhancement (Asare-Kyire et al., 2023). Companies that can quickly adapt their strategy, restructure their operations, and take advantage of emerging possibilities are more likely to survive and prosper in today's fast changing business environment. The survival of a company yields advantages for the firm, its employees, the government, and its owners, all of whom can benefit from it. Furthermore, it provides a consistent opportunity for company expansion, generating revenue for business proprietors, employees, and the government while also distributing commodities to the general populace. Nevertheless, the failure of a corporation has significant consequences for the individuals affected, the economy, and society as a whole.

2.2 Business Profitability

Profitability, which represents the company's ability to generate earnings, i.e., how much it generates from its revenue, is crucial because it reveals the net effect of all company policies, events, and decisions (Cetinkaya & Muhammad, 2018). Studies contend that profitability confers enormous benefits on the organization, as it guarantees its continued existence and strengthens its standing within the sector. Profitability, according to Karman (2019), is a measure of the relationship between a firm's earnings and its average capital, sales, and own average capital. He stated that profitability is often represented by the ratio between outcome and sales or production. Components of profitability have been identified in numerous studies as accumulation margin and profitability ratio. The profitability ratio serves as an indicator of a company's ability to generate profits. Financing institutions and corporations have relied on these ratios to monitor the company's performance (Mendoza-Silva, 2021). In a comparable vein, research has also underscored the value of operating profit ratios and gross profit ratios as metrics for assessing profitability (Reinhardt et al., 2021). The attributes of profitability that contribute to the success of a firm include an increase in the firm's age, size, sales growth, liquidity, and financial leverage. Profitability improves firm growth and ensures the firm's continued existence and access to capital from investors to support its operations, among other benefits. However, some researchers contend that one of the most significant drawbacks of a profit-making enterprise is the obligation to pay taxes on its profits (Rajapathirana & Yan, 2018).

2.3 Innovation Capability

Innovation capability is organization's capacity to transform knowledge within the company into processes, systems, and products that may drive the firm's growth. Innovation capability, as described by some researchers, refers to the talents and abilities of a company that allow it to effectively utilize resources in a way that consistently converts knowledge and ideas into new products, processes, and systems, ultimately benefiting the company and its stakeholders (Raghuvanshi et al., 2019). The innovation capacity of a company is dependent on its internal endeavours involving human, technological, and organizational resources, as well as its capacity to engage with the external environment in order to acquire resources, knowledge, and skills that can be integrated into the organization to develop novel products and processes that are recognized and

appreciated by stakeholders. Globalization and information technology have intensified competitiveness, making the resource-based view a crucial option for organizations seeking to innovate (Tan & Carlos, 2019, Yang et al., 2019).

Companies that possess a strong ability to innovate surpass their rivals and exhibit enhanced profitability, increased market worth, superior credit ratings, and a greater likelihood of survival due to the positive correlation between innovation and competitive advantage (Wang et al., 2019). In dynamic settings, a firm's performance is determined by its innovation capabilities, and it is crucial for small and medium-sized enterprises (SMEs) to enhance their potential to innovate by utilizing information from external sources to develop their innovation capabilities (Saunila, 2020). A firm's competitive advantage is contingent upon its proficiency in efficiently cultivating internal knowledge and using external knowledge to enhance the firm's inventive capacity. Innovation capacity encompasses the ability to develop and deliver new products, improve processes, penetrate new markets, and enhance the overall organizational capacity (Nugroho et al., 2020). The advantages include its ability to enhance a firm's capacity for innovation, create value for the firm, improve its competitive advantage, and increase its market share. On the other hand, the disadvantages of innovation capability are its high cost in implementing innovative ideas, the potential for creating a competitive disadvantage, the challenge of balancing different types of capabilities, and the risk of market loss (Riswanto, 2021).

2.4 Resource Based Theory

The resource-based view (RBV) is a managerial paradigm for determining which strategic resources a company can leverage to gain a sustained competitive advantage (YuniantoAgung et al., 2020). It concentrates managerial emphasis on the firm's internal resources in an attempt to discover assets, talents, and competences that have the potential to provide superior competitive advantages (Ogbu et al., 2022). The resource-based view allows strategists to evaluate possible aspects that might be used to gain a competitive advantage. A significant insight derived from the resource-based perspective is that not all resources are equally important, nor do they have the ability to provide a source of long-term competitive advantage. Identifying, understanding, and defining key abilities requires significant managerial effort. Furthermore, management must engage in organizational learning to create, nurture, and sustain essential resources and competencies (Mohammad, 2022). This theory holds relevance because it views innovation capability as a resource that may help SMEs survive. SMEs should seek internally to uncover sources of competitive advantage rather than focusing on the competitive environment. According to RBV proponents, it is far more viable to capitalize on external possibilities by repurposing existing resources rather than acquiring new skills for each opportunity. In this concept, resources play a vital role in assisting businesses to attain improved organizational performance (Ronny, et al., 2018).

III. METHODOLOGY

The study utilized a cross-sectional survey research approach. The population of this study consisted of 8,396 owners/managers of small and medium-sized firms (SMEs) in Ibadan, Oyo State. This business was registered with the Small and Medium Enterprises Development Agency of Nigeria. According to Nwankwo & Kanyangale (2022), Oyo State has the highest concentration of Small and Medium Enterprises (SMEs) in Nigeria. A basic random sample method was employed to choose owner-managers of the selected small and medium-sized enterprises (SMEs) operating in Ibadan, Oyo State. The rationale for selecting the owner-manager is based on the assumption that these participants possess the necessary power to furnish data pertaining to the primary variables and sub-variables of the research.

The Cochran formula was employed to calculate the sample size for this investigation. The Cochran sample size formula is a scientific approach used to calculate the necessary sample size based on a known population. Additionally, 10% of the sample size is augmented to account for the likelihood of non-response.

$$n = \frac{NZ^2pq}{d^2(N-1) + Z^2pq} \quad n = 460 \text{ Respondents}$$

Section A consists of demographic information about the respondents, which includes marital status, education level, and years of experience. Section B consists of items to measure innovation capability sub-variables: market and organizational innovations. Section C consists of the SME survival sub-variable, which is SME profitability.

IV. RESULTS AND DISCUSSION

Table 1: The effect of market innovation survival of SMEs in Ibadan Oyo State, Nigeria.

Market Innovation	SA	A	D	SD	Mean
My business make changes in its product appearance to sooth market preference	(71) 19.1%	(294) 79.0%	(7) 1.9%	(0) 0.0%	3.17
My business constantly looks for new ways to deliver our products to our customer in a unique way	(161) 43.3%	(199) 53.5%	(12) 3.2%	(0) 0.0%	3.40
My business implements new marketing methods to promote our products performance	(124) 33.3%	(221) 59.4%	(27) 7.3%	(0) 0.0%	3.26
My business makes improvements in the manner obtain customer satisfaction	(106) 28.5%	(262) 70.4%	(0) 0.0%	(4) 1.1%	3.26
My business offers opportunity for acquiring customer idea	(209) 56.2%	(156) 41.9%	(3) 0.8%	(4) 1.1%	3.53
Grand mean for Market Innovation					3.324

Decision rule 1.00 – 1.49= strongly disagree, 1.50 – 2.49= disagree, 2.50 – 3.49 = agree, 3.50-4.00= strongly agree.

Note: SA-Strongly Agree, A-Agree, D-Disagree, SD-Strongly Disagree

Source: Field Survey Results (2024)

Table 1 revealed that 79.0% agreed that their business make changes in its product appearance to sooth market preference while 1.9% disagree on making changes to product appearance to sooth the market preference, with a mean of 3.17. A total of 96.8% of the respondents also stated that their business constantly looks for new ways to deliver our products to customer in a unique way, while 3.2% disagree with a mean 3.40. 92.7% stated that their business implements new marketing methods to promote products performance, while 7.3% disagree. 70.5% of the respondents agree that their business makes improvements in the manner to obtain customer satisfaction, while 1.1% strongly disagree. The result reveal that 56.2% of the respondents stated that their business offers opportunity for acquiring customer idea while 1.9% do not support acquiring idea from customers. According to the findings, a significant proportion of small and medium-sized enterprises (SMEs) place a high value on market adaptation via modifications to product appearance, novel approaches to delivery, and fresh marketing strategies; doing so may increase their chances of survival. Elevated levels of support for customer-centric strategies, including the solicitation of customer feedback and the enhancement of satisfaction, signify a proactive attitude towards fulfilling market requirements.

Table 2: Summary of Regression Analysis for the effect of Market Innovation on SME survival in Ibadan.

Model		F(df)	Anova Sig
R	0.361		
R Square	0.100	41.029 (1,370)	0.000
Adjusted R Square	0.097		
Coefficients	Unstandardized Coefficients	T	sig
(Constant)	2.104	13.285	.000
Management Innovation	0.304	6.405	.000

a. Dependent Variable: SME survival

b. Predictors: (Constant), Market Innovation

Source: Researcher’s Field Survey Results, 2024

Market innovation has positive and statistically significant relationship with the survival of selected SMEs in Ibadan, Oyo State, Nigeria (R = 0.361, p<0.05). The coefficient of determination (R²) of 0.100 shows that Market innovation explains 10% of the changes in SMEs survival, while the remaining 90% variation in survival of the selected SMEs is explained by other external factors other than those examined in this study. From the Table 4.6 the results of ANOVA (overall model significance) of regression test which revealed that Market innovation has a significant influence on the survival of selected SMEs in Ibadan, Oyo State, Nigeria. This can be explained by the F-value (41.029) and low p-value (0.000) which is statistically significant at 95% confidence interval. Hence, the result posited that Market innovation of the selected SMEs in Ibadan significantly influenced their survival.

Furthermore, the results of regression coefficients revealed that at 95% confidence level, Market innovation ($\beta = 0.304$, $p= 0.000$, $t= 6.405$) of the SMEs in Ibadan is statistically significant as the p-values were less than 0.05 and the t-values greater than 1.96. This suggest that a unit change in market innovation will lead to a 0.304 increase in the survival of selected SMEs in Ibadan, Oyo State, Nigeria, given that all other factors are held constant.

Table 3: The effect of organizational innovation on business survival of SMEs

Organizational Innovation:	SA	A	D	SD	Mean
Adopts innovative work designs	(98) 26.3%	(258) 69.4%	(16) 4.3%	(0) 0.0%	3.22
Use technology to drive organizational process	(86) 23.1%	(267) 71.8%	(19) 5.1%	(0) 0.0%	3.18
Perform better than our competitors in the manner of developing new managerial works	(105) 28.2%	(263) 70.7%	(4) 1.1%	(0) 0.0%	3.27
Successfully commercialize new management processing	(144) 38.7%	(213) 57.3%	(15) 4.0%	(0) 0.0%	3.35
Constantly train staff on new management processes	(123) 33.1%	(238) 64.0%	(11) 3.0%	(0) 0.0%	3.30
Grand Mean for Organizational Innovation					3.264

Decision rule 1.00 – 1.49= strongly disagree, 1.50 – 2.49= disagree, 2.50 – 3.49 = agree, 3.50-4.00= strongly agree.

Note: SA-Strongly Agree, A-Agree, D-Disagree, SD-Strongly Disagree

Source: Field Survey Results (2024)

Table 3 reveals that 69.4% of the respondents stated that they adopt innovative design in their processes while 4.3% disagree. 71.8% of the respondents also affirm that they use technology to drive organizational process, while 5.1% disagree. The results reveal that 28.2% of the respondents strongly agree that they perform better than their competitors in developing new managerial works, with a mean of 3.27. The results also stated that 38.7% of the respondents strongly agree that they have successfully commercialized new management processing, and 33.1% of the respondents strongly agree that they constantly train staff on new management processes.

The findings of this study present a favorable relationship between organizational innovation adoption and SME survival. The high number of respondents that embrace creative design and technology in processes, as well as significant agreement on outperforming rivals in managerial innovations and successful commercialization, suggest a proactive strategy. Additionally, constant staff training demonstrates a commitment to preserving innovation. These findings suggest that SMEs that prioritize innovation in design, technology, managerial practices, and staff development are better positioned for survival and competitiveness in dynamic business environments, which supports the idea that organizational innovation fosters resilience and growth in SMEs.

Table 4: Summary of Regression Analysis for the Effect of Organisation Innovation on SME Survival in Ibadan

Model	F(df)	Anova Sig
R	0.321	
R Square	0.103	42.454 (1,370)
Adjusted R Square	0.101	
Coefficients	Unstandardized Coefficients	T
(Constant)	2.076	12.962
Organisation Innovation	0.318	6.516
		sig
		.000
		.000

a. Dependent Variable: SME survival

b. Predictors: (Constant), Organisation Innovation

Source: Researcher’s Field Survey Results (2024)

From the results in Table 4, organisation innovation has positive and statistically significant relationship with the survival of selected SMEs in Ibadan, Oyo State, Nigeria ($R = 0.321$, $p<0.05$). The coefficient of determination (R^2) of 0.103 shows that organisation innovation explains 10.3% of the changes in

SMEs survival, while the remaining 89.7% variation in survival of the selected SMEs is explained by other external factors other than those examined in this study. From the Table 4.6 the results of ANOVA (overall model significance) of regression test which revealed that Organisation innovation has a significant influence on the survival of selected SMEs in Ibadan, Oyo State, Nigeria. This can be explained by the F-value (42.454) and low p-value (0.000) which is statistically significant at 95% confidence interval. Hence, the result posited that organisation innovation of the selected SMEs in Ibadan significantly influenced their survival.

Furthermore, the results of regression coefficients revealed that at 95% confidence level, organization innovation ($\beta = 0.318$, $p= 0.000$, $t= 6.516$) of the SMEs in Ibadan is statistically significant as the p-values were less than 0.05 and the t-values greater than 1.96. This suggest that a unit change in organizationalinnovation will lead to a 0.318 increase in the survival of selected SMEs in Ibadan, Oyo State, Nigeria, given that all other factors are held constant.

Table 5: Descriptive Analysis of Responses on Survival of SMEs in Ibadan

Profitability	SA	A	D	SD	Mean
Increase between 2017 and 2018	(103) 27.7%	(175) 47.0%	(81) 21.8%	(13) 3.5%	2.99
Increase between 2018 and 2019	(85) 22.8%	(188) 50.5%	(96) 25.8%	(3) 0.8%	2.95
Increase between 2019 and 2020	(45) 12.1%	(219) 58.9%	(108) 29.0%	(0) 0.0%	2.83
Increase between 2020 and 2021	(88) 23.7%	(208) 55.9%	(76) 20.4%	(0) 0.0%	3.03
Increase between 2021 and 2022	(63) 16.9%	(270) 72.6%	(39) 10.5%	(0) 0.0%	3.06
Grand mean for profitability					2.97
Sales Growth					
To what extent, does your business achieve the following?					
Acquire new customers	(122) 32.8%	(235) 63.2%	(15) 4.0%	(0) 0.0%	3.29
Improve market share	(85) 22.8%	(243) 65.3%	(44) 11.8%	(0) 0.0%	3.11
Business expansion	(115) 30.9%	(203) 54.6%	(54) 14.5%	(0) 0.0%	3.16
Open new market	(67) 18.0%	(250) 67.2%	(55) 14.8%	(0) 0.0%	3.03
Retain existing customers	(164) 44.1%	(193) 51.9%	(15) 4.0%	(0) 0.0%	3.40
Continuously offering new product to the customers	(161) 43.3%	(199) 53.5%	(12) 3.2%	(0) 0.0%	3.40
Grand mean for Sales Growth					3.23

Decision rule 1.00 – 1.49= strongly disagree, 1.50 – 2.49= disagree, 2.50 – 3.49 = agree, 3.50-4.00= strongly agree.

Note: SA-Strongly Agree, A-Agree, D-Disagree, SD-Strongly Disagree

Source: Field Survey Results (2024)

According to results in Table 5, The study reveals significant trends in SMEs' profitability and growth strategies following market and organizational innovation. Between 2017 and 2022, profit increase steadily, with mean scores ranging from 2.83 to 3.06, averaging at 2.97. Acquiring new customers, improving market share, expanding business, opening new markets, and retaining existing customers are key strategies, with mean scores ranging from 3.03 to 3.40, contributing to a grand mean sales growth of 3.23.

Table 6: Descriptive Analysis on Social Media Agility of SMEs in Ibadan

Social Media Agility	SA	A	D	SD	Mean
Increased avenues to address customer issues	(75) 20.2%	(270) 72.6%	(27) 7.3%	(0) 0.0%	3.13
Deliver our products and services more quickly	(196) 52.7%	(156) 41.9%	(20) 5.4%	(0) 0.0%	3.47
Respond very reliably to market changes	(79) 21.2%	(263) 70.7%	(30) 8.1%	(0) 0.0%	3.13
Achieve greater flexibility in products/services offered.	(114) 30.6%	(243) 65.3%	(15) 4.0%	(0) 0.0%	3.27
Been very quick to adapt to business opportunities	(141) 37.9%	(212) 57.0%	(19) 5.1%	(0) 0.0%	3.33
learn about our audience	(108) 29.0%	(244) 65.6%	(20) 5.4%	(0) 0.0%	3.24
monitor relevant social media tools useful to our success	(117) 31.5%	(247) 66.4%	(8) 2.2%	(0) 0.0%	3.29
learn about our competitors	(183) 49.2%	(185) 49.7%	(4) 1.1%	(0) 0.0%	3.48
Grand mean for Social Media Agility					3.29

Decision rule 1.00 – 1.49= strongly disagree, 1.50 – 2.49= disagree, 2.50 – 3.49 = agree, 3.50-4.00= strongly agree.

Note: SA-Strongly Agree, A-Agree, D-Disagree, SD-Strongly Disagree

Source: Field Survey Results (2024)

According to results in Table 6, 72.6% of the respondents agree that social media serves as an increased avenue to address customer issues, while 7.3% disagree. 52.7% of the respondents also strongly agreed that social media helps in delivering of products and services more quickly. 70.7% of the respondents affirmed that the use of social media allows them to respond very reliably to market changes, 65.3% of the respondents stated that social media offers them greater flexibility in products/services offering. Similarly, 57.0% affirmed that the use of social media has allowed them to respond and adapt quickly to business opportunities, and 65.6% and 49.7% stated that they have gained more knowledge about their audience and competitors through the use of social media. Overall, 66.4% revealed the perceived usefulness of social media to their organizational success.

The findings indicate a substantial positive relationship between social media agility and small and medium-sized business survival. The significant number of respondents who feel that social media is useful for addressing customer complaints, delivering products and services quickly, and responding consistently to market changes demonstrates its critical role in improving operational efficiency and flexibility. Furthermore, understanding audience preferences and competitors improves strategic decision-making. This emphasizes the importance of using social media platforms as essential tools for SMEs to successfully navigate evolving market environments, increase competitiveness, and, ultimately, contribute to organizational success.

Table 7: Summary of Hierarchical Regression Analysis for the Moderating Effect of Social Media Agility on the Relationship between Innovation Capability and SMEs Survival in Ibadan

Model ^{1,2,3}	Beta	t	Sig.	R	R ²	Adj. R ²	ΔR ²	ΔF	Sig. F Change
(Constant) ¹	1.056	5.086	.000	.459 ^a	.211	.208	.211	98.699	.000
Innovation capability	.629	9.935	.000						
F & Anova Sig: 111.537 (1,400), p=.000									
(Constant) ²	.850	4.050	.000	.494 ^b	.244	.240	.033	16.309	.000
Innovation capability	.426	5.331	.000						
Social media agility	.265	4.038	.000						
F & Anova Sig: 57.518 (2,399), p=.000									

(Constant)	2.550	1.290	.198	.494 ^b	.244	.240	.002	.749	.388
Innovation capability	-.108	-.173	.862						
Social media agility	-.267	-.432	.666						
Innovation capability*Social media agility	.166	.865	.388						

a. Predictors: (Constant), Innovation capability

b. Predictors: (Constant), Innovation capability, Social media agility

c. Predictors: (Constant), Innovation capability, Social media agility, INNAP*SMA

d. Dependent Variable: SMEs Survival

Source: Researcher’s Field Survey Results (2024)

A multiple regression involving innovation capability and social media agility was introduced in the model as predictor variables and the results indicate that a change was experienced as R^2 change is 0.033 implying that the regression model explains 24.4% of variations in SMEs survival while the rest (75.6%) are attributed to variables not included in the model. The F-statistics is 57.518 with a corresponding p-value of 0.000 ($p < 0.05$) indicating that the effect is statistically significant. Innovation capability has a coefficient of 0.426; a t-statistic of 5.331 and a p-value of 0.000. This implies that the SMEs survival effect of innovation capability is positive and significant. In addition, social media agility has a coefficient of 0.265; a t-statistic of 4.038, and a p-value of 0.000. This implies that social media agility has a positive and significant influence on survival of selected SMEs in Ibadan, Oyo State, Nigeria. More so, a unit change in social media agility will result in 0.265 incremental change in SMEs survival.

The findings indicate that social media agility is significantly beneficial to the survival of small and medium-sized firms (SMEs) in Ibadan, Oyo State, Nigeria. While the model only explains 24.4% of the variation in SME survival, the statistical significance of the F-statistics ($p < 0.05$) highlights the importance of the incorporated predictor factors. Innovation capability has a positive and significant impact on SME survival, as evidenced by its coefficient and statistical significance. Similarly, social media agility has a positive and substantial influence on SME survival, implying that improving agility in social media activities might result in incremental increases in SMEs' survival chances. These findings highlight the relevance of combining social media techniques to improve SME resilience and sustainability.

V. CONCLUSIONS AND RECOMMENDATIONS

The study explored the critical role of innovation capability and social media agility in determining the survival prospects of small and medium-sized enterprises (SMEs) in Ibadan, Oyo State, Nigeria. The findings underscore the significance of these factors in enhancing SME resilience and sustainability amidst challenging business environments. The study concludes that SMEs equipped with the ability to innovate are better positioned to adapt to changing market dynamics, differentiate themselves from competitors, and seize emerging opportunities, thereby enhancing their chances of survival. Additionally, the positive and significant influence of social media agility suggests that SMEs that effectively leverage social media platforms for marketing, customer engagement, and brand building are more likely to thrive in competitive markets. This emphasizes the importance of embracing digital technologies and maintaining flexibility in social media strategies to capitalize on evolving consumer trends and preferences. By combining innovative approaches with dynamic social media practices, SMEs can amplify their competitive advantage, foster customer loyalty, and navigate uncertainties more effectively, thereby bolstering their long-term survival prospects. Based on the findings of this study, this study recommends that:

1. Small and medium-sized enterprises (SMEs) should prioritize becoming more innovative in their marketing initiatives.
2. Small and medium-sized enterprises (SMEs) in Ibadan, Oyo State should improve the operational organization of their businesses in order to bolster the sustainability
3. SMEs in Ibadan should coordinate their operations to leverage social media, which is a modern framework for responding to market changes.

Suggestions for further studies

Further research might explore the ways in which environmental factors, such as market size, industry classification, and regulatory framework, can moderate the association between innovation capability, social media agility, and the survival of small and medium-sized enterprises (SMEs).

Declarations

Availability of data and material

Data has been embedded in the article.

Competing interests

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