
Social networking sites and SME: What are the risks of using social networking sites internationally?

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Abstract

The international development is an opportunity for small and medium-sized enterprises (SMEs) to deal with the narrowness of the local market by expanding activities internationally. These small enterprises, generally facing with few financial, technological and human resources, are increasingly using new technologies to maintain or develop their competitive advantages. The decision to be on social networking sites (SNS) is becoming more and more strategic. SNS are tools perfectly suited for SMEs because they make it possible to intensify collaborations with foreign partners and to benefit from an international online presence. So far, research has mainly focussed on the benefits of these new inexpensive tools, but only few has highlighted negative aspects. To identify the risks of social networking sites on the internationalization of SMEs, we have chosen the Uppsala model which emphasizes the concept of psychic distance. By the means of semi-structured interviews with 22 SME managers, this article aims to (1) investigate the risks of using social networking sites for SMEs in a context of internationalisation and (2) analyse the perception of these risks among managers. Results show that if some managers are aware of ressources related risks others seem to ignore them. Moreover they do not weight different kind of risks equally.

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