Exploring Small Retail Businesses' Perceived Competition during Post-Recession and Perceived Importance, Benefits and Challenges of B2B Networking

by

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Abstract

This study is the first to investigate small businesses' perceived market competition and their beliefs about B2B networking during the post-recession period. The existing data collected through in-depth interviews with 51 small business owners/mangers in Alabama were analyzed. This study found that the majority of the small businesses did not feel competition within/outside the community or with national brands/large retailers, findings that contradict traditional views. This study uncovered diverse underlying reasons for feeling vs. not feeling competition. Also, most of the small businesses recognized the importance of B2B networking and benefits of using SNSs as a B2B networking tool. However, the perceived range of benefits tends to be narrow. They also reported diverse challenges for adopting SNSs for B2B networking. Lastly, their perceptions or beliefs varied by business or owner/manager characteristics. This study provides numerous theoretical and practical implications to improve the competitiveness of small businesses.

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List of Abbreviations

B2B	Business to Business
NBER	Nation Bureau of Economic Research
NSBA	National Small Business Association
SNS	Social Network Site
UA	Urbanized Area
UC	Urban Cluster

CHAPTER 1. INTRODUCTION

Small businesses play a vital role in the U.S. economy. According to the U.S. Census Bureau (2012, 2014d), the total number of small businesses (defined as businesses with fewer than 500 employees) was nearly 28.2 million in 2011, making up 99.9% of all U.S. businesses (Small Business and Entrepreneurship Council, n.d.). Small businesses create considerable job opportunities, accounting for a substantial share of U.S. employment (Small Business Administration, 2014b); they employ about 120 million people and provide them with essential income for living (Nazar, 2013). The small business sector comprises 46% of U.S. private non-farm gross domestic product (GDP) and makes a great contribution to overall national productivity (Small Business Administration, 2012, 2014b). In particular, there are about 2.56 million small businesses in the retail sector, contributing nearly 40% of U.S. retail sales (Small Business Administration, 2014c; U.S. Census Bureau, 2012, 2014d).

However, the Nation Bureau of Economic Research (NBER) officially declared that the U.S. was in a recession from December 2007 to June 2009, mainly due to the collapse of the U.S. housing market (National Bureau of Economic Research, 2010, 2014). During the recession, the U.S. labor market lost about 8.4 % of nonfarm payroll employment (Sahin, Kitao, & Coroaton, 2011; Zuckerman, 2011). The unemployment rate that was 5% in December 2007 increased to 9.5% in June 2009 and later reached its peak at 10% in October 2009; it was the first time the unemployment rate had been in double digits since 1983 (U.S. Bureau of Labor Statistics, 2012). As a result, during the recession period, per capita personal income declined by $869 (Bureau of Business and Economic Research, 2013); average expenditure per consumer unit decreased by $571 (U.S. Bureau of Labor Statistics, 2014); and wholesale and retail sales dropped by $474 billion and $361 billion (U.S. Census Bureau, 2014b, 2014c).

The economic recession had a more severe impact on small businesses than on larger firms (Sahin, Kitao, Cororaton, & Laiu, 2011), causing thousands of small businesses to close or to struggle for survival. During the recession, the number of jobs provided by the small business sector (with fewer than 50 employees) declined by 10.4%, while that of the larger business sector declined by 7.5% (Sahin, Kitao, Cororaton, & Laiu, 2011). More than 170,000 small businesses in the U.S. vanished in the first two years of recession (Thomas, 2012). During the post-recession period, the small business sector has not shown a strong recovery pattern; the total number of small businesses in the U.S. declined for three consecutive years (2009-2011) (U.S. Census Bureau, 2014a), confirming adverse post-recession conditions of small businesses (Jacobe, 2010; Wells Fargo, 2012).

The 2007-2009 recession severely hit the small business sector in Alabama (Dun & Bradstreet Business Report, 2011; Small Business Administration, 2013), substantially threatening its competitive position and profitability in the retail market. According to the regional data released by the U.S. Department of Commerce (2014), in Alabama, the GDP of private industries had decreased by $3.18 billion from 2007 to 2009 and the retail trade sector alone accounted for a $437 million decline. Inevitably, recession crushed the dreams of many small businesses owners in Alabama. Starting in 2007, Alabama had one of the four highest small business failure rates in the U.S. for three years in row (Dun & Bradstreet Business

Report, 2011). Even after the recession, the recovery speed of Alabama's small business sector has been very slow. As of 2013, compared with a national average increase of 0.12% in small business employment, the growth rate in Alabama still remains low, merely increasing by 0.01% (Alexander, 2013).

The recession has intensified the level of competition among businesses as they have to fight for a decreased number of customers ("7 recession effects," 2009). Small businesses not only compete with other small businesses within their community, but also face the competition generated by larger businesses within and outside their community (Haltiwanger, Jarmin, & Krizan, 2010; Loader, 2007; Wong & Aspinwall, 2004). Compared to larger companies, small businesses have fewer resources and skills, including financial, human, and physical resources and managerial skills, and they also have less market power and less media exposure (Chen & Hambrick, 1995; Clark & Montgomery, 1999; Wong & Aspinwall, 2004). Therefore, small businesses are highly challenged or threatened especially when large businesses compete on pricing (Loader, 2007), which intensifies the level of competition perceived by small businesses. It has been known that the intensity of competition during the economic recovery trends to be much greater than throughout the recession ("Increased competition," 2013). Such intense market competition is not generally welcomed by many small businesses as it is often associated with business failure (Kalleberg & Leicht, 1991).

However, the literature suggests that being aware of market competition and potential competitors is the key to build the competitiveness of businesses by driving business owners to closely examine changing business environment and likely threats and realign/develop strategies accordingly (Bergen & Peteral, 2002). In addition, the literature suggests that nurturing and managing social networking with other similar businesses is almost an inevitable resource that small businesses use to overcome their limitations and improve their competitiveness when threatened by intense market competition (Gill & Biger, 2012; Gilmore, Carson, & Grant, 2001; Nichter & Goldmark, 2009). For example, the analysis of data from a 16-year panel further demonstrates that small businesses' participation in B2B networking is positively associated with small business growth (Schoonjans, Cauwenberge, & Bauwhede, 2013). More recently, the diffusion of social media has made it possible for small businesses to conduct various business-related activities (e.g., promoting their businesses, networking and sharing information with other businesses) in cost-efficient ways (Bulearca & Bulearca, 2010; Kim, Lee, & Lee, 2011). According to the National Small Business Association (2013), the use of social media is a rapidly growing trend for small businesses; social media adoption among small businesses increased from 47% in 2010 to 73% in 2013. Among the various forms of social media, social network sites, or SNSs (particularly Facebook and LinkedIn), are most favored by small business owners and managers (Kim, Lee, & Lee, 2011; National Small Business Association, 2013). SNSs can promote B2B networking by offering platforms for firms, employees, or professional organizations to maintain communication, share professional information, or refer business to each other (Facebook makes work, n.d.; Papacharissi, 2009; Skeels & Grudin, 2009). Due to their many benefits, especially cost efficiency, SNSs can be used by small businesses as a promising B2B networking tool for facilitating business relationships and further enhancing business intelligence and productivity (Kim, Lee, & Lee, 2011).

Problem Statement and Purpose of Study

Extensive studies have attempted to understand the factors that influence market competition (Melitz & Ottaviano, 2008; Peteraf & Bergen, 2003; Porter, 1979, 2008). However, little is known about how small businesses perceive competition within/outside their community, and with national brands/large businesses during post-recession periods. More importantly, given that Alabama is one of the states most severely hit by the recent recession, it is important to understand how small businesses in Alabama perceive competition and to identify underlying reasons for their perceptions. This knowledge will provide in-depth understanding of their challenges, problems, and strategies to stay competitive during post-recession periods.

Although researchers and practitioners have realized the importance of B2B networking and SNSs as a promising networking tool to improve businesses' competitive advantages, previous literature on small businesses' adoption of SNSs mainly focuses on networking between small businesses and their customers (e.g., Bulearca & Bulearca, 2010; Michaelidou, Siamagka, Christodoulides, 2011; Nakara, Benmoussa, & Jaouen, 2012). No previous study has examined small businesses' perceptions of using SNSs for B2B networking. Therefore, there is a call for an in-depth study that examines small businesses' perceived importance of B2B networking as well as specific benefits and challenges for using SNSs for networking with other small businesses.

Furthermore, due to the heterogeneity of the small business population (Forsman, 2008), small business owners' perceptions of market competition and beliefs of B2B networking may vary by diverse organizational characteristics. The finding of the previous research showed that a firm's decisions are influenced by not only the business's characteristics (such as firm size, sector, and geographical location), but also the owner's demographic characteristics (such as gender, age, education, and experiences) and owner's entrepreneurial characteristics (such as innovativeness and risk taking) (e.g., Aragon-Sanchez & Sanchez-Marin, 2005; Blackburn, Hart, & Wainwright, 2013; Michaelidou, Theofania, & Christodoulides, 2011; Richbell, Watts, & Wardle, 2006; Stroey, 1994; Wijewardena, Nanayakkara, & Zoysa, 2008; Wiklund & Shepherd, 2004). Therefore, this research explores how small retail business owners' perception of competition and beliefs about B2B networking (i.e., the importance of B2B networking and the benefits and challenges of using SNSs for B2B networking) vary by organizational factors.

To fill the aforementioned gap in the literature, the main purpose of this study is to examine (1) how small businesses owners/managers perceive competition within/outside the community and competition with national brands or large retailers, during the post-recession period, (2) how they perceive the importance of networking with other small businesses, (3) what benefits and challenges they perceive when using SNSs to network with other small businesses, and (4) how their perceived competition and beliefs about B2B networking vary by organizational factors (i.e., business characteristics and owners'/managers' demographic and entrepreneurial characteristics).

Significance of the Study

The growth of the small business sector is one of the strong forces that drive the recovery of overall U.S. economic performance (U.S. Trade Representative, 2014). However, a three-year (2009-2011) consecutive decline in the total number of U.S. small businesses due to the 2007-2009 recession indicates that the U.S. small business sector has not shown a strong growth pattern yet, even after the recession was officially announced to be over in 2009 (National Bureau of Economic Research, 2010; U.S. Census Bureau, 2014a). Therefore, being equipped with knowledge about the market competition and networking with other small businesses will enrich small businesses' intellectual capital and assist their business decisions. The findings of this study will provide small businesses and policy makers with implications and guidelines for recovering the U.S. small retail business sector, specifically in Alabama.

Definitions of the Terms

B2B networking: It refers to a group of two or more businesses working together to carry out business activities (Sommers, 1998). In this study, it is interchangeably used with networking with other businesses.

Beliefs about networking with other small businesses: In this study, the term “beliefs” refer to three perceptions regarding networking with other small businesses, which include perceived importance of B2B networking, and perceived benefits and challenges of networking with other small businesses via social networking sites (SNSs).

City classification—Urbanized Area: It refers to an area where a city’s population is greater than 50,000 (The U.S. Census Bureau, 2014e).

City classification – Urban Cluster: It refers to an area where a city’s population is between 2,500 and 50,000 (The U.S. Census Bureau, 2014e).

Innovativeness: It refers to the degree to which a business adopts business-related new ideas, innovative concepts, or creative processes to break away from established technologies and practices (Lumpkin & Gregory, 1996).

Perceived competition: Perceived competition is defined as an individual’s interpretation of the intensity of competition in the marketplace (Kemp & Hanemaaijer, 2004).

Risk-taking: It refers to the level of willingness for a business to venture into the unknown, committing remarkable resources to exploit business opportunities in the uncertain environment (Soininen, Martikainen, Puumalainen, & Kylaheiko, 2012).

Small business: It is defined as an independently owned and operated business with fewer than 100 employees (Scarborough & Zimmerer, 2011).

Small retail business: An independently owned and operated business with fewer than 100 employees (Scarborough & Zimmerer, 2011) which does business at the final stage in the flow of merchandise from a manufacturer to a consumer (Dunne, Lusch, Gable, & Gebhardt, 1991).

Social networking sites (SNSs): "Web-based services that allow individuals to (1) construct a public or semi-public profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections and those made by others within the system" (Boyd & Ellison, 2007, p. 211).

CHAPTER 2. LITERATURE REVIEW

This chapter will discuss the definition of small businesses, the importance of small businesses to the U.S. economy, and the impact of the 2007-2009 economic recession on small businesses, specifically in Alabama. Next, it will discuss factors influencing market competition and possible competition encountered by small businesses in the post-recession period. The following section will review social network theory to discuss the importance of networking with other small businesses. Last, the chapter will discuss potential benefits and challenges associated with using SNSs as a networking tool among small businesses.

Definition of Small Business

Despite the prevalent usage of the term, there is no single agreed-upon definition of a small business (Storey, 1994). Different criteria have been used to define a small business and distinguish it from a large business, including the number of employees (e.g., Allocca & Kessler, 2006; Hynes, 2010; McCartan-Quinn & Carson, 2003; Scarborough & Zimmerer, 2011; Small Business Administration, 2014a; Wong & Aspinwall, 2004), market influence (Street & Cameron, 2007), annual receipts over the past three years (Small Business Administrations, 2014a, 2014d), and the combination of the number of employees and other factors such as productive assets (Theng & Boon, 1996). While the number of employees is the most commonly used criterion, the specific number varies across different studies or organizations. For instance, some researchers define a small business as an independent business organization with fewer than 100 employees (Hynes, 2010; McCartan-Quinn & Carson, 2003; Scarborough & Zimmerer, 2011), while others adopt a maximum employee number of 250 (Wong & Aspinwall, 2004) or even 500 (Allocca & Kessler, 2006; Asiedu & Freeman, 2007; Small Business Administration, 2014a).

As such, although there is no universal definition of a small business, researchers (e.g., McCartan-Quinn & Carson, 2003; Scarborough & Zimmerer, 2011) often use fewer than 100 employees as a "common delineation" (Scarborough & Zimmerer, 2011, p. 27). Therefore, in this study, a small business is defined as an independently owned and operated business with fewer than 100 employees.

Role of Small Businesses in the U.S. Economy and in the Post-recession Period

Small businesses play a significant role in the U.S. economy due to their great share of the U.S. economy and their contributions to economic development, such as job creation and productivity growth (Small Business Administration, 2012, 2014b; U.S. Census Bureau, 2014c). In 2011, the number of U.S. small businesses (with fewer than 500 employees) reached nearly 28.2 million, making up 99.9% of U.S. businesses, with 48.5% classified as private non-farm employment and 42% as private non-farm payroll (Small Business Administration, 2014b; Small Business and Entrepreneurship Council, n.d.; U.S. Census Bureau, 2014d).

The small business sector is also an essential part of the Alabama economy. In 2010, Alabama had a total number of 393,768 small business (including 320,605 non-employer firms and 73,163 employer firms with fewer than 500 employees) (Small Business Administration, 2013). In particular, most small businesses in Alabama have few employees: about 80.9% of all businesses are non-employee firms and most employer firms have fewer than 20 employees. Despite the small number of employees, these small businesses represent 96.9% of all businesses and account for 49% of private-sector employment within the state of Alabama (Small Business Administration, 2013).

However, the 2007-2009 recession seriously hindered the U.S. economy. The U.S. job market lost nearly 8.8 million jobs during this period (Sahin, Kitao, & Coroaton, 2011), which caused the unemployment rate to reach its highest point since 1983 (U.S. Bureau of Labor Statistics, 2012). The U.S. small business sector was also adversely affected by the recession. Finances for small businesses were greatly tightened due to the failure of two large investment banks (Lehman Brothers and Washington Mutual) and hundreds of commercial banks during that time period (Chow & Dunkelberg, 2011; Sweeney, 2010). It is estimated that about 170,000 small businesses shut down during first two years of the recession (Thomas, 2012). Compared to their larger counterparts, small businesses suffered even more from the recession in terms of the job loss rate. The total number of jobs provided by the U.S. small business sector (defined as businesses with fewer than 50 employees) declined by 10.4%, an almost 3% greater decline than that of the larger business sector (Sahin, Kitao, Cororaton, & Laiu, 2011).

Inevitably, the small business sector in Alabama was also seriously hit by the recession. Three years in a row, from 2007 to 2009, Alabama was among the four states with the highest failure rates for small businesses (Dun & Bradstreet Business Report, 2011). Along with the high failure rate, net jobs provided by small businesses declined sharply (Small Business Administration, 2013).

Although the overall financial condition in the U.S. has been eased since the recession (National Bureau of Economic Research, 2010), the overall economy as well as the small business sector has recovered very slowly and thus no obvious recovery pattern has been observed (Bernstein, 2013; Chow & Dunkelberg, 2011). The weak growth rate of small businesses has also been demonstrated by a three-year (2009-2011) decline in individuals launching their own small businesses (U.S. Census Bureau, 2014a). As such, most small businesses are still struggling for growth and recovery from the recession.

The recovery of Alabama's overall economy and the state's small business sector has been especially sluggish. Out of all 50 states, Alabama ranked 45th in the speed of recovery from the 2007-2009 recession (Cole, 2014). By 2013, the small business job growth rate in Alabama was only 0.01%, while nationally it was 0.12% (Alexander, 2013). The poor performance of the U.S. small business sector, especially in Alabama, calls for understanding small businesses' perceptions and challenges and for identifying problems and opportunities to facilitate the growth of the Alabama small business sector.

Growth is essential for small businesses' recovery from the recent recession because it is an indication of increased return on investment as well as increased chances for future survival (Dobbs & Hamilton, 2007; Taylor & Cosenza, 1997). Researchers have explored the factors influencing the growth of small businesses, including market competition (e.g., Dobbs & Hamilton, 2007), networking with other businesses (e.g., Gilmore, Carson, & Grant, 2001; Nichter & Goldmark, 2009; Schoonjans, Cauwenberge, & Bauwhede, 2013), and the characteristics of small businesses (e.g., size) (Dobbs & Hamilton, 2007) as well as owners/managers (e.g., gender, age, educational background, work experiences) (Blackburn, Hart, & Wainwright, 2013; Nichter & Goldmark, 2009). The following sections discuss how these three factors are associated with the growth of small businesses.

Perceived Competition

Competition among businesses is generated when some businesses exhibit more competitive forces than others in order to achieve greater market share (Porter, 2000, 2008). Competition or rivalry among firms can drive business growth by stimulating innovation (Ozbugday & Brouwer, 2011; Porter, 2000, 2008; Tsai & Yang, 2013) and by enhancing productivity (Nickell, 1996; Nickell, Nicolitsas, & Dryden, 1997; Patel & Cardon, 2010). On the other hand, competition may play a negative role in business growth by reducing profit margins and adding enormous pressure to businesses (Schmidt, 1997) as the fierce competition will consequently boost the cost of introducing innovations and/or the cost of managerial effort. Under competitive markets, businesses may adopt conservative approaches, such as maintaining or reducing the scope of operation, or simply duplicating competitors' strategies, thus discouraging them from introducing innovative strategies (Li & Chiang, 2001). In particular, small businesses that lack financial resources (Gilmore, Carson, & Grant, 2001) are likely to cut down investments in new ideas or concepts to avoid risks, a fact which indicates that they perceive competition as a threat during a recessionary time. Given these mixed views of market competition, it is worthwhile to investigate how small businesses perceive competition during post-recession periods.

Perceived competition is defined as an individual's interpretation of the intensity of competition in the marketplace (Kemp & Hanemaaijer, 2004). The competition among businesses to attract more consumers and win greater market share generally takes place on a local level, leading small businesses to monitor the intensity of local competition by closely watching competitors operating within their community (Dunne, Lusch, Gable, & Gebhardt, 1991). In particular, the 2007-2009 recession hit small businesses in numerous ways, influencing the level of competition perceived by small businesses. The recession decreased the amount of personal income and consumer spending (Bureau of Business and Economic Research, 2013; Isidore, 2008; U.S. Bureau of Labor Statistics, 2014), dramatically reducing the market share of small businesses. Small businesses, which usually serve a small customer base (Wong & Aspinwall, 2004), are very vulnerable to external market changes (Malhotra & Temponi, 2010). A sharp decline in consumer spending during the sluggish economy has inevitably increased the level of competition in local markets, affecting small business owners'/managers' perceptions of competition within their community.

Additionally, small businesses may also perceive businesses operating outside the community as competitors. Retailers located in more developed areas can attract consumers away from local businesses, thus intensifying the level of competition perceived by local small businesses (Dunne, Lusch, Gable, & Gebhardt, 1991). Particularly, consumers are willing to travel to more developed areas when the towns or cities they live in are too small to support businesses that offer the range of merchandise that customers want (Dunne, Lusch, Gable, & Gebhardt, 1991). Therefore, because consumers are willing to travel beyond the local market, small businesses will perceive competition from outside their community as well.

Another force that stimulates small businesses' perceived competition outside their community is the competition from online retailers. It is estimated that by 2017, about 60% of U.S. retail stores will be involved in e-commerce (Dusto, 2013). The e-commerce share of total retail sales is growing rapidly. In 2013, the sales generated by e-commerce reached $263 billion, accounting for 6% of U.S. retail sales (U.S. Census Bureau, 2014d). E-commerce sales are predicted to increase to $548 billion in 2021, representing14.1% of total U.S. retail sales (Duffy, Coulombe, Weinsten, & Yozzo, 2013). Thus, the increased number of online retailers and their share of sales volume will be a significant threat, leading to increased competition perceived by small businesses.

Small business owners/managers may also have to consider competition from national brands or large retailers (Wong & Aspinwall, 2004). Large businesses have been criticized for their competition with small businesses, taking customers away from small businesses and even shutting them down (Basker, 2005; Haltiwanger, Jarmin, & Krizan, 2010, Reich, 2005; Shimomura & Thisse, 2012). Large businesses tend to have better resources, bigger marketing budgets, more attractive store design, a more specialized labor force, greater market power, and more control over their external environment than small businesses have (Barber & Tietje, 2004; Chen & Hambrick, 1995; Clark & Montgomery, 1999; Smallbone, North, & Kalantaridis, 1999). Moreover, large businesses can attract customers more easily when consumers prefer low-priced products (Loader, 2007). Small businesses' lack of price competitiveness puts them at a disadvantage in the market, especially during recessionary times, because recession leads consumers to become more price-sensitive than before (Duff, 2009). Therefore, small business owners/managers are likely to perceive intense competition from national brands or large retailers.

However, prior research on competition among small businesses has tended to focus on identifying problems encountered by small businesses (e.g., Huang & Brown, 1999) or on examining positive or negative impacts on labor productivity of small businesses (e.g., Patel & Cardon, 2010). Few studies have examined how small business owners/managers perceive competition within/outside their community and with national brands or large retailers, during post-recession periods. In order to fill the gap in the literature, the following two research questions are proposed:

Research Question 1: How do small business owners/managers perceive competition within/outside the community during the post-recession period? What are the underlying reasons for feeling (or not feeling) competition? What are the most salient reasons for their perceptions?

Research Question 2: How do small business owners/managers perceive competition with national brands or large retailers during the post-recession period? What are the underlying reasons for feeling (or not feeling) competition? What are the most salient reasons for their perceptions?

To answer these research questions, this study will pose the following questions to small businesses owners/managers at an interview: (1): How do you feel about the level of competition within/outside the community under the current economy? Can you explain why? (2) How do you feel about competing with national brands or large retailers under the current economy? Can you explain why?

Networking among Small Businesses

Due to their small operational scale, the majority of small businesses have limited resources (e.g., finance/human resources, marketing expertise) than larger businesses, influencing their ability to compete in a marketplace (Gilmore, Carson, & Grant, 2001; Huang & Brown, 1999; Malhotra & Temponi, 2010). Prior research suggests that in order to overcome these limitations, small businesses can form social networks with their competitors or with various business associations (Gilmore, Carson, & Grant, 2001; O'Donnell, 2014).

While the word "network" refers to a particular type of linkage among a group of people, events, or activities (Nelson, 1988; Szarka, 1990), "networking" means the process of using, managing, or maintaining networks for trading or developing businesses (Chell & Baines, 2000; Gilmore, Carson, & Grant, 2001). B2B networking means two or more businesses working together to carry out business activities (Sommers, 1998). The types of businesses activities conducted by small businesses through B2B networking vary, including sharing information about themselves/competitors/customers/general industry/product ideas, exchanging raw materials or assistance in finances and personnel, and recommending qualified staff to each other (Chell & Baines, 2000; O'Donnell, 2014). Important platforms where small businesses can network include seminars, training sessions, professional associations, and trade fairs (Copp & Ivy, 2001; Kingsley & Malecki, 2004; O'Donnell, 2004). In addition, small businesses' B2B networking can take place through owners'/managers' daily conversations, phone calls, or even visits to web links provided by other businesses (Chell & Baines, 2000; O'Donnell, 2014).

The social network theory provides insights for the importance of individuals' creation of relationships to accumulate social resources, new ideas or opportunities (Granovetter, 1973). Networking with other small businesses can benefit all members in a network (Gilmore, Carson, & Grant; 2001; O'Donnell, 2014; Street & Cameron, 2007). Among others, the most frequently cited benefit is providing small business owners/managers with access to more resources (e.g., information about competitors/potential customers, new contacts, new ideas for products and businesses, financial assistance, emotional support, and information reassurance from other business owners) (Bruderl & Preisendorfer, 1998; Copp & Ivy, 2001; Gilmore & Carson, 1999; Gilmore, Carson, & Grant, 2011; Kingsley & Malecki, 2004; O'Donnell, 2004, 2014). The better resources acquired through business networking can assist small businesses with diverse decisions such as deciding proper prices/products for their target market, choosing effective promotional methods, understanding current market conditions/regulations, keeping existing customers, acquiring new customers, and recruiting qualified employees (Chell & Baines, 2000; Huang & Brown, 1999; O'Donnell, 2014; Nichter & Goldmark, 2009; Raymond, Brisoux, & Azami, 2001). Small businesses' networking can also increase their learning ability (Chaston, 2000) and awareness of market competition (Human & Provan, 1996) which would allow small businesses to equip with in-depth operational and strategic knowledge (Human & Provan, 1996).

Furthermore, small businesses' networking can influence their overall performance, leading to increased profitability (Chaston, 2000). The findings from in-depth interviews with small business owners/managers by Gilmore, Carson, and Grant (2001) further confirm that small businesses' B2B networking significantly contributes to the prosperity of a local market. For example, some local small business owners/managers cooperate with each other to share work burdens or challenges, retain customers, and prevent business opportunities from being taken by large retailers or businesses located outside of the local community, thereby promoting the local business environment and local economy.

However, networking may not always guarantee benefits and success (Johannisson, 1995). One of the threats or downsides of B2B networking is the possibility that close competitors may take away business ideas or strategies. For example, Gilmore, Carson, and Grant (2001) found that some small business owners/managers are afraid of exchanging information too freely because other businesses might duplicate their business strategies. Another downside of networking may be perceived risk of wasting time and/or money, because outcomes of networking are not always immediate or tangible compared to the time and money invested by members (Human & Provan, 1997). Consequently, such potential drawbacks of networking may influence how small business owners/managers perceive networking with other businesses.

Although there has been a growing body of literature regarding positive and negative outcomes of networking with other businesses (Chaston, 2000; Dodd, Jack, & Anderson, 2002; Gilmore, Carson, & Grant, 2001; O'Donnell, 2014), little attention has been paid to understanding how small businesses owners/managers perceive the importance of networking with other businesses during post-recession periods. Therefore, in order to fill the gap in the literature, the following research question is proposed:

Research Question 3: How do small business owners/managers perceive the importance of networking with other small businesses? What are the underlying reasons for their perceptions? What are the most salient reasons for perceiving importance (or unimportance) of networking with other small businesses?

To answer the above research question, this study will pose the following question to small businesses owners/managers at an interview: How important for your business is networking with other small businesses? Why and why not?

Networking via SNSs among Small Businesses

The use of social media among small businesses is rapidly growing. In 2013, the National Small Business Association (NSBA) conducted an online survey of 845 small business owners/managers in the U.S. and found that nearly 73% of the respondents were actively using social media, almost 25% more than in 2010 (National Small Business Association, 2013). Among others, the most common SNSs adopted by small businesses in the U.S. were LinkedIn (57%), Facebook (50%), and Twitter (26%). The most important reason for businesses to adopt SNSs was for "business networking," mentioned by 85% of businesses (National Small Business Association, 2013).

In addition to these two main motivations, there are diverse benefits perceived by small business owners/managers for networking through SNSs. Understanding underlying motivations for networking both via traditional platforms (e.g., phone calls, trade fairs) and via SNSs can be explained by social network theory. General benefits such as access to richer resources and increased ability to compete can also be expected and achieved through small businesses' networking via SNS. In addition, social media allow rapid, simultaneous, and straightforward conversations between an account owner and anyone with whom the owner wants to network at a reasonable cost (Dutta, 2010). Thus, in-time interactions between businesses are likely to benefit small business owners/managers in saving time and money as well as in promoting interactivity and efficiency of networking.

Small businesses may also perceive some challenges in networking via SNSs. However, although a growing number of studies investigate social networking with consumers (e.g., Nakara, Benmoussa, & Jaouen, 2012), little is known about small businesses' perceived challenges when networking with other business via SNSs. Accordingly, the following two research questions are proposed:

Research Question 4: What benefits of networking through SNSs are perceived by small business owners/managers? What are the most salient benefits? What are the benefits that are least recognized by small businesses?

Research Question 5: What challenges of networking through SNSs are perceived by small business owners/managers? What are the most salient challenges?

To answer these research questions, this study will pose the following questions to small businesses owners/managers at an interview: (1): What might be the benefits of networking with other small businesses through a social networking site? (2) What could be challenges in networking with them through a social networking site?

Influence of Organizational Characteristics

A heterogeneous perspective (Kemp & Hanemaaiher, 2004) predicts that even under the same market environment, perceptions of market competition by business owners/managers may not be the same. Previous studies suggest that perceptions of market competition are likely to be influenced by personal characteristics of business owners/managers (Daniels, Johnson, & De Chernatony, 2002; Hodgkinson, 1997; Kemp & Hanemaaiher, 2004). Similarly, business characteristics are likely to influence the perception of market competition. Factors such as firm size, financial strength, and product types influence how small businesses identify their competitors (Clark & Montgomery, 1999; Kemp & Hanemaaijer, 2004), thereby leading to differences in perceived levels of competition in the marketplace.

Moreover, characteristics of small business owners/managers may also affect their beliefs about networking with other businesses. For example, previous studies have found that owners/managers with a higher education level (Blackburn, Hart, & Wainwright, 2013; Donckels & Lambrecht, 1997) and with longer years in business (MacGregor, 2004) tend to have stronger decisions to network. Although there are no empirical studies found, age and the number of years in business and other entrepreneurial characteristics (i.e., innovativeness and risk taking) may also be linked with small business owners'/managers' beliefs about B2B networking.

Based on the previous studies' suggestions and because of the lack of empirical findings in this area, this study will explore the influences of two types of organizational factors: business characteristics (retail format, main product category, city classification, and annual revenue) and owner/manager characteristics in two categories (demographics: age, and the number of years in business; and entrepreneurial characteristics: innovativeness and risk-taking). Accordingly, in order to provide more in-depth insights on the findings from each interview question, the following research question is proposed:

Research Question 6: How are organizational factors related to small businesses' (1) perceived competition within/outside the community, (2) perceived competition with national brands/large retailers, (3) perceived importance of B2B networking, and (4) perceived benefits and challenges of networking via SNSs? How do underlying reasons for their perceived competition and the scope/type of perceived benefits and challenges differ by organizational factors?

CHAPTER 3. METHOD

Research Design

This study utilized both qualitative and quantitative research techniques. Qualitative research is used to interpret and understand a complex, multifaceted situation from various perspectives (Leedy & Ormrod, 2012). In particular, a phenomenological approach allows an in-depth understanding of “people’s perceptions, perspectives, and understandings of a particular situation” (Leedy & Ormrod, 2012, p. 145). Adopting a phenomenological qualitative approach, this study explored small business owners’/managers’ perceptions of the market competition within/outside their community, particularly competition with national brands/large businesses, during the post-recession period, and their perceptions of the importance of B2B networking and of the benefits and challenges of B2B networking via SNSs. This study focused on small businesses in the retail sector, an underexplored area, due to the large number of small businesses and the importance of retail sales to the U.S. economy.

Sampling and Data Collection Procedure

This study used existing data that were collected by three faculty members in the Department of Consumer and Design Sciences at Auburn University. The following section discusses the data collection procedure used in the previous phase. The initial pool of participants was systematically selected from ReferenceUSA.com, a website that provides free information from a large database about U.S. businesses (“Who is,” 2014). Small retail businesses located in diverse cities in central Alabama were targeted to recruit potential participants. The locations were limited to cities in central Alabama due to the geographical proximity to Auburn University and the interviewers' residences. Various business formats were included, including general merchandise stores, specialty stores, and consignment and thrift stores. For the major product categories, this study focused on non-durable products categories, including apparel, accessories, footwear, home interior goods, gift items, and floral. These product categories were chosen because the annual real personal expenditure on nondurable products of each U.S. citizen accounts for nearly 22% of his/her real personal expenditure on all products (Federal Reserve Bank of St. Louis, 2014a, 2014b), suggesting that these categories significantly contributes to the sales of small businesses.

Small businesses that meet these criteria were selected and downloaded into an Excel file which included the business format, product category, address and phone number. First, the data were classified by retail formats. Within each format, stores in every five businesses were contacted. After reaching all of these businesses, the next businesses listed right below the initially selected businesses were contacted. The procedures were repeated until at least fifty participants were recruited.

Using the phone numbers acquired through ReferenceUSA.com, potential participants were contacted by phone to ask their willingness to participate in the one-to-one interview. Through the initial phone interview, participants were screened based on the following criteria: (1) business owner or manager who is at least 19 years old; (2) business owner or manager who is responsible for operating the business; (3) owner/manager of an independent local retail business (not a national chain) that sells consumer products and services; and (4) owner/manager of a business that has fewer than 100 employees. Once potential participants met the criteria, the phone interviewer verbally gave further information about the purpose of the study, interview process, total time commitment, and how to receive incentives. The interviewer asked the participant's permission to audio-record the interview. Lastly, an interview time was scheduled at the participants' convenience. As an incentive, participants were given a choice of a $20 gift card for Target or Walmart.

Interviews included three parts: (1) pre-interview survey, (2) interview, and (3) post-interview survey. Before on-site interviews were conducted in the participants' stores, three doctoral students were trained as interviewers. In the training, the interviewers were provided with the informational letter and all instruments developed in this study, which could help interviewers understand what questions need to be asked and how to control the flow of the interviews. Interviewers informed participants of the order of an interview: explaining the purpose of the study and the information letter, asking questions in the pre-interview survey, conducting an audio-recorded interview, providing a post-interview survey, offering a gift card, and receiving a gift receipt. The participants were also informed about the approximate 1-2 minutes for the pre-interview survey and half hour for the interview and 5-10 minutes for the post-interview survey.

A semi-structured questionnaire was used to keep the interview focused on the central topics while still developing follow-up questions for obtaining more detailed and clearer answers from the interviewees (Leedy & Ormrod, 2012). In the first three interviews, two supervisors accompanied the trained interviewer to oversee the interview process, identify problems, and provide advice for successful interviews.

Instruments

Pre-interview questionnaire. The pre-interview questionnaire (Appendix A) included four questions: (1) the store format (general merchandiser, specialty store, general consignment/thrift store, and specialty consignment/thrift store); (2) the major product category (apparel, fabric/yarn, accessories, shoes/footwear, fashion accessories/jewelry, gift items/floral, stationery items/cards, and variety of products); (3) the title of the participant (owner, manager); and (4) the store location (city name and area – commercial, college town, vs. residential). Participants were asked to circle the item that is most applicable to them on a closed-ended categorical list.

Interview questionnaire. The interview included five main open-ended questions (see Appendix B). The first two questions asked about the participant's perceptions of market competition within and outside the community and with national brands or large retailers. The third question was about their perceived importance of social networking with other small businesses. The last two questions asked about their perceived benefits and challenges of networking with other businesses via SNSs. Follow up-questions were asked; for example, if participants are members of any formal business organization, they were asked if they can give more information about the organization, such as activities and types of information they share in their network.

Post-interview questionnaire. The post-interview survey contained questions on (1) innovativeness, (2) risk taking, and (3) demographic and business characteristics (Appendix C). This study focuses on small business owners and managers because they tend to have high control over business operations and major decisions (Wong & Aspinwall, 2004). The operational style and nature of small businesses are most likely to be related the characteristics of their owners/managers (Gilmore & Carson, 1999). The measurements for both innovativeness and risk-taking were adopted from Brockman, Jones, and Becherer's (2012) study. These variables were used for measuring business owners' level of entrepreneurship and were found to be moderately correlated in their study. Innovativeness was measured from an organizational perspective and will include five items: "Being innovative is a competitive advantage for my business," "My business tends to be more innovative than most of my competitors," "My business creates an atmosphere that encourages creativity and innovativeness," "I would say my business is 'innovation focused,'" and "My business believes in experimenting with new products and ideas." The scale's reported reliability was 0.79. Risk-taking was measured by three items: "My business is willing to take risks when we think it will benefit the company," "My business would rather accept a risk to pursue an opportunity than miss it altogether," and "My business would not be considered gamblers, but we do take risks". Reported reliability of this measure was 0.74 (Brockman, Jones, & Becherer, 2012). All items will be measured by using a 5-point Likert scale, ranging from "strongly disagree" (1) to "strongly agree" (5).

Additionally, the post-interview questionnaire collected owners'/managers' demographic information, including gender, age, ethnicity, educational background, and the number of years in business; and business characteristics, including the number of employees and annual revenue. An open-ended scale was used for age and a categorical scale was used for gender, ethnicity, and educational background. Interval items were used for the number of years in business, the number of employees, and annual revenue.

CHAPTER 4. DATA ANALYSIS AND RESULTS

Data Collection

This chapter discusses the data analysis and results. In total, 51 participants were collected from eight cities in Alabama, including Montgomery (n=15, 29.4%), Auburn (n=11, 21.6%), Opelika (n=8, 15.6%), Prattville (n=4, 7.8%), Dothan (n=4, 7.8%), Alexander City (n=3, 5.9%), Phenix City (n=3, 5.9%), and Eufaula (n=3, 5.9%). The population of these cities ranged from 12,914 (Eufaula) to 201,332 (Montgomery) (U.S. Census Bureau, 2013).

Sample Profile

Descriptive analysis was conducted to create profiles of the samples in terms of the business characteristics (retail format, main product category, city classification, number of employees, and annual revenue), and owners'/managers' demographic characteristics (title, gender, age, ethnicity, education, and number of years in business).

Characteristics of businesses

The majority of the participants (n=39, 76.5%) were specialty stores that carried a specific range of products. Five stores (9.8%) were general merchandise stores which carry a board range of products. Five stores (9.8%) were specialty consignment/thrift stores which carried specific range of products. Another two stores (3.9%) were general consignment/thrift stores which carried broad range of products. Regarding the main product categories within their stores, 26 stores (51.0%) carried apparel products, three stores (5.9%) carried fashion accessories/jewelry (5.9%), ten stores (13.7%) carried gift items/floral, and 12 stores (23.5%) carried a variety of products (i.e., no dominant category).

According to the urban and rural classifications defined by the U.S. Census Bureau (2014e), cities with a population greater than 50,000 are classified as urbanized areas (UAs), whereas cities with a population between 2,500 and 50,000 are classified as urban clusters (UCs). Based on this definition, three out of eight cities (Montgomery, Dothan, and Auburn) were classified as UAs and the remaining five cities (Phenix City, Prattville, Opelika, Alexander City, and Eufaula) were classified as UCs. Table 5.1 shows the population size and urban-rural classification of each city. A total of 30 stores (58.82%) were located in UAs and 21 stores (41.18%) were located in UCs.

In terms of the number of employees, 45 stores (88.2%) had less than 10 employees, 3 stores (5.9%) had 11 - 20 employees, and one store (2%) had 21 - 30 employees. This sample profile seemed to be representative of small retail businesses in Alabama: around 97.7% of small retail businesses in Alabama have fewer than 20 employees (Small Business Administration, 2013).

Regarding reported annual revenues, 19 stores (37.3%) had annual revenues ranging from $200,000 to $499,999; eight stores (15.7%) had annual revenues ranging from $50,000 to $99,999, and another eight stores (15.7%) had annual revenues ranging from $100,000 to $199,999. Five participants (9.8%) did not report their annual revenues. Table 5.2 shows the detailed sample profiles for business characteristics.

Characteristics of store owners/managers

Demographic variables. The majority of the participants were store owners (n=44, 86.3%) and the remaining seven were store managers (13.7%). The majority were female (n=43, 84.3%). Respondents aged between 41 and 60 years old accounted around 54.9% of the participants (n=28). The mean age of the respondents was 45. The majority of the participants were Caucasian American (n=48, 94.1%). In terms of education, the participants showed diverse educational background. Twenty-five of the participants had bachelor's degrees (49%), and five had master's degrees (9.8%). Only one respondent had a high school degree (2%), two attended vocational school (3.9%), 10 had some college/no degree (19.6%), and five had associate degree (9.8%).

Regarding the number of years in business, 18 participants (35.3%) had been in business for less than 5 years; 17 (33.3%) had been in business for 6 - 10 years; six (11.8%) had been in business for 11 - 20 years, and eight (15.7%) had been in business more than 21 years. Table 5.3 lists the detailed sample characteristics of the store owners/managers.

Entrepreneurial characteristics. For the measures for the entrepreneurial characteristics (i.e., innovativeness and risk taking), exploratory factor analysis (EFA) was conducted to assess the dimensionality of each scale. EFA allows the internal consistency of a multi-item scale to be evaluated by checking whether all items reflect the same dimension (Green & Salkind, 2008).

For the innovativeness scale, the EFA result confirmed the uni-dimensionality of the scale, with an eigenvalue of 3.09 and 61.7% of the total variance. The EFA for the 3-item risk taking scale also supported uni-dimensionality of the scale with an eigenvalue of 1.91 and 63.69% of the variance. All factor loadings for both variables were higher than .50, suggesting that they were all part of the same construct (Kline, 1998). Next, Cronbach's alphas were calculated to check the reliability of each variable (Green & Salkind, 2008). The Cronbach's alphas for risk taking and innovativeness were .71 and .84 respectively, suggesting good reliability (Green & Salkind, 2008; Nunnally & Bernstein, 1994). Table 5.4 reports the EFA results and Cronbach's alphas for these two variables.

Table 5.5 shows the mean, standard deviation of each scale, and correlations between risk-taking and innovativeness, which was .419 (**p < .01). The correlation between these two variables was consistent with the result of .44 (p < .001) in Brockman, et al.'s (2012) study.

Qualitative Data Analysis

The main task of qualitative analysis is to identify the common themes among the responses to each interview question. In order to analyze the data, audio-recorded interview responses were first transcribed, and then the transcriptions were examined by means of content analysis. Content analysis is a typical technique used in phenomenological studies and provides a "detailed and systematic examination of the contents of a particular body of material for the purpose of identifying patterns, themes, or biases" (Leedy & Ormrod, 2012, p. 148).

Generally, there are two approaches that can be used in qualitative content analysis: inductive and deductive approaches (Cho & Lee, 2014). In a deductive approach, a researcher develops an analysis metric based on findings from previous studies before categorizing qualitative data. On the other hand, an inductive approach does not require developing an analysis metric before analyzing the data and it is recommended when there is little or no previous knowledge on the topic being studied and therefore there are not sufficient grounds to develop an analysis metric in advance (Elo & Kyngas, 2008). Given that there is no previous study has been conducted on the topic of this study, an inductive approach was adopted.

Three coders were involved in this study to enhance the credibility of the research (Guba & Lincoln, 1994; Lincoln & Guba, 2000). Based on the suggestions by Elo and Kygas (2008), two coders followed the basic stages of content analysis: open coding, developing coding sheets, grouping, categorizing, abstracting, and obtaining categories/sub-categories/themes. In the open-coding stage of this study, two coders examined the raw data (i.e., transcribed responses) line-by-line, and then divided them into several segments which each mentioned different subjects or ideas. Each segment was then given a heading or label.

For the stage of developing coding sheets, the two coders collected headings or labels onto a coding sheet. At this stage, the coders were allowed to generate various categories (Elo & Kyngas, 2008). Next, in the grouping stage, the coders consolidated various categories identified to create broader, higher order categories (Spiggle, 1994). To achieve this goal, the coders in this study explored differences and similarities across headings or labels and grouped together the data that belonged to a particular conceptual category, while excluding the data that were not part of the same conceptual category.

Next, at the abstraction stage, under each conceptual category identified, the coders explored more detailed characteristics, attributes, or properties along dimensions, group characteristics, and attributes that shared the same meaning. They classified similar items into one subgroup, and finally created several subcategories under each conceptual category (Spiggle, 1994). The process of creating subcategories is also known as axial coding (Corbin & Strauss, 1990). Axial coding is a coding process in which a researcher integrates similar attributes/characteristics and codifies them into one subcategory (Corbin & Strauss, 1990; Spiggle, 1994). Codifying means "to arrange things in a systematic order, to make something part of a system or classification, to categorize" (Corbin & Strauss, 1990; Spiggle, 1994, p. 8). This process permits data to be "segregated, grouped, regrouped, and relinked in order to consolidate meaning and explanation" (Grbich, 2007, p. 21). In the stage of abstracting or obtaining categories, coders develop themes that could represent or describe the specific meaning of each subcategory. A theme is "an outcome of coding, categorization, and analytic reflection" (Saldana, 2009, p. 13). Generally, a theme is presented in the form of a phrase or a sentence (Rossman & Rallis, 2003). In this study, a sentence form was used to label each theme more clearly. Lastly, once the themes were identified by the two coders, the third coder checked them to evaluate the credibility of the original coders' interpretative claims. These procedures resulted in the coders reanalyzing of the data multiple times to achieve mutual comfort among the coders and objectivity in interpretation of the data (Fournier, 1998).

Quantitative Data Analysis

All statistical analyses of the quantitative data including descriptive analysis, Chi-square tests, and multiple-response crosstab analyses, were processed through Statistical Package for the Social Sciences (SPSS) 21.0. Chi-square tests were conducted to examine how the level of (1) the perceived competition within/outside the community (feeling vs. not feeling competition), (2) the perceived competition with national brands/large retailers (feeling vs. not feeling competition) differ by eight organizational characteristics (retail format, main product category, city classification, annual revenue, age, years in business, innovativeness, and risk taking). Chi-square tests allow evaluating whether the distribution of a categorical variable differs from one category to another (Green & Salkind, 2008). In addition, multiple-response crosstab analyses were employed to examine distributions of themes generated under each interview question by organizational factors. Multiple-response crosstabs were conducted because responses from each participant could be classified into more than one theme. Responses that were classified as “other” were eliminated from this analysis.

Results

The following section discusses the results from the qualitative and quantitative analyses of the data. The responses for research question 6, which explores variations in perceptions and theme distributions by organizational factors, will be analyzed and discussed within each interview question.

Question 1: Perceived competition within/outside the community

In order to qualitatively review the responses to Question 1, the responses were first classified into two categories: (1) feeling competition and (2) not feeling competition. Out of 51 respondents, 23 (45.1%) mentioned that they felt competition within/outside their community, while 28 respondents (54.9%) indicated that they did not feel competition. Within each category, responses from each participant were classified into themes which provided underlying reasons for why the participants felt or did not feel competition. A single participant's response could be coded into more than one theme when the respondent mentioned multiple points. If fewer than three respondents mentioned a specific point, these responses were considered minor opinions and classified in the data as "other."

A total of seven themes emerged from the responses to Question 1, two of which explained reasons for feeling competition (Category 1) and five which explained reasons for not feeling competition (Category 2). Table 5.6 exhibits the themes and classifications of other responses generated from the responses to Question 1.

Category 1 – Feeling Competition within/outside the community

Theme 1: Many stores carry similar or same products.

This theme reflects the respondents' challenges or pressures from the market competition due to growing numbers of competitors carrying similar or the same products. For example, one respondent felt challenges by the growing competition within the community and the lack of differentiation among the stores, stating "…everyone is fighting for the same lines and some people are selling the same lines so you get duplicate styles…" (P#34) Furthermore, several respondents (e.g., P#1, P#5) mentioned that the competition would become more intense if product lines similar to theirs were carried by large retailers due to their buying power and large number of stores across the regions. For example, one participant mentioned, "…It's hard for a small business to compete with corporate, and I can tell you this because we are experiencing this now. We are trying to expand in the ladies and we end up buying things that other corporate stores are buying…" (P#5) Overall, this theme was the most salient reason for feeling competition within/outside the community, mentioned by 13 out of 23 participants (52%) who felt competition within/outside the community.

Theme 2: Competitors offer products at a lower price.

Other stores' low price strategy was the second most salient reason for feeling competition within/outside the community, mentioned by 11 out of 23 participants (47.83%). Particularly, several respondents felt challenged by online retailers' lower priced products. For example, one said, "The biggest competition is a price-point with the internet. They don't have to have a storefront. They have a warehouse where they are paying maybe 50 cents a square foot rather. You can have three guys service a store because all they are packing boxes. … From our standpoint, that is probably the biggest competition…" (P#1) Other respondents stated that because of the virtual presence of online stores, customers do not need to pay sales taxes in some situations, lowering the consumers' total cost. One said, "There is a lot of people who do not have to pay sales tax if they purchase on the Internet. I can't avoid that…" (P#16) Moreover, one respondent felt pressured to price very cautiously because online shopping makes it easy for customers to compare prices, saying "…it's Internet sales, because people get on and look and compare prices and obviously all of that and so I have to really analyze how I set my prices and try to be competitive with what I can find online…" (P#36) Some participants also worried about price competition with large businesses due to their stronger buying power which allows them to get lower prices from their suppliers. For example, one said, "…they can buy in much more bulk than we can, therefore they can have a sale and sell it for cheaper than we can because they can buy cheaper…" (P#5) One participant further indicated that the retail prices of some products offered by large businesses are even lower than the wholesale prices that the participant could get from vendors, reporting, “Well, the only problem I have as far as competition is like with places like Walmart .... they sell them cheaper than I can buy them wholesale so that hurts my business a lot…” (P#18) In addition to the competition with online retailers or larger retailers, competition from thrift stores or yard sales was also mentioned as one of the main factors that intensified price competition at the local level. For example, one participant revealed, “…During the summer time there are the yard sales, there’s the flea markets, there’s the little thrift malls opening on every corner and it’s very difficult to compete with the lower prices…” (P#51)

Other

Although they were not dominant themes, several other reasons emerged for feeling competition within/outside their community. Two participants (P#16 and P#44) particularly mentioned that the current economic condition had made consumers shift their shopping behavior. One of these mentioned, “Currently, it’s a very tough market. The economy has played a huge role in the way people are spending. It trickles down to everybody…” (P#16) Reduced consumer consumption seemed to intensify the participants’ perceived competition with other stores. Another two respondents mentioned that their lack of knowledge and resources to compete with others was their main reason for feeling competition (P#23). As discussed in the previous literature, limited knowledge and resources can be a big problem or threat to most small businesses. In particular, one respondent was concerned about a lack of knowledge about using the latest technological application to do business, a lack which could cause this participant to lose the opportunity and lower the ability to attract customers (P#19). Lastly, one participant felt challenges because the competitor's more competitive product line was not available for her/him to acquire (P#14). Competitors' exclusive or competitive product lines can be a source of competitive advantage which can threaten other stores or new entries.

Overall, the respondents who felt competition within/outside their community tended to consider four types of retailers as their potential competitors: (1) stores that are geographically close to the respondents' stores, (2) online retailers, (3) national brands/large retailers, and (4) stores located in more developed areas. While several respondents described competition from several of these categories of competitors, the majority of the respondents mentioned competition from only one of the four.

Category 2 – Not feeling competition within/outside the community

Five themes emerged for this category. Twenty-eight out of 51 participants (54.9%) reported that they did not feel competition within/outside their community during the post-recession period. The following themes which emerged from their responses explain underlying reasons for not feeling competition and/or their strategies to stay away from the market competition.

Theme 1: We offer niche/unique/superior products, or a better assortment.

Out of 28 participants who did not feel competition within/outside their community, 17 participants (60.71%) expressed that they had not experienced much competition because they offered niche/unique/superior products or carried a better assortment. Some of the participants mentioned that they worked closely with local artists or designers to ensure the uniqueness of their products. For example, one said, "… our store is kind of in its own little niche. So our competition is not huge. Other stores around us carry similar items that we do and a lot of the same things as well. But since we do a lot of custom stuff, we have artists in Auburn that are only exclusive with us." (P#3) Similarly, some other participants stated that they sourced from distant vendors to avoid getting the same products as their competitors. For example, one said, "…I fly for six hours at a time to go and buy my clothes. I hand pick them from each vendor. I don't do the market in Atlanta where all of these vendors go and they go to these big trade shows and that is where they order from so everybody has exactly the same items. I really try to focus in on wanting different unique, edgy stylish things and I think we are doing a good job and really staying on top with that…" (P#27) This theme was expressed by the largest percentage of respondents, with a much smaller percentage mentioning the following two themes.

Theme 2: We are mutually supportive to each other and share customers.

Out of 28 participants who did not competition within/outside their community, eight participants (28.57%) mentioned their mutually supportive relationships as the reason for not feeling competition within/outside their community. These participants believed that they should help and support each other to vitalize local businesses, rather than competing against each other maliciously. For example, one participant said, "You know our first instinct as a small business is to send them to another small business … in this economy especially… We have to help our fellow businesses out…" (P#46) Another added, "We are not mean, competitive, you know, if they need something they call us or if we need something we call them and we try not to do that too often but we do have that ability and try to stay on a friendly basis with the competitors." (P#24) In general, participants who did not feel competition revealed that good relationships among local small businesses allowed them to work together, complement each other, refer customers to each other, and share customers. They believed that these activities would eventually diminish competitive threats from stores outside their community and would encourage customers to shop locally.

Theme 3: We welcome competition because competition is healthy.

Among 28 participants who did not feel competition, eight of them (28.57%) had a positive attitude toward competition, believing that competition is healthy for consumers and businesses. For example, one consignment store owner mentioned, "I'm always happy when another consignment store opens around even close by because consignment shoppers beget consignment shoppers so they shop at this one down the street so I welcome actually welcome the competition…" (P#49) Another supported this view stating, "I feel like any competition is healthy. I think it just only makes you drive to be better and bigger all the time. I think if you didn't have competition, you would get stuck in a rut because you only do as well as you think you are doing…" (P#27). Overall, participants with this view tended to think that the formation of retail clusters would attract more customers and keep them shopping locally, thus contributing to the performance of small businesses. These participants regarded competition as a positive driver to their own businesses, therefore welcoming competition from others.

Theme 4: We offer better services and build good relationships with customers.

Out of 28 participants who did not competition within/outside their community, five participants (17.86%) attributed to the reason that they offered better, additional, or customized services and built good relationships with customers. For instance, two participants indicated that being service-oriented was the key philosophy to running the store: “We have customers that drive down to us. Our whole business was based on the fact that we cater to our customers and that’s what’s helped us grow...” (P#9) “We are very service-based here. And the bridal and formalwear business in my opinion is very very service-oriented. So we provide something that they don’t provide…” (P#39) Overall, these participants focused on providing customers with exceptional service to differentiate their own stores from others, thus not feeling a threat from competition within/outside the community.

Theme 5: We offer products with lower/reasonable price.

Out of 28 participants who did not competition within/outside their community, four participants (14.29%) mentioned that it was because they offered reasonable prices or lower prices than their potential competitors. These participants tended to think that lower or reasonable prices allowed them to keep their current customers and survive during the post-recession period, thus trying to set prices reasonably or match the price that their customers expected. One participant mentioned, “Competition really doesn’t bother me. I’ll match it if I can…” (P#7). Another added, “I wanted to make sure the price-points here were competitive.” (P#25).

Other

There was one participant who mentioned another reason for not feeling competition. This participant stated, “I have put myself in the place of being in the floral industry, being associated with wire services…they get online and place an order. And because of my affiliation with the wire services and internet and everything how all that is linked and tied together…but I have been told by my field representatives that I am the go-to florist for those wire services based on my track record with them, my reputation with them, I’m in good standing with them...” (P#13) This participant expressed a confidence in doing business due to the adoption of multi-channels (e.g., Internet, wire service) to reach a broader range of customers and build a wider reputation, thus minimizing the feeling of the severe market competition during the post-recession time.

Perceived competition within/outside the community: Variations by organizational factors

As discussed in this section, a chi-square test was first conducted to examine whether small businesses’ perceived competition within/outside the community (feeling vs. not feeling competition) varied by two types of organizational factors: (1) five business characteristics and (2) four store owner/manager characteristics. The results of chi-square tests for all organizational factors are reported in Table 5.7. Next, multiple-response crosstabs were conducted to examine how the distribution of themes (underlying reasons) for their perceived competition within/outside the community differed by diverse organizational factors. Responses classified as “other” were not included in the crosstab analysis. The results of the multiple-response crosstabs for business characteristics are reported in Table 5.8 and for owner/manager characteristics in Table 5.9.

(1) Variations by business characteristics

Retail format. Before statistical analysis, the researcher merged a retail format with few participants into a similar retail format in order to reduce the number of categories and draw more meaningful interpretations. General consignment/thrift stores (n=2) and specialty consignment/thrift stores (n=5) were combined and the new category was named “consignment/thrift store.” In total, under retail formats, three categories were included in the analysis: (a) general merchandise store (n=5), (b) specialty store (n=39), and (c) consignment/thrift store (n=7). The chi-square analysis showed that whether or not small businesses felt competition within/outside the community did not significantly differ among the three retail formats, χ^2 (2, N=51) = 1.24, p = .54.). In order to examine in depth the similarities and differences in the distribution of underlying reasons by retail formats, multiple-response crosstabs were conducted after eliminating minor responses classified as “other.” As a result, in total, 45 participants were included: general merchandise store (n=4), specialty stores (n=34), and consignment/thrift store (n=7). The results of the multiple-responses crosstab analysis are discussed below.

Variations by retail formats across categories: General merchandise stores (n=4) showed no difference in perceived competition: half of the participants felt competition (n=2, 50%) while the other half did not (n=2, 50%). Twenty out of 34 (58.82%) specialty stores and five out of seven (71.43%) consignment/thrift stores did not feel competition within/outside the community. Across retail formats, the consignment/thrift stores showed the highest percentage for not feeling competition within/outside the community.

Variations by retail formats within each category: In Category 1, there were 18 participants who felt competition within/outside the community: general stores (n=2), specialty stores (n=14), and consignment/thrift stores (n=2). The results show that all two general merchandise stores (100%) attributed the reasons for feeling competition to Theme 1 (similar products) and Theme 2 (lower prices), while 10 out of 14 specialty stores (71.43 %) who felt competition attributed the reason to Theme 1.

In Category 2, there were 27 participants who did not feel competition within/outside the community: general stores (n=2), specialty stores (n=20), and consignment/thrift stores (n=5). All two general merchandise stores (100%) and 12 out of 14 specialty stores (60%) attributed the reason for not feeling competition to Theme 1 (niche/superior products). None of the general merchandise stores mentioned Theme 3 or Theme 4 as a reason for not feeling competition within/outside the community. On the other hand, four of out five consignment/thrift stores (80%) who did not feel competition mentioned Theme 3 (competition is healthy) as the most salient reason. These stores welcomed competition by believing that any competition is healthy and would bring a win-win situation for consumers and businesses. The next salient reason among the consignment/thrift stores was Theme 1, mentioned by three out of five participants (60%). None of the consignment/thrift sores mentioned Theme 4 (better service) or Theme 5 (lower prices) as a reason for not feeling competition within/outside the community.

Main product category. Fashion accessories/jewelry and gift items/floral were combined into one category and renamed “fashion accessories/gift items” (n=13), resulting in three main product categories: (a) apparel (n= 26), (b) fashion accessories/gift items (n= 13), and (c) variety of products (n=12). The chi-square test indicated that small businesses’ the level of perceived competition within/outside the community was not significantly different among the three product categories, χ^2 (2, N = 51) = .36, p = .84. To analyze the distributions of underlying reasons by main product categories, multiple-response crosstabs were conducted after eliminating minor responses classified as “other.” As a result, in total, 45 participants were included: apparel (n=25), fashion accessories/gift items (n=11), and variety of products (n=9). The results of the multiple-response crosstab analysis are discussed below.

Variations by main product category across categories: Twelve out of 25 stores (48%) whose main product category was apparel (hereafter, apparel stores) mentioned that they felt competition within/outside the community, while 13 stores (52%) did not. For small businesses with variety products (hereafter, variety stores), seven out of nine businesses (66.67%) did not feel competition. Among small businesses that primarily carried fashion accessories/gift items (hereafter, fashion accessory/gift stores), eight out of 11 stores (72.73%) did not feel competition, the largest percentage for not feeling competition within/outside the community.

Variations by main product category within each category: In Category 1, there were 18 stores that felt competition within/outside the community: apparel stores (n=12), fashion accessories/gift stores (n=3), and variety stores (n=3). Around 66.67% (n=8) of the apparel stores attributed the reason for feeling competition to Theme 1 (niche/superior products) and Theme 2 (mutual support) evenly. Three variety stores (100%) and two fashion accessory/gift stores (66.67%) attributed the most salient reason to Theme 1.

In Category 2, there were 27 stores that did not feel competition: apparel stores (n=13), fashion accessories/gift stores (n=8), and variety stores (n=6). Around 61.54% (n=8) of the apparel stores and 75% (n=6) of the gift/accessories stores attributed the reason for not feeling competition to Theme 1(niche/superior products). Theme 1 and Theme 5 (lower prices) were mentioned an equal number of times by variety stores (50%, n=3) as the main reasons for not feeling competition within/outside their community.

City classification. As discussed previously, each city was classified as either UA or UC based on the U.S. Census Bureau's (2014) definition. Three cities (Montgomery, Dothan, and Auburn) classified as urbanized areas (UAs) due to having a population greater than 50,000. The other five cities (Phenix City, Prattville, Opelika, Alexander City, and Eufaula) were categorized as urban clusters (UCs) because their population size ranged between 2,500 and 50,000. In total, 30 stores were located in UAs and 21 stores were in UCs. The chi-square test showed that small businesses' level of the perceived competition within/outside the community was significantly different between the two city groups, χ^2 (1, N = 51) = 3.94, p = .047. The phi = -.278, which suggested that the relationship was negative. This finding indicates that participants whose businesses were located in UAs (larger cities) were more likely to feel competition within/outside their community, compared to businesses located in UCs.

Next, to analyze the distributions of underlying reasons by city classifications, multiple-response crosstabs were conducted after eliminating minor responses classified as "other." As a result, a total of 45 stores remained: stores in UAs (n=26) and stores in UCs (n=19). The details of the themes distributions by city classifications based on the result of multiple-response crosstab analysis is discussed below.

Variations by city classification across categories: Out of 26 stores located in UAs, around 53.85% (n=14) of them felt competition within/outside the community. By contrast, among the 19 stores located in UCs (smaller cities), 78.95% (n= 15) of them did not feel competition. This clear difference was reflected in the result of the chi-square test.

Variations by city classification within each category: In Category 1, there were 18 stores that felt competition: stores in UAs (n=14) and stores in UCs (n=4). The majority of the stores in UAs attributed the reason for feeling competition to Theme 1 (similar products, n=10, 71.43%) and Theme 2 (lower prices, n=9, 64.29%).

In Category 2, there were 27 stores that did not feel competition within/outside the community: stores in UAs (n=12) and stores in UCs (n=15). About 60% (n=9) of the stores in UCs attributed the primary reason of not feeling competition to Theme 1 (niche/superior products). Theme 3 (competition is healthy) was more frequently mentioned by the stores in UCs (n=6, 40%) than by the stores in UAs (n=2, 16.67 %). Also, while 26.67% (n=4) of the stores in UCs attributed the reason to Theme 5 (lower price), none of the stores in UAs mentioned this theme as one of the reasons for not feeling competition.

Annual revenue. Before a chi-square test was conducted, the samples were classified into low versus high revenue groups: businesses with an annual revenue under $199,999 were classified as the low revenue group (n=20), and businesses with an annual revenue higher than $199,999 were classified as the high revenue group (n=26). Because five participants did not report their revenues, a total of 46 participants were submitted to the analysis. The chi-square test revealed no significant difference in the level of perceived competition between the two revenue groups, χ^2 (1, N = 46) = 2.74, p = .1). A multiple-response crosstab analysis was run to see how underlying reasons for perceived competition differed by annual revenue. After eliminating minor responses classified as “other”, a total of 40 stores were submitted to the analysis: low annual revenue (n=17) and high annual revenue (n=23). The results are discussed below.

Variations by annual revenue across categories: Among the low annual revenue group (n=17), there was a split view on perceived competition: 47.06% (n=8) of them felt competition and 52.94% (n=9) did not. By contrast, among the stores with high annual revenue (n=23), 73.91% (n=17) of them did not feel competition within/outside the community, while only 26.09% (n=6) felt competition.

Variations by annual revenue within each category: In Category 1, there were 14 stores who felt competition: stores with low annual revenue (n=8) and stores with high annual revenue (n=6). Stores with low annual revenue evenly attributed the reasons to Theme

1 (similar products) and Theme 2 (lower prices) (50%, n=4, each). On the other hand, 100% (n=6) of the stores with high revenue mentioned Theme 1 as the dominant reason for feeling competition within/outside the community.

In Category 2, there were 26 stores that did not feel competition: stores with low annual revenue (n=9) and stores with high revenue group (n=17). About 66.67% (n=6) of the stores with low revenue and 64.71% (n=11) of the stores with high revenue attributed the reason for not feeling competition to Theme 1 (niche/superior products).

(2) Variations by store owners/managers characteristics

Age. Based on the distributions of the participants' age, the sample was categorized into three age groups: (a) younger (40 or below, n=15), (b) middle-aged (41-50, n=16), and (c) older (50 or above, n=16). Because four participants did not report their age, a total of 47 participants were submitted to the analysis. The chi-square test showed no significant difference in the level of perceived competition among the three age groups, χ^2 (2, N = 47) = 1.92, p = .38. Multiple-response crosstabs were conducted after eliminating minor responses classified as "other." As a result, a total of 41 participants were included: younger (n=13), middle-aged (n=15), and older (n=13). Detailed theme distributions by age based on the results of multiple-response crosstab analysis are discussed below.

Variations by age across categories: Around 69.23% (n=9) of the younger owners/managers, 66.67% (n=10) of the middle-aged store owners/managers, and 53.85% (n=7) of the old store owners/managers did not feel competition within/outside their community. Although the differences across age groups were not significant, younger owners/managers showed a slightly stronger tendency to not feel competition than did owners/managers in the 51 or above age group.

Variations by age within each category: In Category 1, there were 15 stores that felt competition: younger (n=4), middle-aged (n=5), and older (n=6). About 75% (n=3) of the younger owners/managers and 66.67% (n=4) of the older owners/managers attributed the reason to Theme 1 (similar products). Around 80% (n=4) of the middle-aged owners/managers evenly attributed the reason to Theme 1 and Theme 2 (lower prices).

In Category 2, there were 26 stores that did not feel competition: younger (n=9), middle-aged (n=10), and older (n=7). Theme 1 (niche/superior products) was most frequently mentioned across all age levels: 55.56% (n=5) of the younger owners/managers, 70% (n=7) of the middle-aged owners/mangers, and 71.43% (n=5) of the older owners/managers. Compared to the other age groups, old owners/managers tended to attribute the reasons for not feeling competition to diverse themes. This finding may indicate that older participants used a broader range of strategies based on their accumulated business experiences. None of the younger owners/managers mentioned Theme 5 (lower prices) and none of the middle-aged owners/managers mentioned Theme 4 (better service) as a reason for not feeling competition.

Years in business. Two participants did not report the number of years in business. Therefore, a total of 49 participants were included in the chi-square analysis. Based on the distributions of the number of years in business, participants were divided into three groups: (a) low experience (5 years or less, n=18), (b) medium experience (6-10 years, n=17), and (c) high experience (more than 10 years, n=14). The chi-square test showed that the level of perceived competition within/outside their community was not significantly different among the three experience groups, χ^2 (2, N = 49) = 2.6, p = .27. Next, multiple-response crosstabs were conducted after eliminating minor responses classified as "other." As a result, a total of 43 participants were included: low experience (n=15), medium experience (n=15), and high experience (n=13). The following section discusses theme distributions by years in business according to the results of multiple-response crosstab analysis.

Variations by years in business across categories: For all three levels of business years (i.e., experience), more participants reported that they did not feel competition within/outside the community than that they did: 53.33% (n=8) of the low experience group, 73.33% (n=11) of the medium experience group, and 53.85% (n=7) of the high experience group did not feel the competition. Although the differences across groups were not significantly different, a slightly larger percentage of owners/mangers with medium experience tended to feel no competition within/outside the community.

Variations by years in business within each category: In Category 1, there were 17 participants who felt competition: low experience (n=7), medium experience (n=4), and high experience (n=6). The majority of the low experience group (n=6, 85.71%) attributed the reason to Theme 1 (similar products), while the majority of the high experience group (n=5, 83.33%) attributed the reason to Theme 2 (lower price). Theme 1 and Theme 2 were mentioned equally frequently by the medium experience group (n=2, 50%).

In Category 2, there were 26 participants who did not feel competition: low experience (n=8), medium experience (n=11), and high experience (n=7). The result showed that 50% (n=4) of the low experience group, 81.82% (n=9) of the medium experience group, and 57.14% (n=4) of the high experience group mentioned Theme 1 (niche/superior products) as the reason of not feeling competition. While Theme 4 (better services) was also frequently mentioned by the high experience group (n=4, 57.14%), this theme was not mentioned at all by the low experience group and hardly mentioned by the medium experience group (9.09%, n=1).

Innovativeness. One participant did not report the level of innovativeness. Therefore, a total of 50 participants were included in the analysis. Based on the mean distributions of innovativeness, the participants were classified into low versus high innovativeness groups (n=25, 50% each). The chi-square test showed that the level of perceived competition within/outside the community was not significantly different between the two innovativeness groups, χ^2 (1, N = 50) = .33, p = .57. After eliminating responses classified as “other,” a total of 44 participants were included for the multiple-response crosstab analysis: low innovativeness (n=22, mean=3.46) and high innovativeness (n=22, mean=4.61). The following section discusses theme distributions by innovativeness according to the result of multiple-response crosstab analysis.

Variations by innovativeness across categories: The majority of the low innovativeness group (n=15, 68.18%) did not feel competition within/outside the community.

On the other hand, the high innovativeness group tended to have a split perception: 45.45% (n=10) of them felt competition, while 54.55% (n=12) of them did not.

Variations by innovativeness within each category: In Category 1, there were 17 owners/managers who felt competition: low innovativeness (n=7) and high innovativeness (n=10). Around 71.43% (n=5) of the low innovativeness group attributed the reason for their feeling of competition to Theme 2 (lower prices). By contrast, 80% (n=8) of the high innovativeness group attributed the reason to Theme 1 (similar products). This difference may imply that while low innovative owners/managers tend to feel a competitive threat from their lack of price competitiveness, high innovative owners/managers tend to feel competition due to the lack of differentiation from many stores offering similar or the same offerings within/outside the community.

In Category 2, there were 27 owners/managers who did not feel competition: low innovativeness (n=15) and high innovativeness (n=12) Sixty percent (n=9) of the low innovativeness group and 66.67% (n=8) of the high innovativeness group attributed the feeling of no competition to Theme 1 (niche/superior products). While these groups mentioned each theme a similar number of times, there was a noticeable difference for Theme 3 (competition is healthy): while only 13% (n=2) of the low innovativeness group mentioned Theme 3, 50% (n=6) of the high innovativeness group attributed the reason for not feeling competition to this theme, projecting a more optimistic view of the market competition.

Risk taking. A total of 50 participants were submitted to the analysis because one participant did not report the level of risk taking. Based on the mean distributions of risk taking, the participants were divided into low versus high risk taking groups. Around 56% (n=28) were classified as the low risk taking group and 44% (n=22) were classified as the high risk taking group. The chi-square test showed no significant difference in the level of perceived competition within/outside the community between the two groups, χ^2 (1, N = 50) = .15, p = .70. Next, multiple-response crosstab analysis was conducted after eliminating responses classified as “other.” As a result, a total of 44 participants remained for the analysis: low risk taking (n=23, mean=3.30) and high risk taking group (n=21, mean=4.44). The following section discusses theme distributions by risk taking according to the results of multiple-response crosstab analysis.

Variations by risk taking across categories: Nearly 65.22% (n=15) of the low risk taking group did not feel competition within/outside the community. On other hand, the high risk taking group had a somewhat split perception: 42.86% (n=9) of them felt competition, while 57.14% (n=12) of them did not.

Variations by risk taking within each category: In Category 1, there were 17 participants who felt competition: low risk taking (n=8) and high risk taking (n=9). The result showed that 75% (n=6) of the low risk taking group attributed the reason for their feeling of competition to Theme 1 (similar products), whereas the high risk taking group evenly attributed their reasons o Theme 1 and Theme 2 (n=6 each, 66.67%).

In Category 2, there were 27 participants who did not feel competition: low risk taking (n=15) and high risk taking (n=12). The result showed that 60% (n=9) of the low risk taking group and 66.67% (n=8) of the high risk taking group attributed the feeling of no competition to Theme 1 (niche/superior product). While a similar percentage of the participants in each group attributed the reason to Theme 1, there was a noticeable difference in Theme 2 (mutually supportive): while 46.67% (n=7) of the low risk taking group mentioned Theme 2, this theme was hardly mentioned by the high innovativeness group (n=1, 8.33%) as a reason for not feeling competition within/outside the community. Low risk taking owners/managers tend to value mutually supportive relationships among small businesses to lessen the treat of competition during post-recession periods.

Question 2: Perceived competition from national brands/large retailers

Following the same procedure, the responses to Question 2 were first classified into two categories – feeling competition and not feeling competition. Twenty out of 51 participants (39.22%) stated that they felt competition with national brands/large retailers, but a greater number of participants (n=31, 60.78%) reported that they did not feel competition with these retailers during the post-recession period. The participants who felt competition mentioned large retailers such as Wal-Mart, Target, Ross, K-mart, Marshall's, Dillard's, and Belk as their competitors. Next, within each category, themes were identified for the underlying reasons for feeling competition versus not feeling competition (see Table 5.10).

Category 1 – Feeling competition with national brands/large retailers

Within this category, only one dominant theme emerged. Overall, the participants who felt competition tended to view competition with large retailers as a threat.

Theme 1: Larger retailers offer same/similar types of products at lower price.

Out of 20 participants who felt competition with national brands/large retailers (39.22%), the majority of them (n=17, 85%) attributed the reason for feeling competition to lower prices that large retailers offer for the same or similar types of merchandise. These participants felt pressured by large retailers due to their lack of price competitiveness. In particular, participants tended to feel stronger threats from large discounter such as Wal-Mart, Ross, Marshall's, and TJ Maxx. One stated, "…that's probably a bigger issue than other consignment stores because you've got things like Ross and Marshall's, and those that you can go in and get the same brands for almost nothing…you can't run a consignment store based on that kind of pricing…" (P#50) One participant expressed great frustration from finding out that the retail prices of those large retailers were often similar to the wholesale prices for the participant's own products (P#22). As such, lower prices aggressively offered by national brands/large retailers during a recessionary time tend to intensify competition perceived by small businesses.

Other

Within this category, three responses were classified as "others" due to the low response frequency. These responses also reflected a view of competition as a threat. One participant felt competition because sometimes large retailers poach staffs from this participant's store. This participant felt threated because his/her trade secrets might be copied or shared with large businesses by his/her former employees, reporting, "One of the girls who had worked for me became their regional merchandising regional manager. She liked the way that we merchandised and cross-merchandised, so she brought them into my store to show them how we did our things here, which I did feel a little threatened…" (P#41) Also, there was one participant who felt a threat from large retailers due to their massive advertisement budget spent on market exposure and expansion (P#39). Similarly, another participant attributed the underlying reason for feeling competition to large retailers' sales volume and resulting market power (P#1).

Category 2 – Not feeling competition with national brands/large retailers

While some participants felt that the market competition was greatly intensified by national brands/large retailers, a greater number of participants (n=31, 60.78%) did not feel competition with national brands/large retailers. In total, three themes emerged from the responses to why they did not feel competition with national brands/large retailers. Each theme indicates a reason for their perception as well as their strategies to stay competitive without feeling threats or pressure from the competition during the post-recession time.

Theme 1: We offer niche/unique/superior products or a better assortment.

Out of 31 participants who did not feel competition with national brands/large retailers, 21 of them (67.74%) attributed their perception of no competition to their offering products or product assortments that were niche, unique, or superior. For instance, several participants mentioned that they tried to avoid carrying the same brands that large retailers carry. One said, "It [competition] is not a concern, simply because we don't carry the same brands. …" (P#11) Some of them focused on carrying products that can be monogrammed or personalized to make their offerings unique. For example, one mentioned, "The stuff we carry is a little more unique like stuff that can be monogrammed. Gift items, nicer frames that's a little more different." (P#15) Others emphasized the importance of offering better assortments while keeping the inventory volume low, a strategy which enabled the participants to consistently introduce new products and make customer feel the unique characteristics of the products. Also, there were several participants who created unique designs to differentiate themselves. For example, one participant reported, "Our product is totally different. We don't make things that they sell…We come up with our own unique designs and then we don't sell them to anyone else so that our store is the only place to get those items… I currently have several designers and we all collaborate and come up with different designs." (P#28) Other participants attributed the reason for not feeling competition on the high quality products they offered. These participants expressed a confidence in their product quality. For example, one said, "…they [customers] quickly find out that the products don't have the same quality that I have in the shop." (P#36)

Theme 2: We offer better service and build good relationships with customers.

Out of 31 participants who did not feel competition with national brands/large retailers, nine participants (29.02%) attributed the reason for their perception to better services and good relationships with customers. These participants stressed that they take care of each customer, providing better services than their large counterparts do and trying to create pleasant experiences for their customers. One participant said, "I try to let people know that they're getting more personal service from me and even though I have to charge a little more for it that I'm willing to deliver it wherever they want to go…" (P#18) Some of the participants particularly stated that their superior service and closer relationships with their customers were the key to building their competitiveness and the main source of differentiation from national brands or large retailers such as Walmart.

Theme 3: Our products are priced lower or reasonably.

While the majority of the participants felt confidence in their products and services as the source of differentiation, four out of 31 participants (12.90%) who did not feel competition within national brands/large retailers mentioned their low or reasonable pricing as a competitive advantage during the post-recession period. Mostly, consignment/thrift stores tended to mention this theme. For example, one of the owners mentioned, "“...our prices are just so inexpensive for people that know what things actually cost..." (P#48)

Other

Six responses were classified as "other" within this category. Two participants (P#30 and P#32) attributed their feeling of no competition to geographical locations where there were few or no large retailers within their community. This view reflects the lack of competition in certain areas, leading to the small retailers' narrow definition of competitors. Two other participants (P#8 and P#1) expressed pessimistic views on competition, stating that there is almost no way to compete with large retailers on prices. Therefore, when customers complain about their prices, they just offer price matching instantly to keep those customers. On the other hand, two other participants spoke about more proactive ways to avoid competition with large retailers and to attract a wider population, such as increasing sales by partnering with other businesses to implement multi-channel retailing (P#31) and constantly exploring more cost effective ways for advertisements and promotions to stay competitive in the market during the post-recession period (P#30).

Perceived competition with national brands/large retailers: Variations by organizational factors

As in the previous section, the same procedures were adopted: a chi-square test was first conducted to examine whether small businesses' feeling vs. not feeling competition with national brands/large retailers varies by two types of organizational factors. The results of the chi-square test are reported in Table 5.11. Next, multiple-response crosstabs were conducted to examine how underlying reasons for their perceived competition with national brands/large retailers differed by organizational factors. In total, there were four themes (one theme in Category 1, feeling competition, and three themes in Category 2, not feeling competition). However, because there was only one theme under Category 1, the results of the multiple-response crosstabs for 'within each category' are discussed only for Category 2. Responses classified as "others" were not included in the crosstab analysis. The results of the multiple-response crosstabs for business characteristics are reported in Table 5.12 and for owner/manager characteristics in Table 5.13.

(1) Variations by business characteristics

Retail format. In total, 51 stores were included in the chi-square analysis: (a) general merchandise store (n=5), (b) specialty store (n=39), and (c) consignment/thrift store (n=7).The chi-square test showed that the level of perceived competition with national brands/large retailers was not significantly different among the three retail formats, χ^2 (2, N =

51) = 4.09, p = .13. Next, multiple-response crosstabs were conducted after eliminating minor responses classified as “other.” As a result, 42 participants remained for the analysis: general merchandise store (n=3), specialty stores (n=32), and consignment/thrift store (n=7). The results of the multiple-response crosstabs analysis are discussed as follows:

Variations by retail formats across categories: About 66.67% (n=2) of the general merchandise stores felt competition from national brands/large retailers, while 33.33% (n=1) of them did not. On the other hand, for the specialty stores and consignment/thrift stores, a majority of the participants indicated that they did not feel competition: nearly 62.5% (n=20) of the specialty stores and 57.14% (n=4) of the consignment/thrift stores did not feel competition with national brands/large retailers.

Variations by retail format within Category 2: In Category 2, there were 25 participants who did not feel competition with national brands/large retailers: general stores (n=1), specialty stores (n=20), and consignment/thrift stores (n=4). All three themes were mentioned by the general merchandise store (n=1, 100%) as the reason for not feeling competition. The majority of the specialty stores (n=17, 85%) predominantly attributed the reason for not feeling competition with national brands/large retailers to Theme 1 (niche/superior products), showing a great confidence in their superiority of product offerings. The majority of the consignment/thrift stores attributed the reason for not feeling competition to Theme 1 and Them 3 (lower prices) (n=3, 75% each). Interestingly, these stores did not mention lower or reasonable prices as a reason for not feeling competition within/outside the community, a result which may indicate a different source of competence of this type of stores when it comes to competing with national brands/large retailers. None of the specialty stores mentioned Theme 3, implying that these retailers do not directly compete with national brands/large retailers with lower prices but build market confidence primarily with niche, unique, or superior products or a better assortments of products.

Main product category. A total of 51 stores were included in the chi-square analysis: apparel (n= 26), fashion accessories/gift items (n= 13), and variety of products (n=12). As suggested by the chi-square analysis, χ^2 (2, N = 51) = 1.98, p = .37, the level of perceived competition with national brands/large retailers was not significantly different among the three product groups. After eliminating the responses classified as "other," a total of 42 stores remained for the crosstab analysis: apparel (n=23), fashion accessories/gift items (n=10), and variety of products (n=9).The results of the multiple-response crosstab which are presented below report the detailed analysis of the underlying reasons for their perceptions and distributions of themes by stores' main product category.

Variations by main product category across categories: About 65.22% (n= 15) of the apparel stores did not feel competition with national brands/large retailers. However, the other two retail formats showed a split perception: while 50% (n=5) of the fashion accessories/gift stores and 55.56% (n=5) of the variety stores did not feel competition, the rest of them did feel competition. Overall, the apparel stores showed a relatively higher percentage of participants who did not feel competition with national brands/large retailers.

Variations by main product category within Category 2: There were 25 participants who did not feel competition with national brands/large retailers (Category 2): apparel stores (n=15), fashion accessories/gift stores (n=5), and variety stores (n=5). Theme 1 (niche/superior products) was the most salient reason across stores: 86.67% (n=13) for the apparel stores and 80% (n=4) for both fashion accessories/gift stores and variety stores. However, none of the fashion accessories/gift stores mentioned Theme 2 (lower prices) as a reason for not feeling competition with national brands/large retailers.

City classification. A total of 51 stores were included in the chi-square analysis: 30 stores in UAs and 21 stores in UCs. The results of the chi-square test showed that the level of perceived competition with national brands/large retailers was not significantly different between the city groups, χ^2 (1, N = 51) = .52, p = .47. After eliminating minor responses classified as "other," a total of 42 stores were included for the crosstab analysis: UAs (n=24) and UCs (n=18). The results of the multiple-response crosstabs are discussed as follows:

Variations by city classification across categories: Out of 24 stores located in UAs, 41.67% (n= 10) of them felt competition from national brands/large retailers and 58.33% (n=14) did not. Out of 11 stores in UCs, 38.89% (n=7) of them felt competition while 61.11% (n=11) did not. There was no noticeable difference in the feeling of competition by city classifications.

Variations by city classification within Category 2: Out of 25 participants who did not feel competition with national brands/large retailers (Category 2), 14 stores were located in UAs and 11 stores in UCs. Most stores in both locations (UAs: n=12, 85.71%; UCs: n=9, 81.82%) attributed the most salient reason for not feeling competition to Theme 1.

Annual revenue. A total of 46 participants were included in the chi-square analysis: 20 in the low revenue group and 26 in the high revenue group. The chi-square test indicated that the level of perceived competition with national brand/large retailers was not significantly different among the three revenue groups, χ^2 (1, N = 46) = .03, p = .88. After eliminating minor responses classified as “other,” a total of 38 stores were included for the multiple-response crosstab analysis: low revenue (n=15) and high revenue (n=23). The following section discusses the multiple-response crosstab results.

Variations by annual revenue across categories: Out of 15 stores with low annual revenue, 40% (n=6) of them felt competition with large businesses and 60% (n=9) of them did not. However, the stores with high annual revenue (n=23) showed a split perception: 47.83% (n=11) of them felt competition and 52.17% (n=12) did not. Namely, stores with higher revenues tended to have a mixed perception of competition with national brands/large retailers, showing a slightly stronger perception of the market competition during the post-recession period than did stores with lower revenues.

Variations by annual revenue within Category 2: There were 21 stores that did not feel competition with national brands/large retailers (Category 2): low revenue (n=9) and high revenue (n=12). The majority of these stores attributed the reason for not feeling competition to Theme 1. Compared to the attribution by the low revenue stores (n=7, 77.78%), a larger percentage of the high revenue stores (n=11, 91.67%) mentioned this theme as the reason for not feeling competition with national brands/large retailers. Although not as salient as Theme 1, Theme 2 (better service: n=5, 41.6%) and Theme 3 (lower price: n=3, 25%), were also more frequently mentioned by stores with high revenue than by those with low revenue.

(2) Variations by store owner/manager characteristics

Age. A total of 47 participants were included for the chi-square analysis: (a) younger (40 or below, n=15), (b) middle-aged (41-50, n=16), and (c) older (50 or above, n=16). The chi-square test indicated that the level of perceived competition with national brands/large retailers was not significantly different among the three age groups, χ^2 (2, N = 47) = 1.17, p = .56. After eliminating minor responses classified as "other," a total of 38 participants were included for the crosstab analysis: younger (n=11), middle-aged (n=14), and older (n=13). The following section discusses the results of the multiple-response crosstab analysis.

Variations by age across categories: While the majority of the middle-aged group (n=10, 71.43%) indicated that they did not feel competition with national brands/large retailers, the other two age groups showed a split perception: About 45.45% (n=5) of the younger participants and 53.85% (n=7) of the older participants felt competition. These results did not show a clear linear pattern in perceived competition by age.

Variations by age within Category 2: There were 22 participants who did not feel competition with national brands/large retailers (Category 2): younger (n=6), middle-aged (n=10), and older (n=6). The majority of the younger (n=5, 83.33%), middle-aged (n=9, 90%), and older participants (n=5, 83.33%) attributed the reason for not feeling competition to Theme1 (niche/superior products). However, none of the younger or older participants mentioned Theme 3 (lower prices) as the reason.

Years in business. A total of 49 participants were submitted to the chi-square analysis: low experience (n=18), medium experience (n=17), and high experience (n=14). No significant difference was found in the level of perceived competition with national brands/large retailers among the three experience groups, as indicated by the chi-square results, χ^2 (2, N = 49) = 4.40, p = .11. After eliminating minor responses classified as "other," a total of 40 participants were included for the multiple-response crosstab analysis: low experience (n=14), medium experience (n=15), and high experience (n=11).The following section discusses the results of this analysis.

Variations by years in business across categories: For the participants with low experience (n=14), 78.57% (n=11) of them did not feel competition with national brands/large retailers. However, the participants with medium or high experience had split perceptions: 53.33% (n=8) of the participants with medium experience and 54.55% (n=6) of the participants with high experience felt competition with large businesses. This result is similar to the tendency shown for the stores with high business revenue. These stores tended to have mixed views on the market competition, reporting a slightly stronger awareness of competition with national brands/large retailers during the post-recession period.

Variations by years in business within Category 2: There were 23 participants who did not feel competition with national brands/large retailers (Category 2): low experience (n=11), medium experience (n=7), and high experience (n=5). The majority of the participants in all experience levels primarily attributed the reason to Theme 1 (81.82%, 100%, and 80% for the low, medium, and high experience groups respectively). In addition, while none of the participants with high experience mentioned Theme 3 (lower prices), 60% (n=3) of the high experience participants attributed the reason for not feeling competition with national brands/large retailers to Theme 2 (better service). These results also reveal that experienced small business owners/managers feel confident in differentiated product offering and better services, instead of competing on prices.

Innovativeness. A total of 50 participants (25 in the low innovativeness group and 25 in the high innovativeness group) were included in the chi-square analysis. The chi-square test suggested that the level of perceived competition with national brands/large retailers was not significantly different between the two innovativeness groups, χ^2 (1, N = 50) = 3.00, p = .08. After responses classified as "other" were eliminated, a total of 41 participants remained for the crosstab analysis: low innovativeness (n=21, mean=3.44) and high innovativeness (n=20, mean=4.61). The multiple-response crosstab results are discussed below.

Variations by innovativeness across categories: While the low innovativeness group had a split view (52.38% for feeling competition vs. 47.62% for not feeling competition), the majority of the high innovativeness group (n=14, 70%) said that they did not feel competition with national brands/large retailers during the post-recession time. Although the difference was not statistically significant, the participants with a higher level of innovativeness tended to feel less competition with national brands/large retailers. This result was different from the results from stores with high revenue and high experience, who were more likely to feel competition. These results may indicate different influences of these variables on small businesses' perceived competition.

Variations by innovativeness within Category 2: There were 24 participants who did not feel competition with national brands/large businesses (Category 2): low innovativeness (n=10) and high innovativeness (n=14). All of 10 participants (100%) in the low innovativeness group and 78.57% (n=11) of the high innovativeness group mentioned Theme 1 (niche/superior products) as the reason for not feeling competition. Interestingly, a slightly larger percentage of the low innovativeness group attributed their reason to this theme, showing a greater confidence in their product offerings. Moreover, while few or none of the low innovativeness group mentioned Theme 2 (better service) or Theme 3 (lower prices), 57.14% (n=8) and 21.43% (n=3) of the high innovativeness group attributed the reasons for feeling no competition with national brands/large retailers to these two themes. These results may indicate that store owners/managers with low innovativeness tend to focus solely on their products for market competitiveness and strongly believe that their products are unique, differentiated, and superior. On the other hand, their counterparts with high innovativeness tend to build their market competence through diverse sources of advantages including products, services, and prices.

Risk taking. A total of 50 participants (28 in the low risk taking group and 22 in the high risk taking group) were included in the chi-square analysis. The chi-square results showed a significant inverse relationship (Phi = -.304) between the level of perceived competition with national brands/large retailers and risk taking, χ^2 (1, N = 50) = 4.88, p = .03.

The participants with low risk taking were more likely to feel competition with national brands/large retailers during the post-recession time. After eliminating responses classified as "other," there were 23 participants in the low risk taking group (mean=3.25) and 18 participants in the high risk taking group (mean=4.33). The following section discusses the results of multiple-response crosstab analysis for the distributions of the themes by the level of risk taking.

Variations by risk taking across categories: Similar to the results in innovativeness, the low risk taking group had a split view (56.52% for feeling competition vs. 43.48% for not feeling competition), whereas the majority (n=14, 77.78%) of the high risk taking group did not feel competition with national brands/large retailers. As shown in the chi-square test, compared with low risk takers, high risk takers tended to feel less competition with national brands/large retailers.

Variations by risk taking within Category 2: There were 24 participants who did not feel competition with national brands/large retailers (Category 2): low risk taking (n=10) and high risk taking (n=14). All (n=10, 100%) of the low risk takers and 78.57% (n=11) of the high risk takers attributed the reason to Theme 1 (niche/superior products). Similar to the patterns for innovativeness, the low risk takers predominantly attributed the reason to Theme 1, while the majority of the high risk takers attributed the reasons both to Theme 1 (n=11, 78.75%) and Theme 2 (better service, n=7, 50%). These results consistently show that high risk takers (as in high innovators) tended to build competitiveness from diverse sources of advantages, rather than focusing solely on a single source of advantage.

Question 3. Perceived importance of B2B networking

The responses to questions about perceived importance of B2B networking with other small businesses were divided into two categories: those that indicated B2B networking was important and those that indicated that it is not important. Out of 51 participants, 46 of them (90.20%) mentioned that B2B networking was important, while only five (9.80%) reported that it was not important. The participants revealed diverse reasons for their level of importance of B2B networking. Table 5.14 shows the results from Question 3.

Category 1 – B2B networking is important

Within Category 1, four themes emerged. Each theme explains types of perceived benefits of networking with other small businesses.

Theme 1: We can share business knowledge and resources.

Out of 46 participants who perceived B2B networking as important, 21 participants (45.65%) mentioned sharing business knowledge/resources as the main benefit of B2B networking. Several participants talked about information sharing as a benefit because it helps them to be aware of the general development of industry and schedules of upcoming events. For example, one said, “It keeps us informed…about what is going on and how to keep them informed also. Any upcoming events in town, we always have a heads-up about what is happening and that type of thing…” (P#14) In a similar vein, another participant mentioned, “It’s just a different perspective. It’s a fresh idea and attitude …and lot of times they come up with great ideas that maybe I would of never thought of …” (P#26) Among other themes, Theme 1 was the most frequently mentioned by the participants as a reason for perceiving importance of B2B networking.

Theme 2: We can collaborate and create joint promotions to attract customers.

Out of 46 participants who perceived B2B networking to be important, 18 participants (39.13%) recognized Theme 2 as the second dominant benefit for B2B networking. These participants perceived value from opportunities to collaborate and create joint events or promotions to attract more customers. To support this view, one participant shared a previous experience for a joint promotional event, "…they do some events throughout the year that are for the community. And then they put out a booklet so your name is listed in it for when people are coming into town…" (P#30) Another added, "We all get together and talk and try to figure things out. We do cross-promotion between other different businesses, try to help each other out… (P#3)

Theme 3: We can create a sense of community by getting to know each other and building good relationships.

Fourteen out of 46 participants (30.43%) who recognized the importance of B2B networking mentioned the benefits of nurturing good business relationships with other stores, creating a sense of community and a family-like business environment through networking with other small businesses. For example, one participant reported, "…It's important to foster good relationships with your neighbors, with other businesses…" (P#38) Another participant added, "We do a pretty good job of knowing our neighbors and being involved in downtown and it doesn't necessarily lead to business, but it makes for a friendly neighborhood..." (P#28).

Overall, based on respondents' previous experience, B2B networking tended to be perceived positively because it creates a friendly business environment and promotes a sense of community.

Theme 4: We can refer customers to other stores to keep people shopping locally.

Twelve out of 46 participants (26.09%) who perceived B2B networking to be important thought that B2B networking was beneficial because they could refer customers to each other and encourage them to shop locally, a practice which in turn contribute to the prosperity of the local economy. To support this view, one said, "I think we need to keep people shopping within the community…Small businesses are so important and I feel like instead of attacking each other and trying to do better or not working with each other, I feel like we all need to do a lot better of helping the customer find what they are looking for which [is] also helping the community…I think that we need to stop attacking each other and competing and really work together to keep the customer shopping local." (P#43) Similarly, several other participants indicated that they would send customers to other stores with no hesitation when their customers were looking for certain products that they did not carry in their own stores. For instance, one mentioned, "… if somebody comes in here and they are looking for something that we don't have and I know Fletchers has it, we don't hesitate to send them there. They do the same with us. Sometimes they will call and ask if they have it. We do work with them like that. It's not cut throat…" (P#15)

Overall, although the majority of the participants recognized specific benefits of B2B networking with other small businesses, the scope of perceived benefits tended to be limited to the community or local level, reflecting a narrow view of the potential roles of B2B networking. Additional analysis of their responses showed that 63.04% (29 out of 46) of the participants who believed B2B networking was important were engaged in B2B networking within their community. On the other hand, five participants were involved in B2B networking both within and outside their communities and only one participant had joined B2B networking outside the community without participating in local networking. Among these participants who were part of B2B networking, 19 stores had joined a local Chamber of Commerce and 12 of them had joined other community organizations such as downtown associations and community meetings. Four reported that they were the members of state or national organizations (e.g., the East Alabama PR Council). Four participants had adopted SNSs such as LinkedIn for B2B networking.

Category 2 – B2B networking is not important

Only five out of 51 participants (9.8%) did not think that networking with other small businesses is important to them. Although there was no salient theme that emerged within this category, each viewpoint for their perception was noteworthy. Two participants did not perceive benefits due to the concern about inefficiency of B2B networking. One pointed out low information quality compared to invested time, stating "…we went to a few of the meetings and it was the same thing over and over. … It's not going to change…" (P#1) Another participant thought networking was inefficient due to members' low involvement, pointing out that some members just paid a membership fee to maintain a member status rather than attending the meetings and discussing relevant issues (P#19).

One participant exhibited personal reluctance to take part in B2B networking. This participant described him-/herself as “a horrible networker” who “hate[d] talking” (P#25). This participant did not think that B2B networking was important because of an inherent dislike of networking with others. On the other hand, two participants expressed a strong confidence in their businesses and their market knowledge. One participant said that his/her store served a niche market and was able to make enough profits, so that the participant perceived no value from networking with other businesses (P#24). Another participant also did not feel the importance of networking because this person had enough experience and knowledge to run the business successfully (P#6).

Perceived importance of B2B Networking: Variations by organizational factors

A chi-square test was originally planned to examine a difference in the level of perceived importance of B2B networking (important vs. not important) by eight organizational factors. However, this test was not conducted due to the small sample size in the group who said that networking was not import (n=5). A chi-square analysis is not appropriate when the sample size is five or less for each class (McDonald, 2014).

Multiple-response crosstabs were conducted to examine how underlying reasons for perceived importance of B2B networking differed by organizational factors. Since there were only a few participants who believed that B2B networking was not important, no multiple-response crosstabs were conducted for the “not important” category. The results of the multiple-response crosstabs for the business characteristics are reported in Table 5.15 and for the owner/manager characteristics in Table 5.16.

(1) Variations by business characteristics

Retail format. After eliminating minor responses classified as "other," total of 43 participants remained for the crosstab analysis: general merchandise store (n=4), specialty stores (n=32), and consignment/thrift store (n=7). The result showed that 75% (n=3) of the general merchandise stores attributed the reason for feeling that networking was important to Theme 1 (sharing knowledge). On the other hand, the majority of the consignment/thrift stores (n=5, 71.43%) mentioned Theme 4 (referring customers) as their reason for feeling that B2B networking was important. This theme, however, was not mentioned by any of the general merchandise stores. For the specialty stores, the reasons for perceived importance were attributed to diverse themes, of which Theme 1 and Theme 2 (collaboration opportunities) were most frequently mentioned (n=15, 46.88%; n=14, 45.75%, respectively).

Main product category. After eliminating minor responses classified as "other," a total of 43 participants remained for the analysis: 24 apparel stores, 10 fashion accessories/gift stores, and nine variety stores. The results showed that 54.17% (n=13) of the apparel stores attributed their reason for feeling that networking was important to Theme 2 (collaboration opportunities), whereas about 60% (n=6) of the fashion accessories/gift stores attributed the reason to Theme 1 (sharing knowledge). The variety stores thought B2B networking was important mainly because of Theme 1 and Theme 4 (referring customers) (55.56%, n=5 each). As such, the reasons for perceived importance of networking differed according to the store's main product category.

City classification. After eliminating minor responses, a total of 43 stores remained: 27 stores in UAs and 16 in UCs. The results of multiple-response crosstab showed similar patterns between stores in UAs and in UCs. Both attributed their reason for viewing networking as important primarily to Theme 1 (n=12, 44.44%, for UAs n=9, 56.25%, for UCs followed by Theme 2 (collaboration opportunities) (n=11, 40.74%, for UAs; n=7, 43.75%, for UCs).

Annual revenue. After eliminating minor responses, total of 40 stores (17 in the low revenue group and 13 in the high revenue group) were included in the multiple-response analysis. The majority of the participants with low annual revenue (n=12, 70.59%) attributed the feeling that networking was important to Theme 1, followed by Theme 4 (referring customers) (n=7, 41.18%). By contrast, the participants with high annual revenue attributed their reasons to each theme almost evenly, with slightly higher weights on Theme 2 (collaboration opportunities) and Theme 3 (creating a sense of community) (n=10 each, 43.48%). Overall, high revenue stores tended to see a wider scope of benefits of networking with other businesses. This result may imply that businesses with greater annual revenue tend to have a better understanding of diverse benefits of B2B networking.

(2) Variations by store owner/manager characteristics

Age. After eliminating minor responses, a total of 39 participants were included in the crosstab analysis: younger (n=15), middle-aged (n=12), and older (n=12). Around 46.67% (n=7) of the younger owners/managers attributed the reason for the perceived importance of B2B networking to Theme 2. However, about 58.33% (n=7) of the middle-aged participants and 66.67% (n=8) of the older participants attributed their reasons to Theme 1. Also, Theme 3 (creating a sense of community) is more frequently mentioned by the younger and middle-aged owners/managers (n=6, 40%; n=5, 41.67% respectively) than by the older owners/managers (n=2, 16.67%). As such, differences in the theme attribution by age may imply that while collaboration opportunities and creating a sense of community could be great motivations for younger owners/managers to network with other small businesses, knowledge/resource sharing could be a better motivation to encourage older owners/managers to participate in B2B networking.

Years in business. After eliminating minor responses classified as "other," a total of 41 participants were included in the crosstab analysis: low experience (n=15), medium experience (n=16), and high experience (n=10). The participants with low experience attributed the feeling that networking was import to diverse themes, slightly more frequently to Theme 1 and Theme 3 (n=6 each, 40%). For the participants with medium experience, Theme 2 (collaboration opportunities) was most frequently mentioned (n=8, 50%). For those with high experience, Theme 1 was the most salient reason for feeing the importance of networking with other small businesses (n=9, 90%). There seems to be no clear linear pattern by the level of experience for the reasons for perceived importance of B2B networking

Innovativeness. After eliminating minor responses classified as "other," a total of 42 participants were included in the crosstab analysis: 22 in the low innovativeness group and 20 in the high innovativeness group. While the low innovativeness group most frequently attributed their reason for feeling that B2B networking was important to Theme 1 (n=13, 59.09%), the high innovativeness group mentioned Theme 2 (collaboration opportunities) as the most salient reason (n=11, 55%). As such, the main reason for the perceived benefits of B2B networking differed depending on the owners'/managers' level of innovativeness.

Risk taking. After eliminating minor responses classified as "other," a total of 42 participants were included in the crosstab analysis: 23 in the low risk taking group and 29 in the high risk taking group. For the low risk takers, Theme 1 was most frequently mentioned (n=14, 60.87%), while for the high risk takers, Theme 2 was the most salient reason (n=10, 52.64%) for perceived importance of B2B networking. Namely, low risk takers tended to value knowledge sharing most, whereas high risk takers were likely to consider the most important value from B2B networking to be opportunities for collaboration. The theme distribution was similar to that of innovativeness, highlighting the importance of owners'/managers' entrepreneurial characteristics in understanding their different expectations of and motivations for B2B networking

Question 4: Perceived benefits of B2B networking via SNSs

The participants' responses to this question were classified into two categories: (1) specific benefits perceived and (2) no specific benefits perceived. Forty-three out of 51 participants (84.31%) mentioned at least one benefit perceived from B2B networking via SNSs, whereas eight participants (15.68%) were not able to mention any specific benefits.

Category 1 – Specific Benefits Perceived

Four themes emerged under this category. Each theme describes a specific benefit perceived from B2B networking through SNSs. Table 5.17 reports the result for Question 4.

Theme 1: We can learn from other businesses by sharing ideas, information, and expertise.

Out of 43 participants who mentioned at least one of the benefits of B2B networking via SNSs, 37 (86.05%) of them indicated that learning about what other businesses are doing and their success stories, as well as learning by sharing ideas, information, and expertise as the primary benefit. For example, one participant stated, "…seeing how they display things, seeing success stories, seeing things that didn't work to find out that somebody else did it, because you know somebody else has already done it…" (P#2) Similarly, several other participants thought that they could seek advices from someone who had already been through the situation they were facing with and get valuable insights about how they handled the situation. For example, one participant mentioned, "… and for us, it may be learning from someone who's been in the business a little bit longer who has seen it all, … that would just give us some more insight on what they've been through and we can ask them how they would handle this situation" (P#32) This theme was the most dominant benefit from using SNSs for B2B networking (n= 37, 86.05%).

Theme 2: We can build connections/relationships with other businesses.

Out of 43 participants who mentioned at least one of the benefits of B2B networking via SNSs, three participants (6.98%) mentioned that networking through SNSs would help them build connections with other businesses and broaden their social/business contacts. For instance, one participant said, "LinkedIn is a super valuable tool. You meet people and it's always good for business. The more people you know, the more favors you can ask…" (P#38) Another added, "... [we] can build relationships with them and do more events...(P#30)

Networking through SNSs were viewed favorably as a platform for building connections and relationships, thus creating better collaborative opportunities.

Theme 3: We can access to SNSs freely, conveniently without big time commitment.

Three out of 43 participants (6.98%) believed that B2B networking via SNSs would save their time and facilitate the efficiency of B2B networking. One participant reported, "I think online is definitely faster because none of us have a huge amount of time." (P#46) These participants seemed to be constrained by a lack of time because they were taking care of most businesses by themselves, thus valuing a free and convenient access to SNSs without big time commitment.

Theme 4: We can support the local economy by promoting each other's business.

Three out of 43 participants (6.98%) considered that SNSs offer platforms for local businesses to promote each other's business, which in turn contributing to boosting the local economy. For example, one participant stated, "…helping the local economy, helping people stay and shop local…" (P#43) They tended to believe in the power of collaboration and mutual supports among the small businesses to keeping customers to shop locally, which eventually leads to success of each business. Although only few participants mentioned, B2B networking through SNSs were perceived positively as an important platform to promote small businesses and support the local economy.

Category 2 – No Specific Benefits Perceived

Eight participants (15.69%) did not provide a specific benefit from B2B networking via SNSs. Six out of these eight participants mentioned that they are uncertain about what kinds of benefits they might receive from B2B networking through SNSs. This theme was named "Uncertain about specific benefits." Such uncertainty in benefits of SNSs was understandable given that most of these participants seemed to have no previous experience with SNSs or have a lack of knowledge of how to use SNSs. Out of eight participants, two participants did not answer the question or provided unrelated responses.

Perceived benefits of B2B networking via SNSs: Variations by organizational factors

The multiple-response crosstabs were conducted to examine how perceived benefits of B2B networking via SNSs differ by two types of organizational factors. In total, there were four themes in Category 1 (specific benefits perceived) and one theme in Category 2 (no specific benefits perceived). However, because there was only one theme under Category 2, the results of the multiple-response crosstabs 'within each category' were analyzed only for Category 1. Responses classified as "other" were not included in the crosstab analysis. The results of the multiple-response crosstabs for the business characteristics are reported in Table 5.18 and for the owner/manager characteristics in Table 5.19.

(1) Variations by business characteristics

Retail format. In total, 49 participants were included in the crosstab analysis: general merchandise stores (n=5), specialty stores (n=37), and consignment/thrift stores (n=7).

Variations by retail format across categories: About 80% (n=4) of the general merchandise stores, 89.19% (n=33) of the specialty stores, and 85.71% (n=6) of the consignment/thrift stores mentioned at least one specific benefit of B2B networking via SNSs.

However, a few stores in each retail format (ranging from 10.81% ~ 20%) were not certain about specific benefits.

Variations by retail format within Category 1: There were 43 participants who perceived specific benefits from B2B networking via SNSs: general stores (n=4), specialty stores (n=33), and consignment/thrift stores (n=6). The result showed that 100% (n=4) of the general merchandise stores, 87.88% (n=29) of the specialty stores, and 66.67% (n=4) of the consignment/thrift stores mentioned Theme 1 (knowledge sharing) as the most salient benefit of using SNSs for B2B networking. Nearly 9.09% (n=3) of the specialty stores mentioned Theme 2 (building connections). Few or no stores mentioned Theme 3 (convenience) or Theme 4 (promoting each other). Overall, the distributions of the themes were not spread out, implying that owners/managers of small businesses had a limited perception of the range of benefits of B2B networking via SNSs across retail formats.

Main product category. In total, 49 participants were included in the crosstab analysis: apparel (n=25), fashion accessories/gift items (n=13), and variety of products (n=11).

Variations by main product category across categories: Nearly 96% (n=24) of the apparel stores, 84.62% (n=11) of the fashion accessory/gift stores, and 63.64% of the variety stores perceived specific benefits from B2B networking via SNSs. On the other hand, a few participants in each retail format, especially in the variety stores (n=3, 27.27%), were not certain about specific benefits of networking.

Variations by main product category within Category 1: There were 43 participants who perceived specific benefits of B2B networking via SNSs: apparel stores (n=24), fashion accessories/gift stores (n=11), and variety stores (n=8). The majority of the apparel stores (n=22, 91.67%), fashion accessories/gift stores (n=8, 72.73%), and variety stores (n=7, 87.5%) mentioned Theme 1. However, none of the variety stores mentioned Theme2 (building connections) or Theme 4 (promoting each other). Overall, the range of the benefits perceived for using SNSs for B2B networking across main product categories was also mostly limited to one kind of benefit.

City classification. The multiple-response crosstab analysis was conducted for 49 stores: 28 stores in UAs and 21 in UCs.

Variations by city classification across categories: Around 85.71% (n=24) of the stores in UAs (n=28) mentioned specific benefits from B2B networking via SNSs, while 14.29% (n=4) of them were not sure about specific benefits. For the stores in UCs (n=21), 90.48% (n=19) of them indicated specific benefits while 9.52% (n=2) of them were not sure about what kind of benefits networking might have.

Variations by city classification within Category 1: There were 43 stores that perceived specific benefits of B2B networking via SNSs: 24 stores in UAs and 19 in UCs. About 87.5% (n=21) of the stores in UAs and 84.21% (n=16) of the stores in UCs mentioned Theme 1 (sharing knowledge). The distributions of the themes were also limited to one type of benefit across city classifications.

Annual revenue. A total of 45 stores (20 in the low revenue group and 25 in the high revenue group) were included in the multiple-response crosstab analysis.

Variations by annual revenue across categories: There was no noticeable difference between low and high revenue stores in perceived benefits of using SNSs for B2B networking. The majority (90% for low revenue and 88% for high revenue) thought that there would be benefits and 10% to 12% of them were not sure about specific benefits.

Variations by annual revenue within Category 1: There were 40 participants who perceived specific benefits (n=40): low annual revenue (n=17) and high annual revenue (n=22). The majority of both the low revenue stores (n=17, 94.44%) and high revenue stores (n=17, 77.27%) mentioned Theme1 (sharing knowledge) as the most salient benefit. However, while none of the low revenue stores mentioned Theme 4 (supporting each other), 13.64% (n=3) of the high revenue stores mentioned this theme as one of the benefits of using SNSs for B2B networking. Although this percentage is small, this finding suggests that relatively high revenue stores tend to value collaboration among businesses, ultimately being concerned about the local economy.

(2) Variations by store owner/manager characteristics

Age. In total, 46 participants were included in the crosstab analysis: younger (n=16), middle-aged (n=15), and older (n=16).

Variations by age across categories: The majority of respondents in the all the age groups perceived specific benefits of networking with other small businesses through SNSs: 93.33% (n=14) of the younger participants, 87.5% (n=14) of the middle-aged participants, and 80% of the older participants identified at least one type of benefits. As expected, compared to the other age groups, the older participants expressed the most uncertainty about specific benefits of B2B networking via SNSs (n=3, 20%), implying that this group lacked experience with or knowledge of SNSs.

Variations by age within Category 1: There were 40 participants who perceived specific benefits of B2B networking via SNSs: younger (n=14), middle-aged (n=14), and older (n=12). Around 78.57% (n=11) of the younger participants, 85.71% (n=12) of the middle-aged participants, and 91.67% (n=11) of the older participants mentioned Theme 1 (sharing knowledge) as the most salient benefit. However, none of the younger participants mentioned Theme 3 (convenience). None of the middle-aged participants mentioned Theme 2 (building connections) and none of the older participants mentioned Theme 4 (promoting each other) as one of the benefits of using SNSs for networking with other small businesses. Although Theme 1 was the dominant benefit for most of the participants, interestingly, depending on age some participants did not recognize certain benefits at all.

Years in business. In total, 48 participants were included in the crosstab analysis: low experience (n=18), medium experience (n=17), and high experience (n=13).

Variations by years in business across categories: For the store owners/managers with low experience, 94.44% (n=17) of them mentioned at least one specific benefit of B2B networking via SNSs. Around 82.35% (n=14) of the participants with medium experience and 84.62% (n=11) of the participants with high experience identified specific benefits of SNSs. The participants with more experience (17.65% for medium experience and 15.38% for high experience) tended to express slightly more uncertainty about the benefits of networking than those with less experience (5.56%). As expected, this result is consistent with the findings by age, given that the number of years in business (i.e., experience level) is highly reflective of the age of the participants.

Variations by years in business within Category 1: There were 42 owners/managers who perceived benefits of B2B networking via SNSs: low experience (n=17), medium experience (n=14), and high experience (n=11). The majority of the participants in all three levels mentioned Theme 1 (sharing knowledge) (82.35% for low, 85.71% for medium, and 90.91% for high). However, none of the participants with medium experience mentioned Theme 2 (building connections) or Theme 3 (convenience). Theme 4 (promoting each other) was not mentioned by anyone in the high experience group. Overall, the owners/managers with less experiences tended to be more aware of diverse benefits of using SNSs for B2B networking although they predominantly focused on Theme 1 as the most important benefit. This result was also expected because less experiences generally means younger participants who are more likely to be familiar with SNSs than are older participants.

Innovativeness. After eliminating responses classified as “other,” a total of 49 participants were included in the crosstab analysis: 25 participants in the low innovativeness group (mean=3.46) and 24 in the high innovativeness group (mean=4.62).

Variations by innovativeness across categories: About 96% (n=24) of the low innovative group and 79.17% (n=19) of the high innovative group identified specific benefits of B2B networking via SNSs. Interestingly, while only 4% (n=1) in the low innovativeness group were not certain about specific benefits, 20.83% of the high innovativeness group (n=5) did not identify specific benefits of SNSs as a B2B networking tool. This result may indicate that some innovative owners/managers have a low motivation for using SNS or low expectations that using SNSs will help them acquire the level of knowledge or resource they expect from other means of networking with other small businesses. Given the result in the previous section that innovative owners/managers tended to appreciate the importance of B2B networking mainly for collaboration opportunities such as joint promotions and creating a sense of community, some innovators may be uncertain about using SNSs as a tool to achieve such goals.

Variations by innovativeness within Category 1: There were 43 participants who perceived benefits of B2B networking via SNSs: low innovativeness (n=24) and high innovativeness (n=19). About 79.17% (n=19) of the low innovativeness group and 94.74% (n=18) of the high innovativeness group mentioned Theme 1 (sharing knowledge). Interestingly, a greater percentage of the innovative participants tended to value the benefit of knowledge sharing through SNSs. One the other hand, none of the high innovativeness group mentioned Theme 3 (convenience) or Theme 4 (promoting each other) as potential benefits of using SNSs for networking with other small businesses. The range of benefits perceived by the innovative owners/managers tended to be narrower than that of less innovative people. Overall, these results may indicate that innovative owners/managers primarily think of SNSs for B2B networking as a platform for knowledge sharing, rather than expecting other benefits.

Risk taking. After eliminating minor responses, a total of 49 participants were included in the crosstab analysis: 28 in the low risk taking group (mean=3.27) and 21 in the high risk taking group (mean=4.37).

Variations by risk taking across categories: The majority of each group mentioned at least one specific benefit from B2B networking via SNSs (90.48% for the high risk takers vs. 85.71% for the low risk takers). Around 9.52% (n=2) of the high risk takers and 14.29% (n=4) of the low risk takers were uncertain about benefits. Unlike the results for innovativeness, the results for risk taking showed no noticeable difference between the two groups.

Variations by risk taking within Category 1: There were 43 participants who identified specific benefits of B2B networking via SNSs: low risk taking (n=24) and high risk taking (n=19). Theme 1(knowledge sharing) was the most salient benefit for both groups, more predominantly for the high risk takers (n=18, 94.74%). However, like the high innovative group, none of the high risk takers mentioned Theme 3 (convenience) or Theme 4 (promoting each other), showing that the high risk takers had a limited scope of perceived benefits of using SNSs for networking with other small businesses.

Question 5. Perceived Challenges of B2B Networking via SNSs

The responses were classified into two categories: (1) specific challenges perceived and (2) no specific challenges perceived. As shown in Table 5. 20, about 72.55% (n=37) of the total participants identified at least one challenge for B2B networking via SNSs. The remaining 14 participants (27.45%) did not mention any challenge. A total of five themes emerged for Category 1 and one major theme and some minor opinions for Category 2.

Category 1: Specific Challenges Perceived

Theme 1: Networking via SNSs requires constant commitment and involvement.

Out of 37 participants who mentioned at least one type of challenges, 35.14% (n=13) of them reported that B2B networking via SNSs requires constant time commitment and involvement. To support this point, one participant stated, “I think the biggest thing that all of small businesses have is time to do that. Because almost when you have a small business you are working at yourself and if you’re doing your entire thing as far as operating the store, keeping the books, cleaning…, doing it all and so your time becomes very limited to what you can do …” (P#44) On a related note, a few other participants considered other people’s low involvement as a challenge for their ongoing commitment. Regarding this challenge, one participant reported, “Just keeping people involved and actually using it. Like I’ve said, I’ve got ones that I’ve used before that just kind of drop off and nobody ends up using them. It depends on how active people are on them and whether they stay active or not.” (P#50) Concerns about time commitment and the level of other people’s involvement appeared to jointly affect the participants’ ongoing commitment to using that SNS. This theme was the most frequently mentioned challenge for using SNSs for B2B networking.

Theme 2: Our ideas or trade secrets may be copied or stolen by other stores.

Out of 37 participants who mentioned at least one type of challenges, 32.43% (n=12) claimed that they would worry about trade secrets or business strategies being copied or stolen by other stores. For instance, one participant said, “You’re sharing trade secrets. That’s a general challenge that I foresee, not necessarily for us. But there [are] 800,000 women’s boutiques in Auburn, especially if you’re networking in town or networking near here. You know, you don’t wanna fuel your competitor’s car…” (P#38) Similarly, another participant reported, "…there is gonna be people [who] are gonna use it for their benefit and not like give back to it…" (P#3) This participant expressed a concern about self-interested business owners who take ideas from others but do not want to share their ideas with other businesses in return. This theme was another dominant challenge that was mentioned almost as frequently as in Theme 1.

Theme 3: We or other businesses may be not willing to share trade secrets.

Out of 37 participants who mentioned at least mention one type of challenges, 18.92% (n=7) of the participants mentioned that a challenge when networking with other small businesses vis SNSs was other businesses' reluctance to share their trade secrets or successful strategies. One said, "I think that the biggest challenge would be not sharing everything that you do with another boutique that is right down the road because you do want to be better…" (P#25) These participants tended to be concerned that small businesses' unwillingness to share key ideas or attitude of or holding back would eventually limit the quality of B2B networking via SNSs.

Theme 4: SNSs may be difficult to learn, not accessible, or applicable for us.

Out of 37 participants who mentioned at least mention one type of challenges, 18.92% (n=7) of the total participants mentioned that learning how to use SNSs was a challenge or that they had limited or no access to SNSs. For example, one participant mentioned, "We need to learn it but that would be tough… Pinterest was very hard for me to learn at first because I must of missed something because it's still very complicated to me and I don't understand it so all these boards and…" (P#23) Similarly, another participant added, "I think the challenge would be not everyone is a computer literate or has any thought to even want to mess with a computer…There are also the companies out there that don't have Internet capability to their particular site." (P#46) In general, these participants expressed their concerns about whether SNSs would be user-friendly, accessible, or applicable to their businesses.

Theme 5: We are concerned about the credibility, or usefulness of the information provided by others.

Out of 37 participants, 16.22% (n=6) of the total participants expressed a concern about the credibility, or usefulness of the information posted by other small businesses on SNSs. For example, one participant doubted the credibility of shared information because it is hard to tell others' intentions for sharing, saying "…if other store was on it, you never know what their intentions are. And you want to know they're positive intentions and not negative." (P#33)

Furthermore, another participant even indicated that he/she would not take advices from businesses with little experience stating, "I wouldn't want to take advice from a store that's only been around for a year. I would want to make sure it was something tried and true." (P#32) Overall, these participants expressed hesitation about using SNSs for B2B networking mainly due to their concern about the credibility and usefulness of the information posted on SNSs.

Category 2: No Specific Challenged Identified

The responses from14 participants (27.45%) were classified into this category. Only one theme emerged for this category. Within this category, nine participants (64.29%) were not sure about what possible challenges would be when networking via SNSs (Theme 1, Uncertain). There were additional five responses that were classified as “other.” Among these, four participants (28.57%) provided unrelated answers and one participant (7.14%) thought there would be only benefits rather than challenges.

Perceived challenges of B2B networking via SNSs: Variations by organizational factors

Multiple-response crosstabs were conducted to examine how perceived challenges of B2B networking via SNSs differed by organizational factors. In total, there were five themes in Category 1 (specific challenges perceived) and one theme in Category 2 (no specific challenges perceived). However, because there was only one theme in Category 2, the results of the multiple-response crosstabs within each category were analyzed only for Category 1. Responses classified as “other” were not included in the crosstab analysis. The results of the multiple-response crosstabs for the business characteristics are reported in Table 5.21 and for the owner/manager characteristics in Table 5.22.

(1) Variations by business characteristics

Retail format. In total, 46 participants were included in the crosstab analysis: general merchandise store (n=4), specialty stores (n=35), and consignment/thrift store (n=7).

Variations by retail format across categories: While 100% of the general merchandise stores (n=4) and consignment/thrift stores (n=7) mentioned specific challenges for B2B networking via SNSs, 74.29% (n=26) of the specialty stores identified specific challenges. Around 25.71% (n=9) of them were uncertain about potential challenges.

Variations by retail format within Category 1: There were 37 participants who identified specific challenges of using SNSs for B2B networking: general stores (n=4), specialty stores (n=26), and consignment/thrift stores (n=7). The majority of the general merchandise stores (n=3, 75%) pointed out Theme 1 (time commitment) as the most salient challenge due to the constant commitment and involvement. On the other hand, for the specialty stores, Theme 2 (ideas being copied) was the most frequently mentioned challenge (n=10, 38.46%). For the consignment/thrift stores, Theme 4 (difficult to use) was the most salient challenge (n= 4, 57.14%), followed by Theme 1 (time commitment). None of these stores mentioned Theme 3 (reluctant to share knowledge) or Theme 5 (not credible/useful information) as a challenge. As such, the perception of main challenges was varied by retail formats.

Main product category. In total, 46 participants were included in the crosstab analysis: apparel (n=25), fashion accessories/gift items (n=11), and variety of products (n=10).

Variations by main product category across categories: About 92% (n=23) of the apparel stores, 63.64% (n=7) of the fashion accessories/gift stores, and 70% (n=7) of the variety stores mentioned specific challenges for B2B networking via SNSs. While most apparel stores identified challenges, 30% to 36.36% of the stores in the other product categories were not certain about potential challenges in using SNSs for B2B networking.

Variations by main product category within Category 1: There were 37 participants who mentioned specific challenges: apparel stores (n=23), fashion accessories/gift stores (n=7), and variety stores (n=7). About 34.78% (n=8) of the apparel stores mentioned Theme 1 (time commitment) and Theme 2 (ideas being stolen) as the most salient challenges. For the fashion accessories/gift items stores, Theme 2 was the most frequently mentioned challenge (n=4, 57.14%). By contrast, for the variety stores, Theme 4 (difficult to use) was the most common challenge (n=4, 57.14%), followed by Theme 1, but the other three themes were not mentioned. Overall, although Theme 1 tended to be the most common, the perception of the most salient challenges varied according to the stores' main product categories.

City classification. In total, 46 stores were included in the crosstab analysis: stores in UAs (n=28) and stores in UCs (n=18).

Variations by city classification across categories: Nearly all of the stores in UAs identified at least one specific challenge of B2B networking via SNSs (n=26, 92.86%). By contrast, a smaller percentage (n=11, 61.11%) of the stores in UCs mentioned at least one challenge and 38.89% of them were not certain about potential challenges. Namely, stores located in smaller cities tended to be unsure about potential challenges of using SNSs for B2B networking, a finding which may imply that, compared to owners/managers in larger cities, small business owners/managers in smaller cities lack knowledge or experience in using SNSs for the purpose of networking with other small businesses.

Variations by city classification within Category 1: There were 37 participants who mentioned specific challenges: UAs (n=26) and UCs (n=11). Theme 2 (ideas being copied) was most frequently mentioned by the stores in UAs (n=10, 38.46%), whereas Theme 1 (time commitment) was mentioned most by stores in UCs (n=6, 54.55%). Such a difference in the perceived main challenge by city classifications may indicate that stores in larger cites tend to be more concerned about ideas being replicated by close competitors in competitive markets, while stores in smaller cities tend to worry about owners'/managers' lack of capability to be involved in networking via SNSs.

Annual revenue. A total of 42 stores (18 in the low revenue group and 24 in the high revenue group) were included in the crosstab analysis.

Variations by annual revenue across categories: About 72.22% (n=13) of the stores with low annual revenue and 83.33% (n=20) of the stores with high revenue mentioned specific challenges for B2B networking via SNSs. Slightly a larger percentage of the stores with low revenue were uncertain about the possible challenges (n=5, 27.78%).

Variations by annual revenue within Category 1: There were 33 participants who mentioned specific challenges: low revenue (n=13) and high revenue (n=20). Theme 2 (ideas being stolen) was most frequently mentioned by the stores with low annual revenue (n=6, 33.33%), whereas Theme 1 (time commitment) was most salient for the stores with high annual revenue (n=8, 40%). Interestingly, low revenue stores tended to worry more about idea replications (vs. high revenue stores), whereas stores with high revenue appeared to be more concerned about efficient time management when engaged in SNSs for B2B networking.

(2) Variations by store owner/manager characteristics

Age. In total, 42 participants were included in the multiple-response crosstab analysis: younger (n=13), middle-aged (n=15), and older (n=14).

Variations by age across categories: About 84.62% (n=11) of the younger participants, and 86.67% (n=13) of the middle-aged participants mentioned at least one type of a challenge from using SNSs for B2B networking. However, while 64.29% (n=9) of the older participants mentioned challenges, 35.71% (n=5) of them were uncertain about potential challenges.

Variations by age within Category 1: There were 33 participants who mentioned specific challenges of B2B networking via SNSs: younger (n=11), middle-aged (n=13), and older (n=9). While Theme 2 was most frequently mentioned by the younger participants (n=6, 54.55%) and middle-aged participants (n=5, 38.46%), Theme 1 was most mentioned by the older group (n=5, 55.56%). Overall, relatively younger owners/managers tended to be concerned about idea replications by competitors while older owners/managers tended to be concerned about time commitment as the main challenge for networking through SNSs.

Years in business. In total, 44 participants were included in the crosstab analysis: low experience (n=16), medium experience (n=16), and high experience (n=12).

Variations by years in business across categories: About 93.75% (n=15) of the stores with low experience, 75% (n=12) of the stores with medium experience, and 66.67% (n=8) of the stores with high experience mentioned challenges of B2B networking via SNSs. However, 33.33% (n=4) of the high experience group were uncertain about potential challenges.

Variations by years in business within Category 1: There were 35 participants who mentioned specific challenges of B2B networking via SNSs: low experience (n=15), medium experience (n=12), and high experience (n=8). While Theme 2 was most frequently mentioned by the low experience group (n=6, 40%), Theme 1 was the most common challenge mentioned by 58.33% (n=7) of the middle experience group. For the high experience group, both Theme 1 and Theme 2 were the most salient challenges (n=3 each, 25%). While Theme 4 (difficult to use) was more frequently mentioned by the high experience group (n=2, 25%), Theme 3 (reluctant for knowledge sharing) and Theme 5 (not credible/useful information) were not mentioned by this group.

Innovativeness. After eliminating responses in “other”, a total of 45 participants were included in the multiple-response crosstab. Twenty-two participants were classified as the low innovativeness group (mean=3.41) and 23 participants as the high innovativeness group (mean=4.60).

Variations by innovativeness across categories: For the low innovativeness group, 72.73% (n=16) of them mentioned challenges for B2B networking via SNSs and 27.27% (n=5) of them were uncertain about it. For the high innovativeness group, 86.96% (n=20) of them identified at least one challenge while 13.04% (n=3) were not certain about it. Slightly less innovative stores tended to be less sure about potential challenges than were more innovative stores.

Variations by innovativeness within Category 1: There were 36 participants who mentioned specific challenges of B2B networking via SNSs: low innovativeness (n=16) and high innovativeness (n=20). Theme 2 (ideas being copied) was the most common challenge perceived by the low innovativeness group (n=6, 37.5%). On the other hand, Theme 1 (time commitment) was the most frequently mentioned challenge by the high innovativeness group (n=9, 45%). These results by innovativeness were similar to the results by business annual revenues.

Risk taking. After eliminating responses in “other,” a total of 45 participants were included in the multiple-response crosstab analysis. Twenty-five participants were classified as the low risk taking (mean = 3.32) and 20 participants as the high risk taking group (mean = 4.33).

Variations by risk taking across categories: For both groups, 80% mentioned possible challenges for B2B networking via SNSs and 20% were not sure.

Variations by risk taking within Category 1: There were g 36 participants who mentioned specific challenges from using SNSs for B2B networking: low risk taking (n=20) and high risk taking (n=16). The low risk takers most frequently mentioned Theme1, Theme2 (ideas being copied), and Theme 4 (difficult to use) (n=6, 30% each). For the high risk takers, Theme 1 and Theme 2 were the most salient challenges (n=6, 37.50% each), followed by Theme 3 (n=5, 31.25%). Compared to the findings in innovativeness, the differences in the main challenges identified did not greatly differ by the level of risk taking.

Table 5.1. Population, City Classification, Number of the Participation from Each City (N=51)

City	Population	# of the participants	n (%)	City Classification
Montgomery	201,332	15	29.4%	Urbanized Area
Dothan	68,001	4	7.8%	
Auburn	58,582	11	21.6%	
Phenix city	37,498	3	5.9%	Urban Clusters
Prattville	35,229	4	7.8%	
Opelika	28,635	8	15.7%	
Alexander city	14,876	3	5.9%	
Eufaula	12,914	3	5.9%	

Note. Population of each city was estimation made by U.S. Census Bureau (2013). Data were retrieved from http://quickfacts.census.gov/qfd/states/01000.html

Table 5.2. Sample Profile - Business Characteristics

Businesses Characteristics	Frequency (N=51)	Percentage
Retail format		
General merchandise store	5	9.8%
Specialty store	39	76.5%
General consignment/thrift store	2	3.9%
Specialty consignment/thrift store	5	9.8%
Main product category		
Apparel	26	51.0%
Fashion accessories/jewelry	3	5.9%
Gift items/floral	10	19.6%
Variety of products	12	23.5%
City Classification		
Urbanized areas (UAs)	30	58.8%
Urban clusters (UCs)	21	41.2%
Number of employees		
0-10	45	88.2%
11-20	3	5.9%
21-30	1	2.0%
Missing	2	3.9%
Annual revenue		
Under $50,000	4	7.8%
$50,000 - $99,999	8	15.7%
$100,000 - $199,999	8	15.7%
$200,000 - $499,999	19	37.3%
$500,000 - $999,999	3	5.9%
$1,000,000 - $4,999,999	4	7.8%
Missing	5	9.8%

Table 5.3. Sample Profile - Store Owner/Manager Characteristics

Store Owner/Manager Characteristics	Frequency (N=51)	Percentage
Title of participant		
Store owner	44	86.3%
Store manager	7	13.7%
Gender		
Male	8	15.7%
Female	43	84.3%
Age		
<31	6	11.8%
31-40	9	17.7%
41-50	16	31.4%
51-60	12	23.5%
61-70	4	7.8%
Missing	4	7.8%
Ethnicity		
Caucasian American	48	94.1%
African American	1	2.0%
Missing	2	3.9%
Education		
Attended high school	1	2.0%
High school	1	2.0%
Vocational school	2	3.9%
Some college/no degree	10	19.6%
Associate's degree	5	9.8%
Bachelor's degree	25	49.0%
Master's degree	5	9.8%
Missing	2	3.9%
Number of years in business		
Less than 5 years	18	35.3%
6-10 years	17	33.3%
11-15 years	3	5.9%
16-20 years	3	5.9%
More than 21 years	8	15.7%
Missing	2	3.9%

Table 5.4. Exploratory Factor Analysis Results for Innovativeness and Risk Taking

Item abbreviation	Measurement items	Factor loading
	Innovativeness (n=50)	
INNOV 1	Being innovative is a competitive advantage for my business.	.866
INNOV 2	My business tends to be more innovative than most of my competitors.	.853
INNOV 3	My business creates an atmosphere that encourages creativity and innovativeness.	.805
INNOV 4	I would say my business is “innovation focused.”	.701
INNOV 5	My business believes in experimenting with new products and ideas.	.684
	Eigenvalue	3.09
	Variance explained	61.70%
	Cronbach's alpha	.84
	Risk taking (n=50)	
RT 1	My business is willing to take risks when we think it will benefit the company.	.809
RT 2	My business would rather accept a risk to pursue an opportunity than miss it altogether.	.862
RT 3	My business would not be considered gamblers, but we do take risks.	.716
	Eigenvalue	1.91
	Variance explained	63.69%
	Cronbach's alpha	.71

Table 5.5. Mean, Standard Deviation, and Bivariate Correlations among Variables

	Descriptive Statistics		Bivariate Correlations	
	Mean	SD	1	2
1. Innovativeness	4.05	.71	1	
2. Risk taking	3.75	.69	.419**	1

Note. ** $p < 0.01$ (2-tailed)

Table 5.6. Themes that Emerged for Interview Question 1

Q1. How do you feel about the level of competition within/outside the community under the current economy? (N=51)			
Category	**Underlying reasons for feeling competition**	n within category	% within category
Feeling competition (n=23, 45.10%)	**Theme 1:** Many stores carry similar or same products.	**13**	**56.52%**
	Theme 2: Competitors offer products at a lower price.	**11**	**47.83%**
	Other: 1. *Consumers tend to spend less.* 2. *We do not have much knowledge/resources to compete with others.* 3. *Competitors introduce more competitive product lines.*	 2 2 1	 8.70% 8.70% 4.35%
Not feeling competition (n=28, 54.90%)	**Underlying reasons for not feeling competition**	n	% within category
	Theme 1: We offer niche/unique/superior products, or a better assortment.	**17**	**60.71%**
	Theme 2: We are mutually supportive to each other and share customers.	**8**	**28.57%**
	Theme 3: We welcome competition because competition is healthy.	**8**	**28.57%**
	Theme 4: We offer better service and build good relationships with customers.	**5**	**17.86%**
	Theme 5: We offer products with lower/reasonable price.	**4**	**14.29%**
	Other: 1. *We have confidence, reputation, and a strong, broad customer base which are served by multi-channels.*	 1	 3.57%

Note. A single participant's response could be coded into more than one theme when the respondent mentioned multiple points.

Table 5.7. Chi-square Analysis of Perceived Competition within/outside Community by Organizational Factors

	χ^2	p	Phi
Business characteristics			
Retail format	1.24	.54	
Main product category	.36	.84	
City classification	3.94	**.047***	-.278
Annual revenue	2.74	.1	
Store owner/manager characteristics			
Age	1.92	.38	
Years in business	2.6	.27	
Innovativeness	.33	.37	
Risk taking	.15	.70	

Note. UA = Urban Area; UC = Urban Clusters Area; * $p < .05$

Table 5.8. Multiple-response Crosstab Results for Perceived Competition within/outside the Community by Business Characteristics

Business Characteristics	**Q1. How do you feel about the level of competition within or outside the community under the current economy?**									
	Category 1			Category 2						
	Feeling competition			Not feeling competition.						
Retail Format	Theme1	Theme2	n	Theme1	Theme2	Theme3	Theme4	Theme5	n	**Row Total**
General merchandise store	2	2	**2**	2	1	0	0	1	**2**	**4**
% across categories (n=4)	50%	50%	50%	50%	25%	0%	0%	25%	50%	100%
% within each category (Cg1: n=2; Cg2: n=2)	100%	100%	100%	100%	50%	0%	0%	50%	100%	
Specialty store	10	8	**14**	12	5	4	5	3	**20**	**34**
% across categories (n=34)	29.41%	23.53%	41.18%	35.29%	14.71%	11.76%	14.71%	8.82%	58.82%	100%
% within each category (Cg1: n=14; Cg2: n=20)	71.43%	57.14%	100%	60%	25%	20%	25%	15%	100%	
Consignment/ thrift store	1	1	**2**	3	2	4	0	0	**5**	**7**
% across categories (n=7)	14.29%	14.29%	28.57%	42.86%	28.57%	57.14%	0%	0%	71.43%	100%
% within each category (Cg1: n=2; Cg2: n=5)	50%	50%	100%	60%	40%	80%	0%	0%	100%	
Column Total	**13**	**11**	**18**	**17**	**8**	**8**	**5**	**4**	**27**	**45**

Note. Category 1: Theme 1 (similar products), Theme 2 (lower price); Category 2: Theme 1 (niche/superior products), Theme 2 (mutually supportive), Theme 3 (competition is healthy), Theme 4 (better service), Theme 5 (lower prices)

	Q1. How do you feel about the level of competition within or outside the community under the current economy?									
Business Characteristics	Category 1			Category 2						
	Feeling competition			Not feeling competition						
Main product category	Theme1	Theme2	n	Theme1	Theme2	Theme3	Theme4	Theme5	n	**Row Total**
Apparel	8	8	**12**	8	2	5	1	1	**13**	**25**
% across categories (n=25)	32%	32%	48%	32%	8%	20%	4%	4%	52%	100%
% within each category (Cg1: n=12; Cg2: n=13)	66.67%	66.67%	100%	61.54%	15.38%	38.46%	7.69%	7.69%	100%	
Fashion accessories/ gift items	2	1	**3**	6	4	2	2	0	**8**	**11**
% across categories (n=11)	18.18%	9.09%	27.27%	54.55%	36.36%	18.18%	18.18%	0%	72.73%	100%
% within each category (Cg1: n=3; Cg2: n=8)	66.67%	33.33%	100%	75%	50%	25%	25%	0%	100%	
Variety of products	3	2	**3**	3	2	1	2	3	**6**	**9**
% across categories (n=9)	33.33%	22.22%	33.33%	33.33%	22.22%	11.11%	22.22%	33.33%	66.67%	100%
% within each category (Cg1: n=3; Cg2: n=6)	100%	66.67%	100%	50%	33%	16.67%	33.33%	50%	100%	
Column Total	**13**	**11**	**18**	**17**	**8**	**8**	**5**	**4**	**27**	**45**

Note. Category 1: Theme 1 (similar products), Theme 2 (lower price); Category 2: Theme 1 (niche/superior products), Theme 2 (mutually supportive), Theme 3 (competition is healthy), Theme 4 (better service), Theme 5 (lower prices)

	Q1. How do you feel about the level of competition within or outside the community under the current economy?									
Business Characteristics	Category 1 Feeling competition			Category 2 Not feeling competition						
City classification	Theme1	Theme2	n	Theme1	Theme2	Theme3	Theme4	Theme5	n	**Row Total**
Urbanized area (UA)	10	9	**14**	8	3	2	3	0	**12**	**26**
% across categories (n=26)	38.46%	34.62%	53.85%	30.77%	11.54%	7.69%	11.54%	0%	34.62%	100%
% within each category (Cg1: n=14; Cg2: n=12)	71.43%	64.29%	100%	66.67%	25%	16.67%	25%	0%	100%	
Urban cluster (UC)	3	2	**4**	9	5	6	2	4	**15**	**19**
% across categories (n=19)	15.79%	10.53%	21.05%	47.37%	26.32%	31.58%	10.53%	21.05%	78.95%	100%
% within each category (Cg1: n=4; Cg2: n=15)	75%	50%	100%	60%	33.33%	40%	13.33%	26.67%	100%	
Column Total	**13**	**11**	**18**	**17**	**8**	**8**	**5**	**4**	**27**	**45**

Note. Category 1: Theme1 (similar products), Theme 2 (lower price); Category 2: Theme 1 (niche/superior products), Theme 2 (mutually supportive), Theme 3 (competition is healthy), Theme 4 (better service), Theme 5 (lower prices)

	Q1. How do you feel about the level of competition within or outside the community under the current economy?									
Business Characteristics	Category 1			Category 2						
	Feeling competition			Not feeling competition						
Annual revenue	Theme1	Theme2	n	Theme1	Theme2	Theme3	Theme4	Theme5	n	**Row Total**
Low ($199,999 or less)	4	4	**8**	6	2	2	1	2	**9**	**17**
% across categories (n=17)	23.53%	23.53%	47.06%	35.29%	11.76%	11.76%	5.88%	11.76%	52.94%	100%
% within each category (Cg1: n=8; Cg2: n=9)	50%	50%	100%	66.67%	22.22%	22.22%	11.11%	22.22%	100%	
High (higher than $199,999)	6	4	**6**	11	5	6	4	2	**17**	**23**
% across categories (n=23)	26.09%	17.39%	26.09%	47.83%	21.74%	26.09%	17.39%	8.70%	73.91%	100%
% within each category (Cg1: n=6; Cg2: n=17)	100%	66.67%	100%	64.71%	29.41%	35.29%	23.53%	11.76%	100%	
Column Total	**10**	**8**	**14**	**17**	**7**	**8**	**5**	**4**	**26**	**40**

Note. 1. Category 1: Theme1 (similar products), Theme 2 (lower price); Category 2: Theme 1 (niche/superior products), Theme 2 (mutually supportive), Theme 3 (competition is healthy), Theme 4 (better service), Theme 5 (lower prices)

2. The responses of six participants that were categorized into “others” were not included in the analysis of the multiple-responses crosstab. Therefore, the total number of the participants in this table is different from that of Table 5.6.

Table 5.9. Multiple-response Crosstab Results for Perceived Competition within/outside the Community by Store Owner/Manager Characteristics

Store Owner/Manager Characteristics	**Q1. How do you feel about the level of competition within or outside the community under the current economy?**									
	Category 1			Category 2						
	Feeling competition			Not feeling competition						
Age	Theme1	Theme2	n	Theme1	Theme2	Theme3	Theme4	Theme5	n	**Row Total**
Younger (40 or below)	3	1	**4**	5	1	2	2	0	**9**	**13**
% across categories (n=13)	23.08%	7.69%	30.77%	38.46%	7.69%	15.38%	15.38%	0%	69.23%	100%
% within each category (Cg1: n=4; Cg2: n=9)	75%	25%	100%	55.56%	11.11%	22.22%	22.22%	0%	100%	
Middle (41-50)	4	4	**5**	7	4	3	0	2	**10**	**15**
% across categories (n=15)	26.67%	26.67%	33.33%	46.67%	26.67%	20%	0%	13.33%	66.67%	100%
% within each category (Cg1: n=5; Cg2: n=10)	80%	80%	100%	70%	40%	30%	0%	20%	100%	
Older (51 or more)	4	3	**6**	5	3	2	3	2	**7**	**13**
% across categories (n=13)	30.77%	23.08%	46.15%	38.46%	23.08%	15.38%	23.08%	15.38%	53.85%	100%
% within each category (Cg1: n=6; Cg2: n=7)	66.67%	50%	100%	71.43%	42.86%	28.57%	42.86%	28.57%	100%	
Column Total	**11**	**8**	**15**	**17**	**8**	**7**	**5**	**4**	**26**	**41**

Note. Category 1: Theme1 (similar products), Theme 2 (lower price); Category 2: Theme 1 (niche/superior products), Theme 2 (mutually supportive), Theme 3 (competition is healthy), Theme 4 (better service), Theme 5 (lower prices)

Store Owner/Manager Characteristics	Q1. How do you feel about the level of competition within or outside the community under the current economy?									
	Category 1			Category 2						
	Feeling competition			Not feeling competition						
Years in business (Experience)	Theme1	Theme2	n	Theme1	Theme2	Theme3	Theme4	Theme5	n	**Row Total**
Low(5 years or less)	6	3	**7**	4	3	2	0	2	**8**	**15**
% across categories (n=15)	40%	20%	46.67%	26.67%	20%	13.33%	0%	13.33%	53.33%	100%
% within each category (Cg1: n=7; Cg2: n=8)	85.71%	42.86%	100.00%	50%	37.50%	25%	0%	25%	100%	
Medium (6-10 years)	2	2	**4**	9	3	4	1	1	**11**	**15**
% across categories (n=15)	13.33%	13.33%	26.67%	60%	20%	26.67%	6.67%	6.67%	73.33%	100%
% within each category (Cg1: n=5; Cg2: n=11)	50%	50%	100%	81.82%	27.27%	36.36%	9.09%	9.09%	100%	
High (More than 10 years)	4	5	**6**	4	2	1	4	1	**7**	**13**
% across categories (n=13)	30.77%	38.46%	46.15%	30.77%	15.38%	7.69%	30.77%	7.69%	53.85%	100%
% within each category (Cg1: n=6; Cg2: n=7)	66.67%	83.33%	100%	57.14%	28.57%	14.29%	57.14%	14.29%	100%	
Column Total	**12**	**10**	**17**	**17**	**8**	**7**	**5**	**4**	**26**	**43**

Note. Category 1: Theme1 (similar products), Theme 2 (lower price); Category 2: Theme 1 (niche/superior products), Theme 2 (mutually supportive), Theme 3 (competition is healthy), Theme 4 (better service), Theme 5 (lower prices)

	Q1. How do you feel about the level of competition within or outside the community under the current economy?										
Store Owner/Manager Characteristics	Category 1			Category 2							
	Feeling competition			Not feeling competition							
Innovativeness	Theme1	Theme2	n	Theme1	Theme2	Theme3	Theme4	Theme5	n	**Row Total**
Low	4	5	**7**	9	5	2	3	2	**15**	**22**
% across categories (n=22)	18.18%	22.73%	31.82%	40.91%	22.73%	9.09%	13.64%	9.09%	68.18%	100%
% within each category (Cg1: n=7; Cg2: n=15)	57.14%	71.43%	100%	60%	33.33%	13.33%	20%	13.33%	100%	
High	8	5	**10**	8	3	6	2	2	**12**	**22**
% across categories (n=22)	36.36%	22.73%	45.45%	36.36%	13.64%	27.27%	9.09%	9.09%	54.55%	100%
% within each category (Cg1: n=10; Cg2: n=12)	80%	50%	100%	66.67%	25%	50%	16.67%	16.67%	100%	
Column Total	**12**	**10**	**17**	**17**	**8**	**8**	**5**	**4**	**27**	**44**

Note. Category 1: Theme1 (similar products), Theme 2 (lower price); Category 2: Theme 1 (niche/superior products), Theme 2 (mutually supportive), Theme 3 (competition is healthy), Theme 4 (better service), Theme 5 (lower prices)

	Q1. How do you feel about the level of competition within or outside the community under the current economy?									
Store Owner/Manager Characteristics	Category 1			Category 2						
	Feeling competition			Not feeling competition						
Risk taking	Theme1	Theme2	n	Theme1	Theme2	Theme3	Theme4	Theme5	n	**Row Total**
Low	6	4	**8**	9	7	4	3	2	**15**	**23**
% across categories (n=23)	26.09%	17.39%	34.78%	39.13%	30.43%	17.39%	13.04%	8.70%	65.22%	100%
% within each category (Cg1: n=8; Cg2: n=15)	75%	50%	100%	60%	46.67%	26.67%	20%	13.33%	100%	
High	6	6	**9**	8	1	4	2	2	**12**	**21**
% across categories (n=21)	28.57%	28.57%	42.86%	38.10%	4.76%	19.05%	9.52%	9.52%	57.14%	100%
% within each category (Cg1: n=9; Cg2: n=12)	66.67%	66.67%	100%	66.67%	8.33%	33.33%	16.67%	16.67%	100%	
Column Total	**12**	**10**	**17**	**17**	**8**	**8**	**5**	**4**	**27**	**44**

Note. 1. Category 1: Theme1 (similar products), Theme 2 (lower price); Category 2: Theme 1 (niche/superior products), Theme 2 (mutually supportive), Theme 3 (competition is healthy), Theme 4 (better service), Theme 5 (lower prices)

2. The responses of six participants that were categorized into "others" were not included in the analysis of the multiple-responses crosstab. Therefore, the total number of the participants in this table is different from that of Table 5.6.

Table 5.10. Themes that Emerged for Interview Question 2

Q2. How do you feel about competing with national brands or large retailers? (N=51)			
Category	**Underlying reasons for feeling competition**	n within category	% within category
Feeling competition (n=20, 39.22%)	**Theme 1:** Large retailers offer same/similar types of products at lower price.	**17**	**85.00%**
	Other:		
	1. Large retailers poach staff from small businesses.	1	5.00%
	2. Large retailers have more budgets for advertisements.	1	5.00%
	3. Large retailers have power due to the sales volume.	1	5.00%
Not feeling competition (n=31, 60.78%)	**Underlying reasons for not feeling competition**	n within category	% within category
	Theme 1: We offer niche/unique/superior products or better assortment.	**21**	**67.74%**
	Theme 2: We offer better service and build good relationships with customers.	**9**	**29.02%**
	Theme 3: We offer lower or reasonable prices.	**4**	**12.90%**
	Other:		
	1. There are only few large retailers within our community.	2	6.45%
	2. We can never compete with large retailers on prices.	2	6.45%
	3. We work with partners for driving sales through multi-channel retailing.	1	3.23%
	4. We explore more cost efficient ways to stay competitive.	1	3.23%

Note. A single participant's response could be coded into more than one theme when the respondent mentioned multiple points.

Table 5.11. Chi-square Analysis of Perceived Competition with National Brands/Large Retailers by Organizational Factors

	χ^2	p	Phi
Business characteristics			
Retail format	4.09	.13	
Main product category	1.98	.37	
City classification	.52	.47	
Annual revenue	.03	.88	
Store owner/manager characteristics			
Age	1.17	.56	
Years in business	4.40	.11	
Innovativeness	3.00	.08	
Risk taking	4.88	**.03***	-.304

Note. UA = Urban Area; UC = Urban Clusters Area; * $p < .05$

Table 5.12. Multiple-response Crosstab Results for Perceived Competition with National Brands/Large Retailers by Business Characteristics

Business characteristics	**Q2. How do you feel about competing with national brands or large retailers?**						
	Category 1		Category 2				
	Feeling competition		Not feeling competition				
Retail format	Theme 1	n	Theme 1	Theme 2	Theme 3	n	**Row Total**
General merchandise store	2	**2**	1	1	1	**1**	**3**
% across categories (n=3)	66.67%	66.67%	33.33%	33.33%	33.33%	33.33%	100%
% within each category (Cg1: n=2; Cg2: n=1)	100%	100%	100%	100%	100%	100%	
Specialty store	12	**12**	17	6	0	**20**	**32**
% across categories (n=32)	37.50%	37.50%	53.13%	18.75%	0.00%	62.50%	100%
% within each category (Cg1: n=12; Cg2: n=20)	100.00%	100.00%	85.00%	30.00%	0.00%	100.00%	
Consignment/ thrift store	3	**3**	3	2	3	**4**	**7**
% across categories (n=7)	42.86%	42.86%	42.86%	28.57%	42.86%	57.14%	100%
% within each category (Cg1: n=3; Cg2: n=4)	100.00%	100.00%	75.00%	50.00%	75.00%	100.00%	
Column Total	**17**	**17**	**21**	**9**	**4**	**25**	**42**

Note. Category 1: Theme 1 (similar products at lower price); Category 2: Theme 1 (niche/superior products), Theme 2 (better service), Theme 3 (lower price)

	Q2. How do you feel about competing with national brands or large retailers?						
Business characteristics	Category 1 Feeling competition		Category 2 Not feeling competition				
Main product category	Theme 1	n	Theme 1	Theme 2	Theme 3	n	**Row Total**
Apparel	8	**8**	13	5	2	**15**	**23**
% across categories (n=23)	34.78%	34.78%	56.52%	21.74%	8.70%	65.22%	100%
% within each category (Cg1: n=8; Cg2: n=15)	100.00%	100.00%	86.67%	33.33%	13.33%	100.00%	
Fashion accessories/ gift items	5	**5**	4	1	0	**5**	**10**
% across categories (n=10)	50.00%	50.00%	40.00%	10.00%	0.00%	50.00%	100%
% within each category (Cg1: n=5; Cg2: n=5)	100.00%	100.00%	80.00%	20.00%	0.00%	100.00%	
Variety of products	4	**4**	4	3	2	**5**	**9**
% across categories (n=9)	44.44%	44.44%	44.44%	33.33%	22.22%	55.56%	100%
% within each category (Cg1: n=4; Cg2: n=5)	100%	100%	80%	60%	40%	100%	
Column Total	**17**	**17**	**21**	**9**	**4**	**25**	**42**

Note. Category 1: Theme 1 (similar products at lower price); Category 2: Theme 1 (niche/superior products), Theme 2 (better service), Theme 3 (lower price)

	Q2. How do you feel about competing with national brands or large retailers?						
Business characteristics	Category 1		Category 2				
	Feeling competition		Not feeling competition				
City classification	Theme 1	n	Theme 1	Theme 2	Theme 3	n	**Row Total**
Urbanized area (UA)	10	**10**	12	5	1	**14**	**24**
% across categories (n=24)	41.67%	41.67%	50.00%	20.83%	4.17%	58.33%	100%
% within each category (Cg1: n=10; Cg2: n=14)	100.00%	100.00%	85.71%	35.71%	7.14%	100.00%	
Urban cluster (UC)	7	**7**	9	4	3	**11**	**18**
% across categories (n=18)	38.89%	38.89%	50.00%	22.22%	16.67%	61.11%	100%
% within each category (Cg1: n=7; Cg2: n=11)	100.00%	100.00%	81.82%	36.36%	27.27%	100.00%	
Column Total	**17**	**17**	**21**	**9**	**4**	**25**	**42**

Note. Category 1: Theme 1 (similar products at lower price); Category 2: Theme 1 (niche/superior products), Theme 2 (better service), Theme 3 (lower price)

	Q2. How do you feel about competing with national brands or large retailers?						
Business characteristics	Category 1		Category 2				
	Feeling competition		Not feeling competition				
Annual revenue	Theme 1	n	Theme 1	Theme 2	Theme 3	n	**Row Total**
Low ($199,999 or less)	6	**6**	7	2	1	**9**	**15**
% across categories (n=15)	40.00%	40.00%	46.67%	13.33%	6.67%	60.00%	100.00%
% within each category (Cg1: n=6; Cg2: n=9)	100.00%	100.00%	77.78%	22.22%	11.11%	100.00%	
High (higher than $199,999)	11	**11**	11	5	3	**12**	**23**
% across categories (n=23)	47.83%	47.83%	47.83%	21.74%	13.04%	52.17%	100.00%
% within each category (Cg1: n=11; Cg2: n=12)	100.00%	100.00%	91.67%	41.67%	25.00%	100.00%	
Column Total	17	17	18	7	4	21	**38**

Note. 1. Category 1: Theme 1 (similar products at lower price); Category 2: Theme 1 (niche/superior products), Theme 2 (better service), Theme 3 (lower price)

2. The responses that were classified into others were not included in the analysis of the multiple-responses crosstab. The total number of the participants in this table is different from that of Table 5.10.

Table 5.13. Multiple-response crosstab Results for Perceived Competition within National Brands/Large Retailers by Store Owner/Manager Characteristics

	Q2. How do you feel about competing with national brands or large retailers?						
Store Owner/Manager Characteristics	Category 1		Category 2				
	Feeling competition		Not feeling competition				
Age	Theme 1	n	Theme 1	Theme 2	Theme 3	n	**Row Total**
Younger (40 or below)	5	**5**	5	2	0	**6**	**11**
% across categories (n=11)	45.45%	45.45%	45.45%	18.18%	0.00%	54.55%	100%
% within each category (Cg1: n=5; Cg2: n=6)	100.00%	100.00%	83.33%	33.33%	0.00%	100.00%	
Middle (41-50)	4	**4**	9	3	3	**10**	**14**
% across categories (n=14)	28.57%	28.57%	64.29%	21.43%	21.43%	71.43%	100%
% within each category (Cg1: n=4; Cg2: n=10)	100.00%	100.00%	90.00%	30.00%	30.00%	100.00%	
Older (51 or more)	7	**7**	5	3	0	**6**	**13**
% across categories (n=13)	53.85%	53.85%	38.46%	23.08%	0.00%	46.15%	100%
% within each category (Cg1: n=7; Cg2: n=6)	100.00%	100.00%	83.33%	50.00%	0.00%	100.00%	
Column Total	**16**	**16**	**19**	**8**	**3**	**22**	**38**

Note. Category 1: Theme 1 (similar products at lower price); Category 2: Theme 1 (niche/superior products), Theme 2 (better service), Theme 3 (lower price)

	Q2. How do you feel about competing with national brands or large retailers?						
Store Owner/Manager Characteristics	Category 1		Category 2				
	Feeling competition		Not feeling competition				
Years in business (Experience)	Theme 1	n	Theme 1	Theme 2	Theme 3	n	**Row Total**
Low (5 years or less)	3	**3**	9	3	2	**11**	**14**
% across categories (n=14)	21.43%	21.43%	64.29%	21.43%	14.29%	78.57%	100.00%
% within each category (Cg1: n=3; Cg2: n=11)	100.00%	100.00%	81.82%	27.27%	18.18%	100.00%	
Medium (6-10 years)	8	**8**	7	2	1	**7**	**15**
% across categories (n=15)	53.33%	53.33%	46.67%	13.33%	6.67%	46.67%	100.00%
% within each category (Cg1: n=8; Cg2: n=7)	100.00%	100.00%	100.00%	28.57%	14.29%	100.00%	
High (More than 10 years)	6	**6**	4	3	0	**5**	**11**
% across categories (n=11)	54.55%	54.55%	36.36%	27.27%	0.00%	45.45%	100.00%
% within each category (Cg1: n=6; Cg2: n=5)	100.00%	100.00%	80.00%	60.00%	0.00%	100.00%	
Column Total	**17**	**17**	**20**	**8**	**3**	**23**	**40**

Note. Category 1: Theme 1 (similar products at lower price); Category 2: Theme 1 (niche/superior products), Theme 2 (better service), Theme 3 (lower price)

Store Owner/Manager Characteristics	Q2. How do you feel about competing with national brands or large retailers?						
	Category 1		Category 2				
	Feeling competition		Not feeling competition				
Innovativeness	Theme 1	n	Theme 1	Theme 2	Theme 3	n	**Row Total**
Low	11	**11**	10	0	1	**10**	**21**
% across categories (n=21)	52.38%	52.38%	47.62%	0.00%	4.76%	47.62%	100.00%
% within each category (Cg1: n=11; Cg2: n=10)	100.00%	100.00%	100.00%	0.00%	10.00%	100.00%	
High	6	**6**	11	8	3	**14**	**20**
% across categories (n=20)	30.00%	30.00%	55.00%	40.00%	15.00%	70.00%	100.00%
% within each category (Cg1: n=6; Cg2: n=14)	100.00%	100.00%	78.57%	57.14%	21.43%	100.00%	
Column Total	**17**	**17**	**21**	**8**	**4**	**24**	**41**

Note. Category 1: Theme 1 (similar products at lower price); Category 2: Theme 1 (niche/superior products), Theme 2 (better service), Theme 3 (lower price)

Store Owner/Manager Characteristics	Q2. How do you feel about competing with national brands or large retailers?						
	Category 1		Category 2				
	Feeling competition		Not feeling competition				
Risk taking	Theme 1	n	Theme 1	Theme 2	Theme 3	n	**Row Total**
Low	13	**13**	10	1	2	**10**	**23**
% across categories (n=23)	56.52%	56.52%	43.48%	4.35%	8.70%	43.48%	100.00%
% within each category (Cg1: n=13; Cg2: n=10)	100.00%	100.00%	100.00%	10.00%	20.00%	100.00%	
High	4	**4**	11	7	2	**14**	**18**
% across categories (n=18)	22.22%	22.22%	61.11%	38.89%	11.11%	77.78%	100.00%
% within each category (Cg1: n=4; Cg2: n=14)	100.00%	100.00%	78.57%	50.00%	14.29%	100.00%	
Column Total	**17**	**17**	**21**	**8**	**4**	**24**	**41**

Note. 1. Category 1: Theme 1 (similar products at lower price); Category 2: Theme 1 (niche/superior products), Theme 2 (better service), Theme 3 (lower price)
2. The responses that were classified into others were not included in the analysis of the multiple-responses crosstab. The total number of the participants in this table is different from that of Table 5.10.

Table 5.14. Themes that Emerged for Interview Question 3

Q3. How important for your business is networking with other small businesses? (N=51)			
Category	**Underlying reasons for perceived importance**	n within category	% within category
Important (n=46, 90.20%)	**Theme 1:** We can share business knowledge and resources.	**21**	**45.65%**
	Theme 2: We can collaborate and create joint promotions to attract customers.	**18**	**39.13%**
	Theme 3: We can create a sense of community by getting to know each other and building good relationships.	**14**	**30.43%**
	Theme 4: We can refer customers to other stores to keep people shopping locally.	**12**	**26.09%**
Not important (n=5, 9.80%)	**Underlying reasons for perceived unimportance**	n within category	% within category
	Other (no salient themes identified)		
	1. *The process of networking may be inefficient due to time commitment or lack of involvement.*	2	40%
	2. *We are personally reluctant to networking with others.*	1	20%
	3. *There is no need to network because our stores are serving a niche market.*	1	20%
	4. *We have enough experiences and knowledge for running our businesses successfully.*	1	20%

Note. A single participant's response could be coded into more than one theme when the respondent mentioned multiple points.

Table 5.15. Multiple-response Crosstab Results for Perceived importance of B2B Networking by Business Characteristics

	Q3. How important for your business is networking with other small businesses?				
Business characteristics	Important				
Retail format	Theme 1	Theme 2	Theme 3	Theme 4	**Row Total**
General merchandise store	3	2	2	0	**4**
% within this format (n=4)	75.00%	50.00%	50.00%	0.00%	
Specialty store	15	14	11	7	**32**
% within this format (n=32)	46.88%	43.75%	34.38%	21.88%	
Consignment/thrift store	3	2	1	5	**7**
% within this format (n=7)	42.86%	28.57%	14.29%	71.43%	
Column Total	**21**	**18**	**14**	**12**	**43**

	Q3. How important for your business is networking with other small businesses?				
Business characteristics	Important				
Main product category	Theme 1	Theme 2	Theme 3	Theme 4	**Row Total**
Apparel	10	13	9	5	**24**
% within this main product (n=24)	41.67%	54.17%	37.50%	20.83%	
Fashion accessories/ gift items	6	4	4	2	**10**
% within this main product (n=10)	60.00%	40.00%	40.00%	20.00%	
Variety of products	5	1	1	5	**9**
% within this main product (n=9)	55.56%	11.11%	11.11%	55.56%	
Column Total	**21**	**18**	**14**	**12**	**43**

Note. Theme 1 (sharing knowledge), Theme 2 (collaborative opportunities), Theme 3 (creating a sense of community), Theme 4 (referring customers)

	Q3. How important for your business is networking with other small businesses?				
Business characteristics	Important				
City classification	Theme 1	Theme 2	Theme 3	Theme 4	**Row Total**
Urbanized area (UA)	12	11	9	6	**27**
% within this main product (n=27)	44.44%	40.74%	33.33%	22.22%	
Urban cluster (UC)	9	7	5	6	**16**
% within this main product (n=16)	56.25%	43.75%	31.25%	37.50%	
Column Total	**21**	**18**	**14**	**12**	**43**

	Q3. How important for your business is networking with other small businesses?				
Business characteristics	Important.				
Annual revenue	Theme 1	Theme 2	Theme 3	Theme 4	**Row Total**
Low ($199,999 or less)	12	6	4	7	**17**
% within this level (n=17)	70.59%	35.29%	23.53%	41.18%	
High (higher than $199,999)	8	10	10	5	**23**
% within this level (n=23)	34.78%	43.48%	43.48%	21.74%	
Column Total	**20**	**16**	**14**	**12**	**40**

Note. Theme 1 (sharing knowledge), Theme 2 (collaborative opportunities), Theme 3 (creating a sense of community), Theme 4 (referring customers)

Table 5.16. Multiple-response Crosstab Results for Perceived importance of B2B Networking by Store Owner/Manager Characteristics

	Q3. How important for your business is networking with other small businesses?				
Store owner/manager characteristics	Important.				
Age	Theme 1	Theme 2	Theme 3	Theme 4	**Row Total**
Younger (40 or below)	5	7	6	3	**15**
% within this age group (n=15)	33.33%	46.67%	40.00%	20.00%	
Middle (41-50)	7	5	5	6	**12**
% within this age group (n=12)	58.33%	41.67%	41.67%	50.00%	
Older (51 or more)	8	4	2	3	**12**
% within this age group (n=12)	66.67%	33.33%	16.67%	25.00%	
Column Total	**20**	**16**	**13**	**12**	**39**

	Q3. How important for your business is networking with other small businesses?				
Store Owner/Manager Characteristics	Important.				
Years in business (Experience)	Theme 1	Theme 2	Theme 3	Theme 4	**Row Total**
Low (5 years or less)	6	5	6	5	**15**
% within this level (n=15)	40.00%	33.33%	40.00%	33.33%	
Medium (6-10 years)	6	8	5	5	**16**
% within this level (n=16)	37.50%	50.00%	31.25%	31.25%	
High (More than 10 years)	9	3	3	2	**10**
% within this level (n=10)	90.00%	30.00%	30.00%	20.00%	
Column Total	**21**	**16**	**14**	**12**	**41**

Note. Theme 1 (sharing knowledge), Theme 2 (collaborative opportunities), Theme 3 (creating a sense of community), Theme 4 (referring customers)

	Q3. How important for your business is networking with other small businesses?				
Store Owner/Manager Characteristics	Important.				
Innovativeness	Theme 1	Theme 2	Theme 3	Theme 4	**Row Total**
Low	13	6	8	6	**22**
% within this level (n=22)	59.09%	27.27%	36.36%	27.27%	
High	8	11	6	6	**20**
% within this level (n=20)	40.00%	55.00%	30.00%	30.00%	
Column Total	**21**	**17**	**14**	**12**	**42**

	Q3. How important for your business is networking with other small businesses?				
Store Owner/Manager Characteristics	Important.				
Risk taking	Theme 1	Theme 2	Theme 3	Theme 4	**Row Total**
Low	14	7	5	9	**23**
% within this level (n=23)	60.87%	30.43%	21.74%	39.13%	
High	7	10	9	3	**19**
% within this level (n=19)	36.84%	52.63%	47.37%	15.79%	
Column Total	**21**	**17**	**14**	**12**	**42**

Note. Theme 1 (sharing knowledge), Theme 2 (collaborative opportunities), Theme 3 (creating a sense of community), Theme 4 (referring customers)

Table 5.17. Themes that Emerged for Interview Question 4

Q4.What might be the benefits of networking with other small businesses “through a social network site”? (N=51)			
Category	**Types of perceived benefits**	n within category	% within category
Specific Benefits Perceived (n=43, 84.31%)	**Theme 1:** We can learn from other businesses by sharing ideas, information, and expertise.	**37**	**86.05%**
	Theme 2: We can build connections/relationships with other businesses.	**3**	**6.98%**
	Theme 3: We can access to SNS freely, conveniently without big time commitment.	**3**	**6.98%**
	Theme 4: We can support the local economy by promoting each other's business.	**3**	**6.98%**
No specific benefits perceived (n=8, 15.69%)	**Reasons for no benefits perceived**	n within category	% within category
	Theme 1: Uncertain about specific benefits	**6**	**75%**
	Other 1. *No response* 2. *Unrelated response*	 1 1	 12.5% 12.5%

Note. A single participant’s response could be coded into more than one theme when the respondent mentioned multiple points.

Table 5.18. Multiple-response Crosstab Results for Perceived Benefits of B2B Networking via SNSs by Business Characteristics

Business characteristics	**Q4.What might be the benefits of networking with other small businesses "through a social network site"?**						
	Category 1					Category 2	
	Specific benefits perceived					No benefits	
Retail format	Theme 1	Theme 2	Theme 3	Theme 4	n	Theme 1	**Row Total**
General merchandise store	4	0	0	0	**4**	**1**	**5**
% across categories (n=5)	80.00%	0.00%	0.00%	0.00%	80.00%	20.00%	100.00%
% within each category (Cg1: n=4; Cg2: n=1)	100.00%	0.00%	0.00%	0.00%	100.00%	100.00%	
Specialty store	29	3	2	2	**33**	**4**	**37**
% across categories (n=37)	78.38%	8.11%	5.41%	5.41%	89.19%	10.81%	100.00%
% within each category (Cg1: n=33; Cg2: n=4)	87.88%	9.09%	6.06%	6.06%	100.00%	100.00%	
Consignment/thrift store	4	0	1	1	**6**	**1**	**7**
% across categories (n=7)	57.14%	0.00%	14.29%	14.29%	85.71%	14.29%	100.00%
% within each category (Cg1: n=6; Cg2: n=1)	66.67%	0.00%	16.67%	16.67%	100.00%	100.00%	
Column Total	**37**	**3**	**3**	**3**	**43**	**6**	**49**

Note. Category 1: Theme 1 (sharing knowledge), Theme 2 (building connections), Theme 3 (convenience) and Theme 4 (supporting each other); Category 2: Theme 1 (uncertain)

	Q4.What might be the benefits of networking with other small businesses "through a social network site"?						
Business characteristics	Category 1					Category 2	
	Specific benefits perceived					No benefits	
Main product category	Theme 1	Theme 2	Theme 3	Theme 4	n	Theme 1	**Row Total**
Apparel	22	1	1	2	**24**	**1**	**25**
% across categories (n=25)	88.00%	4.00%	4.00%	8.00%	96.00%	4.00%	100.00%
% within each category (Cg1: n=24; Cg2: n=1)	91.67%	4.17%	4.17%	8.33%	100.00%	100.00%	
Fashion accessories/ gift items	8	2	1	1	**11**	**2**	**13**
% across categories (n=13)	61.54%	15.38%	7.69%	7.69%	84.62%	15.38%	100.00%
% within each category (Cg1: n=11; Cg2: n=2)	72.73%	18.18%	9.09%	9.09%	100.00%	100.00%	
Variety of products	7	0	1	0	**8**	**3**	**11**
% across categories (n=11)	63.64%	0.00%	9.09%	0.00%	72.73%	27.27%	100.00%
% within each category (Cg1: n=7; Cg2: n=3)	87.50%	0.00%	12.50%	0.00%	87.50%	100.00%	
Column Total	**37**	**3**	**3**	**3**	**43**	**6**	**49**

Note. Category 1: Theme 1 (sharing knowledge), Theme 2 (building connections), Theme 3 (convenience) and Theme 4 (supporting each other); Category 2: Theme 1 (uncertain)

	Q4.What might be the benefits of networking with other small businesses "through a social network site"?						
Business characteristics	Category 1					Category 2	
	Specific benefits perceived					No benefits	
City classification	Theme 1	Theme 2	Theme 3	Theme 4	n	Theme 1	**Row Total**
Urbanized area (UA)	21	2	2	1	**24**	**4**	**28**
% across categories (n=28)	75.00%	7.14%	7.14%	3.57%	85.71%	14.29%	100.00%
% within each category (Cg1: n=24; Cg2: n=4)	87.50%	8.33%	8.33%	4.17%	100.00%	100.00%	
Urban cluster (UC)	16	1	1	2	**19**	**2**	**21**
% across categories (n=21)	76.19%	4.76%	4.76%	9.52%	90.48%	9.52%	100.00%
% within each category (Cg1: n=19; Cg2: n=2)	84.21%	5.26%	5.26%	10.53%	100.00%	100.00%	
Column Total	**37**	**3**	**3**	**3**	**43**	**6**	**49**

Note. Category 1: Theme 1 (sharing knowledge), Theme 2 (building connections), Theme 3 (convenience) and Theme 4 (supporting each other); Category 2: Theme 1 (uncertain)

	Q4.What might be the benefits of networking with other small businesses "through a social network site"?						
Business characteristics	Category 1					Category 2	
	Specific benefits perceived					No benefits	
Annual revenue	Theme 1	Theme 2	Theme 3	Theme 4	n	Theme 1	**Row Total**
Low ($199,999 or less)	17	1	2	0	**18**	**2**	**20**
% across categories (n=20)	85.00%	5.00%	10.00%	0.00%	90.00%	10.00%	100.00%
% within each category (Cg1: n=18; Cg2: n=2)	94.44%	5.56%	11.11%	0.00%	100.00%	100.00%	
High (higher than $199,999)	17	2	1	3	22	**3**	**25**
% across categories (n=25)	68.00%	8.00%	4.00%	12.00%	88.00%	12.00%	100.00%
% within each category (Cg1: n=22; Cg2: n=3)	77.27%	9.09%	4.55%	13.64%	100.00%	100.00%	
Column Total	**34**	**3**	**3**	**3**	**40**	**5**	**45**

Note. 1. Category 1: Theme 1 (sharing knowledge), Theme 2 (building connections), Theme 3 (convenience) and Theme 4 (supporting each other); Category 2: Theme 1 (uncertain)

Table 5.19. Multiple-response Crosstab Results for Perceived Benefits of B2B Networking via SNSs by Store Owner/Manager Characteristics

	Q4.What might be the benefits of networking with other small businesses "through a social network site"?						
Store Owner/Manager Characteristics	Category 1					Category 2	
	Specific benefits perceived					No benefits	
Age	Theme 1	Theme 2	Theme 3	Theme 4	n	Theme 1	**Row Total**
Younger (40 or below)	11	2	0	2	**14**	**1**	**15**
% across categories (n=15)	73.33%	13.33%	0.00%	13.33%	93.33%	6.67%	100.00%
% within each category (Cg1: n=14; Cg2: n=1)	78.57%	14.29%	0.00%	14.29%	100.00%	100.00%	
Middle (41-50)	12	0	2	1	**14**	**2**	**16**
% across categories (n=16)	75.00%	0.00%	12.50%	6.25%	87.50%	12.50%	100.00%
% within each category (Cg1: n=14; Cg2: n=2)	85.71%	0.00%	14.29%	7.14%	100.00%	100.00%	
Older (51 or more)	11	1	1	0	**12**	**3**	**15**
% across categories (n=15)	73.33%	6.67%	6.67%	0.00%	80.00%	20.00%	100.00%
% within each category (Cg1: n=12; Cg2: n=3)	91.67%	8.33%	8.33%	0.00%	100.00%	100.00%	
Column Total	**34**	**3**	**3**	**3**	**40**	**6**	**46**

Note. Category 1: Theme 1 (sharing knowledge), Theme 2 (building connections), Theme 3 (convenience) and Theme 4 (supporting each other); Category 2: Theme 1 (uncertain)

Store Owner/Manager Characteristics	Q4.What might be the benefits of networking with other small businesses "through a social network site"?						
	Category 1					Category 2	
	Specific benefits perceived					No benefits	
Years in business (Experience)	Theme 1	Theme 2	Theme 3	Theme 4	n	Theme 1	**Row Total**
Low (5 years or less)	14	2	2	1	**17**	**1**	**18**
% across categories (n=18)	77.78%	11.11%	11.11%	5.56%	94.44%	5.56%	100.00%
% within each category (Cg1: n=17; Cg2: n=1)	82.35%	11.76%	11.76%	5.88%	100.00%	100.00%	
Medium (6-10 years)	12	0	0	2	**14**	**3**	**17**
% across categories (n=17)	70.59%	0.00%	0.00%	11.76%	82.35%	17.65%	100.00%
% within each category (Cg1: n=14; Cg2: n=3)	85.71%	0.00%	0.00%	14.29%	100.00%	100.00%	
High (More than 10 years)	10	1	1	0	**11**	**2**	**13**
% across categories (n=13)	76.92%	7.69%	7.69%	0.00%	84.62%	15.38%	100.00%
% within each category (Cg1: n=11; Cg2: n=2)	90.91%	9.09%	9.09%	0.00%	100.00%	100.00%	
Column Total	**36**	**3**	**3**	**3**	**42**	**6**	**48**

Note. Category 1: Theme 1 (sharing knowledge), Theme 2 (building connections), Theme 3 (convenience) and Theme 4 (supporting each other); Category 2: Theme 1 (uncertain)

	Q4.What might be the benefits of networking with other small businesses "through a social network site"?						
Store Owner/Manager Characteristics	Category 1					Category 2	
	Specific benefits perceived					No benefits	
Innovativeness	Theme 1	Theme 2	Theme 3	Theme 4	n	Theme 1	**Row Total**
Low	19	1	3	3	**24**	**1**	**25**
% across categories (n=25)	76.00%	4.00%	12.00%	12.00%	96.00%	4.00%	100.00%
% within each category (Cg1: n=24; Cg2: n=1)	79.17%	4.17%	12.50%	12.50%	100.00%	100.00%	
High	18	2	0	0	**19**	**5**	**24**
% across categories (n=24)	75.00%	8.33%	0.00%	0.00%	79.17%	20.83%	100.00%
% within each category (Cg1: n=19; Cg2: n=5)	94.74%	10.53%	0.00%	0.00%	100.00%	100.00%	
Column Total	**37**	**3**	**3**	**3**	**43**	**6**	**49**

Note. Category 1: Theme 1 (sharing knowledge), Theme 2 (building connections), Theme 3 (convenience) and Theme 4 (supporting each other); Category 2: Theme 1 (uncertain)

Store Owner/Manager Characteristics	Q4.What might be the benefits of networking with other small businesses "through a social network site"?						
	Category 1					Category 2	
	Specific benefits perceived					No benefits	
Risk taking	Theme 1	Theme 2	Theme 3	Theme 4	n	Theme 1	**Row Total**
Low	19	1	3	3	**24**	**4**	**28**
% across categories (n=28)	67.86%	3.57%	10.71%	10.71%	85.71%	14.29%	100.00%
% within each category (Cg1: n=24; Cg2: n=4)	79.17%	4.17%	12.50%	12.50%	100.00%	100.00%	
High	18	2	0	0	**19**	**2**	**21**
% across categories (n=21)	85.71%	9.52%	0.00%	0.00%	90.48%	9.52%	100.00%
% within each category (Cg1: n=19; Cg2: n=2)	94.74%	10.53%	0.00%	0.00%	100.00%	100.00%	
Column Total	**37**	**3**	**3**	**3**	**43**	**6**	**49**

Note. 1. Category 1: Theme 1 (sharing knowledge), Theme 2 (building connections), Theme 3 (convenience) and Theme 4 (supporting each other); Category 2: Theme 1 (uncertain)

Table 5.20. Themes that Emerged for Interview Question 5

Q5. What could be challenges in networking with them through a "social network site"? (N=51)			
Category	**Types of perceived challenges**	n within category	% within category
Specific challenges perceived (n=37, 72.55%)	**Theme 1:** Networking via SNSs requires constant commitment and involvement.	**13**	**35.14%**
	Theme 2: Our ideas or trade secrets may be copied or stolen by other stores.	**12**	**32.43%**
	Theme 3: We or other businesses may be not willing to share trade information or ideas.	**7**	**18.92%**
	Theme 4: SNSs may be difficult to learn, not accessible, or applicable for us.	**7**	**18.92%**
	Theme 5: We are concerned about the credibility, or usefulness of the information provided by others.	**6**	**16.22%**
No specific challenges perceived (n=14, 27.45%)	**Reasons for perceiving no specific challenges**	n within category	% within category
	Theme 1: Uncertain about possible challenges	**9**	**64.29%**
	Other 1. *Unelated response* 2. *There would be no challenge because it is beneficial in many ways*	4 1	28.57% 7.14%

Note. A single participant's response could be coded into more than one theme when the respondent mentioned multiple points.

Table 5.21. Multiple-response Crosstab Results for Perceived Challenges of B2B Networking via SNSs by Business Characteristics

	Q5. What could be challenges in networking with them through a social network site?							
Business characteristics	Category 1						Category 2	
	Specific challenges perceived						No challenges	
Retail format	Theme 1	Theme 2	Theme 3	Theme 4	Theme 5	n	Theme 1	**Row Total**
General merchandise store	3	1	1	0	1	**4**	**0**	**4**
% across categories (n=4)	75.00%	25.00%	25.00%	0.00%	25.00%	100.00%	0.00%	100.00%
% within each category (Cg1: n=4; Cg2: n=0)	75.00%	25.00%	25.00%	0.00%	25.00%	100.00%		
Specialty store	7	10	6	3	5	**26**	**9**	**35**
% across categories (n=35)	20.00%	28.57%	17.14%	8.57%	14.29%	74.29%	25.71%	100.00%
% within each category (Cg1: n=26; Cg2: n=9)	26.92%	38.46%	23.08%	11.54%	19.23%	100.00%	100.00%	
Consignment/thrift store	3	1	0	4	0	**7**	**0**	**7**
% across categories (n=7)	42.86%	14.29%	0.00%	57.14%	0.00%	100.00%	0.00%	100.00%
% within each category (Cg1: n=7; Cg2: n=0)	42.86%	14.29%	0.00%	57.14%	0.00%	100.00%		
Column Total	**13**	**12**	**7**	**7**	**6**	**37**	**9**	**46**

Note. Category 1: Theme 1 (time commitment), Theme 2 (ideas being copied), Theme 3 (reluctant for knowledge sharing), Theme 4 (difficult to use), and Theme 5 (not credible/useful information); Category 2: Theme 1 (Uncertain).

	Q5. What could be challenges in networking with them through a social network site?							
	Category 1						Category 2	
Business characteristics	Specific challenges perceived						No challenges	
Main product category	Theme 1	Theme 2	Theme 3	Theme 4	Theme 5	n	Theme 1	**Row Total**
Apparel	8	8	5	1	5	**23**	**2**	**25**
% across categories (n=25)	32.00%	32.00%	20.00%	4.00%	20.00%	92.00%	8.00%	100.00%
% within each category (Cg1: n=23; Cg2: n=2)	34.78%	34.78%	21.74%	4.35%	21.74%	100.00%	100.00%	
Fashion accessories/ gift items	2	4	2	2	1	**7**	**4**	**11**
% across categories (n=11)	18.18%	36.36%	18.18%	18.18%	9.09%	63.64%	36.36%	100.00%
% within each category (Cg1: n=7; Cg2: n=4)	28.57%	57.14%	28.57%	28.57%	14.29%	100.00%	100.00%	
Variety of products	3	0	0	4	0	**7**	**3**	**10**
% across categories (n=10)	30.00%	0.00%	0.00%	40.00%	0.00%	70.00%	30.00%	100.00%
% within each category (Cg1: n=7; Cg2: n=3)	42.86%	0.00%	0.00%	57.14%	0.00%	100.00%	100.00%	
Column Total	**13**	**12**	**7**	**7**	**6**	**37**	**9**	**46**

Note. Category 1: Theme 1 (time commitment), Theme 2 (ideas being copied), Theme 3 (reluctant for knowledge sharing), Theme 4 (difficult to use), and Theme 5 (not credible/useful information); Category 2: Theme 1 (Uncertain).

	Q5. What could be challenges in networking with them through a social network site?							
	Category 1						Category 2	
Business characteristics	Specific challenges perceived						No challenges	
City classification	Theme 1	Theme 2	Theme 3	Theme 4	Theme 5	n	Theme 1	**Row Total**
Urbanized areas (UAs)	7	10	5	4	5	**26**	**2**	**28**
% across categories (n=28)	25.00%	35.71%	17.86%	14.29%	17.86%	92.86%	7.14%	100.00%
% within each category (Cg1: n=26; Cg2: n=2)	26.92%	38.46%	19.23%	15.38%	19.23%	100.00%	100.00%	
Urban clusters (UCs)	6	2	2	3	1	**11**	**7**	**18**
% across categories (n=18)	33.33%	11.11%	11.11%	16.67%	5.56%	61.11%	38.89%	100.00%
% within each category (Cg1: n=11; Cg2: n=7)	54.55%	18.18%	18.18%	27.27%	9.09%	100.00%	100.00%	
Column Total	**13**	**12**	**7**	**7**	**6**	**37**	**9**	**46**

Note. Category 1: Theme 1 (time commitment), Theme 2 (ideas being copied), Theme 3 (reluctant for knowledge sharing), Theme 4 (difficult to use), and Theme 5 (not credible/useful information); Category 2: Theme 1 (Uncertain).

	Q5. What could be challenges in networking with them through a social network site?							
	Category 1						Category 2	
Business characteristics	Specific challenges perceived						No challenges	
Annual revenue	Theme 1	Theme 2	Theme 3	Theme 4	Theme 5	n	Theme 1	**Row Total**
Low ($199,999 or less)	3	6	3	4	1	**13**	**5**	**18**
% across categories (n=18)	16.67%	33.33%	16.67%	22.22%	5.56%	72.22%	27.78%	100.00%
% within each category (Cg1: n=13; Cg2: n=5)	23.08%	46.15%	23.08%	30.77%	7.69%	100.00%	100.00%	
High (higher than $199,999)	8	5	3	3	4	**20**	**4**	**24**
% across categories (n=24)	33.33%	20.83%	12.50%	12.50%	16.67%	83.33%	16.67%	100.00%
% within each category (Cg1: n=20; Cg2: n=4)	40.00%	25.00%	15.00%	15.00%	20.00%	100.00%	100.00%	
Column Total	**11**	**11**	**6**	**7**	**5**	**33**	**9**	**42**

Note. 1. *Note.* Category 1: Theme 1 (time commitment), Theme 2 (ideas being copied), Theme 3 (reluctant for knowledge sharing), Theme 4 (difficult to use), and Theme 5 (not credible/useful information); Category 2: Theme 1 (Uncertain).

Table 5.22.Multiple-response Crosstab Results for Perceived Challenges of B2B Networking via SNSs by Store Owner/Manager Characteristics

	Q5. What could be challenges in networking with them through a social network site?							
Store Owner/Manager Characteristics	Category 1						Category 2	
	Specific challenges perceived						No challenges	
Age	Theme 1	Theme 2	Theme 3	Theme 4	Theme 5	n	Theme 1	**Row Total**
Younger (40 or below)	2	6	2	0	4	**11**	**2**	**13**
% across categories (n=13)	15.38%	46.15%	15.38%	0.00%	30.77%	84.62%	15.38%	100.00%
% within each category (Cg1: n=11; Cg2: n=2)	18.18%	54.55%	18.18%	0.00%	36.36%	100.00%	100.00%	
Middle (41-50)	3	5	3	4	1	**13**	**2**	**15**
% across categories (n=15)	20.00%	33.33%	20.00%	26.67%	6.67%	86.67%	13.33%	100.00%
% within each category (Cg1: n=13; Cg2: n=2)	23.08%	38.46%	23.08%	30.77%	7.69%	100.00%	100.00%	
Older (51 or more)	5	1	2	3	0	**9**	**5**	**14**
% across categories (n=14)	35.71%	7.14%	14.29%	21.43%	0.00%	64.29%	35.71%	100.00%
% within each category (Cg1: n=9; Cg2: n=5)	55.56%	11.11%	22.22%	33.33%	0.00%	100.00%	100.00%	
Column Total	**10**	**12**	**7**	**7**	**5**	**33**	**9**	**42**

Note. Category 1: Theme 1 (time commitment), Theme 2 (ideas being copied), Theme 3 (reluctant for knowledge sharing), Theme 4 (difficult to use), and Theme 5 (not credible/useful information); Category 2: Theme 1 (Uncertain).

	Q5. What could be challenges in networking with them through a social network site?							
Store Owner/Manager Characteristics	Category 1						Category 2	
	Specific challenges perceived						No challenges	
Years in business (Experience)	Theme 1	Theme 2	Theme 3	Theme 4	Theme 5	n	Theme 1	**Row Total**
Low (5 years or less)	1	6	4	3	5	**15**	**1**	**16**
% across categories (n=16)	6.25%	37.50%	25.00%	18.75%	31.25%	93.75%	6.25%	100.00%
% within each category (Cg1: n=15; Cg2: n=1)	6.67%	40.00%	26.67%	20.00%	33.33%	100.00%	100.00%	
Medium (6-10 years)	7	3	1	2	1	**12**	**4**	**16**
% across categories (n=16)	43.75%	18.75%	6.25%	12.50%	6.25%	75.00%	25.00%	100.00%
% within each category (Cg1: n=12; Cg2: n=4)	58.33%	25.00%	8.33%	16.67%	8.33%	100.00%	100.00%	
High (More than 10 years)	3	3	2	2	0	**8**	**4**	**12**
% across categories (n=12)	25.00%	25.00%	16.67%	16.67%	0.00%	66.67%	33.33%	100.00%
% within each category (Cg1: n=8; Cg2: n=4)	37.50%	37.50%	0.00%	25.00%	0.00%	100.00%	100.00%	
Column Total	**11**	**12**	**7**	**7**	**6**	**35**	**9**	**44**

Note. Category 1: Theme 1 (time commitment), Theme 2 (ideas being copied), Theme 3 (reluctant for knowledge sharing), Theme 4 (difficult to use), and Theme 5 (not credible/useful information); Category 2: Theme 1 (Uncertain).

	Q5. What could be challenges in networking with them through a social network site?							
	Category 1						Category 2	
Store Owner/Manager Characteristics	Specific challenges perceived						No challenges	
Innovativeness	Theme 1	Theme 2	Theme 3	Theme 4	Theme 5	n	Theme 1	**Row Total**
Low	3	6	3	3	3	**16**	**6**	**22**
% across categories (n=22)	13.64%	27.27%	13.64%	13.64%	13.64%	72.73%	27.27%	100.00%
% within each category (Cg1: n=16; Cg2: n=6)	18.75%	37.50%	18.75%	18.75%	18.75%	100.00%	100.00%	
High	9	6	4	4	3	**20**	**3**	**23**
% across categories (n=23)	39.13%	26.09%	17.39%	17.39%	13.04%	86.96%	13.04%	100.00%
% within each category (Cg1: n=20; Cg2: n=3)	45.00%	30.00%	20.00%	20.00%	15.00%	100.00%	100.00%	
Column Total	**12**	**12**	**7**	**7**	**6**	**36**	**9**	**45**

Note. Category 1: Theme 1 (time commitment), Theme 2 (ideas being copied), Theme 3 (reluctant for knowledge sharing), Theme 4 (difficult to use), and Theme 5 (not credible/useful information); Category 2: Theme 1 (Uncertain).

Store Owner/Manager Characteristics	Q5. What could be challenges in networking with them through a social network site?							
	Category 1						Category 2	
	Specific challenges perceived						No challenges	
Risk taking	Theme 1	Theme 2	Theme 3	Theme 4	Theme 5	n	Theme 1	**Row Total**
Low	6	6	2	6	3	**20**	**5**	**25**
% across categories (n=25)	24.00%	24.00%	8.00%	24.00%	12.00%	80.00%	20.00%	100.00%
% within each category (Cg1: n=20; Cg2: n=5)	30.00%	30.00%	10.00%	30.00%	15.00%	100.00%	100.00%	
High	6	6	5	1	3	**16**	**4**	**20**
% across categories (n=20)	30.00%	30.00%	25.00%	5.00%	15.00%	80.00%	20.00%	100.00%
% within each category (Cg1: n=16; Cg2: n=4)	37.50%	37.50%	31.25%	6.25%	18.75%	100.00%	100.00%	
Column Total	**12**	**12**	**7**	**7**	**6**	**36**	**9**	**45**

Note. 1. *Note.* Category 1: Theme 1 (time commitment), Theme 2 (ideas being copied), Theme 3 (reluctant for knowledge sharing), Theme 4 (difficult to use), and Theme 5 (not credible/useful information); Category 2: Theme 1 (Uncertain).

CHAPTER 5. DISCUSSION AND CONCLUSION

In this chapter, the findings from both qualitative and quantitative analyses will be discussed, along with the theoretical and practical implications from the main findings. Finally, limitations of the study will be discussed.

Discussion

First, findings about overall perceptions of competition within/outside the community and those about the perceptions of competition with national brands/large retailers are discussed together, not only to provide an overview of small businesses' general perceptions on the market during the post-recession period, but also to offer possible interpretations of small businesses' inherent views on market competition. Next, the results for each interview question are discussed separately in the following sections, along with the findings from varied perceptions by organizational factors.

Overall perceptions of competition

One-to-one interviews with 51 small business owners/managers in eight cities in Central Alabama showed that the majority of the participants did not feel competition within/outside their community during the post-recession period. This finding was contrary to a common view that market competition during the post-recession period has greatly intensified ("Increased competition," 2013). Furthermore, this study found that the majority of the participants did not perceive competition with national brands/large businesses during this period. This finding also challenged the previous findings that large businesses were often considered as the biggest threat to small businesses (Haltiwanger, Jarmin, & Krizan, 2010; Reich, 2005; Shimomura & Thisse, 2012).

These findings could be interpreted in several ways. First, as Carter and Jones-Evans's (2000) pointed out that small business owners/managers tend to be optimistic or sometimes overly optimistic. Small businesses' optimism may often lead to a high level of self-complacency for their own businesses, a tendency which was also observed during the interviews in this study. Second, many small businesses owners/managers might not fully understand or recognize the nature of competition during the post-recession period. They might not thoroughly scan their external business environment and internal competitiveness, resulting in a narrow definition of competition or inaccurate assessment of the actual market situation. Further, through the additional analysis of the participants' responses, this study found that small businesses identified four main categories of competitors: (1) stores that are geographically close to the participants' stores, (2) online retailers, (3) national brands/large retailers, and (4) stores located in more developed areas. But, most participants mentioned only one of the four categories, suggesting that small businesses have a limited scope of identifying their competitors. However, the literature suggests that being well aware of market competition is an essential driver for developing entrepreneurship and introducing corresponding strategies to cope with changing market situations more effectively than competitors do (Bergen & Peteral, 2002). A lack of comprehensive understanding and awareness of market competition could possibly lead to self-complacency and narrow mindsets, overlooking potential threats and competitors (Bergen & Peteral, 2002). Lastly, the participants of this study seemed to define or view market competition as a threat to avoid. When they were asked about their reasons for feeling or not feeling competition, they predominantly talked about competitive pressure or threats and explained strategies to overcome those threats. Only a few participants viewed competition as an opportunity to stimulate their businesses in a positive way.

Perceived competition within/outside the community

Underlying reasons for feeling competition

This study found that competitive pressures among the small businesses were mainly due to competition on similar or the same products carried by other businesses and lower prices. Among those who felt competition within/outside their community, a salient underlying reason for their perceived competition was related to the rivalry among existing competitors. Porter (2008) considered rivalry as one of the five forces that shape industry competition and suggested that the rivalry among existing competitors intensifies when a large number of competitors sell the same/similar products and competitors compete on price discounting. As Porter explained, a larger number of competitors who carry similar offerings will eventually drive down profitability by making it increasingly difficult for a business to attract and keep customers due to the lack of differentiation among the stores. This study also revealed that competing on lower prices was another underlying reason that increased perceived competition during the post-recession period. Porter stated that the threat from competitors' low price strategy is particularly destructive to profitability, thus greatly intensifying the market competition. Noticeably, in addition to large businesses, several participants particularly mentioned online retailers as their strongest competitors because consumers' shopping is shifting from brick-and-mortar stores to online stores, threatening small businesses due to their lack of competitiveness in price and assortment.

Underlying reasons for not feeling competition

In this study, the majority of the participants mentioned that they did not feel competition within/outside the community. The reasons for not feeling competition were because they (1) offered niche/unique/superior products or carried a better assortment, (2) were mutually supportive to each other and shared customers, (3) considered competition to be healthy, (4) offered better services and built good relationships with customers, and/or (5) offered products with lower/reasonable price. These themes might be the competitive strategies that small businesses adopt to achieve advantageous positions in the market. The most dominant theme addressed by more than half of the participants was related to niche/unique/superior products and product assortment. Previous literature has also stated that typical ways for small businesses to pursue future growth are building product-driven competences or confining themselves to serving a particular niche market (Armstrong, 2012; MacGregor, 2004). For example, Armstrong (2012) found that small businesses usually adopted strategies such as offering products with higher quality or products that were not available in the marketplace to build their own competitiveness. Thus, this study confirms that small businesses tend to find competitive positions by offering unique, niche products and further claims that their confidence in such product offerings leads them to perceive less competition.

The second most common reason for not feeling competition within/outside the community was related to small businesses' perceptions to see the local businesses as a community to share customers and support each other. The importance of creating a supportive atmosphere among small businesses was also discussed by Gilmore, Carson, and Grant (2001). Supportive relationships among small businesses allow them to share workloads and prevent business or customers from being taken by businesses outside the domestic market (Gilmore, Carson, & Grant, 2001). This study also found that small businesses tended to reduce competitive threats and the feeling of completion by being supportive and referring customers to each other.

In addition, small business owner/managers who perceived no competition within/outside the community tended to have a positive view on market competition. Traditionally, small business owners/managers tend to consider market competition as negative because small businesses operating in a highly competitive market are more likely to go out of businesses (Kalleberg & Leicht, 1991). However, this study found that competition may not necessarily have a negative connotation among the small businesses. Small business owners/managers who see competition to be positive tended to believe that competition could push them to think ahead and introduce sustainable strategies in a timely manner. This finding supports Porter (2008), who also suggested that market competition eventually enhances the overall competitiveness of small businesses by making positive contributions to their business performance.

Some small businesses reported that they feel no competition within/outside the community because they offered better service and built good relationships with their customers. This finding is consistent with Zimmerer, Scarborough, and Wilson (2008) who mentioned that delivering exceptional customer service is one of the key factors to build competitiveness because it can build customers' loyalty to stores and generate positive word-of-mouth.

Lastly, several participants did not feel competition within/outside the community because they offered lower or reasonable prices. They regarded a low price strategy as an effective way to build stores' competitiveness.

Variations in perceived competition by organizational factors

There was a significant statistical difference in the level of perceived competition within/outside the community by city classifications: small businesses in UAs (larger cities) were more likely to feel competition within/outside the community than were small businesses in UCs (smaller cities) during the post-recession period, even though stores in UCs faced a tougher business environment than stores in UAs due to a greater decline in employment in smaller cities (Maciag, 2013). The level of perceived competition within/outside the community was not statistically different by the other seven organizational factors (retail format, main product category, annual revenue, owner/manager's age, number of years in business, innovativeness and risk taking). However, further multiple-response crosstab analysis showed varied attributions of the reasons for feeling vs. not feeling competition by different organizational characteristics. The main findings are summarized and discussed below.

The businesses that were more likely to perceive competition within/outside the community were general merchandise stores, apparel stores, stores in UCs, and stores with high annual revenue. These retailers felt competition primarily due to the lower prices that many other stores offered for the same or similar products. This theme was also regarded as the main reason for feeling competition by owners/managers who were in the middle age range, had fewer years of experience, were high innovators, or were low risk takers. These results suggest that for businesses with the aforementioned organizational characteristics, it is important to build competences through product differentiation in order to stand out from the fierce competition within/outside the community. In addition, owners/managers who felt competition due to competitors' lower prices tended to be those in general merchandise stores, apparel stores, variety stores, stores in UAs, and stores with high annual revenue. This reason was also the most salient factor for owners/managers who were in the middle age range, had more years in business, had low innovativeness, or were high risk takers. Therefore, owners/managers with those characteristics may need to build a more efficient cost structure to offer competitive prices or build competences through non-price factors.

Although innovativeness and risk taking are often used together as indicators of business owners' entrepreneurship (Brockman, Jones, & Becherer, 2012), in this study, these variables did not generate the same results in terms of the salience of certain reasons for feeling competition within/outside the community. However, this study revealed a clear difference of theme distributions between the high and low innovativeness groups: participants with high innovativeness mostly attributed the reason for feeling competition within/outside the community to many competitors with similar products, while participants with low innovativeness mostly attributed the reason to competitors who offer lower prices. Price is a less sustainable competitive advantage than unique products because competitors can easily copy it by matching the price reduction (Levy & Weitz, 2011). Therefore, small business owners/managers with low innovativeness tended to focus on less sustainable competitive advantages such as price, whereas those with high innovativeness tended to emphasize more sustainable competitive advantages such as unique products to survive in the marketplace.

The businesses that did not tend to feel competition within/outside the community included consignment/thrift stores, fashion accessories/gift stores, variety stores, and stores with high annual income. This finding is consistent with recent market trends. The percentage of Americans who shopped regularly at thrift stores increased by 6% from 2008 to 2012 (Nilssen, 2014) as consumers became thriftier due to the recession (Tully, 2012). At the same time, the recession drove many consumers to purchase accessories rather than more expensive items ("Clothing accessories," 2014). In terms of owner/manager characteristics, the ones who were less likely to perceive competition were younger and middle-aged owners/managers, those with medium experience (6 - 10 years in business), low innovators and low risk takers. Counterintuitively, small business owners/managers with low levels of innovativeness and risk taking tended not to feel competition within/outside the community during the post-recession period. This result may indicate that small businesses tend to feel optimism about market situations or self-complacency in their own operations.

The most salient reason for not feeling competition within/outside the community was carrying niche/superior products, especially for general merchandise stores, fashion accessories/gift stores, stores in UAs, and stores with low annual revenue. This theme was also the most commonly mentioned reason for owners/managers who were older, had medium experience, had high innovativeness, or had a high level of risk taking. On the other hand, being mutually supportive was more frequently mentioned as a reason for not feeling competition by general merchandise stores, fashion accessories/gift stores, stores in UCs, and stores with high annual revenue. This theme was also more frequently mentioned by owners/managers who were older, had fewer years of business experience, had low innovativeness, or had a low level of risk taking. Notably, a relatively high proportion (80%) of the consignment/thrift stores viewed competition positively, believing that competition is healthy as it brings an opportunity to develop their businesses further. However, none of the consignment/thrift store attributed the feeling of not feeling competition within/outside the community to better service or lower prices. This finding implies that consignment/thrift stores did not feel competition within/outside the community mainly due to their confidence in differentiated products or their positive view of competition, rather than because of the service or lower prices they offered. By contrast, none of the general merchandise stores mentioned that competition is healthy or they offer better service as a reason for not feeling competition within/outside the community, a result which may suggest that these owner/managers had a limited understanding of the positive nature of competition or the importance of customer service.

Overall, this study found important variances in small businesses' perceived competition within/outside the community by organizational characteristics.

Perceived competition with national brands/large retailers

Underlying reasons for feeling competition

This study also examined how small business owners/managers perceive competition, with national brands/large retailers, which are the biggest threat for small businesses. Only one theme emerged for the main reason for feeling competition with national brands/large retailers: the participants felt pressure due to the lower prices that large businesses, particularly online retailers, offer for similar or the same products. This pressure has been on the rise as consumers' online purchase intention has almost doubled between 2011 and 2014 (Nielsen Global Survey of e-commerce, 2014), making small businesses who are lacking price competitiveness vulnerable to online businesses.

Moreover, this study found no other salient theme that emerged to explain small businesses' perceived competition with national brands/large retailers. This result might indicate that small businesses tend to attribute the reason for competitive pressure mainly to product prices, often underestimating other competitiveness of national brands/large retailers, such as a specialized labor force, strong market power, and efficient control over an external environment (Barber & Tietje, 2004; Chen & Hambrick, 1995; Clark & Montgomery, 1999; Smallbone, North, & Kalantaridis, 1999).

Underlying reasons for not feeling competition

For the underlying reasons for not feeling competition with national brands/large retailers, three themes emerged from the data. The most salient reason for not feeling competition was due to differentiation gained through niche/unique/superior products or a better assortment. The importance of small businesses' product differentiation to compete against large businesses was highlighted in Basker's (2005) study. Basker found that the entry of a large retailer (e.g., Wal-Mart) into a local market significantly affected the small businesses with the same business scope as the large retailer's, leading to a decline in the total number of the small businesses in that area. However, the entry of a large retailer did not affect the small businesses with a different scope of business from that of the large retailer.

In addition, the small business participants frequently attributed the reason for not feeling competition with national brands/large retailers to better customer service and good relationships with customers. They believed that personal or social connections through superior service and customer relationships are important sources of small businesses' competence to compete against national brands/large retailers. Porter (2008) also emphasized that complementary service provides add-on value, thus improving overall business competitiveness. However, the participants of this study often compared the level of their service to that of large discounters such as Wal-Mart, which are known for a minimal level of customer service. None of the participants compared their services to that of national specialty stores or department stores that have a reputation for outstanding customer service (Spector, 1996). This tendency may also indicate that small businesses have a narrow view of customer service, which may lead them to overestimate the level of service they offer to their customers.

The third reason for not feeling competition with national brands/large retailers was due to lower or reasonable prices the small businesses offered. However, most of the participants who mentioned this reason were owners/managers of consignment/thrift stores which sell second-hand items at substantially lower prices than when they are sold new. This finding is consistent with recent economic trends. Due to the altered economic situation and consumers' growing interest in environmental sustainability, more consumers were willing to shop in second-hand stores, thus increasing the market share for these retail formats (Nilssen, 2014). Owners/managers of these stores tended to feel confident that the lower or reasonable prices they offer allowed them to compete against national brands/large retailers during the post-recession period.

Furthermore, none of the participants mentioned mutual supportive or healthy competition as a reason for not feeling competition with national brands/large retailers, although these themes were frequently mentioned as reasons for not feeling competition within/outside the community. This finding displays several differences in the underlying reasons and salience of certain themes according to the scope of the potential competitors in participants' minds.

Variation in perceived competition by organizational factors

A chi-square test showed that the level of small businesses' perceived competition with national brands/large retailers significantly differed by the owners'/managers' level of risk taking: low risk takers were more likely to feel competition with national brands/large retailers than were high risk takers. This difference may exist because low risk takers may consider any business action taken for further business growth as a high investment. As a result, low risk takers' hesitance to make new investments or changes may cause them to feel vulnerable when competing against national brands/large retailers. On the other hand, this difference by the level of risk taking was not found in the results for perceived competition within/outside the community, a finding which may indicate risk taking has a different role in perceived competition depending on the scope of the potential competitors in participants' minds. However, the level of perceived competition with national brands/large retailers was not statistically different by the other seven organizational factors.

Further multiple-response crosstab analysis showed varied attributions of the reasons for feeling vs. not feeling competition with national brands/large retailers by organizational characteristics. The main findings are discussed below.

Among the small businesses who felt competition with national brands/large retailers, general merchandise stores tended to feel the most competition. Also, owners/managers who were older, had more years in business, had low innovativeness, or were low risk takers were more likely to feel competition with national brands/large retailers.

By contrast, businesses that were less likely to feel competition with national brands/large retailers included specialty stores, apparel stores, stores in UCs, or stores with low annual revenue. Although there could be different reasons that specialty stores or apparel stores did not feel competition, stores in UCs (smaller cities) or stores with low annual revenue may tend not to feel competition because they underestimate the competitive influence of national brands/large retailers, are overconfident in their offerings, or feel overly optimistic about the market competition. In terms of owner/manager characteristics, those who tended not to feel competition with national brands/large retailers were store owners/managers who were middle-aged, had fewer years of business experience, or had a higher level of innovativeness.

As discussed previously, while there was only one dominant reason for feeling competition with national brands/large retailers (i.e., lower prices), there were three main reasons for not feeling competition. Carrying niche/superior products was found to be the most salient reason for not feeling competition for general merchandise stores, specialty stores, apparel stores, stores in UAs, or stores with high level of annual revenue. In addition, this theme was also most frequently mentioned by owners/managers who were middle-aged, had a medium level of years in business, had low innovativeness, or had a low level of risk taking. Counterintuitively, low innovative or low risk taking owners/managers mentioned product differentiation more frequently as the reason for not feeling competition than did their counterparts with higher innovativeness or risk taking, a result which may also indicate that owners/managers with low innovativeness or risk taking feel overconfidence or self-complacency in their product offerings.

Providing better service was more frequently mentioned by general merchandise stores, consignment/thrift stores, or variety stores as a reason for feeling not competition with national brands/large retailers. On the other hand, none of the general merchandise stores or consignment/thrift stores mentioned better service as a reason for not feeling competition within/outside the community, a result which also indicates that small businesses perceive different sources of competence depending on the potential competitors in their mind. In addition, owners/managers who were older, had more years in business, had high innovativeness, or had a high level of risk taking tended to attribute the reason for not feeling competition to better service.

Offering lower prices was most frequently mentioned by the consignment/thrift stores as a reason for not feeling competition with national brands/large retailers. However, these stores did not mention this theme as a reason for not feeling competition within/outside the community, showing a difference in perceived competence depending on the potential competitors in mind. However, although offering discounts or lower prices may be an effective way to draw customers in, it is not considered a sustainable strategy for most businesses because price can be changed or matched by competitors instantly (Porter, 2008). Small businesses which compete on low prices, particularly consignment/thrift stores, may face a threat when consumer demand or purchase behavior changes as the economy recovers. Therefore, building competences in other areas, including differentiated products or services, is important for small businesses' long-term sustainability.

Overall, this study found that small businesses' perceived competition with national brands/large retailers also varies by their organizational characteristics. Even the underlying reasons for perceived competition with national brands/large retailers were different from the reasons for perceived competition within/outside the community.

Perceived importance of B2B networking

This study found that nearly all the participants thought that B2B networking was important for small businesses. Among the four themes that emerged as underlying reasons for perceiving importance of B2B networking, the most salient was knowledge sharing. This benefit of networking among small businesses was well-recognized in previous studies (e.g., Gilmore, Carson, & Grant, 2001). The second salient reason for the perceived importance of B2B networking was because networking provides small business with opportunities to collaborate with each other and create joint events or promotions. Small businesses are often short of financial and human resources, or business experience (Gill & Biger, 2012; Gilmore, Carlson & Grant, 2001; Wong & Aspinwall, 2004). Therefore, working collaboratively to implement bigger events or promotions via B2B networking will help small businesses share workloads and encourage customers to shop locally (Gilmore, Carson, & Grant, 2001).

Small businesses also tended to believe that they could build business contacts/ relationships and create a friendly business environment via B2B networking. This finding is consistent with Gilmore, Carson, and Grant's (2001) study, which found that small businesses recognized that B2B networking facilitates maintaining favorable business relationships for the overall good. Finally, it was found that small businesses tended to believe that B2B networking was important because it allowed them refer customers to each other so that customers would continue to shop locally. This view was also mentioned by Malaska, Saraniemi, and Tahtinen

(2011) who found that B2B networking offered opportunities for businesses to share customers and get more exposure to consumers. It is noteworthy that three out of the four themes for feeling that B2B networking was important tended to be related to strategies to vitalize local businesses by creating a community among small businesses and encouraging customers to shop locally.

Overall, participants in this study recognized the importance of B2B networking for diverse reasons, but additional analysis of their responses indicated that most of them had participated in the B2B networking only at a local level. Only a few of them were involved in networking on a regional or national basis, implying that the scope of B2B networking tended to be very limited. Kingsley and Malecki (2004) found that resources generated from non-local B2B networking were also important for helping small businesses identify niche markets and grow more competitively beyond a local level.

Variations in perceived importance by organizational characteristics

Across different organizational characteristics, small businesses most frequently recognized knowledge sharing as the most salient reason for why B2B networking was important. Offering collaboration opportunities was mentioned as the most important reason by apparel stores and businesses with high annual revenue. Also, this theme was more frequently mentioned by owners/managers who were younger, had been in business for 6-10 years, had high innovativeness, or had a high level of risk taking. Small businesses with these organizational characteristics tended to view B2B networking more proactively by thinking of creating events collaboratively, rather than working alone. Creating a sense of community was most frequently mentioned by the general merchandise stores, followed by businesses with high annual revenue. Referring customers to each other was mentioned more frequently by the consignment/thrift stores. Also, there was a similar pattern in the distribution of the themes by owners'/managers' level of innovativeness and risk taking: those with a low level of entrepreneurship mentioned knowledge sharing most frequently as a reason why B2B networking was important, whereas those with a high level of entrepreneurship mentioned collaboration opportunities as the most salient reason.

Perceived benefits of B2B networking via SNSs

Although most participants in this study recognized the importance of B2B networking, they tended to underestimate the potential benefits of using SNSs for B2B. Participants mentioned four types of benefits of using SNSs for B2B networking: facilitating knowledge sharing, building business connections/relationships, offering convenience, and supporting each other's business. Among these, facilitating knowledge sharing was predominantly recognized by the participants in this study. The literature also indicates that SNSs enable businesses to maintain communication and share professional information (Facebook makes work, n.d.; Papacharissi, 2009; Skeels & Grudin, 2009). However, most of the participants in this study mentioned knowledge sharing as the only benefit, a result which shows that small business owners/managers had a limited understanding about other potential benefits of using SNSs as B2B networking tools. The number of participants who mentioned the other three themes was relatively small. This finding indicates the importance of educational supports for small businesses to help them recognize the potential benefits of using SNSs as a business networking tool.

Variations by organizational characteristics

Small businesses widely recognized the advantage of SNSs in facilitating the exchange of information regardless of their organizational characteristics. On the other hand, only a small proportion of small businesses recognized benefits such as building connections, offering convenience, and supporting each other, no matter their organizational characteristics. In particular, only one or two benefits of B2B networking via SNSs were perceived by general merchandise stores, variety stores, and owners/managers who had medium experience (6 - 10 years in business), had high innovativeness, and had a high level of risk taking. While small, relatively high revenue stores tended to recognize the benefits of B2B networking via SNSs as a way to support each other, most small businesses in this study showed a very limited understanding of the diverse benefits of using SNSs as B2B networking tools.

Perceived challenges of B2B networking via SNSs

This study also examined perceived challenges of B2B networking via SNSs. A total of five themes were generated from participants' responses. The two biggest challenges that the participants mentioned were concerns about time commitment and about ideas being copied or stolen. Although no previous study has investigated specific challenges of B2B networking via SNSs, similar findings were discussed in Nakara, Benmoussa, and Jaouen's (2012) study. They explored small businesses' challenges in adopting social media as a strategic tool to network with their customers (i.e., Business to Consumer [B2C] networking via SNSs) and found that participants' involvement/commitment is an important component of the strength of networking. As such, diverse benefits of B2B networking could be communicated to small business owners/managers to justify their time commitment and to encourage active involvement in B2B networking via SNSs, thereby making networking stronger and more effective. Small business participants in this study were also concerned about their ideas being taken by others, eventually making their businesses vulnerable or less competitive.

This concern seems to be linked to the next two challenges, a concern about other businesses' reluctance to share trade information or ideas and a concern about the credibility or usefulness of the information provided by other businesses. Participants' reluctance to share business information with other businesses has also been found to be a common challenge for B2B networking via traditional platforms (Gilmore, Carson, & Grant, 2001). Along with uneasiness about their ideas being taken by other business, owners'/managers' concerns about other businesses' unwillingness to disclose their ideas or insights via SNSs could build barriers among the network members, thereby reducing the perceived level of credibility and perceived usefulness of the information shared, a barrier which could further break the trust and strength of the network. One way to support small businesses' B2B networking activities via SNSs and to increase credibility of the information shared and communicated among the members could be involvement of formal organizations, educational institutions, or government agencies.

Another challenge found in this study was small businesses' perceived difficulty of using/accessing SNSs for B2B networking. A clear tutorial or educational information about how to use and access SNS could be provided to help small businesses learn basic operational knowledge of SNSs, knowledge which in turn may lead to better and more efficient usage of SNSs as B2B networking tools. Lastly, some participants were not certain about potential challenges of using SNSs for B2B networking, and most of these participants seemed to have no experience with or limited knowledge of using SNSs for networking with other small businesses.

Variations by organizational characteristics

This study found some variations in perceived challenges by organizational characteristics. Time commitment was mentioned as the most salient challenge by the majority of the general merchandise stores, stores in UCs, owners/managers who were older, and owners/managers who had more than six years in business. On the other hand, concerns about ideas or knowledge being copied or stolen by others were mentioned by the majority of the fashion accessories/gift stores and younger owners/managers. In comparison, the majority of the consignment/thrift stores and variety stores mentioned the difficulty of using SNSs as the main challenge. Overall, this study found that small businesses with different organizational characteristics tend to identify different challenges, justifying the importance of understanding variations by organizational characteristics.

Theoretical and Practical Implications

By focusing on small retail businesses in Alabama, this study aimed to uncover small businesses' perceived competition and their beliefs about B2B networking during the post-recession period. The findings of this study provide a number of theoretical and practical implications for small businesses' sustainable growth.

First, using both qualitative and quantitative methods, this study fills a gap in the literature by empirically examining small businesses' perceptions of market competition within/outside the community and with national brands/large retailers. Particularly, the study contributes to the small business literature by finding that the two most salient factors that intensify perceived competition during the post-recession period are having many competitors with similar products and competing on price discounting. This study also confirms Porter's (2008) point that rivalry among existing competitors is one of the salient factors that intensifies the perceptions of market competition.

Second, contrary to common expectations, the study found that the majority of the small businesses did not feel much competition with/outside the community or with national brands/large retailers. Small businesses expressed strong confidence (sometimes over-confidence) in their products and services, had a team mindset for supporting each other's businesses, or viewed competition as a healthy and positive practice. Such confidence and beliefs were the main underlying reasons for not feeling competition and for staying competitive. This finding may provide insights into solutions proposed by previous researchers for how small businesses can overcome their limitations and improve their overall competitiveness (e.g., Gill & Biger, 2012; Gilmore, Carson, & Grant, 2001; Nichter & Goldmark, 2009). This study found that lack of price competitiveness could be still the biggest threat that small businesses face when competing against national brands/large retailers. However, instead of directly competing on prices by matching the prices offered by large businesses, many of the small businesses in this study seemed to build competence by trying to find "loose bricks" of large businesses by focusing on differentiated product offerings and/or superior customer service. Moreover, small business owners/managers in this study were aware of emerging threats from online retailers. Therefore, small businesses may find a niche in online markets to fill a gap in the consumer demands. Overall, this study found that there are different sources of threats or market competence depending on what small businesses perceive as competition. This finding also justifies the importance of specifying businesses' strongest competition as well as broadening owners'/managers' perception of potential competitors to better estimate the market situations and cope with emerging threats more effectively.

Third, this study contributes to the social networking literature by finding specific benefits of B2B networking among small businesses. However, this study found that although the importance of B2B networking was well-recognized among these businesses, the perceived range of benefits tends to be narrow because most of the owners/managers focused only on knowledge sharing. This limitation in small businesses' perception creates an urgent need for educating them about various benefits of B2B networking.

Fourth, this study contributes to filling a gap in the literature by being the first study to investigate small businesses' perceived benefits and challenges of using SNSs for B2B networking. The study found that the traditional benefits of B2B networking such as accessing diverse sources of information and building business connections also apply to online B2B networking via SNSs. As for perceived challenges of B2B networking via SNSs, this study broadened the literature by addressing specific challenges identified by small businesses, ranging from concerns about time commitment and ideas being copied to issues with the difficulty of using SNSs and doubts about the credibility of shared information. The findings of this study highlight the importance of small business owners/managers learning how to fully leverage B2B networking via traditional networking and/or SNSs to build their competitiveness and achieve further growth. This finding also identifies an urgent need for courses, forums, or any other educational platforms where small businesses can learn how to build B2B networking and use it most effectively for the best interests of their businesses.

Lastly, this study contributes to theory building in the small business literature by exploring how different organizational characteristics influence perceived competition and beliefs about networking with other small businesses. All the themes identified in this study can be used to develop multi-item scales measuring small businesses' perceptions. Furthermore, the findings of this study can be further extended to statistically test the relationships proposed in this study. In practical terms, an understanding of the different perceptions of various types of businesses or owners/managers with certain characteristics provides more specific guidance to help small businesses.

In conclusion, the findings of the study will help policy makers at various levels (local, state, and federal) understand perceptions, problems, and challenges encountered by small businesses under the dismal economy, knowledge which in turn will facilitate introducing effective and practical measures to help the prosperity of the U.S. small business sector, especially in Alabama.

Limitations

There are some limitations in this study which could lead to discussion in future research. First, this study focused on small retail businesses in Alabama with fewer than 20 employees, a focus which means that this study may not be representative of U.S. small retail businesses. Geographic differences may influence owners'/managers' perceptions of competition and beliefs about B2B networking online and offline. Therefore, caution is needed in generalizing the findings of this study to other geographic areas. Future research can extend the study not only to improve the generalizability of the findings but also to uncover similarities and differences in perceptions by geographic locations. In addition, this study focused on stores with non-durable products. Therefore, it may not be generalizable to businesses with durables or in service sectors. Another possible limitation of this study is that most participants had not adopted SNSs as a B2B networking tool. Their responses to benefits and challenges of B2B networking via SNSs were based on their predictions rather than their previous experiences. Further study can be conducted with small business owners/managers who have actual experiences with B2B networking via SNSs to acquire more insightful feedback. Lastly, this study could not find significant results in most of the chi-square tests, a limitation which could be due to the small sample of 51 participants. Future researchers could recruit larger samples to increase the validity of the findings as well as to increase the statistical power of the results.

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APPENDIX A

Pre-Interview Questions

Interview Participant Number: ________

The date of the interview: _____________

Interviewer: _____________

1. The type of the store (select one):

a) **General merchandiser or variety store** which carries a broad range of products
b) **Specialty store or boutique** which carries a specific range of products (e.g., apparel, footwear, beauty, gift items)
c) **Consignment store or resale store** which carries a broad range of products
d) **Consignment store or resale store** which carries a specific range of products
e) Others: Please specify:______________________

2. The major product category in this store (select one):

a) Apparel (specifics:________________)
b) Fabrics/yarn
c) Shoes/footwear
d) Jewelry/fashion accessories
e) Gift items/floral
f) Stationery items/cards
g) Variety of products
h) Others (please specify):_______________________

3. The title of the interview participant:

a) Store owner
b) Store manager

4. The location of this store:

(1) The name of city __________

a. Auburn
b. Opelika
c. Montgomery
d. Alexander city
e. Phenix City
f. Tuskegee
g. Prattville
h. Millbrook
i. Dothan
j. Eufaula
k. Others (please specify):________________________

APPENDIX B

One-to-One Interview Protocol

Thank you for your willingness to participate in our research. We would like to hear your stories about how you are currently running your business. Especially we would like to hear about (1) how do you feel the competition with other businesses; (2) how important it is for your business to network with other businesses; (3) what possible benefits and challenges do you think if you do network with other businesses via social network sites.

The whole process of interview will be audio-recorded by using a digital audio recorder. However, your names will not be asked or recorded. Instead, your name and your store name will be identified only by number which is assigned by us. The whole interview will probably take around 1 hour. Thank you very much for your time.

First, these questions are about your perceptions on competition.

1. **How do you feel about the level of competition within or outside the community under the current economy? Can you explain why?**
2. **How do you feel about competing with larger retailers or national chain stores? Can you explain why?**
3. **How important for your business is networking with other small businesses? Can you explain why?**

(Follow up: Are you a member of any formal organization?)

(If the participant mentioned a specific organization) could you talk more about the organization (or gatherings) you just mentioned? How often do you meet? What do you do? What kind of information do you share?)

4. **What might be the benefits of networking with other small businesses "through a social network site"?**

(If the participant was not talking about the benefits of a social network site in the question, politely repeat the question.)

5. **What could be challenges in networking with them through a social network site?**

Thank you very much for your answers. You have completed the interview. If you are ready, you may move to the post-interview.

APPENDIX C

Post-interview Questions

Post-Interview Survey (Interview Participant Number: ________)

1. Please indicate the extent to which you agree or disagree with each of the following statements.

	(1) Strongly disagree---(5) Strongly agree				
1. I established this business because it better fit my personal life than working for someone else.	1	2	3	4	5
2. I have no plans to significantly expand this business in size or sales revenue.	1	2	3	4	5
3. My goals for this business are more personally oriented than financially oriented.	1	2	3	4	5
4. This business is my primary source of income.	1	2	3	4	5
5. My goal for this business includes expanding to multiple (2 or more) locations.	1	2	3	4	5
6. I consider this business to be an extension of my personality.	1	2	3	4	5
7. My goals for this business are interconnected with my family's needs.	1	2	3	4	5
8. I am emotionally attached to my business.	1	2	3	4	5

2. Please indicate the extent to which you agree or disagree with each of the following statements.

	(1) Strongly disagree ---(5) Strongly agree				
1. My business is willing to take risks when we think it will benefit the company.	1	2	3	4	5
2. My business would rather accept a risk to pursue an opportunity than miss it altogether.	1	2	3	4	5
3. My business would not be considered gamblers, but we do take risks.	1	2	3	4	5

4. Being innovative is a competitive advantage for my business.	1	2	3	4	5
5. My business tends to be more innovative than most of my competitors.	1	2	3	4	5
6. My business creates an atmosphere that encourages creativity and innovativeness.	1	2	3	4	5
7. I would say my business is "innovation focused."	1	2	3	4	5
8. My business believes in experimenting with new products and ideas.	1	2	3	4	5

3. What is your gender?
(1) Male
(2) Female

4. What is your age? __________

5. What is your ethnic background?
(1) African American
(2) Caucasian American
(3) Hispanic American
(4) Native American
(5) Asian American
(6) Other: Please specify:_______________________

6. What is your highest level of education?
(1) Attended high school
(2) High school
(3) Vocational school
(4) Some college/no degree
(5) Associate's degree
(6) Bachelor's degree
(7) Master's degree
(8) Professional degree
(9) Doctorate degree

7. How long have you been in the current business?
(1) Less than 5 years
(2) 6 – 10 years
(3) 11 – 15 years

(4) 16 – 20 years
(5) More than 21 years

8. How many employees does your business have (including all locations)?
(1) 0 – 10
(2) 11 – 20
(3) 21 – 30
(4) 31 – 40
(5) 41 – 50
(6) 51 - 100

9. What is your annual business revenue (including all locations)?
(1) Under $50,000
(2) $50,000 - $99,999
(3) $100,000 - $199,999
(4) $200,000 - $499,999
(5) $500,000 - $999,999
(6) $1,000,000 - $4,999,999
(7) $5,000,000 or greater

Thank you very much for your time and participation!