



Examining the use of Social Commerce and Direct Selling on Social Media by Entrepreneurs and its Impact on Revenue

Submitted by:

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In this regard, the booming development of social media has transformed conventional business models by enabling entrepreneurs to employ social commerce, and direct selling as new ways to connect with customers and earn money. This study examines how businesspeople utilize various social commerce capabilities-live selling, influencer collaboration, listing in social marketplaces and personal connection with customers- to improve the performance of the business. In this study, the extent to which direct selling via Instagram, Facebook, WhatsApp, and TikTok affect customer reach, customer conversion rates and total revenue generation is also studied. Based on the quantitative methodology supported with a structured survey, the research determines several major factors that can determine the success of the adoption of social commerce: the choice of the correct platform, the correct approach to the content, the interaction with customers, and the trust building mechanisms. It is hoped that this research will also yield evidence on the question whether social commerce is a feasible and sustainable entrepreneurial business model and also will offer valuable information to prospective entrepreneurs, small business owners and policymakers with interest in fostering digital entrepreneurship.

Keywords: Direct Selling, Social Media, Customer Engagement, Revenue Generation, Social Commerce, Entrepreneurs, Online Business Model, Digital Entrepreneurship.

Introduction

Over the last few years, social media has no longer been a communication platform but a great business tool that would allow businesspeople to sell products and services to the consumer. Social commerce, which is the fusion of social media and e-commerce, has changed the way the business was traditionally carried out as it enables business owners to use the functionality of social media to engage in business in the form of reels, stories, live selling, and direct messaging. Nonetheless, most of the entrepreneurs have a hard time figuring out how to utilize these tools in order to make sustainable revenue even though the tools have been widely adopted. Also, the social media is very competitive and algorithm-driven, which results in issues of visibility, customer engagement, and conversion.

Digitization has resulted in a significant change in the business environment, the emergence of online entrepreneurship and social selling. Physical business operations are more and more augmented or substituted with digital approaches by traditional brick-and-mortar businesses. Business owners, home sellers, freelancers and creators have adopted the social media platforms such as Instagram, facebook, Tik Tok, Whats App and YouTube to launch or grow their businesses.

The current entrepreneurs are in a dynamic business environment that is typified by:

- Easy entry: A digital storefront can be established by anybody at a low cost.
- Live interaction with customers: Social media allows direct interaction with customers and provides quick feedback.
- Visual marketing: Videos, photos, and live-sessions influence the preferences of the consumers.
- Move towards one-to-one experiences: Customers seek out one-to-one interaction and convenience.
- Ease of transaction: Apps and incorporated payment systems make it easy to order.

Social commerce has taken centre stage in the way the current entrepreneurs generate value, relationships with their customers, and keep their businesses afloat in this field.

Social commerce is the application of social media to advertise, sell and market goods and services. It incorporates social interaction, user generated and e-commerce features. Customers are able to find things, chat with the sellers, watch product demos and place orders directly using social.

Major aspects of social commerce are:

- Social evidence (reviews, likes, comments, endorsing influencers)
- Instagram shops (In-app shopping)
- Visual material (videos, photos, product videos)
- Personalized messaging
- Community engagement

Direct selling via the social media entails the interaction of the entrepreneur and buyer without middlemen. It resembles the classic method of direct selling (e.g., Avon, Amway) but it is transformed to online mediums, which enhances coverage and cost-effectiveness.

The advantages of the direct selling on social media:

- Instant communication
- Low operational cost
- High engagement
- Strong relationship building
- Faster conversions

Social commerce, and direct selling have helped open up new business opportunities to small-scale entrepreneurs to formulate viable business models in the digital market.

Businessmen are now turning to social commerce to help them advertise, sell and market products to the consumers directly. Social media assists them to conduct a huge amount of business under live selling, reels or short videos, WhatsApp catalog, or even collaborations with influencers. These digital solutions lower the operation expenses, improve consumer engagement, and develop sustainable business models. Social commerce and direct selling are as powerful as they can be as exemplified by a series of real companies, both new and established.

Meesho-Permitted entrepreneurs (Sell via WhatsApp, Facebook and social media)

Meesho is among the biggest social commerce in India that is empowering lakhs of women and small business owners to be resellers.

Share product images and catalogs Entrepreneurs share product images and catalogs on WhatsApp groups, Facebook pages, and personal networks.

- Orders are received directly through messaging applications, and thus it is possible to sell directly and without a physical setup.

Meesho is one of the biggest, most organized ecosystems of micro-enterprise based on social-media.

Mamaearth: Consumer sellings which are driven by influencers.

One of the most rapidly evolving Indian skincare and personal care brands is Mamaearth, the business model of which was created practically solely due to the use of social media marketing.

- Intensive use of Instagram influencers, YouTube reviewers and videos of short format to gain trust and conversions.

Direct product demonstrations and genuine reviews on social sites are the greatest sources of revenue increase to them.

The Mamaearth success highlights how social commerce enables companies to bypass retail and be digital-first.

Nykaa Beauty Community/Social Proof Model.

Nykaa expanded with the emphasis on online activities.

Products are demonstrated by beauty influencers in the form of a tutorial.

Shop the look features: direct purchases are promoted.

Instagram, YouTube communities build a high degree of trust and brand loyalty.

The model of Nykaa demonstrates the direct conversion of social material and the involvement of the community into sales.

Live Selling Entrepreneurs (Asia and India) on Facebook.

Live selling is now a prevalent type of direct trade on Facebook.

- Businessmen present their products in real life and interact with the viewers.

Customers leave comments, either with the word mine or with product codes to make an instant purchase.

- Fulfilment of orders is done via Messenger or WhatsApp.

This model is famous among textile and thrift vendors, fashion boutiques in India, the Philippines, Malaysia, and Thailand.

Tik Tok Viral Companies (Worldwide examples)

The short form of visual content has enabled many small brands to become viral on Tik Tok.

Glow Recipe reached the whole world after TikTokers posted their skincare routines using the company. Through the assistance of short-form videos, Crumbly Cookies became a topic of nationwide interest.

A case in point is Little Moons Mochi Ice Cream that has become viral in the UK; at some point, products were selling out in most of the stores.

These examples demonstrate that viral content has the potential to increase sales within a few hours. Such examples demonstrate how businesspeople, starting with a local reseller and the largest international brands, leverage the use of social commerce functionality, such as live sales, influencer partnerships, WhatsApp-based order placement, TikTok videos, and even in-platform shops as a way to build viable, revenue-generating business models. With the help of social media, it is possible to quickly find the product, build trust, and buy it directly; in the context of the modern entrepreneurship, it can be an effective solution.

1. Review of Literature

2. Brahma and Dutta (2020) investigated how social media transformed the purchasing behavior due to the ability to interact, create content by users, and have open information flows. They emphasized that trust in a merchant, perceived the quality of products and online interactions have a high impact on consumers to make purchases in online platforms. They described that through social media, customers can find credible reviews, peer reviews, and demonstrations which minimize doubt and enhance confidence during the process of purchasing a product. They further added that with the constant digital contact, consumers establish a stronger relationship with the brands and this fosters loyalty and boosts repeat buying behavior. More to the point, the authors discovered that positive engagement, which includes responding to the questions, explaining the product features, and being open with all transactions play the critical role in determining whether buyers will decide to make online purchases. The work is connected with the present research as entrepreneurs relying on social commerce and direct selling are dependent on the establishment of trust and interactive posts and open communication in the process of buyer attraction. These lessons will consequently imply building more credibility and additional enhancement of engagement, which could prove more effective on the income of small business people whose engagement occurs through social media channels in direct selling.

3. Liu and Lin (2025) considered the new trends in digital consumer interaction and demonstrated how the new versions of social media interaction, including AI-based suggestions, personalized information, and community-based discussions, impact buying behavior. In their study, they indicated that the current consumers are becoming more dependent on the social cues, opinions of influencers, and dynamic forms of media such as short form video and interactive posts to make decisions. They also point out personalization as one of the driving factors, with customers responding more to personalized content. Another thing that the authors have determined is that the perceived value of the consumers would be greater in case they are emotionally attached to online sellers thereby enhancing loyalty. They also found that interactive content is more visible and spurs conversions by motivating customers to join a digital community. The implication of this study to the current study is that the entrepreneur can develop similar tactics which entail customised postings, short videos and community development, to assist in boosting customer interest. The results demonstrate that entrepreneurial organizations that adopt the adoption of new social commerce tools can enhance the responsiveness of their customers and their revenues by achieving more personalized and interactive ways of selling to their customers.

4. Alam et al. (2022) investigated how social commerce can affect the purchase decision by combining the social support, online trust, and features of interaction into the purchasing process. Their results suggested that customers feel greater value when sellers are active in interacting on social sites with more open and transparent communications. Once again, the authors identified that online communities and peer-to-peer impact have significant implications in fostering confidence among the customers by validating their purchase choices. In addition, they suggest that convenience and accessibility are important factors that push consumers to social commerce sites. Also, the research determined the effect of product recommendations, customer reviews, and interactive related characteristics like live chats on trust and loyalty. The work is applicable to the present study since the same mechanisms, i.e., engagement, information transparency, and peer interactions, are applied by entrepreneurs who use direct selling with the help of social media to enhance sales. These results align with the idea that a community-building trust, although providing interactive shopping experiences, can maximize revenue results to entrepreneurial organizations.
5. The research involving the critical review of the digital marketing and social media dynamics provided by Dwivedi et al. (2021) focuses on how technological changes re-arranged consumer-brand relations. Through their work, they established that consumers are using digital content and visual communication, as well as, interactive means, more to gauge the products, and make a purchase decision. They demonstrate credibility and authenticity as being core to customer trust in the context of an environment where misinformation is pervasive. The other aspect that the authors highlighted is that with the use of social media, the interaction is possible in real time and the fact that it can reach a large number of people and here the business can successfully form their customers relationships. They proceeded to emphasize how digital transformation enables personalized marketing, which enhances consumer experience and generates loyalty. The relevance to the present study is the discovery of these online qualities that entrepreneurs can capitalize on when addressing the customers to encourage credibility and consequently, boost sales. The research supports the knowledge that the interactive quality of social commerce has a direct effect on the generation of revenue by small businesses that depend on direct selling principles.
6. Singh and Singh (2018) explored the impact of social networking sites on the existing approach to doing business and its impact on market reach through the lens of the user engagement and digital visibility. The paper has confirmed that social media has emerged as a significant marketing instrument due to the ability to bridge the gap between businesses and the consumers at practically no cost. The authors have also included that online mediums will enable small businesses to compete with large brands as all of them are equally visible. The digital interactions between the consumer perception and purchase intention were also reported by Singh and Singh in likes, shares, comments, and consumer conversations. They repeated that the engagement of the customers increases brand loyalty and trust, which is of great importance in the repurchase behavior. To be more exact, the present study can be connected to the current research since the activities of entrepreneurs in the sphere of social commerce are based on the idea of synchronous communication and constant interaction as the motive of sales. This observation goes in favor of the notion that with the help of social media, entrepreneurs have a more accessible tool of finding customers and make money via direct selling processes.
7. Marolt et al. (2022) explored the concept of digital transformation in commerce and took into account the impact of online platforms on commerce by simplifying it through the use of social features, personalized communication, and intuitive navigation. They concluded that digital tools facilitate consumer experience by easing product search, delivering trustworthy information and facilitating faster interaction. It was also found that the customers would desire to use online platforms that provide a continuous digital experience that is facilitated by transparency and easy-to-use user interfaces. The authors claimed that the integration of technology and customer-focused practices enhances consumer trust by prompting one to buy periodically online. In fact, they found the essential value of social media in the establishment of personalized relationships based on the latest messages, personalized content, and interesting product demonstrations. This study is pertinent to the ongoing research since among other results, it establishes how entrepreneurs make profits off of easy-to-use online spaces. This implies that a seamless information flow and interactive product information on these websites is a payoff in customer satisfaction and income through social commerce platforms.
8. The study by Akirout (2021) examined the effects of social media advertising on the purchase intentions of customers with an emphasis on the aesthetic appeal, message clarity, and platform trust in influencing the online behaviors of people. The author concluded that more appealing, clear and emotionally appealing advertisements are preferred by the consumers. Trust was also identified by him as a great predictor of consumer action, as most consumers would want to receive ads

based on a trusted and reliable source. Likes and comments also help in boosting consumer self-confidence by social validation. This study highlighted the importance of personalized advertising in the process of increasing the chances of purchasing a product or service. This study is welcome in the current research since, similarly, entrepreneurs tend to rely on such advertising strategy in the social media platform to carry out direct selling. Having a graphically attractive and attractive advertorial message, entrepreneurs will be in a position to attract the attention of the customers, build a trusting relationship and consequently boost revenues using the social commerce mediums.

9. Hassan and Shahzad (2022) researched the subject of online buying behavior and digital engagement and customer involvement. They noted that social media is two-way communication which gives customers an opportunity to express their concerns and questions and receive an immediate reply. The authors suggest that trust and satisfaction among the customers are developed through responsiveness and prompt communication. Their results also demonstrated that customer attitude to different products also depends much on user-generated content. The research further found that customer engagement increases the emotional attachment to the brands and hence loyalty. This study is associated with the research since instant communication, feedback, and communication with customers are extensively utilised by entrepreneurs in order to boost direct selling. The results showed that talking to customers will result in higher conversion rates and higher revenue returns to entrepreneurs that adopt social commerce models.

10. Prakashlal (2024) researched the impact of digital branding strategies on consumer engagement and purchase intention on social media. The results of this study showed that a good brand identity, frequent posting, and visual storytelling can significantly improve customer perception. The author says that digital branding builds credibility, which has a positive influence on customer trust and loyalty. He also noted that branding, which is real, is conveyed in communications that are transparent and interactive and this boosts purchase intention. It was observed that such interactive content as livestreams and presentations of real-time products bring customers closer to the brand. This study adds to the existing research by proving the extent of the significance of branding in the case of entrepreneurs that sell on social media directly. Through the use of storytelling and authenticity, an established digital identity would go a long way in assisting an entrepreneur to gain more customers and earn more money through social commerce.

11. The study by Majaid (2023) focused on the effects of social media marketing strategies on consumer decision-making and brand awareness. He particularly emphasized the role of targeted digital campaigns, affiliate partnerships, and innovative content as a significant competitive risk in the way of reaching and engaging customers. In his research, Majid discovered that consumers are confident in brands that are always communicative and those brands that have clear messages. This is in addition to the application of analytics that are found in social media to assist businesses know how customers behave and change their approach. The research ended by stating that social media marketing has improved brand awareness, customer trust and has served to retain long term loyalty. The outcome of this research is directly tied to the current study because the targeted content and analyses of the audience are used to sell directly to the entrepreneur. They discovered that properly crafted marketing plans in the social networking sites can grow the reach and revenues of a small entrepreneur many times over.

12. Chhetri et al. (2023) conducted both qualitative and quantitative research on the subject of social media promotion of business. They have found that social media provides greater brand exposure, greater interaction and faster dissemination of information. According to the authors, businesses are dependent on Instagram and Facebook as the sites and their multiple accounts are more interactive and have a broader target audience. Nevertheless, the conclusions also perceived flaws, such as saturation of the content, challenges in measuring returns on investment, and a risk of backlash. Irrespective of these limitations, the authors concluded that social media is still inevitable in engaging customers and hence branding. The results are also important to this study as they are indicative of the deficiencies in which entrepreneurs who use social commerce place themselves. It indicates that continued engagement, innovative content, and communication strategy are the major drivers of revenue generation by direct selling.

13. The Bindu et al. (2024) study examined the impact of social media on consumer behavior in the context of e-commerce, including the trends in mobile shopping, video marketing, and psychological factors. The most important lesson they learned is that social media helps to improve the customer experience by providing instant interactions, effective visual demonstrations, and persuasive storytelling. They emphasized that videos, product demonstrations, and user testimonials are some significant elements of consumer decision-making. The authors found out that interactive social media setting results in trust and emotion attachment in consumers and elevates the chances of buying a product. This research has a

direct positive impact on the current study because the same techniques, i.e., reels, story posts, and live selling, are used by the entrepreneurs when addressing the customers with the aim of increasing the conversion rates. The results confirm that properly designed visual data and interactive communications can greatly increase the revenue potential in the entrepreneurial direct-selling models.

14. Swapna and Venu (2025) have conducted a comparative analysis of the development of digital commerce by studying the traditional example of e-commerce such as Amazon and Flipkart and social commerce such as Instagram Shops and Facebook Marketplace. Measures of performance that are examined are conversion rates, average order value, session length, and engagement rate.

The research results suggest that social commerce websites outcompete conventional commerce, in terms of engagement rates, length of session, and conversion rate due to the interactive, community-based and immersive nature of the social commerce websites. Conventional locations demonstrated large average order value in comparison to social commerce locations. Social commerce on average was demonstrated to be based on the discovery-based model where consumers make their buying decisions after interacting with fellow consumers on social online spaces and are motivated by social indicators, influencer and user created content. This paper is very relevant to the current study in the sense that it reveals that direct selling using social media by businesspersons contributes towards increased level of engagement which translates to increased conversion rates. The average order value can be a little bit lower than in the case of transactional e-commerce models but the result of high purchase rate and a greater level of engagement is what makes social commerce settings profitable.

The research of Consoli (2017) was aimed at examining how small enterprises have employed social media and e-commerce as a form of strategy to compete in the global market environment. In this respect, it must be mentioned that small businesses, irrespective of limited financial and human resources can take advantage of applying these tools to reach customers on a larger scale and engage them. Social media offers a two-way communication medium among business, clients and partners that facilitates processes like co-creation and co-production. Moreover, e-commerce helps small firms to save money because these companies do not require their intermediaries any more; furthermore, the companies can communicate with clients directly, thus, profit margins may grow. In addition, the nimble nature of small businesses makes it feasible to handle orders in a fast manner and provide products in an efficient manner. The benefits that will accrue to the entrepreneurs are that they will be more visible online through social media and be able to interact with their customers better. The paper is quite applicable to the current study because the results indicate that small entrepreneurs have the opportunity to overcome certain resource-related challenges and make profits using the cost reduction strategy due to the use of social commerce and selling technique.

Thapa (2024) examined the influence of the social media in e-commerce in the context of its impact on consumer engagement and the process of consumer purchase decision making in consumers living in the Darjeeling region of India. The study reveals that the use of social media platforms like Facebook, Instagram, Twitter, and YouTube has thoroughly transformed the overall process of product exploration, brand-consumer communication, and ultimately consumer purchase decisions. The study established that factors such as user-generated content and social media influencers, personalized advertisement and the act of interacting with the customers through likes, comments, and shares contributed significantly to the consumer behavior. It was discovered that consumers tended to use the media social sites to compare various products, get reviews and recommendations thereby raising their confidence levels and eliminating any form of uncertainty in their buying behaviors. In-app purchase features and visually stimulating content of social media was also discovered to be a motivating factor to consumers to make impulse buy decisions. This paper is relevant to the existing research as it demonstrates the way in which entrepreneurs applying the methods of social commerce and direct selling can effectively enhance customer interest, and eventually push purchases towards achieving improved sales and revenues. Entrepreneurs can also boost sales of their businesses since they can easily raise awareness about their businesses through effective use of social media tools.

Bandi et al. (2025) consider social media and e-commerce as a novel form of business known as social commerce, which is perceived as an interactive community ecosystem where business and social engagement can occur. Through a narrative literature review and case studies, the authors discovered that social media websites are currently highly efficient marketing and selling products tools due to the capabilities of live streaming, shoppable photos and targeted advertisement campaigns.

Specifically, it was pointed out that user-generated content, peer reviews, and recommendations are highly influential on the purchasing behaviour of consumers as they help to form a trust and eliminate uncertainties in their decision-making process. In addition, individualized offers and the extremely advanced targeting technology are used to raise the level of user engagement. To support their results, the researchers used the theoretical methods including the Social Influence Theory and the Technology Acceptance Model that describe the consumer behavior, and the adoption rate of social commerce websites in terms of social interaction and ease of use. However, being mostly descriptive and relying on the utilization of secondary sources, the article does not have the empirical validation across various groups of consumers. This study has a lot of relevance to the present research study due to its focus on the necessity of trust building, the development of an interactive experience, and the establishment of personal communication, which are important in the use of social commerce and direct selling strategies by entrepreneurs and could thus be applied fruitfully to achieve better sales outcomes. Almainmouni et al. (2014) aimed to examine how social influence can impact the intention of entrepreneurs to adopt e-commerce in Saudi Arabia through the use of the Technology Acceptance Model (TAM). The approach adopted in this research was quantitative in nature in which survey techniques were adopted alongside statistical tests to assess the effect of social influence on the perceived easy to use, perceived usefulness and intentions of the entrepreneurs to use e-commerce technology. Based on their results, it is clear that social influence, be it personal or business has a tremendous positive effect on how the entrepreneurs adopt e-commerce technology, business social influence was stronger than personal social influence. Moreover, it was discovered that the perceived usefulness and ease of use were also great predictors of e-commerce adoption. However, the study has a small sample size, and a geographical constraint, which limits its transferability of findings, and does not adequately look at the influence of other factors such as demographics and behavioral change over time. The study is highly relevant to the present study because it brings to focus the influence of social networking, peer influence and perceived value in stimulating entrepreneurship to embrace e-commerce. Social commerce and direct selling small entrepreneurs can also use this study in terms of social networking and showing their successful stories to attract entrepreneurship towards this process.

Itani et al. (2017) focused on the impact of social media on the effectiveness of the salesperson based on the learning goal orientation, attitude, and selling behaviors. Itani et al. found that salespersons with high learning goal orientation view the social media as significant since these individuals were open-minded and ready to learn new things and enhance their skills. In addition, the authors added that although individuals who are in a positive disposition towards social media would have been assumed to embrace them, there was no evident connection between the two variables. This meant that despite the good attitude, an individual did not necessarily embrace social media. The researchers pointed out that the relationship was stronger, the higher level of learning goal orientation a person possessed since an individual would take action based on his/her attitude towards social media. Furthermore, social media was also significant in offering competitive intelligence of customers, competitors and market trends that assisted the sales people in making better decisions when selling products. Itani et al. also observed that adaptive selling behaviour could be practised through the use of social media, as the salespeople could personalise their selling behaviour to fit the needs of the customer. The study is also relevant to the current study because it identifies the importance of learning, adaptation and use of social media in the realm of business prosperity. Based on the literature review and the aim of the current study, the below hypotheses are developed to test the impact of social commerce practices, customer engagement and revenue generation.

The interactions can be enhanced through different social commerce practices such as reels, live selling, stories, and direct messages, among others, used by entrepreneurs. Past researches have established that interactive and visual content have been useful in capturing the interest of the customers and also interacting with them. It means that the engagement of customers is positively influenced by the utilization of social commerce tools.

- H1: The customer engagement is affected significantly by social commerce tools in a positive manner.

The customer engagement as it has been discovered plays a crucial role in purchase decisions. As the entrepreneur gets into a meaningful dialogue through comments and messages, he will earn trust and have a good rapport with the customer.

- H2: There is a high positive influence of customer engagement on revenue generation.

Other than engagement, social media may also be useful in making the products of the entrepreneur reach to a large number of customers.

- H3: Customer reach is positively affected by the use of social media.

Although reach might be crucial, it fails to guarantee sales unless it is translated to customer involvement and engagement. Nevertheless, with proper management, reach brings about the possibility of income growth.

- H4: The customer reach has a positive impact on revenue creation.

Moreover, the practices enabling the development of trust, such as customer reviews, transparency, and communication, play a key part in the way customers make decisions. Entrepreneurs, who will be able to establish a trust-based relationship with their potential clients, will be more successful in selling their products.

H5: The practices of trust-building have a positive impact on revenue creation.

Finally, the overall social commerce application is also expected to directly affect the performance of businesses with a blend of the above three factors.

- H6: Social commerce has a positive influence on business performance.

Research Methodology

• Research Design

This study was quantitative in nature. It is suitable as the study aims to quantify entrepreneurial utilization of social commerce tools, customer engagement practices and how it is perceived to influence revenue. Quantitative design can be numerically analyzed, identify patterns and generalize the findings. The survey was conducted using a descriptive approach in which data were collected in entrepreneurs who are trading in platforms like Instagram, Facebook, WhatsApp, and Tik Tok. It can be extensively used to explain behaviors, attitudes and practices of entrepreneurs in a digital world that exists in reality.

• Population of the Study

The study population is entrepreneurs who use social media either as primary or secondary platforms to conduct business. This also covers small business owners, home sellers, creators, resellers and other independent entrepreneurs who will be directly promoting and selling their products directly through the social commerce channels. This paper is particularly relevant to the direct selling using reels, live selling, stories, product video, WhatsApp catalogs, and personal messages.

• sample size and Sampling Method.

About 90-100 respondents were selected as the necessary amount to have sufficient representation and statistical analysis. Purposive sampling method is used in this study because only entrepreneurs that make direct sales through active use of social media qualify to participate in the study. The intention of this technique is to make sure that the respondents chosen are in a position to give out relevant and valid information regarding social commerce practices and revenue impact.

• Research Instrument

The main data collection instrument was a structured questionnaire. The questionnaire was made up of questions in order to gather information touching on the following areas:

o Biographical Information

(Age, gender, type of business, years of experience)

o The Social Media in Business.

(tools adopted, selling methods) (Platforms used)

o Customer Engagement and Social Commerce Activities.

(Use of reels, live, stories, advertisements, messaging)

o Impact on Revenue as seen.

(Increase in sales, customer base, repeat business, conversion rates)

• Data Collection Procedure

The data were collected by using Google Forms and direct messages in various social media platforms such as WhatsApp and Instagram. It was convenient and easy to get in touch with the entrepreneurs online. The study aim was well clarified to the respondents and anonymity guaranteed. The respondents participated on a voluntary basis and enough time was given to the respondent to respond to the questionnaire.

• Data Analysis Techniques

The responses were summarized using descriptive statistics, which included frequencies, percentage, mean scores, and standard deviation to analyze the gathered data. Trends have been presented in the form of pie charts and bar charts to show how platforms are used, engagement practices, and the effect on revenues.

The paper uses inferential statistical analysis; that is, the application of Chi-square tests, to complement the descriptive statistics. This research has applied the Chi-square test because of the need to test the relationship between categorical variables, such as social media use, engagement, and its impact on revenues. The inferential statistics will contribute to the evaluation of whether there is a statistical significance of the relationships between some variables. The Chi-square tests used in the study enhance its validity and richness.

• Ethical Considerations

During the research, ethical standards were adhered to. No personal information was given about the identity of the respondents and the information gathered was only utilized in academic work. None of the sensitive or personal information was provided, and the involvement was on a voluntary basis. The respondents had the right to withdraw at his/her will.

Results and Discussions

Chi-Square (X^2) Tests (Goodness of Fit)

Hypotheses

- H_0 : Uniformly distributed
- H_1 : Not Uniformly distributed

1. Business Type Distribution

Category	O	E (15.33)	(O-E) ² /E
Food & Beverages	20	15.33	1.42
Handmade/Craft	17	15.33	0.18
Digital Products/Services	16	15.33	0.03
Beauty/Personal Care	14	15.33	0.12
Other	13	15.33	0.35

Clothing & 12 15.33 0.72
Accessories

Total χ^2 2.82

Result:

$\chi^2 = 2.82$, $df = 5$, Critical = 11.07 \rightarrow Fail to Reject H_0

Interpretation:

As per the findings obtained through the Chi-square test ($\chi^2 = 2.82$, $df = 5$), it can be seen that the critical value is higher. It implies that the null hypothesis is accepted because the test statistic is smaller. The findings suggest that there is no significant difference between the distribution of respondents with respect to different types of businesses. It means that there is equal distribution and representation of various categories of businesses within the sample population.

2. Experience in Social Media Usage

Category	O	E (23)	(O-E) ² /E
< 6 months	19	23	0.70
6m-1y	30	23	2.13
1-2 years	23	23	0.00
> 2 years	20	23	0.39
Total χ^2			3.22

Result:

$\chi^2 = 3.22$, $df = 3$ \rightarrow Fail to Reject H_0

Interpretation:

As the calculated chi-square value (3.22) is smaller than the critical value (8.02), the null hypothesis is accepted. This means that there is an even distribution of experience among respondents. It indicates that the sample consists of entrepreneurs who have different levels of experience with social media and can help provide an overview of social commerce activities.

3. Platform Usage

Platform	O	E (18.4)	(O-E) ² /E
Instagram	35	18.4	14.96
Facebook	34	18.4	13.09
TikTok	34	18.4	13.09
WhatsApp	33	18.4	11.59
Others	27	18.4	4.02
Total χ^2			56.75

Result:

$$\chi^2 = 56.75, df = 4 \rightarrow \text{Reject } H_0$$

Interpretation:

Chi-Square test statistic ($\chi^2 = 56.75, df = 4$) is significantly greater than the critical value, thus resulting in the null hypothesis being rejected. This means that the usage of platforms is uneven, with some platforms being more favored than others. It was found out that entrepreneurs use social media platforms like Instagram, Facebook, Tiktok, and WhatsApp among others, thus proving that the choice of platform is deliberate and dependent on various factors.

4. Social Commerce Tools Used

Tool	O	E (15.33)	(O-E) ² /E
Reels	18	15.33	0.47
Stories	16	15.33	0.03
Live Selling	14	15.33	0.12
WhatsApp Catalog	17	15.33	0.18
Paid Ads	15	15.33	0.01
Influencer Collab	12	15.33	0.72

Total χ^2 **1.53**

Result:

$\chi^2 = 1.53, df = 5 \rightarrow$ Fail to Reject H_0

Interpretation:

As the Chi-square value ($\chi^2 = 1.53, df = 5$) is less than the critical value, the null hypothesis will be accepted. It indicates that there is no significant difference between the application of different social commerce technologies. The entrepreneurs seem to use a combination of all tools evenly, meaning that none of the tools dominates the others significantly.

5. Communication

Response	O	E (23)	(O-E) ² /E
Strongly Agree	47	23	25.04
Agree	28	23	1.09
Neutral	11	23	6.26
Disagree	6	23	12.57
Total χ^2			44.96

Result:

$\chi^2 = 44.96, df = 3 \rightarrow$ Reject H_0

Interpretation:

The value from the Chi-Square test ($\chi^2 = 44.96, df = 3$) is much greater than the critical value, which allows rejecting the null hypothesis. It shows that there is a considerable difference between the results of the survey with a strong tendency towards agreement. It means that most of the entrepreneurs recognize the significance of social media as the means of enhancing communication with clients.

6. Visual Content Interest

Response	O	E (18.4)	(O-E) ² /E
Strongly Agree	42	18.4	30.25
Agree	30	18.4	7.32
Neutral	10	18.4	3.83
Disagree	6	18.4	8.35

Strongly Disagree	4	18.4	11.28
Total χ^2			61.03

Result:

$$\chi^2 = 61.03, df = 4 \rightarrow \text{Reject } H_0$$

Interpretation:

The calculated chi-square statistic ($\chi^2 = 61.03, df = 4$) is greater than the critical value, thus rejecting the null hypothesis. The unequal distribution of responses and the high inclination towards a positive response indicate that visual media like reels, videos, and pictures are essential in capturing consumer attention. Entrepreneurs understand that visuals can be used to capture the consumer's interest.

7. Customer Reach

Response	O	E (18.4)	(O-E) ² /E
Strongly Agree	35	18.4	14.96
Agree	35	18.4	14.96
Neutral	16	18.4	0.31
Disagree	5	18.4	9.75
Strongly Disagree	1	18.4	16.44
Total χ^2			56.42

Result:

$$\chi^2 = 56.42, df = 4 \rightarrow \text{Reject } H_0$$

Interpretation:

The Chi-square output ($\chi^2 = 56.42, df = 4$) is considerably larger than the critical value, thus the rejection of the null hypothesis. It is established that the majority of respondents agree that social media helps to boost customer reach. From the results obtained, it is clear that social media has the capability to enhance market access irrespective of physical location, but there could be variations in reaching out customers.

8. Revenue Impact

Response	O	E (18.4)	(O-E) ² /E
Strongly Agree	37	18.4	18.80
Agree	30	18.4	7.32
Neutral	15	18.4	0.63
Disagree	5	18.4	9.75
Strongly Disagree	5	18.4	9.75
Total χ^2			46.25

Result:

$$\chi^2 = 46.25, df = 4 \rightarrow \text{Reject } H_0$$

Interpretation:

The Chi-square statistic ($\chi^2 = 46.25, df = 4$) is greater than the critical value; hence the null hypothesis is rejected.

This indicates that the positive perception on the effects of revenue increase as a result of the use of social media is statistically significant. Most of the respondents demonstrate that their sales have been increasing due to the use of social commerce. However, some neutral and negative attitudes were observed, which means that the outcomes will be influenced by a number of other factors.

● Overall Discussions

○ Social commerce as a viable business model (Objective 1): Evidence indicates that when used properly, entrepreneurs in different lines of product are active in the use of the social platforms and report more communication and reach, thus suggesting that social commerce can be a viable medium. Great usage rates of Instagram, Facebook, Tik Tok, and Whats App justify the appropriateness of direct selling.

○ Influence of tools and content formats: The emergence of reels, stories, live selling, and WhatsApp catalogs, as well as a substantial level of positive recommendations towards visual content expressed by the respondents, underscores the fact that some tools have a tangible effect on the engagement and revenue. Real-time and visual storytelling seem to be especially helpful in motivating interest and purchases.

○ Change in revenue performance/challenges (Objective 3): The majority of the respondents indicated that there are revenue growths, but there is a lot of variance. By doing so, the research gaps reported are confirmed: entrepreneurs demonstrate heterogenous results due to fatigue of content, inability to estimate the return on investment, competition, and issues with trust building. Actually, the neutral/negative responses to the revenue related items show that these are moderating success.

Generally, the empirical findings indicate that social media can be used to make direct sales and generate income but depends on the strategy and the use of the tools, quality of the content and platform selection.



Conclusion

The research concludes that the social commerce is a viable and easily attainable business model by entrepreneurs. It enables the presentation of products, instant communication, and developing trust with buyers on such platforms as Instagram, Facebook, Tik Tok and WhatsApp. As the tools such as reels, live selling or stories are adopted, it enhances engagement and increases visibility thus enhancing revenue.

It also confirms, but indicates that the revenue results are not uniform; it is determined by such aspects as the quality and consistency of the content, customer-targeting and the effectiveness with which the entrepreneurs exploit the platform characteristics. The findings of the Chi-square test provide additional evidence suggesting that customer reach and revenue generation have a statistical correlation with such factors as use of visuals, platform choice and engagement tactics. Overall, the results indicate that social commerce is among the key drivers of the success of entrepreneurs and a significant growth driver within the digital marketplace.

Based on the research discovery, the recommendations below may assist entrepreneurs to maximize the benefits that can be accrued under social commerce:

- Visually Quality Material:

It is important to always share reels, live videos, product demos and beautiful pictures since they generate a lot of interest among the customers.

- Be Consistent with Posting:

Consistent postings increase the visibility, retention of customers and brand remembrance.

- Utilize Multiple Platforms:

Integrating Instagram, Facebook, WhatsApp and Tik Tok will ensure a broader reach and less reliance on a specific service.

- Connect with Customers by using Direct Messaging:

Fast replies, customized messages, and order processing using WhatsApp serve to build customer relationships, resulting in increased purchases.

- Leverage Live Selling:

Live product sessions generate trust, provide the opportunity to clarify in real-time, and prompt purchases.

- Monitor Insights & Performance:

By examining the engagement metrics-likes, reach, and views, it is in this way that entrepreneurs can gain an insight into what kind of content is effective.

- Invest in Paid Advertisements When available:

Targeting the ads correctly will assist in reaching the target audiences and can enhance the visibility and sales.

- Concentrate on telling stories as opposed to selling:



Individuals read more stories, behind-the-scenes, and display of a brand personality as opposed to continuous price promotions.

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