

Article

Survivability Scenario of SMEs in Facing COVID-19 Crisis Based on the Social Commerce Framework

Apol Pribadi Subriadi * and Shinta Amalia Kusuma Wardhani 

Department of Information Systems, Institut Teknologi Sepuluh Nopember, Surabaya 60111, Indonesia; shinta.190521@mhs.its.ac.id

* Correspondence: apolpribadi@gmail.com

Abstract: Government regulations that limit social and community activities to reduce the spread of COVID-19 have a very negative impact on the economy. This negative impact has a more profound effect on small and medium-sized enterprises (SMEs) because their business models are highly dependent on sales flows. Falling demand will significantly threaten the survival of SMEs. To overcome this impact, SMEs need to consider digital technology to better market their products. Social commerce, a new e-commerce business model, is becoming an online sales platform that helps businesses connect with customers and gain a competitive edge. This study aimed to develop scenarios for the ability of SMEs to survive the impact of the COVID-19 pandemic. We created scenarios based on a social commerce framework with four components: customer, platform, merchant, and context. These components were mapped in the Information Technology Infrastructure Library (ITIL) 4 to obtain scenarios of practical and well-documented actions by SMEs affected by the COVID-19 pandemic. This study used canonical action research to apply scenarios to an affected SME and then evaluated how these scenarios can help the SME survive based on its financial performance. This study proposes applicable social commerce scenarios to encourage the ability of SMEs to withstand the impacts of the COVID-19 pandemic.



Citation: Subriadi, A.P.; Kusuma Wardhani, S.A. Survivability Scenario of SMEs in Facing COVID-19 Crisis Based on the Social Commerce Framework. *Sustainability* **2022**, *14*, 3531. <https://doi.org/10.3390/su14063531>

Academic Editors: Ilsang Ko and Daniel Beimborn

Received: 27 January 2022

Accepted: 10 March 2022

Published: 17 March 2022

Publisher's Note: MDPI stays neutral with regard to jurisdictional claims in published maps and institutional affiliations.



Copyright: © 2022 by the authors. Licensee MDPI, Basel, Switzerland. This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC BY) license (<https://creativecommons.org/licenses/by/4.0/>).

Keywords: social commerce; survivability of SME; COVID-19 pandemic; action research; ITIL 4

1. Introduction

SMEs are the backbone of economic growth in Indonesia. When the novel coronavirus-19 (COVID-19) pandemic began spreading in Indonesia, SMEs were among the most affected by the crisis. In order to prevent the spread of the pandemic, Indonesia's government formulated policies that reduce the intensity of people making close contact with each other by maintaining social and physical distancing. However, these are unlikely to cause much harm to SMEs [1]. SMEs experience disadvantages of these restrictions that limit the public from carrying out social activities, which results in decreased transactions and public consumption. Meanwhile, business models such as those of SMEs are very dependent on the circulation of money from their sales, so when demand falls, this will threaten SMEs. This type of impact is relevant because SMEs significantly depend on external factors [2]. To face the crisis, SMEs need to know how effective strategies and actions can help their business models survive during the pandemic.

Therefore, given the sudden impact of the pandemic, small and medium-sized businesses need a suitable strategy to survive the crisis. According to Kottika et al. [3], SMEs should regard economic performance as an essential strategic orientation. Kottika et al. [3] reported the experiences of the SME financial crisis in Greece. In concert, this study investigated business lessons by considering entrepreneurs' personality traits and skills. However, these entrepreneurs may not understand how their personalities and skills help them survive. This is the challenging aspect of an entrepreneur's personality traits and skills. As evident in the literature, Freeman and Soete [4] professed that technical innovation is an essential indicator of economic growth. As Kumara [5] stated, technological

progress leads to shifting the entire frontier right with a given level of production inputs and without bothering to find a new resource base. Romer (1986) described technological innovation of SMEs as a source of growth in economies. Most of the previous literature focused on financial measurement as the key to evaluating SMEs' business success. In addition, SME performance is widely accepted to assess business well-being from financial performance [6,7]. To boost national innovation and economic growth, it is crucial to drive SMEs' innovation.

In the global COVID-19 crisis, many SMEs experienced short-term failure due to a lack of market knowledge and limited economic resources [8]. In the context of the crisis, innovation is a potent trigger for small business resilience and economic development in the manufacturing and service sectors [9–11]. These sectors are the most affected by the COVID-19 pandemic [12,13]. SMEs need technological innovation to survive during the pandemic; thus, SMEs can contribute significantly to technological innovation in the economy. However, the ability of SMEs to adopt technological innovations in business is limited primarily due to a lack of marketing knowledge or skills, financial capital, and human resources [14]. Advances in technological innovation in SMEs can encourage faster economic growth. As investigated by Choi and Lim [15], the innovation capacity of SMEs has a positive influence on the performance of technological innovation. In the end, many strategies that help SMEs survive the pandemic boil down to the conclusion that most of them tend to the SMEs' readiness to use information technology infrastructure.

However, SMEs face a lack of capital to invest in advanced information systems and technologies, and to expand their infrastructure. SMEs looking to recover from the COVID-19 crisis should invest in affordable information technology tools. Research by Hadi Putra and Santoso [16] stated that the use of e-business in SMEs can improve performance at the operational level. One of the tools in e-business that can provide significant business value for SMEs is the well-known social commerce. The social commerce business model can facilitate and empower companies to carry out brand management, marketing, sales, and customer support strategies by effectively adapting to the model. Developing countries such as Iran, Bangladesh, and Saudi Arabia have successfully implemented social commerce. Therefore, Indonesia has many opportunities to implement successful social commerce [17]. Consequently, social commerce is the appropriate mechanism for sustainable development of the urban economy in Indonesia's current conditions.

Caballero-Morales [8] employed a survivability approach for SMEs utilizing innovation technology and optimization, which develops new products that meet unique market needs. The achievement of innovation can be affected without prior optimization of the processes. In more detail, he proposed a methodological approach by integrating lean manufacturing such as Six Sigma and strategic planning such as Porter's Five Forces and the Blue Ocean Strategy. Pizzi [18] investigated green finance technologies (fintech) as facilitators of the transition toward SMEs' survivability. Fintech is an innovation that can reduce the cost of capital. To the best of our knowledge, there is still no literature study on the empowerment of social commerce for the survivability of SMEs during the pandemic. This research attempted to develop scenarios for SMEs to sustain their business during the COVID-19 pandemic by using social commerce. This paper is structured as follows: in the second part, we review the relevant literature to build a conceptual framework; the third section concerns the methodology; the fourth section explains how an action research project works; in the fifth section, we discuss the results of this research; the last section presents the conclusions of this study.

2. Literature Review

2.1. Social Commerce

There is a need to provide a comprehensive view of social commerce research to guide technical implementation. The word "social commerce" was first mentioned by Yahoo!'s shoposphere in a popular micro persuasion blog. Social commerce is a new trend of e-commerce, which urges the social interaction of consumers on social media, which includes

shopping activities or exploring shopping opportunities by engaging in collaborative online places [19]. Wu et al. [20] defined social commerce as e-commerce that is equipped with the application of word-of-mouth. Liang and Turban [21] described social commerce as e-commerce activities and transactions delivered through social networks using Web 2.0 software. There are various characteristics of social commerce: 1. sellers are usually individuals rather than companies; 2. sellers create a variety of products that are sold in personalized online stores; 3. sellers can create hyperlinks between their stores; and 4. seller incentives are based on commissions paid on sales from their stores [22]. Social commerce consists of two main points. First, social networking sites incorporate commercial features to allow transactions and advertisements. Second, traditional e-commerce websites add social tools to facilitate social interaction and sharing [21,23]. The first point refers to offsite social commerce, and the second refers to onsite social commerce.

More than the traditional e-commerce platform that is product-, service-, and business process-oriented, social commerce also enables social- and customer-oriented transaction processes. Social commerce platforms such as social networking websites provide activities that are not entirely online commerce [21]. Customers use social networking websites or social media for sharing information, photos, news, videos, and even jokes. Some activities of social commerce are as follows: recommendations [24]; referrals [25]; ratings and reviews [19]; forums and communities [24]; social ads [23]; social application [26]; E-WOM [27]; crowdsourcing/crowdfunding [19]; co-browsing/shopping/creation [22]; group buying [28]; tagging [29]; social curation [26]; L-commerce [28]; M-commerce [26]; wish lists [23].

2.2. Survivability of SMEs during COVID-19

Many studies admitted that most SMEs had been affected by the COVID-19 pandemic [8,30,31]. Dai et al. [32] showed the impact of COVID-19 on SMEs with evidence from two-wave phone surveys in China. Abuhussein, Barham, and Al-Jaghoub [33] showed how the affected SMEs from Jordan have adapted to cope with COVID-19 through changes in the business environment by modifying their operations from an ordinary business model to tentative digitalization. Iancu et al. [34] reported the impacts of COVID-19 on SMEs in Romania due to a lack of strong state support, poorly prepared and motivated human resources, and low digitalization. Research on strategies or ways for SMEs to survive is increasing during the pandemic outbreak. Caballero-Morales [8] developed systems that support the survival of SMEs in a certain period from two perspectives: optimization and innovation. Innovation, especially digital innovation, is the primary resource for the survival of SMEs against COVID-19. However, for this, optimization of the production process must be carried out. Moreover, Winarsih, Indriastuti, and Fuad [31] attempted to build a framework for sustainable SMEs to overcome the impact of COVID-19. In the framework to overcome the effect of COVID-19, SMEs need to consider the use of social media, monitoring transactions, stock availability, budgeting, and well-maintained cash flows. Then, Chowdhury et al. [30] investigated the impacts of COVID-19 on SMEs, both in short-term and long-term periods. Specifically, the formulated strategies can overcome the impact of this pandemic which include following the FEFO method, trade product rotation, reducing remuneration agreed upon by employees and employers, extending working hours after the crisis period, utilizing weekends and holidays as working days, short-term incentives for distributors to minimize promotional costs, and a focus on building online infrastructure.

Many strategies for SMEs' survivability during the pandemic crisis have been formulated. Most of them suggest that the use of technology is one of the effective strategies for achieving success, such as digital innovation and the use of social media [8]; and a focus on building online infrastructure [30]. Aligning DT with SMEs' business strategy to deal with the ramifications of COVID-19 constitutes another research avenue [35]. Information technology plays a vital role in improving the productivity and competitiveness of SMEs [36]. Therefore, this research focused on the use of information technology as a strategy for

the survival of SMEs. However, according to Cerchione and Esposito [37], the readiness of SMEs to use IT is minimal due to a lack of resources and management of information systems. Amid the high digital transformation, it turns out that, based on research by Qalati, Li, Ahmed, Mirani, and Khan [36], the adoption of social media can mediate the technological impact on SME performance. However, according to Ahmad, Abu Bakar, and Ahmad [38], the adoption of social media does not affect the performance of SMEs. It can consider taking advantage of social commerce because it has spread widely. Social commerce has become an important strategy that helps SMEs connect with customers and gain a competitive advantage [39].

We used the advantages of social commerce in improving SME performance as a basis for building strategies to survive the impact of COVID-19. However, research that addresses this topic is still minimal. Only the research by Itliong [40] explored strategies that prevent SMEs from closing their businesses during the COVID-19 pandemic by utilizing social media and social commerce. The strategy was built based on the profit factors that SMEs may obtain from social media and social commerce. This study created scenarios for the survival ability of SMEs in a social commerce framework. Scenarios were implemented to validate their success in sustaining the lives of SMEs affected by COVID-19.

2.3. Social Commerce Strategy and SMEs

Social commerce helps SMEs gain a competitive advantage to increase their sales by implementing various strategies. This study reviewed social commerce strategies that SMEs can use to increase their sales, as shown in Table 1. However, according to past studies, no research provides a comprehensive scenario on how to conduct these different strategies. Therefore, this study fills this gap by building a scenario for implementing social commerce to help SMEs survive the impact of COVID-19.

Table 1. Summary of social commerce strategies for SMEs.

Authors	Social Commerce Strategies
[41]	Using social media for virtual customer engagement to drive sales, even in partial lockdowns.
[42]	Bricks clicks, SME marketing advertising, online transactions, multi-channel business design, social CRM, social recruitment.
[43]	(1) Take advantage of Facebook groups to post products with targeted audiences and interact with users; (2) live stream to show product details and answer live chat. Selling SME products in the marketplace and categorizing their products correctly; (3) knowing customer satisfaction about the product through product recommendations.
[44]	Build a brand attitude to build purchase intention.
[45]	Offering a marketing platform for the Information Age, offering an avenue and forum for increased sales, giving an innovative edge to SMEs in a bid to reduce expenditures/cost and increase profitability, and creating a benchmark of direct client communication in modern PR.
[36]	User-generated content, facilitating knowledge sharing among firms and their stakeholders.
[46]	Focusing on posts that connect with customers based on a human rather than a business level and using imagery to share products with social media followers.
[47]	Using SME social media platforms to follow post threads by SME customers and owners. These posts include customer complaints, addressing customer complaints, gratitude to the customer from the SME, product promotion, apology to the customer, and product promotion.
[48]	Engaging members of social commerce groups.
[49]	Enhancing trust.
[50]	Information sharing to increase trust.

2.4. Research Model

This study built a social commerce model as a reference for creating scenarios for the survival capacity of SMEs. The model consists of a comprehensive explanation of the theory that becomes the primary reference combined with the results of previous studies to give rise to an idea of a problem that can be studied further—the social commerce model in this study, as shown in Figure 1.

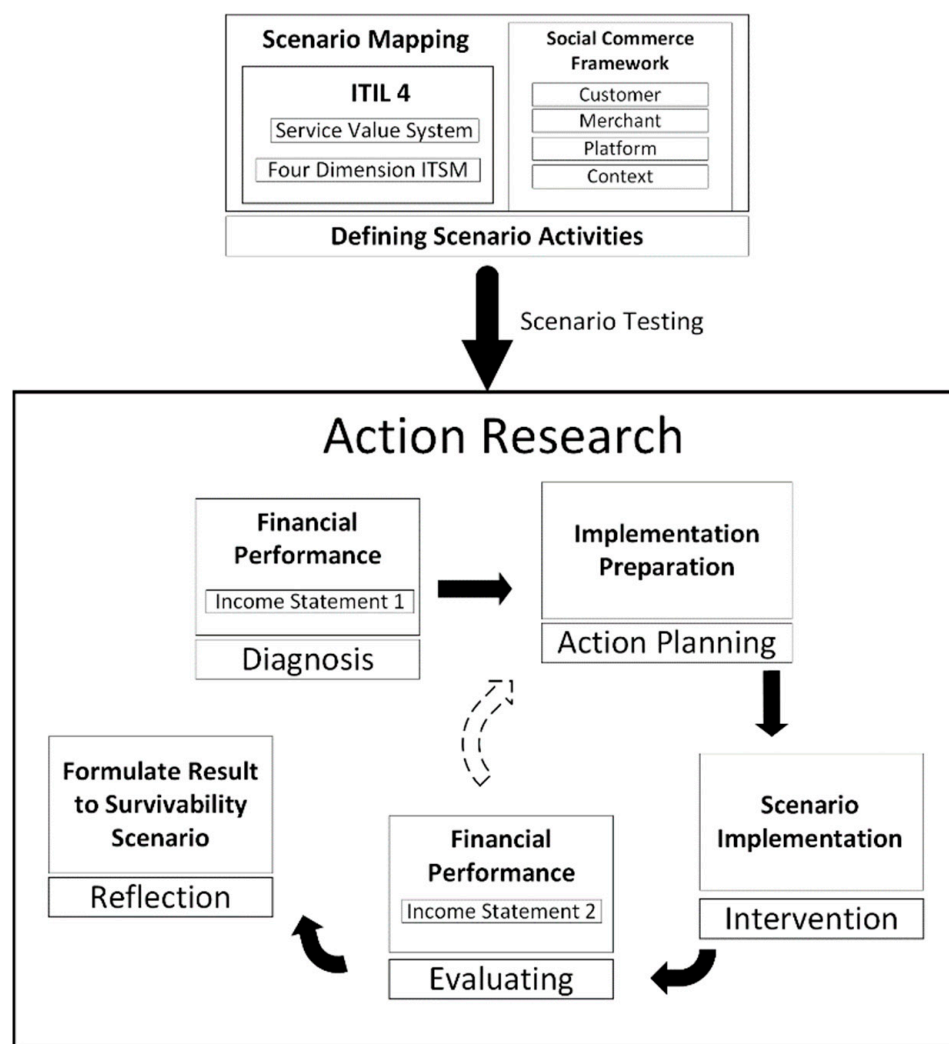


Figure 1. Research model.

Based on the related literature, social commerce is an effective strategy that SMEs can use to connect with customers and gain a competitive advantage. Our research used the benefits of social commerce to produce a scenario that SMEs can use as a strategy to survive the impact of COVID-19. For this reason, we used several theories and previous research, such as social commerce frameworks, ITIL 4, income statements, and action research methods.

2.4.1. Social Commerce Framework

The social commerce framework has been explored from various perspectives in previous studies, such as the research on social commerce [21], developing social commerce [51,52], and the design process of social commerce [25]. Along with the development of the social commerce framework, this study used the latest social commerce framework in the literature, namely, that of Han and Trimi [26], as a reference for compiling social

commerce scenarios. Moreover, the usefulness and generalization of the framework were analyzed by applying social commerce to SMEs.

The framework has four components: customer, platform, merchant, and context. The interrelationships between components in the social commerce framework are shown in Figure 2. The customer and merchant components represent the essential elements of the framework [26]. The platform component is the link between the customer and merchant components, in which there are four entities: activities, information, management, technology [26]. Customers and merchants use the platform to communicate under conditions in specific contexts. More detailed information about the components of the social commerce framework is shown in Table 2.

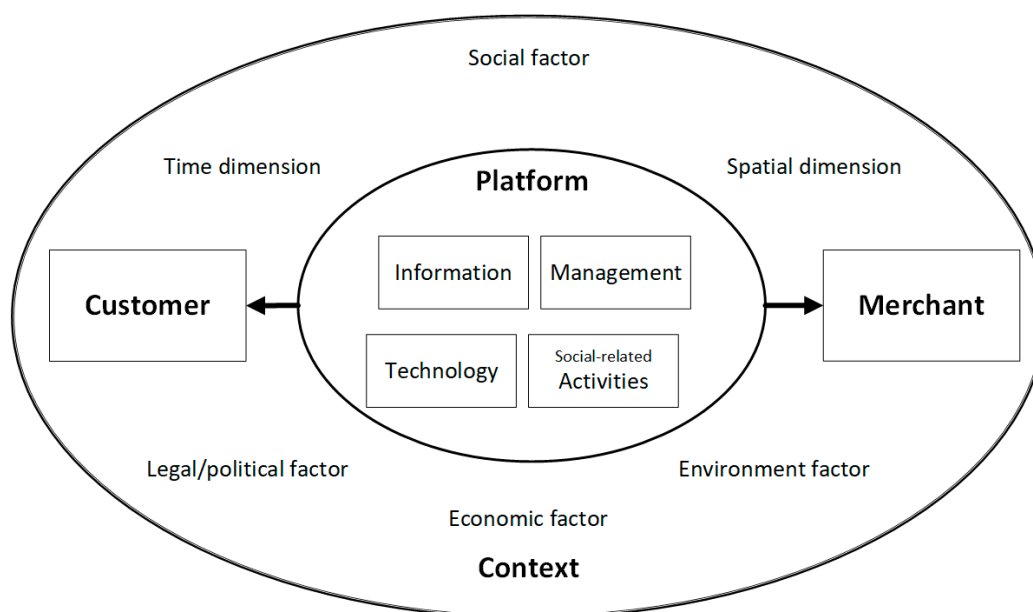


Figure 2. Social commerce framework (Han and Trimi, 2017).

2.4.2. Information Technology Infrastructure Library (ITIL) 4

It is not enough to build a social commerce scenario with a framework. The framework is usually used to guide the design and evaluation of social commerce [26]. Information technology service management (ITSM) is defined as an information technology (IT) operations approach characterized by its emphasis on IT services, customers, service-level agreements, and IT functions from daily activities through processes [53]. In addition, IBM (2020) defines IT service management (ITSM) as a set of policies and practices for implementing, delivering, and managing IT services for end users to meet the stated needs of end users and the stated goals of the business. ITIL, the most widely adopted guidance on IT service management (ITSM) in the world, and ITIL 4 bring ITSM up to date by re-shaping much of the established ITSM practices in the broader context of customer experience, value streams, and digital transformation, as well as embracing new ways of working, such as Lean, Agile, and DevOps (Axelos Global Best Practice, 2019). We combined the most up-to-date ITSM framework, ITIL 4, with the social commerce framework to build applicable scenarios.

2.4.3. Action Research

Action research aims to solve problems in practice while contributing to knowledge through a collaboration between academia and industry [54]. In this study, we implemented scenarios on the research object to prove the suitability of theory with practice in the field. Therefore, we used an action research approach in this study. Currently, much of the literature makes theoretical contributions to action research methods such as [55–61]. Canonical action research (CAR) is one form of AR that is more widely practiced

and reported in the IS literature because it complements the deficiencies of the previous literature [61]. CAR complements the weaknesses of the previous literature, such as the lack of methodological rigor, lack of differences from consultation, and a tendency to produce research with little action or action with little research. There are several criteria in CAR: principle of the researcher–client agreement (RCA), principle of the cyclical process model (CPM), principle of theory, principle of change through action, and principle of learning through reflection [61].

Table 2. Description of components in the social commerce framework.

Social Commerce Framework Components	
Components	Descriptions
Platform	The platform of social commerce consists of four entities: activities, information, management, and technology.
- Social-related activities	Activities related to the various forms of user-generated content (UGC), support of customers' buying decisions by crowdsourcing, and transactions and relationships with customers [26].
- Information	Information comes from social networking services/sites (SNSs), which have seen dramatic growth in popularity in the last decade, and user-generated content (UGC) (such as blogs, wikis, discussion forums, posts, chats, tweets, podcasts, pins, digital images, videos, audio files, and other forms of media created by users of an online system).
- Technology	The information and communication technology (ICT) infrastructure and applications responsible for the feasibility of s-commerce.
- Management	Strategies for multi-channel co-creation and relevant platforms, critical for the purpose of collectively gathering information and selling through a variety of social shopping channels.
Merchant	The merchant is responsible for distributing informative content about its brands.
Customer	The customer is the central component of s-commerce.
Context	The specific context for customer and merchant interaction.

2.4.4. Income Statement

In this study, it is necessary to know to what extent the scenario can allow SMEs to survive the impact of COVID-19. Businesses such as SMEs are highly dependent on money turnover from selling merchandise [31]. In addition, according to [6,7], the performance of SMEs can be used to assess business welfare from financial performance. For this reason, we measured the financial performance of SMEs as a measure of whether SMEs can survive the impact of COVID-19 or not. Financial performance indicators are a set of variables that usually show a firm's capability to make profits [62]. There are various ways to measure financial performance such as return on assets (ROA), return on investments (ROI), return on equity (ROE), return on capital employed (ROCE), return on shareholder's equity (ROSE), growth, net profit and gross profit [62], income statement, and balance sheets [63]. However, in this study, we used income statements to measure the financial performance of SMEs because these financial statements are produced by most SMEs [64].

An income statement is a tool for reporting business financial performance in a specific accounting period or financial year [65]. The purpose of using an income statement is to show owners, managers, and investors whether the company made a profit or loss during the reported period [66]. According to Griffin and Ebert [66], it can be divided into three categories, including revenues (money or income earned through selling goods or services),

cost of goods sold (costs used to purchase goods to be sold or to obtain materials for goods to be sold), and operational costs (costs that the company must incur to earn income, such as employee salaries, electricity bills, water tariffs, fuel costs, and general administrative costs). There are two methods when using an income statement, namely, the single-step and multi-step methods [66]. The single-step method only separates the income item from the expenses and subtracts the total cost from the total revenue to arrive at the “bottom line,” namely, profit or loss, or net income. In contrast, the multi-step method takes several steps to find the bottom line [66]. According to Obeki and Bila [67], their use is categorized according to the size and complexity of the company. Small-scale businesses can use the single-step method, while larger-scale companies can use the multiple-step form [66].

3. Methodology

3.1. Scenario Development

The scenario development considered conditions of impacted SMEs consist of two components in the social commerce framework, and ITIL 4 foundation essentials. In the procedure of ITIL 4 implementation, there are concepts such as SVS (Service Value System), as shown in Figure 3, which aims to ensure that organizations continuously create value for all stakeholders through the use and management of products and services [68]. In SVS, there is an opportunity/demand as input, and value as output. The opportunity represents an option or possibility to add value to stakeholders or to improve the organization [68]. Demand represents the need or desire for products and services from internal and external customers [68]. Meanwhile, value is stakeholders’ perception, whether they become customers, services, or part of the organization’s service provider [68]. In this study, opportunity is the condition/problem of SMEs affected by COVID-19 and the four components of the social commerce framework. Meanwhile, demand is expected from affected SMEs by using social commerce. The value of each stakeholder is shown in Table 3.

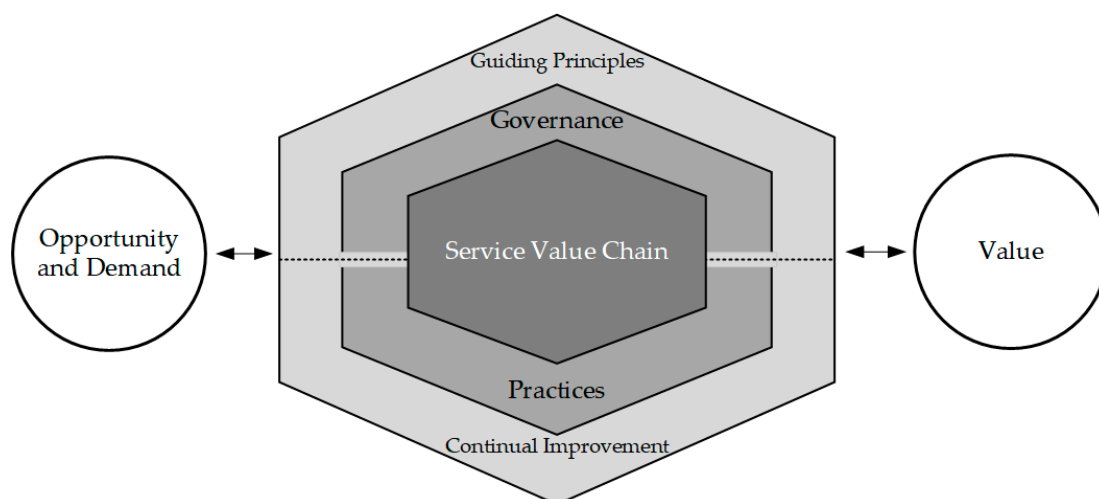


Figure 3. ITIL 4 Service Value System (Axelos Global Best Practice, 2019).

Table 3. Values of each stakeholder.

Stakeholder	Actor	Value
Organization	SME	To increase the survivability skills from the COVID-19 pandemic disruption by utilizing social commerce.
Service Provider	Researcher	To provide a social commerce platform for promoting SME products or services.
Buyer	Customer	To benefit from using social commerce platforms for transaction needs.

After establishing the service value chain setting, we initiated the development of the scenario based on the SVC, as shown in Figure 4. The SVC is the central element that outlines the main activities required to respond to demand and facilitate the realization of value through the creation and management of products and services [68].

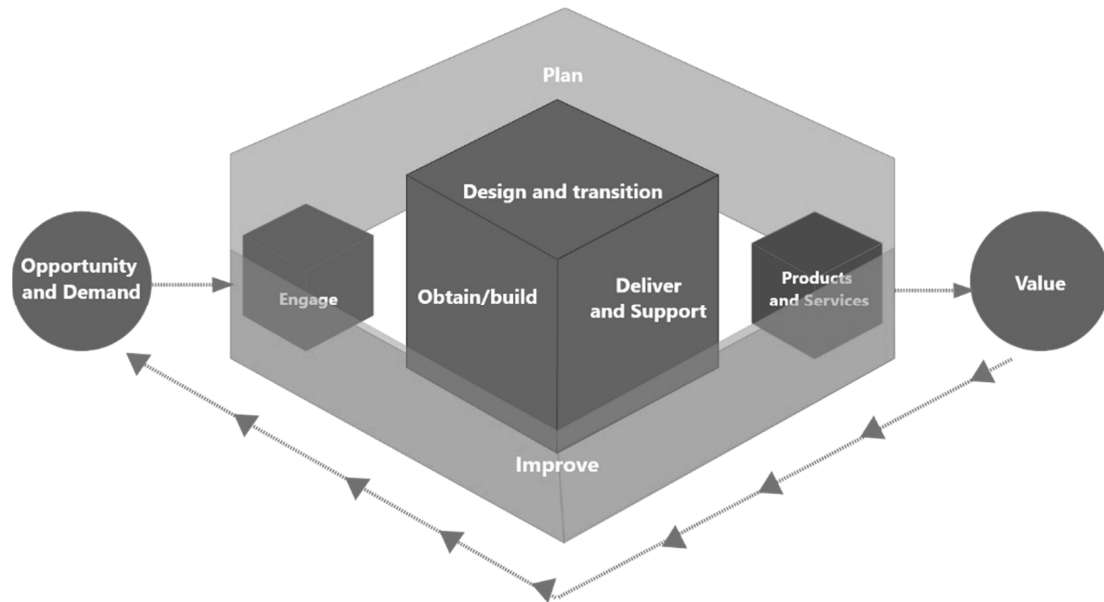


Figure 4. Service value chain (Axelos Global Best Practice, 2019).

Figure 4 shows that the SVC consists of activities such as engage, plan, design, transition, obtain/build, deliver and support, and improve. Each activity has a specific purpose, as shown in Table 4. Therefore, this research article refers to the social commerce framework as a design for implementation purposes so as not to use design activity and transition. Thus, the improvement phase is unnecessary for the initial planning of social commerce. Therefore, the SVC activity used in this research is to engage, plan, obtain or build, and deliver and support.

Table 4. Purpose of service value chain activities (Axelos Global Best Practice, 2019).

Value Chain	Purpose
Engage	Provide a good understanding of stakeholder needs, transparency, continual engagement, and good relationships with all stakeholders.
Plan	Ensure a shared understanding of the vision, status, and improvement direction for all four dimensions and all products and services across the organization.
Design and transition	Ensure that products and services continually meet stakeholder expectations for quality, costs, and time to market.
Obtain/build	Ensure that service components are available when and where needed and meet agreed specifications.
Deliver and support	Ensure that services are delivered and supported according to agreed specifications and stakeholders' expectations.
Improve	Ensure continual improvement of products, services, and practices across all value chain activities and the four dimensions of service management.

3.1.1. Scenario Mapping

The next step is to know which of the ITIL 4 practices can be used for developing the scenario. In ITIL 4, there exist 36 available practices, so it is vital to choose the most suitable

ITIL 4 practices for the components in the social commerce framework. For this reason, the next step is to map ITIL 4 practices to social commerce components. The researchers mapped and selected the most appropriate practices with the following considerations:

a. Platform

- Management entity

The management entity involves a strategy for co-creating multi-channels and relevant platforms. It is crucial for collecting information collectively and selling through various social shopping channels [26]. Effective management is essential to improve social commerce collaboration on the internet. Therefore, it can be concluded that the management dimension concerns how to manage social commerce platforms to sell products/services optimally. In this entity, we propose four ITIL 4 practices: strategy management, relationship management, service desk, and infrastructure and platform management. Strategy management aims to formulate organizational goals, adopt actions, and allocate resources needed to achieve these goals [68]. This practice is essential considering that it is necessary to implement the right strategy in social commerce management so that sales can be increased. Furthermore, ITIL 4 relationship management ensures high stakeholder satisfaction and maintains good relationships between the organization and stakeholders [68]. Meanwhile, the management component aims to preserve the quality of relationships with customers by ensuring user satisfaction, trust, commitment, and a social presence [26]. Service desk management aims to determine all the needs and resolve incidents and service requests [68]. This includes chats, both live chat and chat boxes. This follows the service quality in the management component. Service quality includes service interaction, service convenience, and responsiveness. Infrastructure and platform management practice has all the technology needed to support activities that create value for the organization and its stakeholders [68]. The management component has technology quality indicators, including esthetic site quality, process speed, and usability.

- Social-related activity

Social-related activity entities in social commerce are related to various forms of user-generated content (UGC), customer purchase decision support by crowdsourcing, and transactions and relationships with customers [26]. These are social activities that can be carried out on a social commerce platform to promote products/services offered by a merchant. We propose the following ITIL 4 practices in this entity: strategy management and relationship management. Strategy management sets the organization's direction, focuses efforts, defines or explains organizational priorities, and provides consistency or guidance in responding to the environment [68]. We need the right strategy to determine suitable social activities to promote products in social commerce. Meanwhile, relationship management aims to build and maintain relationships between organizations and their stakeholders at strategic and tactical levels [68]. After the strategy is determined, it is essential to communicate whether it has met its customers' wants/needs.

- Technology

The technology entity refers to the infrastructure and applications of information and communication technology (ICT) responsible for the feasibility of s-commerce [26]. In the technology entity, we propose the following ITIL 4 practices: portfolio management, and infrastructure and platform management. Portfolio management ensures that the organization has the right mix of programs, projects, products, and services to carry out its strategy within its limited funding and resources [68]. This practice is essential to carry out so that the technology used is in line with the needs of the social commerce platform. Meanwhile, the purpose of infrastructure and platform management is to monitor the infrastructure and platforms used by an organization [68]. Therefore, in the technology dimension of the social commerce framework, which aims to prepare the right technology infrastructure so that social commerce can be used optimally, it is vital to use infrastructure and platform management.

b. Customer

The customer component combines physical factors (age, education, and experience) and psychological factors (subjective norms, SNS addiction, SNS narcissism, hedonism, and utilitarianism), all of which exert a degree of influence on customer behavior [26]. Therefore, by knowing customer behavior on social media, organizations can better understand what customers want from products/services so they can determine the best strategy. To determine the strategy, we can use the ITIL 4 practice of strategy management because one of the objectives of strategy management is to determine the perspective and position of the organization relative to its customers and competitors. By understanding consumer behavior, SMEs can build relationships with customers through the ITIL 4 practice of relationship management which includes analyzing, monitoring, and improving ongoing relationships with stakeholders [68]. SMEs may also consider service desk management, whose aim is to receive resolution requests for incidents and service requests [68], which is very important for maintaining relationships with customers and for satisfaction with customer service.

c. Merchant

Merchants are actors who sell products/services to customers and then share information through social commerce platforms. The best and most effective way to sell products is to engage the community on social commerce platforms. Meanwhile, ITIL 4 strategy management aims to analyze the environment in which the organization is located to identify opportunities that will benefit the organization [68]. This is in line with the merchant component, where organizations—in this case, SMEs—need to increase awareness of brands/brands that sell their products/services.

d. Context

Context represents a contextual perspective covering various design features [26]. This component concerns whether merchants interact with customers through social commerce platforms. Context consists of economic, social, environmental, time dimension, and legal/political factors. At the same time, the objective of strategy management is to analyze the environment in which the organization is located to identify opportunities that will benefit the organization [68], in line with the context in which SMEs are located. It is an essential consideration in determining the social commerce strategy. The overall mapping results are shown in Table 5.

Table 5. Mapping of the social commerce framework and ITIL 4.

ITIL 4 Practice	Social Commerce Framework Components						
	Social-Related Activities	Platform Information (UGC, SNS)	Technology	Management	Merchant	Customer	Context
Strategy management	Yes	-	-	Yes	Yes	Yes	Yes
Portfolio management	-	-	Yes	-	-	-	-
Infrastructure and platform management	-	-	Yes	Yes	-	-	-
Relationship management	Yes	-	-	Yes	-	Yes	-
Service desk management	Yes	-	-	Yes	-	Yes	-
Service catalog management	-	Yes	-	-	-	-	-

3.1.2. Defining Scenario Activities

In SVC activities, there are one or several practices as detailed steps. In every practice, there are social commerce components as tools. The next step is to define the roles in each scenario and a description of the activities that must be carried out in accordance with the SVC activities, practices, and social commerce components. Furthermore, from this practice, a step-by-step scenario in the form of a value stream can be developed. A value stream is a set of steps to create and deliver products and services to service consumers. A value stream combines activities of an organization's value chain [68]. The value stream

describes the input/output/value chain (plan, design, transition, obtain and build, deliver and support, improve), the practices involved, who is involved, and the activities carried out. The value stream in this study is shown in Table 6.

Table 6. The scenario for the survivability of SMEs.

Code	Value Chain Input/Outcomes	Practice	Social Commerce Component	Roles	Activities
-	Opportunities/demand	-	-	SME owner	Increase SME profits through social commerce.
SC.01	Engage	Portfolio management	• Customer • Platform (technology, social-related activities)	SME owner, researcher	The SME owner and researchers discuss how the existing portfolio conditions in SMEs are product portfolios, customer portfolios, and platform portfolios.
SC.02	Plan	Strategy management	• Customer • Platform (social-related activities, management) • Merchant • Context	SME owner, researcher	Develop a strategy for content to be displayed on social media. The content is information about which products are best suited to the target market, thus maintaining a competitive advantage: customer analysis, design according to customers. Then, the SR activities that are suitable for promotion are determined.
SC.03	Plan	Service catalog management	Platform (information)	SME owner, researcher	Prepare any content plans related to product and service information that will be posted on the SME's social media.
SC.04	Obtain/build	Infrastructure and platform management, portfolio management	Platform (technology)	Researcher	Create social media business accounts, creating content according to the strategic plan, including taking good product photos and attracting customers.
SC.05	Deliver and support	Relationship management, service catalog management	Platform (social-related activities, information, management)	SME owner, researcher	The process of promoting product information with social-related activities
SC.06	Deliver and support	Service desk	Platform (management)	SME owner, researcher	Focusing on serving customer requests through social media and also receiving and responding if there are complaints.

In the SC.01 scenario, this study used service value chain engagement to provide a good understanding of stakeholder needs, transparency, ongoing involvement, and good relationships with all stakeholders [68]. For this purpose, the ITIL 4 practice used is relationship management to build and maintain relationships between organizations and stakeholders at strategic and tactical levels. This includes identifying, analyzing, monitoring, and continuously improving relationships with and between stakeholders [68].

The SC.02 scenario uses a value chain plan to ensure a shared understanding of the vision, current status, and direction of improvement for all four dimensions and all products and services across the organization [68]. For this purpose, this research used strategic practice management to ensure that the organizational strategy is translated into tactical and operational plans for each organizational unit that is expected to be under the strategy [68]. In addition, the practice management strategy has a high priority in the value chain plan. Based on the conditions known through the SC.01 scenario, regarding the initial needs of SMEs from the point of view of the customer portfolio, products, and technologies used, strategic steps will be determined at this stage.

The SC.03 scenario is still in the value chain activity plan but with the service catalog management practice. The service catalog management practice provides one consistent source of information about all services and service offerings and ensures that they are available to the relevant audience [68]. Service catalog management is carried out based on the social commerce framework, namely, the information component that uses user-generated content (UGC), which will be posted on Instagram. This is because service catalog

management includes ongoing activities related to publishing, editing, and maintaining services and product descriptions and related offerings [68].

The SC.04 scenario uses an obtain/build value chain to ensure that service components are available when and where needed and meet the agreed specifications [68]. For this purpose, this scenario uses infrastructure and platform management practices. Infrastructure and platform management includes providing the technology needed to support activities that create value for the organization and its stakeholders [68].

The SC.05 scenario uses value chain delivery and support activities to ensure that services are provided and supported following agreed specifications and stakeholder expectations [68]. Therefore, at this stage, content is uploaded, and social-related activities are carried out according to the plan carried out in the SC.03 scenario. For this reason, the practice of relationship management is used. One aim of relationship management is to ensure that products and services facilitate the creation of value for service consumers and organizations [68].

The SC.06 scenario also uses value chain activities, namely, delivery and support, but with a service desk as the practice. The service desk provides a clear path for users to report issues, queries, and requests and have them recognized, classified, owned, and acted upon [68].

3.2. Research Object

There are criteria to determine the object of research. This study aimed to determine the activities and steps for SMEs to survive the impact of COVID-19 within the framework of social commerce. Therefore, the object in this study is SMEs affected by COVID-19. Many recent studies discussed SMEs impacted by COVID-19, so this study determined the criteria for SMEs affected by COVID-19 based on various assignments. The criteria for SMEs impacted by COVID-19 are shown in Table 7.

Table 7. Criteria for SMEs affected by COVID-19.

Criteria	References
Difficulty in customer interaction	[69]
Decreased production	[30,69,70]
Decreased demand	[69,70]
Decreased employee availability	[30,69]
Decreased company cash flow	[30,31]
Distributors and trading partners are limited	[30]

3.3. Dialogue with the SME

Based on the criteria for SMEs affected by COVID-19 in Table 7, researchers conducted interviews with the object of the research, the SME Alpha, whose products are chips. Before the COVID-19 pandemic, the turnover could reach IDR 30 million to IDR 50 million in a month, but since the pandemic, it has decreased by 50 percent. This turnover reduction supports the statement that SMEs have been affected by COVID-19. Still, to ascertain whether the SME met the involved criteria, interviews were conducted based on the criteria for affected SMEs according to various previous studies. The results of the interviews are as follows.

The informant who was, the owner of the SME Alpha, which was established in 2013. The owner has ten employees consisting of eight permanent employees and two piece work employees hired when demand is high.

- Difficulty in customer interaction

Spokesperson: “According to you, since the Pandemic, do you find it more difficult to interact with customers? In the sense that it is due to reduced purchases so that interaction with customers has indeed decreased”.

SME owner: “You could say yes, sis, our sales system is to retail and then profit sharing. Since the Pandemic, the number of retailers has decreased, that is because their sales are low, in the end, we rarely send products”.

- Decreased production and demand

Spokesperson: “Since the pandemic has decreased production and decreased demand?”

SME owner: “yes”.

- Decreased employee availability

Spokesperson: “Did after COVID-19 impact the availability of employees, Sir? For example, today off or reduce the number of employees? “

SME owner: “We did not dismiss employees, because yes, to outsmart the impact of COVID-19, I also opened other types of products such as culinary”.

- Decreased company cash flow

Spokesperson: “What about the turnover after COVID-19”.

SME owner: “In the past, it was around 50 million per month, now that’s 20–25 million lefts, sis. Most stuck at 30”.

- Distributors and trading partners are limited

Spokesperson: “Are distributors and trading partners decreasing?”

SME owner: “Yes, miss, it’s clear that point”.

From the results of these interviews, this SME met almost all the criteria for SMEs affected by COVID-19, except for employee reduction. A reduction in employees was not carried out because the SME owner took the initiative to add to the culinary business model. The burden of employee salaries was still covered.

3.4. Action Research Cycle

The five-stage cycle for the CAR of this study is as follows:

- **Diagnosis.** The diagnosis stage measured the financial performance of the SME. The preparation of income statements by small and medium-sized enterprises helps determine their performance, profitability, and growth potentials [71]. Therefore, we used income statements to measure the financial performance of the SME.
- **Action planning.** This stage planned how the scenario is tested on the object of the research (SME) so that interventions can be carried out in accordance with the agreement with the SME owner.
- **Intervention.** This stage collected data from the implementation of social commerce scenarios in the object SME.
- **Evaluation.** This stage measured the income statement after the implementation and then compared it with the income statement before the scenario.
- **Reflection.** This stage analyzed differences in the measurement results of income statements before implementation and after implementation. This stage presents the conclusion of the effects of the interventions.

4. Action Research Project

This section reports and reflects on the SME that was defined as the research object. As the proposed model, this project involves CAR to reflect on how SMEs can survive COVID-19 with a social commerce scenario. There are five stages in CAR: (1) diagnosis, (2) action planning, (3) intervention, (4) evaluation, and (5) reflection.

4.1. Situation and Context Diagnosis

This study measured the financial performance of an SME by using an income statement to diagnose the condition of the SME. The aim was to determine the profit earned by the SME affected by the pandemic before the researchers implemented the scenario. This study measured the income statement in a monthly period due to the limited time of the survey. The period measured was the March period (1 month before implementation). The results of the income statement for the period are shown in Table 8.

Table 8. Income statement before scenario implementation.

Income Statement for 25 March to 25 April 2021		
	Note	IDR Million
Revenues		157.96
Cost of goods sold		(134.3)
Gross profit		23.66
Operating expenses		(10.16)
Income tax expenses		(0.075)
Profit for the month		13.425

The results of the income statement show a total income of IDR 157.96 million and a total cost of IDR 144.635 million, totaling a net profit of IDR 13.325 million. Compared with the results of initial interviews and quotes from news articles about the turnover that Alpha obtained before COVID-19, where it could reach IDR 50 million but dropped by 50% during COVID-19, the results of this measurement show a decrease, but above 50%. This may be because the SME has not carried out good financial bookkeeping, so income and expenses are still not documented. However, it is hoped that the SME survival scenario built in this research can help increase the profits of the research object SME so that the SME can continue to survive the impact of COVID-19.

4.2. Planning the Implementation

The SME owner agreed to use social commerce as a platform for the online promotion of SME's products. At this stage, the researchers and SME owner planned to intervene in the SME in a month pertaining to how the production process works, how the SME manages the financial flow, and how the SME promotes its products to potential customers. Later, the role setting of the researchers and the SME owner needed to be clearly defined during the intervention. In this setting, the researchers played the role of administrators for the SME's social media. We figured out that the marketing process only relies on traditional marketing. Therefore, the scenario was planned to empower social media under the monitoring of the SME owner because the SME owner needed to ensure the available stocks in the warehouse.

4.3. Implementation of The Scenarios

From 25 April to 25 May, the SME Alpha started running a social commerce scenario to promote and reach new virtual customers through the Instagram platform. According to the scenario, the first step was the action researchers and the SME owner discussing the customer portfolio, product portfolio, and platform portfolio as an overview of the initial conditions. This SME product portfolio focuses on souvenirs and snacks with 16 product variants, with a price range of IDR 8000–23,000. For the customer portfolio, the customers of the SME Alpha were divided into retailers, wholesalers, and retailers. However, most were retailers. SMEs have not recorded retail purchase transactions with good documentation. A portfolio platform is used to find out the extent of an SME's social commerce implementation based on technology and social-related activities. We found that the SME Alpha does not yet have these technologies and activities.

The second step was to determine strategies and services in social commerce based on portfolio management conditions in the SC.01 scenario. For this purpose, we implemented

scenarios SC.02 and SC.03 for the planning phase. Scenario SK.02 aims to determine the sales strategy in social commerce. The strategy is to build a merchant reputation in social commerce through branding, determine the context to find out external factors that affect promotions, select the social commerce platform used—Instagram—and assess target customers based on psychological and physical factors. This affects buying behavior in social commerce, determines social-related activities to be carried out based on previous conditions, and manages the platform to attract customer interest. The SC.03 scenario uses service catalog management practices to define content plans according to the strategy in SC.02.

This project needed to build a platform and infrastructure to execute the strategy and content. Therefore, in the next stage, the action researchers applied the SC.04 scenario by creating a business social media account and setting up a network that can support promotional activities. We considered several aspects such as the budget, as well as the SME owner's ignorance about social media in building platforms and infrastructure. There are various social commerce-supporting technologies such as Web 2.0, SOA, cloud computing, and social media [26], but we only needed to utilize social media for the SME Alpha. Therefore, the action researchers created an email account. The Instagram account created a promotion folder on Google Drive and ensured that the network used to promote social media is always available.

The action researchers and SME owner executed the plans and strategies on the Instagram platform. We posted content such as Instagram (IG) stories, videos, and posts according to our planned UGC. We based our planned UGC on who is the target audience of our content, and when is the right time to post the content. Another strategy is related to social activities to promote products from SMEs. These activities include recommendations, referrals, E-WOM, co-browsing/shopping/creation, group buying, social curation, l-commerce, and m-commerce. Finally, we also focused on serving and prioritizing our customers by providing fast and friendly responses to requests, questions, or customer complaints. All of these activities continued throughout the intervention period.

4.4. Project Evaluation

To evaluate the results of the scenario implementation, this study measured financial performance based on the income statement before and after execution. Before the implementation, the income statement was measured in the monthly period between 25 March and 25 April 2021. After the implementation, the measurement of the income statement was carried out between 25 April and 25 May 2021. The results of measuring the financial performance of the SME based on the income statement are presented in Table 9.

Table 9. Income statement after implementation.

Income Statement for the Month of 26 April to 25 May 2021		
	Note	IDR Million
Revenues		103.24
Cost of goods sold		(86.73)
Gross profit		20.8
Another revenue		0.396
Operating expenses		(4.545)
Income tax expenses		(0.075)
Profit for the month		16.906

The research period coincided with religious holidays in the month of Ramadan and Eid al-Fitr 1442 H in Indonesia. This resulted in differences in market conditions where the demand for products for the holidays would be higher. The SME Alpha is affected by the disease, meaning that there is differentiation in seasonal products such as pastries for Eid. For example, the demand for Eid cookies is higher than for chips, so the production of chips is lower than on usual days. This condition affected the cost of goods sold previously in income statement 1, which amounted to IDR 134.3 million, decreasing to

IDR 86.73 million in income statement 2. Likewise, the total quantity of goods from the beginning in income statement 1 was 2500 kg, but in income statement 2, it was 1500 kg. The decreased production of chips impacts employee performance; employees are paid daily, and thus if employees usually work every day of the week except holidays, in this condition, only three days a week are paid for the production of chips.

In contrast, the other days are used for the production of pastries. The initial operating costs in income statement 1 were IDR 10.16 million, decreasing to IDR 4.545 million in income statement 2. Therefore, the profit and loss component in income statement 1 was IDR 157.96 million, while in income statement 2, it was IDR 103.24 million. Although the profit in income statement 2 was smaller than that in the first income statement, the net profit obtained was higher in the second income statement, with a difference of IDR 54.72 million. This is because the cost of goods sold and operating costs were reduced. Interestingly, there was a new revenue component as a result of the social commerce scenario. Even with the insignificant IDR 0.396 million, this opens up new opportunities if a more extended scenario is implemented.

4.5. Reflection on the Project

The SME owner and action researchers routinely carried out content plans and social-related activities on Instagram throughout the project period, which was four weeks. In the first week, we posted a coming soon flyer on the IG feed and on IG stories and looked for the target audience of our promotion by following their Instagram account. In addition, we also posted some content to attract the audience's attention, such as games, guessing words, and videos. However, during this period, we did not provide any information related to the products we sold. The result was that, from about 800 accounts that we followed, 104 accounts followed our Instagram account back. Then, we also obtained about 5–7 likes from each post and had two comments on our posted games.

In the next period, in the second week, we posted products and services offered by Alpha. There were 16 product variants posted every day in the form of photos, videos, and stories. We also provided information such as how to order, info about outlets, and favorite products or best sellers. The result was engagement from the audience in likes and comments, but there were no purchases during this period. In the last period, we carried out social-related activities to promote the products and services we introduced in the previous period. This period was carried out from the third week to the fourth week. Following our strategy, we implemented recommendations, referrals, E-WOM, co-browsing/shopping/creation, group buying, social curation, l-commerce, and m-commerce. From these activities, social curation, co-browsing/shopping/creation, e-WOM, and recommendations can directly influence the audience to buy products from Alpha. Through social curation, Instagram accounts can follow the target audience. After following the target audience, comments were also made on the Instagram account posts and then product promotions. Co-browsing/shopping/creation is carried out by chatting with friends on social media to buy products. E-WOM and recommendations are recommendations and reviews by customers on Instagram. The result of this activity was that customers made a purchase by sending a message via Direct Message (DM) on Instagram. For the convenience of Alpha's customers, DM replies were very friendly, kind, and responsive.

According to the project evaluation results, our social commerce scenario increased SME profits by IDR 0.396 million. This amount was obtained from orders from Alpha's Instagram for two weeks at the end of the strategy execution period. In contrast to retailers who pick up products in bulk on Instagram, most customers only ordered in retail quantities. This is because our target customers on Instagram were mainly retail customers. This also affected the profit generated. The profit generated was higher than in the previous month, and it turned out that the success of the scenario implementation increased by around IDR 0.396 million among the total profit increase of IDR 3.481 million. Other factors that may have influenced the increase in the profit of the SME during the implementation are as follows: (1) the implementation time was only one month; (2) the amount of production

was low, meaning that quite a lot of customer requests were not fulfilled because the product was not available; (3) the staff for delivery orders was not yet available, so the owner needed to handle it himself.

5. Findings

5.1. Social Commerce Scenarios That Affect the Financial Performance of SMEs

The indicators of the social commerce framework based on the implementation scenario are all critical and related. However, those that directly influence sales in social commerce are UGC, and social-related activities in the SC.05 scenario. UGC can attract the attention of potential customers with exciting content. Social-related activities, especially social curation, co-browsing/shopping/creation, e-WOM, and recommendations, significantly affect purchases in social commerce. Meanwhile, management, primarily related to maintaining relationships with customers through service desk management, involves customer reviews in social commerce. However, the merchant component is essential to create a reputation on social media and determine the appropriate branding for UGC. Likewise, the context component is an external factor for strategy determination. Finally, the other component is the customer, which is very important to determine the target audience and customer behavior in social commerce, which affects buying interest. All scenarios are interrelated, meaning that the SC.05 scenario and the SC.06 scenario can have an effect on increasing SME profits. We provide the conclusion of the influence relationship between scenarios on the profitability of SMEs in Figure 5.

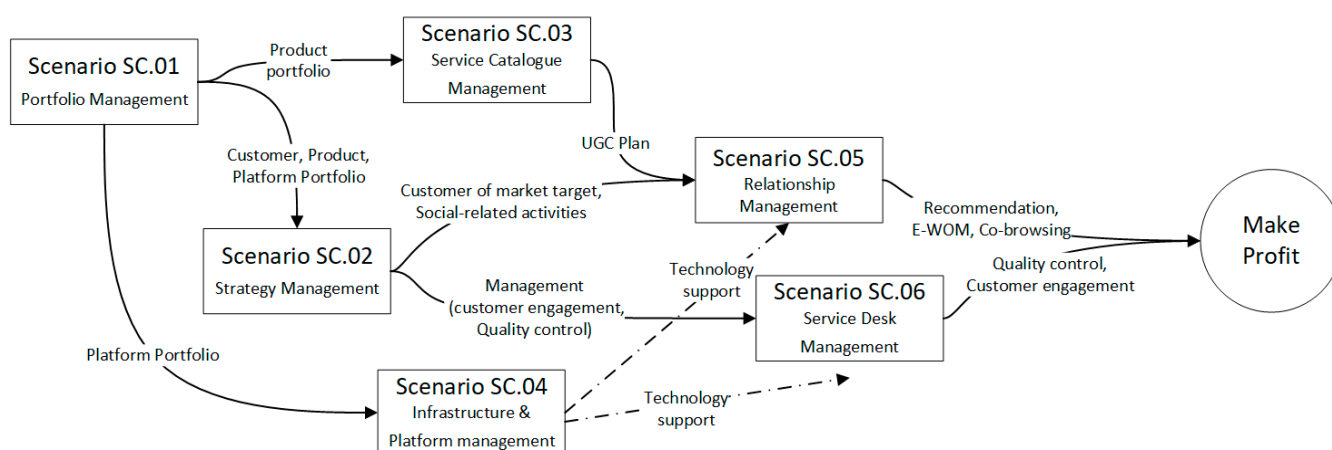


Figure 5. Influence of the social commerce scenario on SME financial performance.

As shown in Figure 5, the scenarios are interrelated, meaning that they can generate profits for SMEs. The SC.01 scenario is the ITIL 4 practice of portfolio management, and the outputs are product, customer, and platform portfolio. Product, customer, and platform portfolio influence the SC.02 scenario to determine the strategy in strategy management. In addition, the product portfolio affects the SC.03 scenario in determining information related to the product content in service catalog management. Meanwhile, the portfolio platform becomes a reference for infrastructure and platform management practices in technology support for the SC.05 scenario and the SC.06 scenario. In the SC.03 scenario, which uses service catalog management, UGC and SNS content plans are created, which become social media content in the SC.05 Scenario. The SC.02 scenario carries out social-related activities and targets customers/markets for promotion purposes in the SC.05 scenario with relationship management practices. In addition, the SC.02 scenario also produces management for customer engagement and quality control which is the basis for the SC.06 scenario to perform service desk management. The scenarios have a direct influence on increasing SME profits with social-related activities such as recommendations, E-WOM, and co-browsing. Meanwhile, the SC.06 scenario affects the increase in profit through quality assurance and customer engagement in serving customer requests and questions.

5.2. Other Factors Affecting SME Profits

In this study, the SME survival scenarios focus on how innovation can improve financial performance. As Romer [72] explained, the technological innovation of SMEs is a source of economic growth. The technological innovation referred to in this research is social commerce. The implementation results show that applying the social commerce scenario to SMEs can increase the source of income of SMEs and penetrate new, wider markets through online media. However, the increase in profit/profit through this income is not very significant. There are several results from the implementation observations that became the findings of this study.

First, there is a factor outside the context of technological innovation, as stated in the scenario, that affects SMEs' financial performance, namely, a reduction in the amount of production, which also increases profits. This is the SME survival strategy against COVID-19 suggested by Chowdhury et al. [30], stating that production rotation can minimize losses due to product expiration. Second, another factor is product differentiation carried out by SMEs. For example, in the Alpha case study, product differentiation was carried out by looking at market conditions, namely, making Eid cake products that were more in demand during the research period in the months of Ramadan and Eid. This is one of the survival strategies of SMEs, according to Caballero-Morales [8], that is, using innovation to create new products that are more in line with market needs. Finally, there were factors related to stock availability. Due to the decline in production, SMEs are unable to meet some online customer demands. Additionally, communication between safety pins in the form of social media administrators and SME owners regarding stock availability is less clear. According to Winarsih et al. [31], this follows the survival strategy of SMEs, which discusses the importance of stock availability for the survival of SMEs against the impact of the pandemic.

5.3. Checking the Validity of Research Data

In this study, it was necessary to ensure the validity of the research data. We tested the validity through the triangulation technique. There are three types of techniques, namely, triangulation of data sources, triangulation of time, and triangulation of techniques.

5.3.1. Data Source Triangulation

We obtained information on research findings of the effect of scenarios on increasing profits from observations and implementation of action research. To test the validity of the data, we confirmed it by cross-checking other data sources; this is called triangulation of data sources. For this reason, at this stage, we conducted interviews with informants with a background in food business ownership who have been using social commerce for three years. The results of the triangulation of data sources are shown in Table 10.

Table 10. Triangulation of data resources.

Scenario	Implementation	Interview
SC.01 SC.01 Objective: Describe the initial condition of SMEs to determine the marketing strategy of SMEs in social commerce. ITIL 4 Practice Portfolio management Social commerce indicator Platforms	Scenario SC.01 influences the steps to determine the promotion strategy in the SC.02 scenario.	INF1 "I think it is vital to analyze this or what we often use the marketing mix or the 4Ps (Place, Product, Promotion, Price) indeed it becomes the foundation or basis that must be made for a product so that the product being sold is suitable in terms of price, which the consumer is, and where is the appropriate place to sell the product".

5.3.2. Triangulation of Data Collection Techniques

Triangulation of data collection techniques is conducted by re-examining the data obtained from the same source but with different questions. In this study, the researchers asked the same types of questions but with varying methods of delivery.

Initial question: “In your opinion, since the pandemic, have you found it more difficult to interact with customers?, in the sense that due to reduced purchases, so that interaction with customers is indeed reduced”.

Technical triangulation question: “Sir, are there retailers who don’t take goods from you anymore? Or maybe take it but become less frequent?”.

5.3.3. Time Triangulation

The researchers collected data from the same person but at different times. This was carried out to determine the consistency of the answers of the informant related to the information conveyed. As shown in Table 11, the informant’s first answer on 17 April 2021 is consistent with their second answer on 15 June 2021.

Table 11. Time triangulation.

Date	Interview	Informant
17 April 2021	“Your business has not used online promotions on social media. What is that for, Sir?”	INF1: “Well, that’s it, Ms. I’m already comfortable with this conventional way. I attended training to use e-commerce, but after it was made, no one bought it”
15 June 2021	“Your business has not used online promotions on social media. What is that for, Sir?”	INF1: “Can’t focus on online just like Whatsapp status, not marketplace yet”

6. Discussion

6.1. Theoretical and Managerial Implications

According to the dialogue with the researchers in Section 3.3, our action research has two interpretations for understanding the implications for the SME in facing the COVID-19 crisis. Firstly, the SME does not have any mitigation preparation for the COVID-19 disruption. Secondly, this is because the SME does not have any adequate technical skills for moving from the existing traditional business model to digital transformation. Therefore, the SME tends to let the situation become better naturally, waiting for the COVID-19 crisis to improve, instead of upgrading the business process in terms of digitalization. Consequently, the SME must face a struggling situation due to the COVID-19 crisis. This is understandable since, with the current condition, the SME does not have any options aside from hoping for help from fundraising organizations for humanity purposes or government subsidies.

This study investigated the detailed problems of the SME by conducting an intervention approach, and then, with respect to the revealed problems, we built a survivability scenario based on the social commerce framework by adopting the well-constructed ITIL 4. From the findings presented in Section 5, this study implicates a new theoretical implementation setting of social commerce. By considering the lack of digital technology skills and the financial issue of the SME as the main problems, we constructed a scenario action for the SME to survive in the COVID-19 crisis by emphasizing a no cost of social commerce scenario implementation.

6.2. Implementation Possibilities in South-East Asian (SEA) Countries

Agyekum et al. [73] investigated the use of technology in promoting financial inclusion among SMEs in SEA countries. The results showed that the usage of ICT-based services enhances SMEs’ financial inclusion. They obtained data from 6805 firms in the emerging SEA markets collected from the World Bank Group Enterprise Survey micro-database. SMEs in SEA countries should consider technological amenities and internet presence

as useful routes to access the credit information of potential customers. The conclusion showed that Bhutan, the Philippines, and Vietnam are more likely to access a line of credit, while Timor-Leste and Indonesia have a high-risk disposition. Due to this, the survivability scenario might result in Timor-Leste considering the aspect of technological infrastructure. In a different viewpoint, Bjerke [74] comprehensively interpreted a typified SME picture of culture, management behavior, and ethnicity in SEA countries, which led to similarity being found between Indonesia and the Philippines.

6.3. Limitations

This study has several limitations. The scenario implementation time was too short. The increase in profit from the scenario was not optimal; future research can propose an adequate time so that the survival scenario is implemented optimally. The scenario was only built based on the perspective of technological innovation, especially social commerce. Without considering other factors, future research needs to consider the survival ability of SMEs from different perspectives such as product differentiation, production rotation, and stock availability. The activity scenario was compiled from the ITIL 4 framework, but previous research explored how the implementation of ITIL 4 for SMEs and social commerce is still minimal; there are vast opportunities for future research to consider exploring the readiness of ITIL 4 implementation by SMEs and in social commerce.

7. Conclusions

This study proposed a scenario for the survival of SMEs against COVID-19 based on the social commerce framework. Activities in the scenario were built through an action research approach, including evaluating the success of the scenario in helping an SME survive COVID-19. The basis of this evaluation was the financial performance of an SME, following the statement [6,7] that the performance of SMEs is widely accepted to assess business welfare from financial performance. Based on the action research cycle, the scenario was proven to help an SME survive the COVID-19 crisis. The evaluation results show that the SME's profits increased by IDR 3.481 million after the implementation of the scenario.

There are six stages of scenarios to help SMEs survive the crisis; scenario SC.05 and scenario SC.06 have a direct effect on increasing profits. Scenario SC.05 is an ITIL 4 value chain activity, namely, delivering and supporting relationship management practices. The steps taken are activities such as E-WOM, co-browsing/shopping/creation, and social curation. Co-browsing/shopping/creation increases profit by chatting with friends on social media to buy products. Through social curation, Instagram accounts can follow the target audience; after following the target audience, comments are also made on the Instagram account posts. Products can be promoted through E-WOM and recommendations by customers on Instagram. These activities attract new customers through the social commerce platform Instagram. In addition, the SC.06 scenario uses ITIL 4 value chain activities, namely, delivering and supporting customers with service desk management practices. This follows the principle of the management component that was determined in the strategy of the SC.02 scenario to sufficiently serve and respond to complaints. This activity can influence the interest of potential customers who will place an order. Based on the reflection result of the SC-05 scenario and the SC.06 scenario, they can increase profit by IDR 0.396 million.

There are factors other than the scenario that can increase profits by IDR 2930 million. First, the reduction in production/production rotation also resulted in an increase in profits, following the SME survival strategy against COVID-19 by Chowdhury et al. [30]. Second, product differentiation is carried out by looking at market conditions following one of the survival strategies of SMEs, according to Caballero-Morales [8], by using innovation to create new products that are more in line with market needs. Finally, stock availability is less clear. This is in accordance with the survival strategy of SMEs, according to

Winarsih et al. [31], who discussed the importance of stock availability for the survival of SMEs against the impact of the pandemic.

Author Contributions: Conceptualization, A.P.S.; methodology, A.P.S. and S.A.K.W.; software, S.A.K.W.; validation, A.P.S. and S.A.K.W.; formal analysis, A.P.S.; investigation, S.A.K.W.; resources, A.P.S. and S.A.K.W.; data curation, S.A.K.W.; writing—original draft preparation, S.A.K.W.; writing—review and editing, A.P.S. and S.A.K.W.; visualization, S.A.K.W.; supervision, A.P.S.; project administration, S.A.K.W.; funding acquisition, A.P.S. All authors have read and agreed to the published version of the manuscript.

Funding: This research received no external funding.

Institutional Review Board Statement: Not applicable.

Informed Consent Statement: Informed consent was obtained from all subjects involved in the study.

Data Availability Statement: This study did not report any data publicly.

Conflicts of Interest: The authors declare no conflict of interest.

References

1. Lutfi, M.; Buntuang, P.C.D.; Kornelius, Y.; Erdiyansyah; Hasanuddin, B. The impact of social distancing policy on small and medium-sized enterprises (SMEs) in Indonesia. *Probl. Perspect. Manag.* **2020**, *18*, 492–503. [CrossRef]
2. Ulubeyli, S.; Kazaz, A.; Sahin, S. Survival of construction SMEs in macroeconomic crises: Innovation-based competitive strategies. *J. Eng. Des. Technol.* **2018**, *16*, 654–673. [CrossRef]
3. Kottika, E.; Özsoyer, A.; Rydén, P.; Theodorakis, I.G.; Kaminakis, K.; Kottikas, K.G.; Stathakopoulos, V. We survived this! What managers could learn from SMEs who successfully navigated the Greek economic crisis. *Ind. Mark. Manag.* **2020**, *88*, 352–365. [CrossRef]
4. Freeman, C.; Soete, L. *The Economics of Industrial Innovation*, 3rd ed.; Roudledge: London, UK, 1997.
5. Kumara, P. Expanding the Production Possibility Frontier of Sri Lanka: A Historical Economic Perspective on Technological Progress. *Sri Lanka J. Econ. Res.* **2019**, *6*, 83. [CrossRef]
6. Lee, Y.; Shin, J.; Park, Y. The Changing Pattern of SME's Innovativeness through Business Model Globalization. *Technol. Forecast. Soc. Chang.* **2012**, *79*, 832–842. [CrossRef]
7. Özer, F.; Tinaztepe, C. Effect of Strategic Leadership Styles on Firm Performance: A Study in a Turkish SME. *Procedia Soc. Behav. Sci.* **2014**, *150*, 778–784. [CrossRef]
8. Caballero-Morales, S.-O. Innovation as recovery strategy for SMEs in emerging economies during the COVID-19 pandemic. *Res. Int. Bus. Financ.* **2021**, *57*, 101396. [CrossRef] [PubMed]
9. Forsman, H. Innovation capacity and innovation development in small enterprises. A comparison between the manufacturing and service sectors. *Res. Policy* **2011**, *40*, 739–750. [CrossRef]
10. Uçaktürk, A.; Bekmezci, M.; Uçaktürk, T. Prevailing During the Periods of Economical Crisis and Recession through Business Model Innovation. *Procedia Soc. Behav. Sci.* **2011**, *24*, 89–100. [CrossRef]
11. Nah, F.F.-H.; Siau, K. COVID-19 pandemic—Role of technology in transforming business to the new normal. In *HCI International 2020—Late Breaking Papers: Interaction, Knowledge and Social Media. HCII 2020. Lecture Notes in Computer Science*; Stephanidis, C., Ed.; Springer: Cham, Switzerland, 2020. [CrossRef]
12. Fernandes, N. Economic Effects of Coronavirus Outbreak (COVID-19) on the World Economy. Available online: https://edisciplinas.usp.br/pluginfile.php/5662406/mod_resource/content/1/FERNANDES_Economic%20Effects%20of%20Coronavirus%20Outbreak%20%28COVID19%29%20on%20the%20World%20Economy.pdf (accessed on 9 March 2022).
13. Hamilton, J. The Strategic Change Matrix and Business Sustainability across COVID-19. *Sustainability* **2020**, *12*, 6026. [CrossRef]
14. Hoffman, K.; Parejo, M.; Bessant, J.; Perren, L. Small firms, R&D, technology and innovation in the UK: A literature review. *Technovation* **1998**, *18*, 39–55. [CrossRef]
15. Choi, Y.S.; Lim, U. Contextual Factors Affecting the Innovation Performance of Manufacturing SMEs in Korea: A Structural Equation Modeling Approach. *Sustainability* **2017**, *9*, 1193. [CrossRef]
16. Putra, P.O.H.; Santoso, H.B. Contextual factors and performance impact of e-business use in Indonesian small and medium enterprises (SMEs). *Heliyon* **2020**, *6*, e03568. [CrossRef] [PubMed]
17. Meilatinova, N. Social commerce: Factors affecting customer repurchase and word-of-mouth intentions. *Int. J. Inf. Manag.* **2021**, *57*, 102300. [CrossRef]
18. Waqar, M.; Pizzi, S.; Corbo, L.; Caputo, A. Fintech and SMEs sustainable business models: Reflections and considerations for a circular economy. *J. Clean. Prod.* **2021**, *281*, 125217. [CrossRef]
19. Curty, R.G.; Zhang, P. Social commerce: Looking back and forward. *Proc. Am. Soc. Inf. Sci. Technol.* **2011**, *48*, 1–10. [CrossRef]
20. Wu, Y.; Shen, J.-P.; Chang, C.-L. Electronic service quality of Facebook social commerce and collaborative learning. *Comput. Hum. Behav.* **2015**, *51*, 1395–1402. [CrossRef]

21. Liang, T.-P.; Turban, E. Introduction to the Special Issue Social Commerce: A Research Framework for Social Commerce. *Int. J. Electron. Commer.* **2011**, *16*, 5–14. [\[CrossRef\]](#)
22. Stephen, A.T.; Toubia, O. Deriving Value from Social Commerce Networks. *J. Mark. Res.* **2010**, *47*, 215–228. [\[CrossRef\]](#)
23. Huang, Z.; Benyoucef, M. From e-commerce to social commerce: A close look at design features. *Electron. Commer. Res. Appl.* **2013**, *12*, 246–259. [\[CrossRef\]](#)
24. Hajli, M. A research framework for social commerce adoption. *Inf. Manag. Comput. Secur.* **2013**, *21*, 144–154. [\[CrossRef\]](#)
25. Baghdadi, Y. A framework for social commerce design. *Inf. Syst.* **2016**, *60*, 95–113. [\[CrossRef\]](#)
26. Han, H.; Trimi, S. Social Commerce Design: A Framework and Application. *J. Theor. Appl. Electron. Commer. Res.* **2017**, *12*, 50–68. [\[CrossRef\]](#)
27. Cheung, C.; Xiao, B.S.; Liu, I.L. Do actions speak louder than voices? The signaling role of social information cues in influencing consumer purchase decisions. *Decis. Support Syst.* **2014**, *65*, 50–58. [\[CrossRef\]](#)
28. Li, Y.-M.; Chou, C.-L.; Lin, L.-F. A social recommender mechanism for location-based group commerce. *Inf. Sci.* **2014**, *274*, 125–142. [\[CrossRef\]](#)
29. Chevalier, M.; Dattolo, A.; Hubert, G.; Pitassi, E. Information Retrieval and Folksonomies together for Recommender Systems. In *E-Commerce and Web Technologies, Proceedings of the International Conference on Electronic Commerce and Web Technologies, Toulouse, France, 20 August–1 September 2011*; Huemer, C., Setzer, T., Eds.; Springer: Berlin/Heidelberg, Germany, 2011. [\[CrossRef\]](#)
30. Chowdhury, M.T.; Sarkar, A.; Paul, S.K.; Moktadir, M.A. A Case Study on Strategies to Deal with the Impacts of COVID-19 Pandemic in the Food and Beverage Industry. *Oper. Manag. Res.* **2020**. [\[CrossRef\]](#)
31. Winarsih; Indriastuti, M.; Fuad, K. Impact of COVID-19 on digital transformation and sustainability in small and medium enterprises (smes): A conceptual framework. In *Advances in Intelligent Systems and Computing*; Barolli, L., Poniszewska-Maranda, A., Enokido, T., Eds.; Springer: Cham, Switzerland, 2021. [\[CrossRef\]](#)
32. Dai, R.; Feng, H.; Hu, J.; Jin, Q.; Li, H.; Wang, R.; Wang, R.; Xu, L.; Zhang, X. The impact of COVID-19 on small and medium-sized enterprises (SMEs): Evidence from two-wave phone surveys in China. *China Econ. Rev.* **2021**, *67*, 101607. [\[CrossRef\]](#)
33. Abuhussein, T.; Barham, H.; Al-Jaghoub, S. The effects of COVID-19 on small and medium-sized enterprises: Empirical evidence from Jordan. *J. Enterp. Communities People Places Glob. Econ.* **2021**. [\[CrossRef\]](#)
34. Iancu, A.; Popescu, L.; Varzaru, A.A.; Avram, C.D. Impact of COVID-19 Crisis and Resilience of Small and Medium Enterprises. Evidence from Romania. *East. Eur. Econ.* **2022**, 2032177. [\[CrossRef\]](#)
35. Papadopoulos, T.; Baltas, K.N.; Balta, M.E. The use of digital technologies by small and medium enterprises during COVID-19: Implications for theory and practice. *Int. J. Inf. Manag.* **2020**, *55*, 102192. [\[CrossRef\]](#)
36. Qalati, S.A.; Li, W.; Ahmed, N.; Mirani, M.A.; Khan, A. Examining the Factors Affecting SME Performance: The Mediating Role of Social Media Adoption. *Sustainability* **2021**, *13*, 75. [\[CrossRef\]](#)
37. Cerchione, R.; Esposito, E. Using knowledge management systems: A taxonomy of SME strategies. *Int. J. Inf. Manag.* **2017**, *37*, 1551–1562. [\[CrossRef\]](#)
38. Ahmad, S.Z.; Bakar, A.R.A.; Ahmad, N. Social media adoption and its impact on firm performance: The case of the UAE. *Int. J. Entrep. Behav. Res.* **2019**, *25*, 84–111. [\[CrossRef\]](#)
39. Vongsraluang, N.; Bhatiasavi, V. The determinants of social commerce system success for SMEs in Thailand. *Inf. Dev.* **2017**, *33*, 80–96. [\[CrossRef\]](#)
40. Itliong, J. Online Strategies for Small Businesses Affected By COVID-19: A Social Media and Social Commerce Approach. Master's Thesis, California State University, Long Beach, CA, USA, 2020.
41. Akpan, I.J.; Soopramanien, D.; Kwak, D.H. Cutting-edge technologies for small business and innovation in the era of COVID-19 global health pandemic. *J. Small Bus. Entrep.* **2020**, *33*, 607–617. [\[CrossRef\]](#)
42. Abed, S.S.; Dwivedi, Y.K.; Williams, M.D. Social commerce as a business tool in Saudi Arabia's SMEs. *Int. J. Indian Cult. Bus. Manag.* **2016**, *13*, 1. [\[CrossRef\]](#)
43. Madias, K.; Szymkowiak, A. Functionalities of Social Commerce used by SME during Pandemic. *Int. J. Mark. Commun. New Media* **2022**, 30–44. [\[CrossRef\]](#)
44. Wang, X.-W.; Cao, Y.-M.; Park, C. The relationships among community experience, community commitment, brand attitude, and purchase intention in social media. *Int. J. Inf. Manag.* **2019**, *49*, 475–488. [\[CrossRef\]](#)
45. Basri, W.S.M.; Siam, M.R. Social media and corporate communication antecedents of SME sustainability performance. *J. Econ. Adm. Sci.* **2019**, *35*, 172–182. [\[CrossRef\]](#)
46. De Vries, H.P.; Veer, E.; De Vries, K.V. An examination of SME social media use in the food industry. *Small Enterp. Res.* **2018**, *25*, 227–238. [\[CrossRef\]](#)
47. Ndiege, J.R.A. Social media technology for the strategic positioning of small and medium-sized enterprises: Empirical evidence from Kenya. *Electron. J. Inf. Syst. Dev. Ctries.* **2019**, *85*, e12069. [\[CrossRef\]](#)
48. Doha, A.; Elnahla, N.; McShane, L. Social commerce as social networking. *J. Retail. Consum. Serv.* **2019**, *47*, 307–321. [\[CrossRef\]](#)
49. Hajli, N.; Wang, Y.; Tajvidi, M.; Hajli, M.S. People, Technologies, and Organizations Interactions in a Social Commerce Era. *IEEE Trans. Eng. Manag.* **2017**, *64*, 594–604. [\[CrossRef\]](#)
50. Bugshan, H.; Attar, R.W. Social commerce information sharing and their impact on consumers. *Technol. Forecast. Soc. Change* **2020**, *153*, 119875. [\[CrossRef\]](#)

51. Wang, C.; Zhang, P. The Evolution of Social Commerce: An Examination from the People, Business, Technology, and Information Perspective. *Commun. AIS* **2012**, *31*, 105–127.
52. Zhou, L.; Zhang, P.; Zimmermann, H.-D. Social commerce research: An integrated view. *Electron. Commer. Res. Appl.* **2013**, *12*, 61–68. [\[CrossRef\]](#)
53. Marrone, M.; Kolbe, L.M. Impact of IT Service Management Frameworks on the IT Organization. *Bus. Inf. Syst. Eng.* **2011**, *3*, 5–18. [\[CrossRef\]](#)
54. Susman, G.I.; Evered, R.D. An Assessment of the Scientific Merits of Action Research. *Adm. Sci. Q.* **1978**, *23*, 582. [\[CrossRef\]](#)
55. Baskerville, R.L.; Wood-Harper, A.T. A critical perspective on action research as a method for information systems research. *J. Inf. Technol.* **1996**, *11*, 235–246. [\[CrossRef\]](#)
56. Baskerville, R.; Wood-Harper, A.T. Diversity in information systems action research methods. *Eur. J. Inf. Syst.* **1998**, *7*, 90–107. [\[CrossRef\]](#)
57. Baskerville, R.; Pries-Heje, J. Grounded action research: A method for understanding IT in practice. *Account. Manag. Inf. Technol.* **1999**, *9*, 1–23. [\[CrossRef\]](#)
58. Olesen, K.; Myers, M.D. Trying to improve communication and collaboration with information technology: An action research project which failed. *Inf. Technol. People* **1999**, *12*, 317–332. [\[CrossRef\]](#)
59. Davison, R.; Vogel, D. Group support systems in Hong Kong: An action research project. *Inf. Syst. J.* **2000**, *10*, 3–20. [\[CrossRef\]](#)
60. Davison, R. GSS and action research in the Hong Kong police. *Inf. Technol. People* **2001**, *14*, 60–77. [\[CrossRef\]](#)
61. Davison, R.; Martinsons, M.; Kock, N. Principles of Canonical Action Research. *Inf. Syst. J.* **2004**, *14*, 65–86. [\[CrossRef\]](#)
62. Rashid, N.; Ismail, W.N.S.W.; Rahman, M.S.A.; Afthanorhan, A. Conceptual Analysis on Performance Measurement Used in SMEs Research: The Effectiveness of Firm's Overall Performance. *Int. J. Acad. Res. Bus. Soc. Sci.* **2018**, *8*, 1401–1412. [\[CrossRef\]](#)
63. Bahri, M.; St-Pierre, J.; Sakka, O. Performance Measurement and Management for Manufacturing SMEs: A Financial Statement-Based System. *Meas. Bus. Excell.* **2017**, *21*, 17–36. [\[CrossRef\]](#)
64. Sian, S.; Roberts, C. UK small owner-managed businesses: Accounting and financial reporting needs. *J. Small Bus. Enterpr. Dev.* **2009**, *16*, 289–305. [\[CrossRef\]](#)
65. Helfert, E.A. *Financial Analysis Tools and Techniques: A Guide for Managers*; McGraw-Hill Education: New York, NY, USA, 2001.
66. Griffin, R.; Ebert, R. *Business*, 6th ed.; Prentice Hall: New Jersey, NJ, USA, 2002.
67. Obeki, O.; Bila, B. Digitales Archiv. *Mater. Test.* **2018**, *41*, 307. [\[CrossRef\]](#)
68. The Stationery Office. *Axelos Global Best Practice. ITIL Foundation, ITIL 4 Edition (ITIL 4 Foundation)*; TSO, The Stationery Office: London, UK, 2019.
69. Helgeson, J.F.; Fung, J.F.; Zhang, Y.; Roa-Henriquez, A.R.; Zycherman, A.; Nierenberg, C.; Butry, D.T.; Ramkissoon, D. *Eliciting Lessons from Small- and Medium-Sized Enterprises (SMEs) for Natural Disaster Resilience Planning and Recovery during the COVID-19 Pandemic: SME Complex Event Resilience*; National Institute of Standards and Technology: Gaithersburg, MD, USA, 2020; p. 68. [\[CrossRef\]](#)
70. Kalemli-Ozcan, S.; Gourinchas, P.-O.; Penciakova, V.; Sander, N. COVID-19 and SME Failures. *IMF Work. Pap.* **2020**, *20*, 5. [\[CrossRef\]](#)
71. Lutfi, M. Digitales Archiv. *Acad. J. Econ. Stud.* **2016**, *2*, 55–63.
72. Romer, P.M. Increasing Returns and Long-Run Growth. *J. Political Econ.* **1986**, *94*, 261420. [\[CrossRef\]](#)
73. Agyekum, F.K.; Reddy, K.; Wallace, D.; Wellalage, N.H. Does technological inclusion promote financial inclusion among SMEs? Evidence from South-East Asian (SEA) countries. *Glob. Financ. J.* **2021**, 100618. [\[CrossRef\]](#)
74. Bjerke, B.V. A Typified, Culture-Based, Interpretation of Management of SMEs in Southeast Asia. *Asia Pac. J. Manag.* **2000**, *17*, 103–132. [\[CrossRef\]](#)