

Unveiling the Growth of E-commerce in Saudi Arabia and its Impact on Supply Chain Management

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Abstract

The outbreak of COVID-19 has caused an unexpected surge in online shopping, resulting in a higher growth rate than initially anticipated. From 2020 to 2022, there has been an additional 10% increase in growth, and from 2023 to 2025, there is projected to be an additional 3% increase, leading to a market worth \$50 billion by the end of 2025. The pandemic has prompted numerous businesses to enter the e-commerce market, which is predicted to dominate 80% of the retail sector by 2030. The global changes in consumer behavior due to COVID-19 have accelerated the dominance of e-commerce in the retail industry. This study aims to examine the impact of the COVID-19 crisis on the electronic market in Saudi Arabia. A literature review was conducted, and survey questionnaires were distributed, collected, and analyzed using statistical techniques. E-commerce companies have implemented various consumer-friendly features to attract more customers, including diverse product ranges, customer ratings and reviews, discounted deals, affordable delivery options, free exchanges and returns, competitive pricing, and 24/7 availability. The strong purchasing power driven by high per capita income, improved logistics networks, and increasing internet penetration are the primary factors contributing to the growth of e-commerce in Saudi Arabia.

Keywords

E-commerce, Retail, Supply Chain, Online consumers and Saudi Arabia.