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SMEs Adoption of E-commerce Using Social Media in Saudi Arabian Context: A Systematic Literature Review

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Abstract

Through the analysis of a number of previous studies, this article aims to present an overview of extent literature on the adoption of e-commerce by Small and Medium-sized Enterprises (SMEs) using social media in a Saudi Arabian context. An extensive literature review has been grouped and represented in six different categories including information and Communications Technology (ICT) adoption, e-commerce adoption by organizations, consumer adoption of e-commerce, e-commerce adoption by SMEs, including the use of social media to adopt e-commerce, and the use of social media by SMEs to adopt e-commerce in a Saudi Arabian context. The studies are analysed, literature gaps are outlined, and further research directions within the field are proposed.

Keywords: E-commerce, Social Media, Small and Medium Size Enterprises, Saudi Arabia

1 Introduction

The concept of social media is at the top of agendas for many businesses. Decision makers try to identify ways in which companies can benefit from social media, such as Facebook, Twitter, and YouTube (Brengman and Karimov, 2012). A recent study demonstrates that 93% of social media users think that companies should engage social media in their businesses, while 85% of them believe that companies should interact with customers via

social media websites (Cone, 2008; Michaelidou et al., 2011). In fact, businesses around the globe are starting to make wide use of social media to build closer links with suppliers and customers and to connect with employees more successfully (Barnes et al., 2012; Jamal et al., 2013). There are offers of direct links from company websites to Facebook and Twitter (Bunker et al., 2013) which suggests the prospect of replacing physical interaction with virtual proximity (Barnes et al., 2012) that could lead to a wider range of communications and opportunities for businesses and customers.

In contrast, SMEs are critical of the economic performance and development of any country (OECD, 2004). SME use of information technology (IT) based systems and applications such as electronic commerce (e-commerce) is generally constrained by limited resources (Scupola, 2009). However, since social media tools are economical to obtain and operate and little requirement for technical expertise is necessary, there is increasing evidence that SMEs are becoming early adopters of social media with the aim of improving their ability to serve customers (Barnes et al., 2012). Social media offers opportunities for SMEs to implement and/or promote e-commerce based applications in a cost effective manner. Yet, to date, this emerging technology has generally been studied very little, and in the Middle East specifically. Existing research suggests that the implementation of e-commerce by SMEs in the Kingdom of Saudi Arabia (KSA) would not only improve their own financial health, but could contribute substantially to the growth of the national economy. However, it appears there is a low rate of e-commerce adoption by Saudi SMEs (Dutta and Coury, 2002).

While conducting the literature review, a variety of studies have been conducted in a Saudi Arabian context to examine ICT adoption (Al-Shohaib et al., 2009; Al-Harby, 2010; Alshehri and Drew, 2010), e-commerce adoption by organizations (Al-Somali and Sabah, 2012; AlGhamdi and Drew, 2012; AlGamdi et al., 2013), e-commerce adoption by consumers (AlGhamdi and Drew, 2012; ALGamdi, 2012; Al-Mowalad, 2012; AlMowalad and Putit, 2013), and SMEs adoption of e-commerce (Al-Somali et al., 2011; Adaileh, 2012; Abousaber, 2012; Bahaddad et al., 2013). Similarly, several efforts have been made in analysing ICT and e-commerce in a Saudi Arabian context; such as research which has reviewed (Alatawi et al., 2013a) and conceptualised (Alatawi et al., 2013b) the adoption of knowledge management systems. Other such examples include reviews of literature on IS/IT adoption research (Baabdullah et al., 2013) and factors influencing the adoption and success of human resource information systems (Al-Khowaiter et al., 2013ab).

However, it appears that no systematic review has been conducted for analysing SME adoption of e-commerce using social media in a Saudi Arabian context. Due to the significance of the topic and the limited research available (especially in the Middle East and Saudi Arabia) it was deemed appropriate to exert considerable effort into the subject. It is within this context that the following study will present a systematic review of existing research relating to SME adoption of e-commerce using social media within a Saudi Arabian context. The remaining sections of the paper include the analysis of current literature which is divided in to 5 sections including: ICT adoption, e-commerce adoption by organizations, consumer adoption of e-commerce, e-commerce adoption by SMEs, use of social media to adopt e-commerce in a Saudi Arabian context. Within each section, the findings are discussed according to previous literature by highlighting research gaps followed by new directions suggested for further research and a conclusion.

2 Literature Analysis

A search of literature via Emerald Insights and Google Scholar revealed a number of studies conducted relating to ICT and e-commerce adoption in the Kingdom of Saudi Arabia by large organizations as well as SMEs. The studies are presented in the table below (Table 1) and
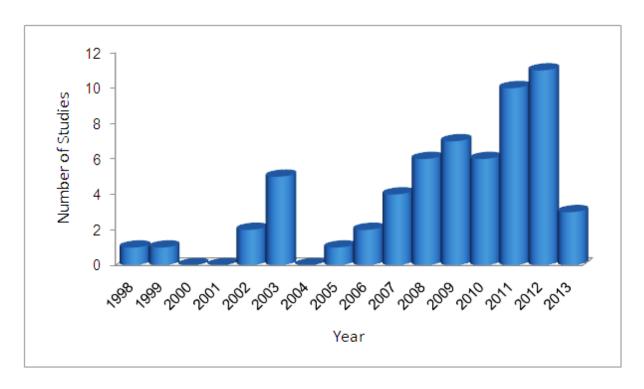
analysed in the summarised texts, after which research gaps are identified and future research directions are provided based on the limitations of previous studies that are presented.

Table 1 Research Themes Emerged from the Literature Analysis

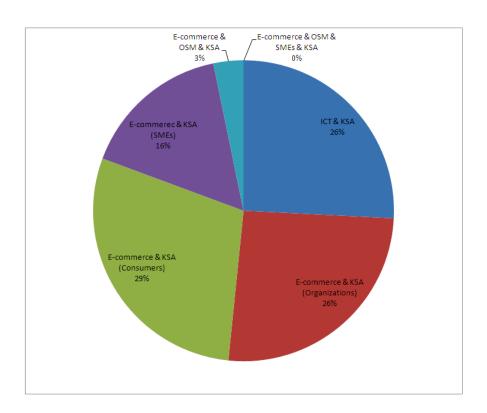| Theme	Citation
Studies identified ICT adoption in Saudi Arabia.	Al-Shoaibi (1998); Al-Khaldi and Wallace (1999); Dutta and Coury (2002); Nour, (2002); Aladwani (2003); Al-Gahtani (2003); Pons et al. (2003); Al-Solbi and Mayhew (2005); Al-Gahtani et al. (2007); Al-Saggaf (2007); Dwivedi and Weerakkody (2007); Sait et al. (2007); Al-Harby et al. (2008); Al-Shohaib et al. (2009); Al-Harby (2010); Alshehri and Drew (2010)
Studies identified factors that affect organizations to adopt e-commerce Saudi Arabia.	Al-Otaibi and Al-Zahrani (2003); Aladwani (2003); Ahmed et al. (2006); Al-Shehry et al. (2006); Al-Shehry (2008); Alfuraih (2008); Alrawi et al. (2009); Al Shehry et al. (2009); Al Shehry (2009); Al-Hudhaif and Alkubeyyer (2011); AlGhamdi et al. (2011); AlGhamdi et al. (2012a); ALGamdi, et al. (2012b); AlGhamdi and Drew (2012); Al-Somali and Sabah (2012); AlGamdi et al. (2013)
Studies identified factors that affect consumer adoption of e-commerce in Saudi Arabia.	Eid and Al-Anazi (2008); Sohail and Shaikh (2008); Aleid et al. (2009); Al-Somali et al. (2009); Alwahaishi et al. (2009); Aleid et al. (2010); Al-Ghaith et al. (2010); Al Hosni et al. (2010); Al-Maghrabi and Dennis (2011); Al-Maghrabi et al. (2011); Eid, (2011); Al Ghamdi et al. (2011); Al-Maghrabi and Dennis (2012); AlGhamdi and Drew (2012); ALGamdi (2012); Al-Mowalad (2012); ALMowalad and Putit (2013); AlGamdi et al. (2013)
Studies Identified factors that affect SMEs to adopt e-commerce in Saudi Arabia	Al-Hawari et al. (2008); Skoko and Ceric (2010); Merdah and Sadi (2011); Almoawi (2011); Almoawi and Mahmood (2012); Al-Somali et al. (2011); Adaileh (2012); Abousaber (2012); Bahaddad et al. (2012); (Bahaddad et al. (2013)
Studies Identified factors that affect the use of social media to adopt e-commerce Saudi Arabia	Indrupati and Henari (2012); Al-Mowalad, and Putit (2012)
Studies Identified factors that affect SMEs to use social media to adopt e-commerce in Saudi Arabia	No

The literature reveals 62 studies on ICT adoption, e-commerce adoption by organizations, consumer adoption to e-commerce, e-commerce adoption by SMEs, and the use of social media to adopt e-commerce. Although the earliest academic ICT adoption in Saudi Arabian research dated back to 1998 (Al-Shoaibi, 1998), most significant amount of research in this field began to take place in 2011 (Abousaber, 2011; Merdah and Sadi, 2011; Almoawi, 2011; Al-Somali) and 2012 (Al-Mowalad, 2012; Adaileh, 2012; Bahaddad et al., 2012). In contrast, the least number of studies was found in 1998 (Al-Shoaibi, 1998), 1999 (Al-Khaldi and Wallace, 1999), and 2005 (Al-Solbi and Mayhew, 2005) with only one study per year. In addition, no studies have been identified in the years 2000, 2001, and 2004 as shown in figure 1 below.

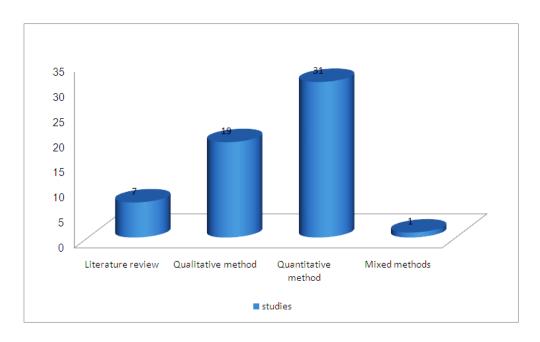**Figure 1** Number of Studies According to Year

The existing literature can be divided in to six main themes (see figure 2): studies which identified factors that affect consumer adoption of e-commerce (29%)(Al-Maghrabi and Dennis, 2012; AlGhamdi and Drew, 2012; ALMowalad and Putit, 2013), studies identifying factors that affect organizations to adopt e-commerce (26%) (Al-Somali and Sabah, 2012; AlGamdi et al., 2013), Studies identified ICT adoption (26%) (Al-Harby et al., 2008; Al-Shohaib et al., 2009; Alshehri and Drew, 2010), Studies Identifying factors that affect SMEs to adopt e-commerce (17%) (Merdah and Sadi, 2011; Almoawi et al., 2011; Adaileh, 2012; Bahaddad et al., 2012; Bahaddad et al., 2013), and only two academic studies Identifying factors that affect the use of social media to adopt e-commerce. Indrupati and Henari (2012) evaluated the effectiveness of online social networking by entrepreneurs in the Arabian Gulf, and Al-Mowalad and Putit (2012) presented research designed to propose a conceptual framework extended from the advanced Theory of Acceptance Model (TAM). The framework made it possible to examine social media effects, and perceived risk and the moderating effects between intention and actual online purchase. However, there are still substantial gaps in the knowledge as no studies have been found that Identify factors that influence SMEs to use social media to adopt e-commerce in Arab countries and Saudi Arabia.

Figure 2 Number of Studies According to Topic

Most of the existing research is quantitative in nature that includes questionnaire surveys (Abousaber, 2011; Al-Maghrabi and Dennis, 2012; Bahaddad, et al., 2013), whereas other studies are qualitative in nature and include case studies and interviews (Al-Somali et al., 2011; Indrupati and Henari, 2012; ALMowalad and Putit, 2013), few studies conducted a literature review (Nour, 2002; Aladwani, 2003; Al-Saggaf, 2007; Al Hosni et al., 2010; AlGamdi et al., 2013), and only one study has used a mixed method (Al-Shoaibi, 1998) (See figure 3). In addition, as a part of a larger research project using mixed methods, AlGhamdi et al. (2011) used a qualitative data collection by conducting interviews with a sample of the retail sector decision makers in Saudi Arabia. Later, AlGhamdi, Nguyen, A., Nguyen, J. and Drew (2012) focused on a quantitative analysis of responses conducted from a survey of retailers in Saudi Arabia.

Figure 3 Number of studies according to method used

Despite the fact that Saudi Arabia has the fastest and largest ICT growth in the Arab region, e-commerce activities are slow in progress (AlGhamdi et al., 2012a). Therefore it is essential that e-commerce adoption in Saudi Arabia is studied from different perspectives in order to obtain comprehensive insight. In fact, most of the existing literature focuses on both organizations (Abousaber, 2011; Almoawi, 2011; Adaileh, 2012; Bahaddad et al., 2012) and consumers (Al Ghamdi et al., 2011; ALMowalad and Putit, 2012; Bahaddad et al., 2013). However, only three studies within the existing literature focused on both organizations and consumers; AlGhamdi and Drew (2012) identified and explored key issues to enhance the diffusion of online retailing. Using the Diffusion of Innovation theory (DOI), they conducted interviews with both retailers and customers. In addition, ALGamdi et al., (2012a) investigated the most influencing factor for online retailing growth by interviewing both retailers and customers. Finally, AlGamdi et al. (2013) examined the present standing of e-commerce and the challenges of Business to Customers (B2C) e-commerce, where they focused on retailers and customers.

3 ICT Adoption in Saudi Arabian Context

In the early 1980s, since the introduction of personal computers (PC), Saudi Arabia has made massive investments in PCs to match the rapidly growing economy. Consequently, the PC business has become one of the fastest growing segments in the Kingdom of Saudi Arabia (Al-Khaldi and Wallace, 1999). Different studies have investigated ICT and Internet adoption in the Arab countries and Saudi Arabia. While analysing the studies, it was found that most of the Arab countries still did not fully realize the benefits of the internet (Aladwani, 2003). However, as long as technology continues to touch the lives of consumers, the willingness to adopt technology will increase (Al Hosni et al., 2010). The use of IT in the Saudi private sector is predicted to have a positive effect on the strategy of business organisations. IT usage and utilisation could encourage many organisations to adopt flatter and smaller structures which can lead toward a more un-centralised decision-making organisation (Al-Shoaibi, 1998). However, only 46% of Saudi's public relations professionals adopted the internet for the use of public relations (Al-Shohaib et al., 2009). In fact, PC utilization was determined by individual attitudes, social factors, personal characteristics such as PC experience, and facilitating conditions such as PC access (Al-Khaldi and Wallace, 1999). In addition, service

quality, usefulness, age, usage, type of connection, and type of accommodation are the causes with the main affect on attitude towards broadband adoption in Saudi Arabia (Dwivedi and Weerakkody, 2007). In fact, the country was not considered ready for ICT infrastructures. This was due to the fact that the level of ICT utilization differed from one organization to another and that no Code of Practice existed in the country (Al-Solbi and Mayhew, 2005). There are various different challenges for the uptake of ICT including obstacles relating to the environment such as high software piracy risk rates, no common plan, thus foregoing ICT efficiency opportunities, insufficient funding for ICT research and development, telecommunication's deregulation is slow and limited, bandwidth and connectivity issues with poor interconnectivity of Arab IP systems.

Obstacles relating to individual capabilities and access to technology such as digital divide, still remain along with obstacles in business and governmental sectors such as weak local ICT capabilities, limited Arab payment and transaction platforms, and marginal local language content (Dutta and Coury, 2002). In contrast, in order to improve e-readiness in Saudi Arabia a national ICT plan should be put in place to improve the standards and regulations related to the ICT infrastructure, to improve public awareness of the importance of ICT in our daily lives, to increase ICT teaching and learning courses (Al-Solbi and Mayhew, 2005), to promote wide-scale use of the Internet among the public by enhancing infrastructure, reducing connectivity costs, moving towards broadband access (Sait et al., 2007), persuading people using accurate research, creating awareness and moving forward with technology implementation (Pons et al., 2003). Education levels are a significant factor in technology adoption while gender and age are not recorded as significant (Al-Harby, 2010).

- Most of the studies have collected data from the larger companies in Saudi Arabia. Therefore, it is possible that they would have been more capable and efficient at adopting and managing ICT than average smaller companies. As a result, ICT adoption among SMEs e-readiness should be investigated.

- There is a general failure for respondents to describe their PC usage in their responses, which may be due to them using the PC less than they say they do. This behaviour could be culture-dependent. Therefore, it would be more informative to measure culturally specific ICT use and target intentions and behaviors at the individual level.

- While investigating consumers, most of the studies use a web-based survey; the results presented and the suggestions drawn are relevant to Internet users within the Kingdom of Saudi Arabia and may not demonstrate the large segment of the Saudi population which may not have Internet connectivity.

Further research directions:
- *ICT adoption and e-readiness assessment of SMEs in Saudi Arabia*
- *The influence of Behavioral intention on ICT acceptance and use in Saudi Arabia*
- *Consumers e-readiness assessment within the large population of Saudi Arabia*

4 Factors Affecting Organizations to Adopt E-Commerce in Saudi Arabia

E-commerce has become a main concern for many businesses since it is seen as a way to overcome many barriers of the traditional distribution channels and helps in reaching the international market. However, some sectors in Saudi Arabia are slow in adopting e-commerce technologies for running their business transactions. While conducting the literature review, a number of studies have been identified that highlight e-commerce

adoption by organizations in Saudi Arabia. While analysing the studies, it has been found that the first step in e-commerce adoption in Saudi Arabia is heavily dependent on the external factors including customers and partner e-readiness as well as e-readiness of the supporting industries, followed by the effect of government e-readiness (Al-Hudhaif and Alkubeyyer, 2011). The most serious inhibitors to e-commerce adoption in Saudi Arabia are security concerns, legal regulations, consumer privacy, business reputation (Aladwani, 2003), lack of government regulation, lack of online payment options, lack of clear legislation on e-commerce in Saudi Arabia (AlGhamdi et al., 2012b), lack of understanding the potential role of information technology on the future of the country, the need for technical support and expertise, problems with information overload, continuing reliance on face-to-face contact principles, charges still expensive, and lack of a management commitment and support (Ahmed et al., 2006; Al-Somali, 2012). In addition, Saudi websites are not e-commerce orientated and most of them are very weak in buying and selling facilities and have very weak human interaction methods, knowledge support tools, and marketing facilities. They are not safe and not easy to use. Furthermore, they are not targeting the right audience, they are also not customizable, and they are limited in focusing on customer needs, and the websites content is not designed to serve different classes of web site visitors (Al-Otaibi and Al-Zahrani, 2003). On the other hand, some of the top enabling factors of e-commerce adoption includes information and communications technology infrastructure, IT skills development e-readiness (Alrawi and Sabry, 2009; Al-Somali, 2012), technology resources related factors, managerial factors, organizational factors, as well as customers, partners, and supporting industry e-readiness (Al-Hudhaif and Alkubeyyer, 2011), providing high speed Internet connection at low cost, provision of individual house mailboxes, providing educational programs and competitive (AlGhamdi and Drew, 2012) government regulation and support (AlGhamdi and Drew, 2012), Indeed, e-commerce in Saudi Arabia was lacking in governmental support (AlGamdi et al., 2013) and it was found that government support is the highest and most influencing factor for online retail growth in Saudi Arabia as identified by both retailers and potential customers (ALGamdi et al., 2012a).

- Some of the most important e-commerce enabling factors in Saudi Arabia as highlighted in the study; both customer and partner e-readiness, the supporting industry e-readiness, government e-readiness, and IT skills development e-readiness. Therefore, it is beneficial to study the role of e-readiness on e-commerce success in Saudi Arabia as well as organizations and consumer e-readiness assessment in Saudi Arabia.
- There are a limited number of studies investigating Saudi commercial websites. As a result, it would be useful to investigate Saudi commercial websites to tackle consumer concerns and needs with the aim of benefitting business managers and owners as well as consumers.
- Government regulation and support is one of the main issues of e-commerce adoption in Saudi Arabia therefore it would be beneficial to conduct more studies that investigate relevant businesses and government departments in relation to the public and private organizations which could lead to the discovery of their e-commerce perspectives and, in turn, guide them and allow them to emerge.

Further research directions:

- *The role of e-readiness on e-commerce success in Saudi Arabia and the assessment of organizations and consumers on e-readiness in Saudi Arabia.*
- *Saudi e-commerce website analysis using both qualitative and quantitative methods to identify consumer concerns and needs and to benefit business managers and owners.*

- *Applying a theoretical sampling to determine the relevant businesses and government departments in relation to public and private organizations, thus discovering their e-commerce perspectives allowing them to emerge.*

5   Factors Affecting Consumers to Adopt E-Commerce in Saudi Arabia

There are a lot of consumer concerns on the factors influencing e-commerce adoption in developing countries including Saudi Arabia. Many researchers stated that e-commerce has grown in most of the developed countries. The majority of consumers and firms have gained different benefits from applying e-commerce in both local and global markets. However, many other developing countries are still struggling to adopt e-commerce in their local market. While the analysis of the studies, it became apparent that the e-commerce market has not yet been completely opened up to online purchases and e-commerce in Saudi Arabia. Although, large numbers of consumers are embracing e-commerce, there is an on-going struggle for its full acceptance. When it comes to ordering online, organizations and individuals still   face resistance (Alwahaishi et al., 2009) negative online purchasing experiences and perceived risk are inhibiting factors for the adoption of e-commerce (Al Ghamdi et al., 2011). In contrast, factors that influence Saudi consumers to purchase online are trust, usefulness, ease of use (Al-Mowalad, 2012) social pressure, perceived usefulness, and enjoyment (Al-Maghrabi and Dennis, 2011). In addition, key indicators that affect the consumers' decision to make an on-line purchase, lie in both trust (45%) and risk (40%). Saudi consumers have their own personal issues with online purchasing and these issues either propel them in the direction of or cause them to avoid purchasing online. Both trust and risk are existing factors that increase the frequency level of online shopping activity (ALMowalad and Putit, 2013). Customer trust and satisfaction influence loyalty towards e-commerce (Eid and Al-Anazi, 2008) with customer loyalty strongly influenced by customer satisfaction whilst being weakly influenced by customer trust (Eid, 2011). Furthermore, it has been established that people over the age of 55 are less likely to adapt to e-commerce, internet providers and Saudi postal office should work harder to satisfy Saudi consumers. Barriers to e-commerce adoption are more evident in small towns and villages than in cities; therefore more effort should be in educating consumers about e-commerce adoption and its advantages. No major differences were demonstrated between men and women in technological trend adoption (Aleid et al., 2009).

In fact, one of the most important drivers to online retailing diffusion in Saudi Arabia are secure online payments options (AlGhamdi and Drew, 2012). Although there are credit cards consistent with the (Sharia) principles of Islamic law, there remains a belief within the community that these cards should not be used as they can cause the accumulation of debt (Aleid et al., 2010). With this in mind, suitable online payment options other than credit cards, or more ease in obtaining a credit card, would offer encouragement for Saudi customers to purchase on-line (Al Ghamdi et al., 2011). Thus, it is recommended that certain cultures be given customised service in areas that would give consideration to religious beliefs as well as the adoption of the Arabic language to make it more acceptable for individuals in the Middle East (Al Hosni et al., 2010).

The review of literature indicated that there is a lack of mobile commerce studies as only one study has been found. The study stated that statistics showed that Arab people are ready to use mobile commerce supported by high mobile penetration rate. The study also recommended that mobile commerce providers and investors ensure a stable infrastructure and appropriate strategies. These can be focused on location based services and niche markets to promote mobile commerce adoption successfully. The research added that mobile Internet fees and expensive connections rates are barriers that create less likelihood of the adoption of

mobile commerce. They also added that in order to increase the adoption of mobile technologies in business, a suitable cost structure should be provided (Al Hosni et al., 2010).

- Additional studies should take place in the field of online consumer behaviour in Saudi Arabia to investigate online shopping and purchase motivation, as well as tackling any obstacles or personal issues Saudi consumers may have with making an online purchase. In addition, investigation of e-marketing by Saudi organizations that may affect consumer behaviour towards online purchasing.

- The main preventions to online purchasing are credit cards and online payment options. Therefore, it is essential to investigate online payment options that reflect the specialized Saudi culture, the religious beliefs as well as the Arabic language in order to help managers and business owners as well as consumers to overcome e-payment barriers in Saudi Arabia.

- There is a huge gap in literature in the field of mobile commerce, as only one study has been identified within the field. As a result, more studies are needed in related topics such as mobile commerce opportunities and challenges, building consumer trust in mobile commerce, mobile payment systems and services assessment, and mobile marketing opportunities within the context of Saudi Arabia.

Further research directions:

- *Examination of e-marketing diffusion and the performance of firms, in addition to on-line consumer behaviour and e-purchasing assessment in Saudi Arabia.*

- *Investigate on-line payment options that reflect the specialized Saudi culture and their religious beliefs as well as the Arabic language which would help to overcome e-payment barriers in Saudi Arabia.*

- *Mobile commerce opportunities and challenges in the context of Saudi Arabia, Building consumer trust in mobile commerce in Saudi Arabia, Mobile payment systems and services assessment in Saudi Arabia, Mobile marketing opportunities for Saudi organizations and consumers.*

6   Factors affecting SMEs to adopt e-commerce in Saudi Arabia

Despite the growth of e-commerce adoption around the world in general, by both large companies and SMEs, there are only a small number of observed studies that examine the adoption of e-commerce by SMEs in Saudi Arabia. While analysing the studies, it has been found that the majority of SMEs in Saudi Arabia do not use the Internet for business solutions except for establishing Web sites for promotional purposes and no further involvement with the use of the Internet for business solutions (Adaileh, 2012). Small firm's main concerns are website contents and offerings, database-Web connection, security and Web management (Al-Hawari et al., 2008). Key barriers that face SMEs in Saudi Arabia when transferring technology are the lack of interest and awareness, lack of telecommunication and logistics infrastructures (Bahaddad et al., 2012), lack of management capabilities, lack of workforce skills, and ineffective legal and regulatory procedures (Merdah and Sadi, 2011), lack of technical knowledge, lack of experience (Al-Hawari et al., 2008). In addition, most Saudi SMEs do not fully know the importance of franchising (Merdah and Sadi, 2011). Furthermore, firm size, owner's attitude, competition intensity, and information intensity had a significant positive relationship with e-commerce adoption among SMEs in Saudi Arabia. However, owner's knowledge and relative advantage had a significant negative relationship with e-commerce adoption (Almoawi and Mahmood, 2012). Individualism, masculinity,

power distance and uncertainty avoidance had partially moderating effects on e-commerce adoption (Almoawi, 2011). Researchers suggested that the main focus areas for SMEs would be to promote wide-scale use of Internet among the public by enhancing infrastructure, reducing connectivity cost, and moving towards broadband access (Sait et al., 2007). In addition, outsourcing is strongly recommended (Al-Hawari et al., 2008). In contrast, resources and IT skills, information sources and technical support, website characteristics, the delivery system, and safe payment methods increase online purchasing (Bahaddad et al., 2013)

- To overcome e-commerce adoption barriers by SMEs such as the lack of technical knowledge, lack of experience, website content, database-Web connection, and security and Web management, outsourcing is strongly recommended. Therefore, future studies should investigate outsourcing evaluation for SMEs within the context of Saudi Arabia.

- Most of SMEs are not aware of the significance of franchising, however, it requires significant amounts of capital. In contrast, e-commerce adoption by SMEs is much more convenient and it has lower risk. Both franchising and e-commerce has its advantages for SMEs, so it is better for SMEs to adopt them together. SMEs who are interested in franchising will be able to produce more business opportunities by e-commerce adoption, as their outreach to consumers will be higher. More studies should investigate this topic within the context of Saudi Arabia.

Further research directions:

- *E-commerce outsourcing services evaluation for SMEs in Saudi Arabia.*
- *The role of Franchising and e-commerce in the development of SMEs in the context of Saudi Arabia*

7 Factors Affecting the Use of Social Media to Adopt E-Commerce in Saudi Arabia

After identifying the key barriers of e-commerce adoption by SMEs, the researcher tried to pursue studies that focused on the use of social media to help overcome e-commerce adoption barriers in Arab countries and in Saudi Arabia. Only two studies have been found, both of which were conducted in 2012. Apart from these, no studies have been identified within the context of SMEs.

Al-Mowalad and Putit (2012) presented research that is designed to demonstrate a conceptual framework extended from the advanced Theory of Acceptance Model (TAM). The framework examined social media effects, and perceived risk as the moderating effects between purchasing intention and actual online purchase, aiming to construct a framework of online purchase in Saudi Arabia. A sample of 400 was randomly selected among Saudis in the three largest cities (Jeddah, Dammam and Riyadh). Data was collected using a questionnaire survey. As the research involves the analysis of numerical data, the assessment is carried out using Structural Equation Model (SEM). Indrupati and Henari (2012) evaluated the effectiveness of online social networking by entrepreneurs in the Arabian Gulf including Bahrain, Kuwait, United Arab Emirates, Saudi Arabia, Qatar, and Oman. The research used a qualitative approach by interviewing a number of entrepreneurs in the Arabian Gulf who used online social networks as a method of promoting their products, making a sample size of 50 businesses from the Gulf region. The study found that online social networks are a cheap and easy method of advertising and give all entrepreneurs a better chance of reaching their target market as well as succeeding in their ventures. In addition, entrepreneurs can now target their markets using online social networks. Moreover, social networking web sites allow businesses to introduce their products to septic market segments, with a low chance of failure

and low expense. Finally, the researchers added that the rise in web-based social interaction can change the way businesses operate in the future.

- There is a huge gap within the literature in the context of social media including the values of online networks to retailers, the changing role of networking for SMEs, the usage of social media marketing for SMEs, and the role of social media to overcome e-commerce adoption barriers for SMEs.

Further research directions:
- *The values of online networks to retailers in Saudi Arabia.*
- *The usage of social media marketing for Saudi SMEs.*
- *Social media role to overcome e-commerce adoption barriers for SMEs and creating new business opportunities in Saudi Arabian context.*

8 Conclusion

Despite the introduction and implementation of different e-commerce systems in Saudi Arabia, businesses and consumers are slow in adopting e-commerce technologies for running their business transactions. However, social media offers a technological capability for the adoption of e-commerce especially for SMEs. Based on the extensive literature reviewed, key findings suggest that most of the studies to date have collected data from larger companies than SMEs. Most of the studies have used web-based surveys while investigating consumer input which may not demonstrate use by a large segment of the Saudi population who may not have internet connectivity. Some of the most important e-commerce enabling factors in Saudi Arabia are customer and partner e-readiness, the supporting industry e-readiness, government e-readiness, and IT skills development e-readiness. There are a limited number of studies investigating Saudi commercial websites. Government regulation and support is one of the main issues of e-commerce adoption in Saudi Arabia. Additional studies should take place in the field of online consumer behaviour in Saudi Arabia to investigate online shopping and purchase motivation. The main preventions to online purchasing are credit cards and online payment options. There is a huge gap in literature in the field of mobile commerce, with only one study having been identified within this field, even though mobile broadband subscriptions had reached 11.5 million by the end of 2011, representing 40.5% of the population (Ethos Interactive, 2012; Baabdullah et al., 2013). To overcome e-commerce adoption barriers by SMEs, outsourcing is strongly recommended. Most SMEs are not aware of the significance of franchising; however, it does require a significant amount of capital. In contrast, e-commerce adoption by SMEs is much more convenient and there is lower risk. Both franchising and e-commerce has its advantages for SMEs, so it is better for SMEs to adopt them together as their outreach to consumers will be higher. Finally, there is a substantial gap within the literature in the context of social media. Even though Saudi Arabia has witnessed the largest growth of posted Arabic content on the Internet amongst the Arab regions (28.37%), ranking second in the Arab countries after Egypt, for registering 5,240,720 Facebook users, and representing the largest proportion of Twitter users with approximately 830,300 users or 38% of total Arab users. With LinkedIn, Saudi Arabia ranks sixth amongst the Arab countries and 23rd globally with a total number of 681,939 Saudi LinkedIn users, as reported in September 2012 (Arab ICT use Report, 2012). In addition, Saudi Arabia registered the highest number of YouTube viewings worldwide per internet user which is equivalent to 90 million video views per day (SOCG, 2012). Therefore, investigating the values of online networks to retailers, the usage of social media marketing for SMEs, and the role of social media to overcome e-commerce adoption barriers for SMEs in a Saudi Arabian context, would not only be beneficial to Saudi studies but also for the Arab countries

combined as well as in a worldwide context. This paper reviewed the literature on the SME adoption of e-commerce using social media in a Saudi Arabian context. It will contribute to the field and assist future research by investigating previously related studies and proposing further research directions after highlighting literature gaps within the field.

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