

UNLOCKING E-COMMERCE FOR SMES

Inside:

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OVERVIEW OF THE E-COMMERCE ECOSYSTEM

The growth of e-commerce in the Kingdom

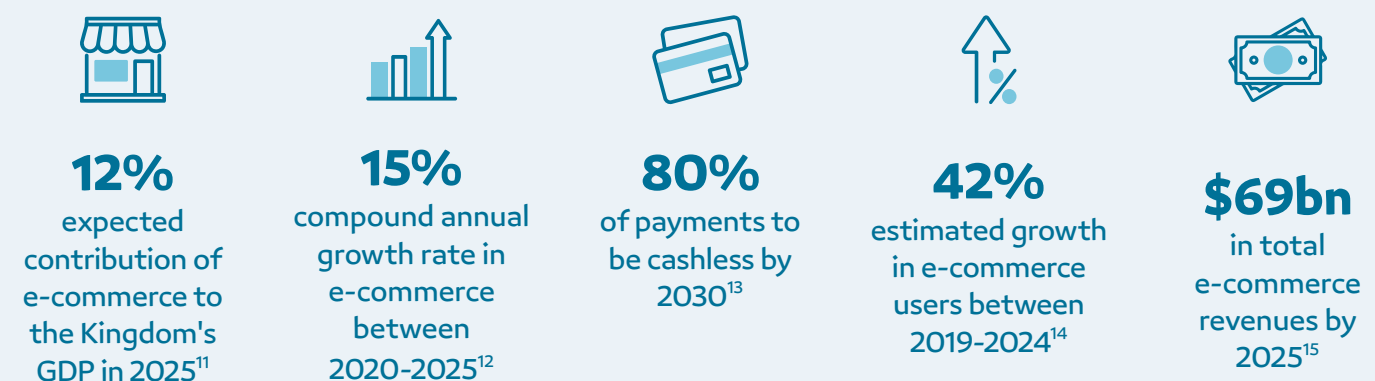
With the establishment of the Saudi E-Commerce Council in 2018 to spur the growth of the sector, Saudi Arabia is working hard to remove barriers to e-commerce by stimulating fintech and payment solutions, improving IT, and enabling the overall logistics sector.¹ Thanks to these measures, it is now one of the most dynamic e-commerce markets in MENA.

A glance at key developments and statistics



E-commerce expansion: Untapped market share

As the second-highest venture capital-funded sector in Saudi Arabia, e-commerce is booming. But there's still room for growth. Compared to leading markets, where online sales account for 18% of retail,¹⁰ e-commerce is relatively untapped in the Kingdom.



The impact of e-commerce on the SME sector

SMEs stand to gain disproportionately from the growth and expansion of e-commerce. From fewer distribution channel obstacles and reduced operating costs to reaching a far greater customer base, SMEs are among the first to capitalize on many benefits:



Online platforms provide access to far broader customer base



New regional, national, and international opportunities



Lower cost of entry



Reduced operating costs



Diversified revenue streams beyond traditional sales channels



Safer payment platforms increase consumer confidence



Streamlined operations through e-commerce platforms



Greater opportunities for local producers and home-based sellers

Breakdown of e-commerce channels used by SMEs

E-commerce is evolving rapidly to cater to changing consumer needs and businesses' capacity to meet them. With seemingly endless ways of finding new customers, these are some of the most popular e-commerce business models:



Direct-to-consumer (DTC): SMEs develop a website or mobile app to sell products or services directly to consumers, allowing full control over branding, customer experience, and sales.



Online marketplace: Platforms like Amazon, Noon, eBay, Namshi, AliExpress, and Farfetch enable third party SMEs to sell goods to a much wider range of customers.



E-commerce platforms: Platforms like Shopify, Salla, and Zid allow SMEs to build their own customizable online stores through which to sell goods and services.



Social media: Leading social media platforms such as Facebook, Instagram, Pinterest, TikTok, Snapchat, YouTube, and LinkedIn allow SMEs to connect with a large customer base.

General challenges for SMEs in e-commerce

As with brick-and-mortar businesses, SMEs face a range of evolving challenges in the e-commerce sector that continue to hinder their ability to thrive.



Competition: Competing against well-known brands and marketplaces is challenging, especially when trying to differentiate products and attract customers.



Limited resources: SMEs can lack funds to invest in marketing, logistics, technology, and customer service, hindering their ability to compete.



Customer acquisition: With limited marketing budgets, SMEs can struggle to acquire new customers and build greater brand awareness.



Inventory management: SMEs face challenges in forecasting demand, optimizing inventory, and implementing inventory management systems.



Logistics and fulfillment: High order volumes, complex shipping requirements, international sales, and high customer expectations can be difficult for SMEs to fulfill.



Technology: SMEs can lack expertise and resources to implement e-commerce platforms, payment gateways, CRM systems, and other essential technologies.



Cybersecurity: Protecting customer data, securing online transactions, and complying with data protection regulations can be challenging for SMEs.



Regulatory compliance: Businesses must navigate complex and evolving regulations in consumer protection, privacy, taxation, and cross-border trade.



Customer service: SMEs face challenges in delivering timely, personalized customer support, especially during periods of high demand.



Marketplace dependence: SMEs relying on third-party marketplaces can face increased competition, changing marketplace policies, fee structures, and limited control over branding and customer relationships.



ICT & mobile tech training: SMEs often fail to benefit from e-commerce due to a lack of ICT skills, which can be overcome through upskilling programs.

E-commerce challenges specific to Saudi Arabia

Despite its rapid growth over the past five years, the e-commerce sector in Saudi Arabia still faces specific market challenges:

SKUs:

The relative youth of Saudi Arabia's e-commerce market means that national and regional players still have relatively limited stock keeping units (SKUs), the unit of measure in which the stocks of a material are managed.

Same-day delivery:

In contrast to more developed markets, only a small fraction of businesses in Saudi Arabia offer same-day delivery.

Fulfillment:

An underdeveloped logistics supply chain, including a shortage of storage, high transport costs, and limited infrastructure make it difficult for Saudi SMEs to take full advantage of e-commerce opportunities.

Ease of market entry:

Each of these challenges not only limits the growth prospects of established e-commerce players, but also prevents new players from entering, dampening competition, choice, and sector innovation.¹⁶

Solutions for SMEs in e-commerce

While there is no one size fits all solution for many challenges facing SMEs, a number of tried and true solutions can reduce costs, maximize efficiencies, and increase market share.¹⁷

- > **Infrastructure & security:** The enhancement of digital infrastructure is a key national strategic priority of Vision 2030, which is why the Kingdom is taking numerous steps to strengthen its ecosystem through mechanisms such as the Saudi E-Commerce Council.¹⁸
- > **Differentiation:** SMEs can identify a niche market segment through specialized products, personalized services, or unique value propositions that resonate with a target audience.
- > **Strategic marketing:** Marketing strategies that leverage a mix of digital marketing channels such as search engine optimization and social media marketing.
- > **Optimized customer acquisition:** Targeted marketing campaigns and customer acquisition strategies can attract and retain customers cost-effectively through data analytics and customer insights that refine targeting, messaging, and offers.
- > **Inventory management:** Invest in inventory management software and systems to optimize inventory levels, accurately forecast demand, and prevent stockouts.
- > **Outsourcing:** Outsourcing non-core functions such as logistics, fulfillment, customer service, and digital marketing to specialized providers can cut costs.
- > **Technology:** E-commerce platforms, analytics tools, automation software, and cloud-based services can streamline operations, improve efficiency, and boost scalability.
- > **Customer relations:** Invest in customer relationship management (CRM) systems, customer feedback mechanisms, and loyalty programs to foster brand loyalty.
- > **Cybersecurity:** Secure payment gateways, encrypt sensitive information, update software, and educate employees about cybersecurity best practices.
- > **Regulatory compliance:** Consult legal experts, regulatory advisors, and affordable compliance software to navigate compliance issues and mitigate legal risks.
- > **Diversification and expansion:** New markets, product categories, partnerships, and sales channels can reduce dependence on specific markets and broaden revenue streams.¹⁹
- > **ICT & mobile tech training:** Leading bodies such as Monsha'at and the Ministry of Communications and Information Technology are empowering Saudi youth and SMEs through a wide range of ICT upskilling programs in partnership with global leaders every year.²⁰

Muhannad Almulhim

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مجلس التجارة الإلكترونية
E - Commerce council



What is the current state of the e-commerce industry in the Kingdom, and how has it evolved in recent years?

E-commerce is one of the Kingdom's most important economic sectors. In 2020, its contribution to the Kingdom's GDP reached 4%, with approximately 8% of goods and 25% of services being purchased online. By 2024, the expected growth in e-commerce revenues is estimated at SAR 211 billion according to the E-Commerce Council, indicating positive developments in several key areas, including infrastructure and the legislative environment made possible by Vision 2030. This includes initiatives like the E-commerce Incentive Program and the Financial Sector Development Program in collaboration with the Saudi Central Bank, which is helping develop the fintech sector.

There have also been several important transformations in the logistics sector, such as the transfer of regulatory and supervisory competencies from the Communications and Information Technology Commission (CITC) to the Ministry of Transport; the establishment of the Logistics Services Agency; and the issuance of the Unified Logistics License.

What are some of the support mechanisms provided by the E-Commerce Council to help SMEs overcome challenges and achieve long-term success?

The E-Commerce Council is helping SMEs overcome the challenges they face by helping them understanding market needs, which products can be offered, and how to present them to consumers. This can be achieved by creating a strong infrastructure for new entrants in the field, fostering a fertile and attractive environment for creativity, and proposing policies and legislation that help attract investments to the sector.

Monsha'at's efforts to support SMEs in the e-commerce space have been key, from the Nawafth application and Mazaya platform to the Thakaa Center and the initiatives launched in collaboration with the E-Commerce Council, such as training programs and free online stores.

How does the e-commerce tour contribute to the growth and development of e-commerce businesses in the Kingdom, and how can participants benefit from it?

The tour helped government entities such as the E-Commerce Council understand the needs, requirements, and challenges of the market, as well as recognize the great passion among entrepreneurs in the Kingdom. This helped the council and Monsha'at learn which initiatives could directly support these entities. The tour also helped participants learn about government initiatives, services, and opportunities, in addition to benefitting from useful knowledge exchange.

How might the E-Commerce Council and Monsha'at's collaboration impact SMEs going forward?

As a member of the E-Commerce Council, Monsha'at is an important pillar of success for SMEs. The presence of supportive entities is key to transforming small beginnings into significant successes. During the pandemic, for example, this collaboration helped mitigate the effects of the global lockdown and turned challenges into opportunities through reforms, initiatives, and programs in various e-commerce fields that enabled many entities to transform into billion-dollar businesses.

What are some notable trends and innovations in the sector to keep an eye on?

Traditional sectors still have significant opportunities to transition fully or partially to e-commerce models. There are also numerous opportunities when it comes to automation and AI. Throughout e-commerce and the broader collaborative economy, new innovations are helping SMEs improve operations, save time, and reduce costs. For small and medium enterprises, this means a significant increase in both the reliance on, and investments in, technology.



UNDERSTANDING THE E-COMMERCE VALUE CHAIN

Evolution of the traditional value chain

E-commerce has led to a considerable reconfiguration of the traditional value chain over the past 30 years, from a model with strict divisions of production and labor to a more flexible and comprehensive one where companies assume more responsibilities to the end consumer.



Traditional model:

The traditional value chain was one in which a company made a product in its factory or manufacturing center before sending it to the wholesaler, who sold it to the retailer, who then sold it to the final consumer.



E-commerce model:

E-commerce revolutionized the older process by allowing companies to sell directly to consumers from their website, marketplace, or social media, but it also requires them to manage warehousing inventory, shipping, logistics, returns, and marketing.²¹

Building blocks of the e-commerce value chain

The following elements largely determine the scope and success of e-commerce value chains:



1. Supply: This determines how an e-commerce player manages inventory, availability, and margins, in addition to demand planning and forecasting. It has two main models:

- › **Retail:** Capital intensive, retail requires the e-commerce business to purchase goods to trade.
- › **Market:** The market model allows the e-commerce business to act as an intermediary between buyer and seller through drop shipping or consignment.²²



2. Inbound logistics: This deals with warehouse capacity, the percent that storage takes up, and the ratio of inventory to sales.

- › **Integrated systems:** Calculating warehouse capacity and inbound schedules allows retail buyers and marketplace sellers to ensure availability and tracking.²³



3. Digital merchandising: This refers to how companies present and promote products or services online to drive sales and enhance the overall shopping experience.

- › **Conversion:** Pricing and stock management can aid marketers in campaigns that convert clicks into sales by monitoring impressions and click-through-rates.²⁴



4. Marketing: Successful marketing consists of increasing brand awareness, acquiring new customers, improving retention and loyalty, and driving online and offline sales.

- › **Data analysis:** Businesses can better serve customers through data analysis that allows them to understand insights and behaviors and keep up with trends.²⁵



5. Sales: Successful customer conversions are driven by product assortment, availability, and pricing.

- › **Reminders:** In addition to tracking sales and audience conversion rates, companies can drive conversions by reminding consumers of abandoned carts.²⁶



6. Fulfillment: In addition to orders and shipments, e-commerce SMEs must also successfully manage packing, distribution, and returns.

- › **Pro tips:** Companies can decrease returns through better product description; reduce failed deliveries through better instructions and tracking; and increase picking accuracy through better pre-dispatch order validation.²⁷



7. Customer service: Loyal customers are the key to successful businesses, which is why accessibility, presence, clarity, and transparency are key to customer retention.

- › **Retention:** Up-to-date websites, a seamless purchase journey, meaningful loyalty programs, and customer-friendly exchange and return policies are paramount.²⁸

☆ SUCCESS STORY:

Abdulaziz B. Al Loughani

Chairman & CEO,
Floward

فلورد
FLOWARD

Founded in 2017, Floward is a leading international e-commerce business for gifts and flowers that began in the GCC before quickly expanding. Today, Floward has 1,000+ employees bringing flowers and tasteful gift bundles to customers in nine countries and 40 cities around the world.

Floward has achieved remarkable success since opening in 2017. What inspired the idea of Floward, and what has your journey been like?

Gift-giving is part of the Arab world's culture, but the industry is not well organized. Take, for example, fresh cut flowers. In the GCC, this market was valued at USD1.5 billion in 2017, 99% of which was offline. The market had no local or regional leader. We decided to offer customers a wide variety of high-quality flowers bundled with different accessories, delivered in an easy and convenient way using our app or website.

We started by making sure we had access to the world's best farmers at the best prices. We then developed a smooth user-friendly product viewing experience and last-mile delivery to ensure the best user experience. Our first expansion was into Jeddah and Riyadh in 2019. Despite the challenges of the pandemic, we saw a huge opportunity as e-commerce penetration soared. By the end of 2020, we had expanded into the UAE, Qatar, Bahrain, and the UK. We have since expanded into Oman, Egypt, and Jordan, and now have over 1,000 employees in nearly 40 cities.

Floward has expanded its operations to include partnerships with local and international brands. How do these enhance the experience for customers?

Though we started with flowers, we always had our eye on becoming the leading gifting platform in the region. Shortly after our launch, we decided to partner with local and international brands whose products we could bundle with our flowers, since flowers make any gift more special. By partnering with these brands, we were able to create the perfect gift bundles, including chocolate, accessories, perfumes, jewellery, and more. When selecting them, we make sure they are leaders in their space and offer a premium product or service that aligns with our brand position.



How does Floward stay at the forefront of technological advancements to continuously improve its online platform and customer experience?

We've always encouraged our team members to think creatively and push boundaries. This approach has led to the development of many industry breakthroughs and many failures, which is only normal. One example, our 'Unknown Address' feature, revolutionizes the sending process. It allows senders to provide only the recipient's phone number, significantly easing the sender's burden. Another breakthrough is the 'QR Code' feature. This option enables clients to personalize their gifts by attaching videos or YouTube links, which are then converted into QR codes and printed on the cards.

What insights can SMEs learn from Floward's international success, and what advice can you offer to enhance their business strategies and promote business growth?

Our journey as entrepreneurs begins with developing a strategic expansion playbook that involves comprehensive desktop research, macro-level analysis, industry specifics, urban economics, and data-driven location scoring. We also rely on a blend of Google data, external sources, global indices, economic indicators, including market size and advertisement depth volume, as well as total search volume and ease of doing business. In the end, our expansion is always data-driven, strategically sound, and aligned with our company's goals and capabilities.

For young SMEs seeking expansion, my advice is twofold: first, to ensure their Total Addressable Market (TAM) is sizeable to maximize growth opportunities. Second, to assemble a diverse team with complementary skill sets to effectively address challenges and drive success.

GOVERNMENT ENABLEMENT AND INITIATIVES

Saudi E-Commerce Council

Launched by the Ministry of Commerce in 2018, the Council regulates and stimulates the national e-commerce sector by creating an environment in which entrepreneurs can launch and grow their own online businesses.



Propose policies and legislation related to e-commerce



Coordinate with relevant authorities to eliminate obstacles to e-commerce



Supervise the e-commerce incentives program



Ensure effective implementation of the e-commerce incentives program

E-Commerce Council Priorities

- > Commercial data
- > Talent, capabilities, and partnerships
- > Financing, taxes and fees
- > Commercial information and consumer protection
- > Transportation and logistics
- > Electronic payments
- > Technological infrastructure
- > Governance and market size

E-Commerce Council and National Center for E-Learning Initiative

This program helped entrepreneurs develop e-commerce skills by granting professional certificates from leading international universities and institutions, offered electronically in collaboration with platforms such as FutureX and Coursera. It had a number of tangible benefits for successful applicants.



Specialized programs from universities and international companies



Courses conducted online at beneficiaries' convenience



Accredited certificates given by provider upon successful completion of course



Certificate granted from national e-learning platform FutureX upon completion

Mazen AlDarrab

Founder & Chief Business Officer,
Zid



Launched in Riyadh in 2017 before quickly expanding throughout MENA, Zid offers both traditional retailers and emerging e-commerce merchants a suite of innovative products and services that help them digitize and grow their business.

Established in 2017, Zid has made significant strides in revolutionizing the retail sector in Saudi Arabia and beyond. What inspired the establishment of Zid, and how has it evolved since then?

Zid was founded with a desire to enable SMEs, entrepreneurs, and productive families to access the best technological solutions at affordable costs. Our aim is to open new horizons for emerging entrepreneurs who lack sufficient financial resources to build a store or prefer not to limit themselves to selling through social media platforms. New regulations such as the localization of the communications sector, the imposition of fees in municipal sectors, and the introduction of VAT have all increased the opportunities for SME growth and development.

As a company, the pandemic really helped expand our customer base, over the course of which we came to be recognized as the best business model. As the pandemic subsided, we began focusing on value-added products such as payment, shipping, financing, and technical integration with platforms. Today, Zid is linked with over 300 applications across six main platforms.

How does Zid help businesses digitize their operations, and what role does it play in facilitating collaboration between merchants and other stakeholders?

Our main role lies in empowering both the sector and the merchant. While service providers benefit from having thousands of merchants and customers in one place, merchants benefit from accessing the best services at the highest quality and most competitive prices. We also participate in both the value and supply chains by providing logistics services such as first-mile delivery, communicating with merchants, and receiving and consolidating orders in one place.

Initially, we focused on establishing e-commerce stores and a control panel for order management, but as the system evolved and the pandemic subsided, we shifted our focus to addressing

clients' shipping and payment challenges. This meant providing them with better services such as order review, product collection, connecting them with merchants, and facilitating payment processes. Today, we collaborate with more than 170 shipping companies, up from merely 15 when we began.

How does Zid collaborate with organizations like Monsha'at to contribute to the growth of the e-commerce ecosystem in the Kingdom?

Monsha'at's efforts in the field of e-commerce are very evident. Our first strategic partnership with Monsha'at was within the Tomoh e-commerce program. From 2017-2018, we helped 500 merchants transform themselves from traditional merchants to e-commerce merchants through free training programs. Today, we are collaborating with Monsha'at to teach retailers about digital transformation.

What are some success stories, and how can aspiring entrepreneurs benefit from the opportunities presented by the evolving e-commerce landscape?

One company we worked with, Reefi, became a billion-dollar company simply by transitioning from selling products on Instagram to selling through an online store. Another company, Aromatic, benefited from the Tomoh program and now operates over 40 branches worth hundreds of millions of riyals. We also work with prominent names such as Al-Faleh Sports House and Entaj, a subsidiary of Arasco Foods.

As for aspiring entrepreneurs, I advise them to focus on the upsides of e-commerce, from lower startup costs to less risk and lower cost of failure. Merchants do not need large amounts of capital or to incur huge obligations, and there is far less operational burden since operational tasks can be outsourced. I would also advise them to capitalize on market opportunities by providing products and services that are in high demand, in addition to finding the right marketing strategy.

MONSHA'AT PROGRAMS AND SERVICES

Monsha'at Academy: E-commerce courses

Launched in 2020, Monsha'at Academy offers a wide range of upskilling and consultancy services to entrepreneurs and SMEs, of which its e-commerce courses are one of the latest iterations, offering a wide variety of critical skills for launching online businesses.

- > Digital ad campaigns
- > Introduction to e-commerce
- > Search engine optimization (SEO)
- > Electronic contracts
- > Digital transformation strategies
- > AI applications
- > Developing digital content
- > Client relationship management
- > E-commerce platforms
- > E-commerce risk management
- > B2B business model
- > UX design
- > Cybersecurity guidance for e-commerce

Please click [here](#) to access the full range of courses and start learning today.

Mazaya Platform: E-commerce services

Monsha'at's Mazaya is a B2B platform that offers SMEs discounted business services from e-commerce-related partner service providers, including but not limited to DHL for logistics, Zid for launching a website, Alibaba for cloud services, and Tameeni for insurance.

- > Technical services
- > Consulting services
- > Legal services
- > Insurance services
- > Coworking spaces
- > Building and facility management and maintenance services
- > Logistics
- > E-commerce services
- > ICT services
- > Marketing, communications, and design services
- > Point of sale
- > Finance and accounting
- > HR



E-commerce Accelerator

Launched by Monsha'at in partnership with the Saudi Vision 2030 office and the E-commerce Council, the e-commerce accelerator aims to support the growth of e-commerce projects in various business fields and address challenges faced by project owners such as lack of experience, the need to communicate with specialists and experts, and the pursuit of developing the e-commerce system and its technological infrastructure. The program is divided into three stages:

Camp stage:

A special training camp for 40 leading and emerging enterprises in the e-commerce field.

Accelerator stage:

An intensive package of services and resources to critically upskill 12 participating enterprises.

Post-accelerator:

Critical support and guidance to ensure the success of participating enterprises after graduation from the first two stages.

For more information on the accelerator, please click [here](#).

E-Commerce Tour

Launched by Monsha'at and the E-Commerce Council, this specialized tour offered a series of workshops, advisory sessions, training camps, and capacity development programs to help SMEs and entrepreneurs in 14 cities better navigate the e-commerce space.



20,000+
beneficiaries



100+
workshops



14
cities across the Kingdom



1,000+
consultation sessions

As a key opportunity for SME owners to meet with local business stakeholders, the tour gave participants the chance to exchange knowledge, develop new strategies, and expand their business to a larger audience through a wide range of workshops.

Digital transformation

Sales channels

Emerging sectors for e-commerce

Developing electronic platforms

Benefitting from Monsha'at's Nawafth consultancy services

☆ SUCCESS STORY:

Faisal Almaklas

Co-Founder & CEO,
Torod



Founded in Riyadh in 2021, Torod is an API (Application Programming Interface) aggregator that enables e-store owners to select and track the best shipper based on price, insurance, destination, and item value through a simple, integrated system.

What was the inspiration behind starting Torod, and which challenges in the e-commerce shipping sector does it address?

The pandemic revealed a gap in the e-commerce sector, particularly in shipping and delivery, two essential elements of the value chain. We found that merchants take a long time to find the appropriate shipping company at the right cost and service delivery.

Today, there are more than 160 shipping companies in this sector, but merchants are not necessarily aware of their existence or the quality of services they provide. Hence the idea emerged of creating a platform to recommend the appropriate shipping company to merchants. Based on our data and the constantly evolving smart engine, the platform suggests the most suitable shipping companies to the merchant at the most cost-effective rates, ultimately helping e-commerce stores, shipping companies, and end consumers.

Torod's platform offers a unified interface for e-store owners to manage shipping and returns. How does this approach benefit businesses?

The merchant needs three essential pillars for launching and growing: first, a well-designed page through which their products can be displayed; second, marketing their products; and third and most importantly, handling shipping and delivery to their customers.

We provide comprehensive and integrated services to e-commerce stores through three stages starting from pre-purchase, where we assist the merchant in obtaining the shipping option that best suits them such as express shipping or smart lockers. At the purchase stage, we help the merchant communicate with customers and track their shipments' progress, a process that used to be very time consuming for merchants. Finally, at the post-purchase stage, we help automate the product return process, ensuring the highest level of reliability for the merchant.



How does Torod keep up with the latest trends and innovations in the e-commerce industry?

We continuously monitor market trends and strive to keep pace with them by adopting several approaches. First, we have an internal team that studies both general and specific e-commerce market trends. Second, we develop our own delivery models and track shifts in consumer patterns. Third, we constantly evolve our search engine, enabling us to anticipate the preferred communication methods during the shipping and delivery process and provide the necessary data for e-commerce stores to enhance their operations.

What advice would you offer e-commerce store owners to maximize the benefits of Torod's platform?

E-commerce store owners should start by creating an account on Torod's platform, which ensures access to the best shipping companies at a reasonable cost. We measure the performance of companies, compare prices, and have an intelligent engine that ensures access to the most cost-effective company. When shipping costs decrease, this affects the product price, thereby increasing profitability and satisfying consumers.

Looking ahead, what are Torod's future expansion plans, particularly in terms of expanding its offerings or entering new markets?

Most merchants aim to sell within their city before expanding locally and globally. At Torod, we always strive to provide logistics services that meet the aspirations of merchants. We already have branches in GCC countries, offering Saudi merchants the same services we provide elsewhere in the Gulf, including warehouses. We are also present in North Africa. Everywhere we go, we work to improve the export of Saudi products to global markets by maintaining quality, efficiency, and delivery times. We are also expanding our financial solutions to merchants, from expediting the collection of shipping dues to automating payment processes.

HOW TO LAUNCH YOUR OWN E-COMMERCE BUSINESS TODAY

As a leader of one of the fastest-growing regional e-commerce markets in the world, the opportunities for SMEs across the e-commerce space are tremendous in Saudi Arabia.²⁹ Businesses can follow these easy steps to launch their own online business today.



Define your business idea

- > Determine the nature of the product or service based on target market, ideally in a specific niche.
- > Conduct market research into competition, trends, and broader ecosystem.³⁰



Review the relevant legal framework

- > Familiarize yourself with the Saudi E-Commerce Law of 2019.
- > Abide by trademark, domain, and service provider registration requirements.



Obtain an electronic commercial register

- > Obtain a digital store license from the Ministry of Commerce.
- > Pay commercial registration fees and Chamber of Commerce membership.



Register with Maroof e-platform

- > Register your business through the Ministry of Commerce's platform to gain customer trust and establish your online presence.³¹



Design, prepare, and configure an e-commerce store

- > Give users a positive first impression through appearance, clarity, and effectiveness, ensuring a smooth journey from start to finish.
- > Photograph products, write professional descriptions, and offer competitive pricing.



Provide electronic payment method

- > Connect your e-commerce business to one of Saudi Arabia's many reliable online payment platforms.



Manage shipping

- > Find a reliable national shipping service that provides fast, safe, flexible, and affordable shipping.



Prepare a marketing plan

- > Develop marketing campaigns that identify the target market and product value proposition.
- > Use metrics to measure campaign effectiveness and fine-tune where necessary.³²



ABOUT MONSHA'AT

Established in 2016, the General Authority for Small and Medium Enterprises' (Monsha'at) chief objective is to organize, support, develop, and sponsor the SME sector in accordance with best global practices.

Monsha'at deploys a wide range of initiatives that directly speak to the challenges that SMEs face in the market, with assistance being further broken down by company size and type. In addition to providing firms with critical administrative, technical, and financial support, Monsha'at also assists SMEs with marketing and human resources.

Vision



To transform the Small and Medium Enterprises sector into a vital pillar for economic development in Saudi Arabia and an enabler for achieving Vision 2030 and beyond.

Mission



Support SMEs growth and competitiveness through building a supportive ecosystem and an entrepreneurial society, by driving the cooperation with our strategic partners in the public and private sectors and the non-profit sector, locally and internationally.

Please visit our website below for more information.



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