

Toward Extension of Global Market Opportunity to Adopt M-Commerce approach for New Strategy in Saudi Arabia

Waleed M. Alharbi^{1,2}, Adel A. Bahaddad³

¹King Abdullah University of Science and Technology (KAUST), IT Research Computing Department, Rabig, Kingdom of Saudi Arabia, ²MBA Student, Faculty of Business & Law, Kingston University, London, ³Faculty of Computing and IT, King Abdulaziz University, Jeddah, Kingdom of Saudi Arabia

ABSTRACT

This paper discusses how to extend the maximum benefit from global and international opportunities in the apparel and footwear market through a comparative study between present features and challenges faced by Macy's global company, and advantages of SMEs in Saudi Arabia. This study will use a case study to identify the advantages and opportunities for success of international companies to enter the Saudi market, as well as conducting a quantitative study to determine the requirements of companies that have a plan and already own websites that can be used to present and sell their products on the Internet. The level of risks and advantages are studied by using the SWOT model in both research tools. The advantage of this study is its ability to determine the basic requirements needed for companies to apply e-procurement through commercial applications in smartphones. The participants comprised of 108 companies who are considered SMEs in the apparel and footwear markets, and who do not have more than 500 employees. This paper concentrated primarily on companies that want to take advantage of electronic channels to sell through commercial smartphone applications. The importance of Macy's global company, which is a US company, is that it has a good opportunity to enter Saudi Arabia via electronic channels with commercial smartphone applications to build strong strategic economies with internal companies in the Saudi market. New strategic economies represent the future vision of successfully transforming the economy away from oil by 2020. It focuses on changing the economic and trade restrictions on foreign ownership in Saudi Arabia to own 100% of their companies' capita, and allowing foreign investors to expand their opportunities to invest in the Saudi stock market.

Key words: M-commerce, Quantitative Method, SWOT – m-Trading, Commercial Applications

1. INTRODUCTION

This paper focuses on how to extend the maximum benefit global opportunities for the clothing and footwear market by comparing the case study of Macy's global cooperation and the requirements of small and medium-sized enterprises (SMEs) in Saudi Arabia that are interested in entering the online business arena by using commercial smartphone applications. The paper highlights the importance of building strategic partnerships between local companies and international companies to encourage global companies to enter the Saudi market. The strength of global corporations is that they own capital and diversity of supply, while the strength of local companies is their ability to deal with customers' needs and their requirements to use online purchasing that are different from other markets (Bahaddad *et al.*, 2015). The paper also focuses on the major risks that can be identified in the global markets. Also, it focuses on the features of the competitors of Macy's global cooperation in Saudi Arabia. Other global competitors use various online trading platforms that will be shown to be a significant challenge to entering the Saudi Arabian market. According to previous studies, Saudi companies are interested in working collaboratively due to their ability to maintain and minimize the risks of wasting capital in global trade (AlGhamdi *et al.*, 2015). Therefore, Saudi companies are focused on increasing loyalty with the government and good relations to investment in a safe environment to grow economic and trade aspects as well as technology (MCI, 2016a). So, many government restrictions and legislation in online trading in Saudi Arabia have been changed for the benefit of foreign companies in the kingdom. As examples of this legislation, foreign companies can now own 100% of property, and they have the opportunity to expand their investment in the Saudi stock market. Additionally, new decision by Saudi Arabian Ministry of Commerce and Industry (MCI) to issue and modify the companies' business records if they are going to add new online channels and they have plan to Active E-Commerce or e-store. They companies should have done this step if they have commercial website or application in smartphone (MCI,

2016a). This decision would be helpful to the government to design the companies' regulations and policies to organize the companies systems to deal with their customers through electronic channels (MCI, 2016a). This paper focuses on many points, such as Macy's Company Profile, Global Market Analysis, Regional Perspectives, m-commerce approach relative advantages, Theoretical Approach, presenting quantitative method, Analysis, Discussion, and recommendations.

1.1. Macy's Company Profile

Macy's stores (, Inc.)is an American chain store that sells branded clothing, bedding, cosmetics, accessories, women shoes, home wares and home furnishings (Macy's Stores, 2015). However, Macy's store is renowned for dealing predominantly with apparels and fashion. Until 2007, the stores were called 'Federated Department Stores, Inc.' and it has a strong presence in the USA, where it has 885 outlets in 45 different states (Kuznetsova & Kuznetsova, 2015; Macy's Stores, 2015). In the financial year 2014, the company emerged as one of America's premier retailers, recording sales of \$28.11 billion. Its stores operate under different trade names in some states, or in some cases utilise licensing agreements. For instance, in the District of Columbia, Puerto Rico and Guam, the company operates variously as Bloomingdale's, Bluemercury, Bloomingdale's Outlet and Macy's. It also trades under various names internationally; for example in Dubai, it has licensed Al-Tayer Group LLC to operate for Bloomingdale's (Macy's Inc., 2015).

2. LITERATURE REVIEW

2.1. Global Market Analysis

The statistical global retail market reports indicate fast expansion of international retailers in various regions that were formerly only weakly penetrated by international retailers. Such expansion is most apparent in South America, Southern Africa and the Middle East, principally because these areas are experiencing rapid economic growth favourable to the retail environment (Kearney, 2015; Mehta & Chugan, 2016). Overall, in the apparel and footwear market, the USA, China, Germany and the UK are market leaders. Other leading markets, as measured by average sales over the past five years, include: Russia, India, Brazil, France and Italy i n descending order (Euromonitor International, 2015; Li *et al.*, 2015). The Figure 1 indicates to current growth in these markets during the period between 2014 and 2019, illustrating that while European markets are shrinking, the US, Chinese, Indian and Brazilian markets are expanding. As well as, this indicates that the trend to these markets in the coming years is important and appropriate opportunity to help online business expansion significantly in these markets specifically

2.2. Regional Perspectives

Global regional trends, according to Euromonitor International (2015), can be summarised as follows:

Western Europe: While Germany, the UK, France and Italy remain major markets, these markets are shrinking, possibly due to the ongoing financial difficulties facing by Europe. Nations such as Greece, Portugal and Spain have recorded weak

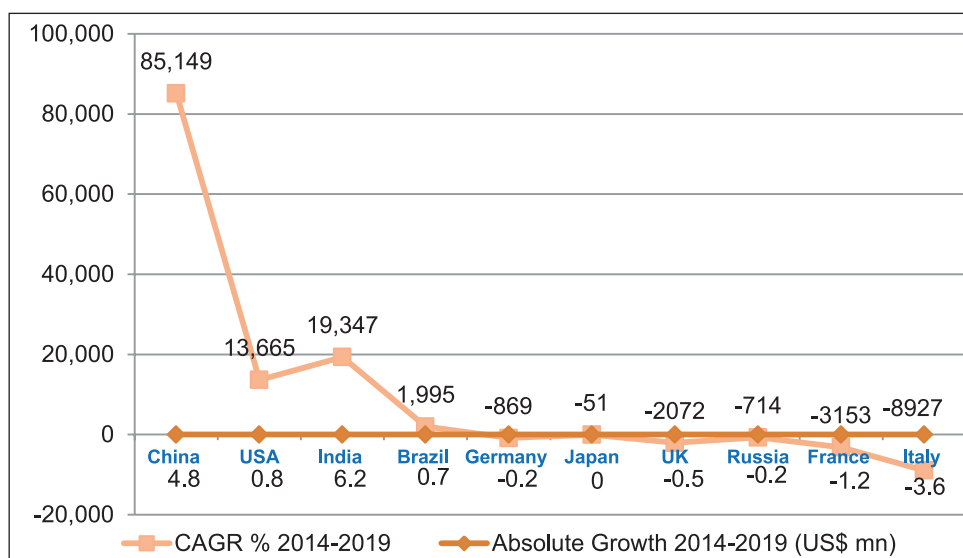


Figure 1: Market Expansion in Top ten global markets. (Source: Euromonitor International, 2015e, p.25)

performance in over the past seven years, but are expected to experience a slow recovery in the aftermath of the economic euro-crisis (see Figure 3).

Eastern Europe: Russian, Hungarian, Ukrainian and Romanian market are among the fastest growing. However, this region has faced some decline in market growth due to the saturation of the Russian market and Russian-Ukrainian tensions (Euromonitor International, 2015a).

Northern America: The US remains the key market leader, following its post-recession recovery. The practices of the nation’s businesses are heavily geared for global dominance.

Latin America: This is a fast growing market, although growth is generally recognised to be compromised by inflation, Brazil and Mexico are showing an impressive growth rate (see Figure 2).

Asia Pacific market: China and India have taken a major lead in market growth, although double digit growth has also occurred in other countries, such as Indonesia, Hong Kong, Japan, and Vietnam, among others (see Figure 4).

Middle East and Africa: This is the fastest growing region in terms of the apparel markets, operating on the same level as Latin America. Growth in this region is much more dynamic than that in Latin America, as it does not suffer from serious distortion by inflation. The United Arab Emirates (UAE), Saudi Arabia (KSA) and South Africa offer the largest markets, as presented in Figure 5.

2.3. Global Consumer Trends

Recent studies indicate there is growing demand for sportswear. Euromonitor indicated sportswear accounted for about 15% of global footwear and apparel sales in 2015 (Euromonitor International, 2015e). Jeans are now less in demand than previously, as a consequence of this current preference for premium sportswear. Trends in respect to various fashionwear and apparel sales (see Figure 4). The preference for sportswear is mainly attributed to growth in gyms and outdoor sports, such as cycling and running. The global community is also facing a surge in fitness and health related activities, such as yoga, dance and Pilates,

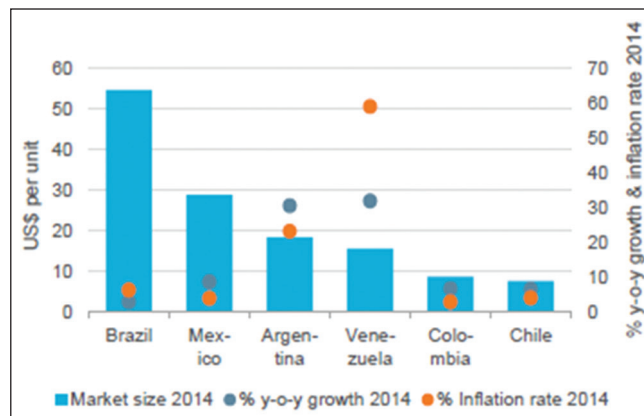


Figure 2: Latin American Market vs Growth Inflation by Country 2014. (Source: Euromonitor International, 2015a, p.25)

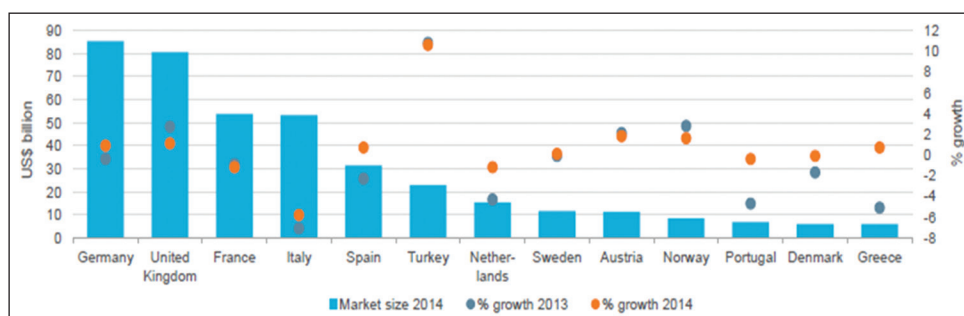


Figure 3: Western Europe: Market Size vs Growth by Country 2014, (Source: Euromonitor International, 2015a)

all of which are accompanied by high demand for fashion sportswear (Euromonitor International, 2015e; Zhou, 2015). Those seeking to forge a niche in the fashion market therefore need to give careful consideration to stocking appropriate fashion brands that can take advantage of ongoing trends and high demand for sportswear. The association of smart wear with sports fashion has been hyped in some cases, with Ralph Lauren products such as PoloTech shirts taking the lead. A major barrier for consumers, however, is the high prices associated with them. A major limitation of this data is that it only captures trends in the top ten global markets (Vega *et al.*, 2015).

In terms of gender, the market for menswear is growing faster than that for womenswear in many countries, and projections suggest it will continue to grow faster globally. This growth is most evident in the fast fashion sector, with companies such as Zara and H&M excelling (Euromonitor International, 2015e; Vega *et al.*, 2015). Thus, global retailers could benefit from investing more in innovative menswear accessories that are currently trending. Accessories like men's luxuries bags are being particularly isolated as a trendy disposable product. Increased growth in men's products is mainly attributed to the fact

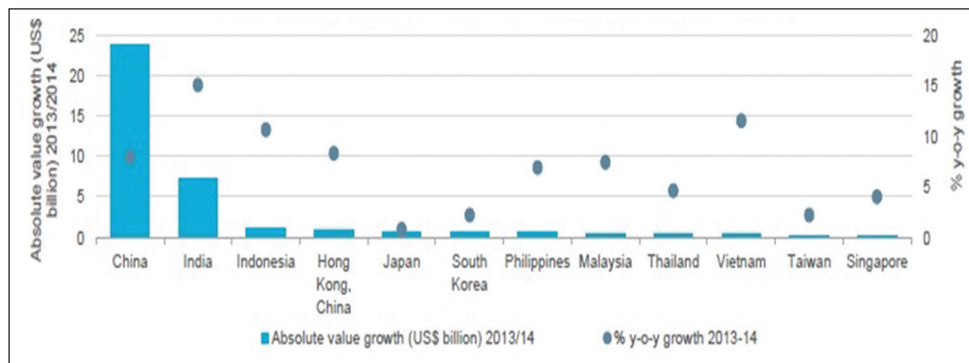


Figure 4: Absolute growth in Asia Pacific Market (Apparel & Footwear Growth by Country 2013 - 2014). (Source: Euromonitor International, 2015a, p.13)

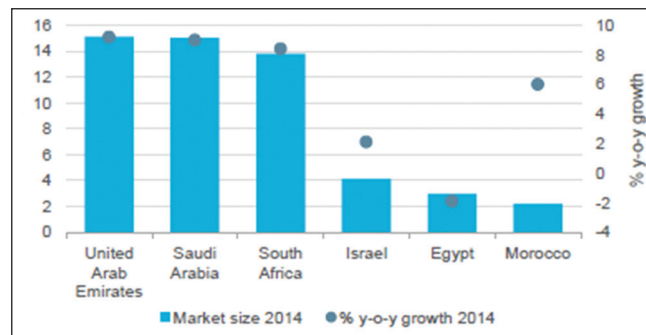


Figure 5: Middle East and Africa Market: Market Size vs Growth 2014. (Source: Euromonitor International, 2015a, p.28)

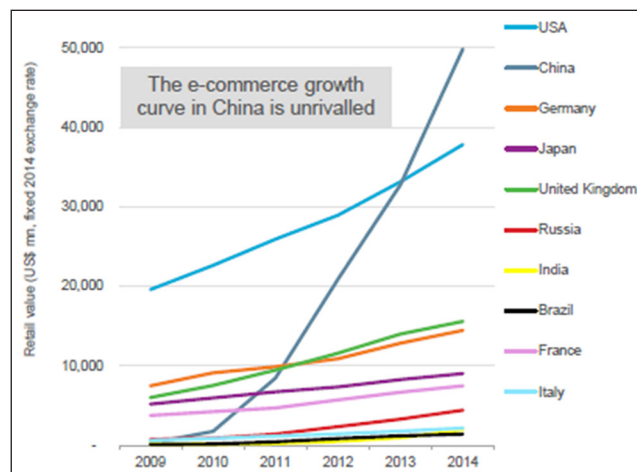


Figure 6: Internet retailing: Sales of Top 10 Countries (2009 - 2014). (Source: Euromonitor International, 2015a, p.13)

that, globally, men’s disposable income tends to be higher than that of the females by about 50% (Euromonitor International, 2015e; Mehta & Chugan, 2016). There is also a high global appetite for affordable designer labels and affordable luxuries.

The internet commerce (e-commerce) has experienced a growth sharply in the past five years, especially in the world’s developed and developing economies (Bahaddad *et al.*, 2015). This sales stream is being led by China, the US and a number of developed European countries. The average global growth in internet retailing for the fashion industry is estimated at an average of 20-30% (Euromonitor International, 2015e; Li *et al.*, 2015). Figure 6 depicts recent growth in the apparel and footwear market, between 2009 and 2014.

It is crucial that companies venturing into the global market address current needs if they are to benefit from the rapidly growing internet retail market. Some global chains have already put in place innovative mechanisms to entice buyers into the online market (Zhou, 2015). Some of the most recent technological trends include the development of in-store sensors, the emergence of magic mirrors, and state-of-the-art feature walls, among others. Instore sensors can be installed on smartphones to advise users on the apparels and outfits that should fit them, and link this to what is available in stores (Vega *et al.*, 2015).

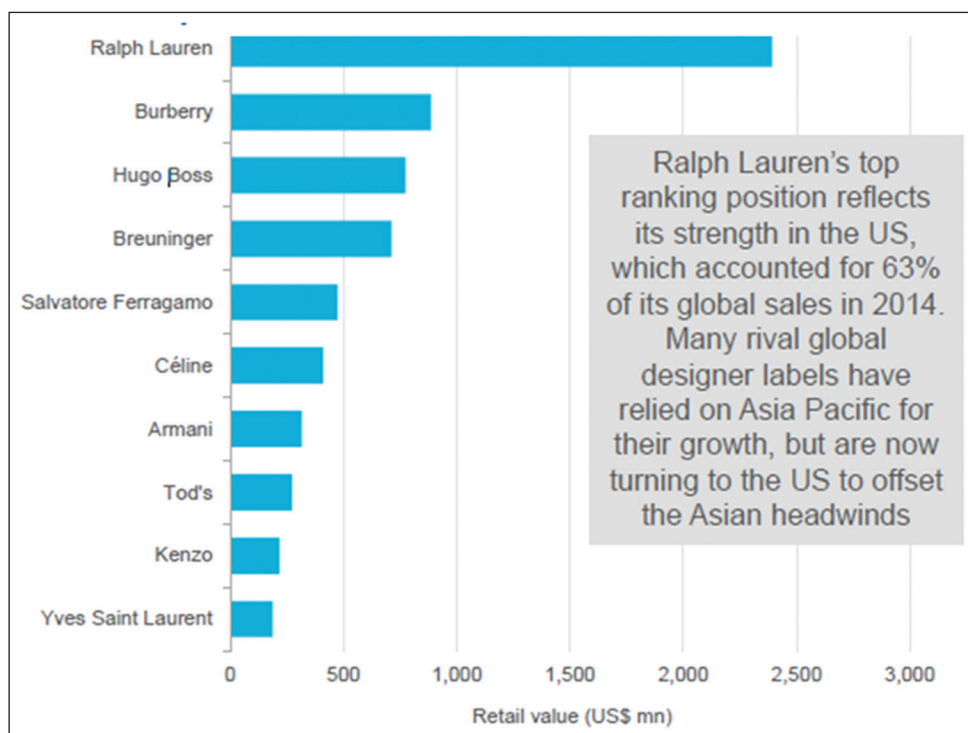


Figure 7: Global of Luxury apparel and footwear sales Specialists: Sales in to 10 Markets 2014. (Source: Euromonitor International, 2015e, p.20)

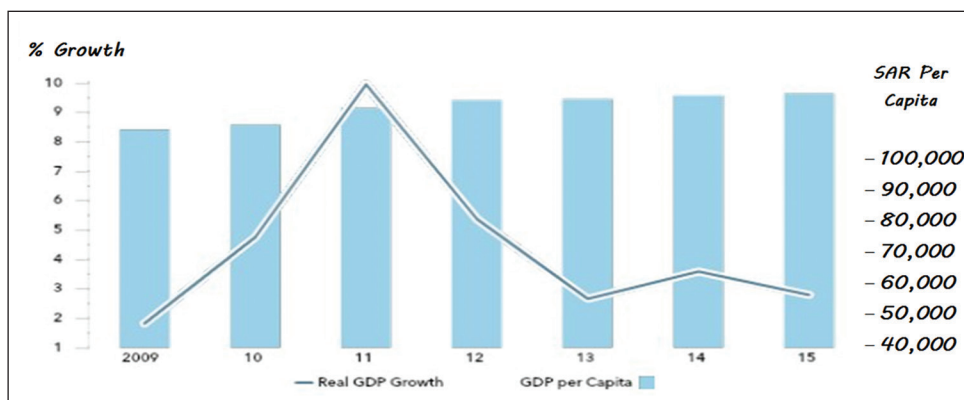


Figure 8: Real GDP Growth and Per Capita GDP Between (2009 – 2015), Source: (Euromonitor International, 2015c, p.1)

McQ and Burberry have been at the forefront of the development and implementation of such applications (Euromonitor International, 2015e). Magic mirrors present the fashion items in the online store just as they would be on a clothes hanger, and then offer a virtual experience for users wishing to try the fashion item and consequently have a virtual experience trying to use the items. Alternatively, digital feature walls use large screens to illustrate the items in the store (Zhou, C. (2015). Burberry for instance uses a state-of-the-art digital wall feature in the form of a 7m screen, located on London's Regent Street, to display the content in its stores. Other technologies used worldwide include: touch screen displays in retail sectors, robotic shop assistants, and Bluetooth sensors (I-Beacons) to send promotional messages to those walking around stores, among others (Euromonitor International, 2015e; Mehta & Chugan, 2016).

2.4. Target Country (Saudi Arabia): Overview

Saudi Arabia is a country in Western Asia, and the second largest Arab State (after Algeria). It borders a number of rapidly growing Middle Eastern economies, such as the United Arab Emirates (UAE), Qatar, Kuwait Bahrain and Jordan. The country is politically oriented toward promoting investment, and the government is currently encouraging foreign investors to invest in the country. The Saudi government is particularly receptive to American retailers, inviting them to invest in Saudi Arabia thereby also boosting the American economy (Reuters, 2015). Currently, foreign ownership of investment is limited to 75% for wholesale and retail businesses. However, on September 6, 2015, the (SAGIA) announced to US investors that the Saudi government plans to reform this policy to allow up to 100% foreign ownership of both retail and wholesale businesses (Moser *et al.*, 2015; SAGIA, 2016).

2.5. The M-commerce Approach Relative Advantages

The advantage of this approach can be identified as the degree to which a new product is more advantageous to prospective customers than a competing brand (Rogers, 1995). The relative advantage aspects are significant when considering the adoption of a new idea in any society. Therefore, the features and benefits of a strategic dimension should be identified and understood by all stockholders involved in the framework to adopt it effectively (Rogers, 1995; Wahid, 2009). Here, I have focused on the two main stakeholders of the sales process the vendor and the purchaser. The question that should be considered is whether both parties will benefit from applying the m-commerce system applications for particular global brand name.

For the consumer, there are four fundamentals: reducing product cost; saving time; displaying products and various options in the same area; and ease of comparison between features and prices (AboZaid, 2003; Aljefri, 2003; Bahaddad *et al.*, 2014; Bose & Sugumaran, 2006). Some modern studies have shown that the real cost of products are equal to 50% - 80% of current products. The remainder of their cost is distributed between supply, shipping, and storage (AboZaid, 2005). The mobile application is one of the appropriate channel for seller to present their products made directly to consumers, the product costs will be significantly reduced, especially as the profit will be determined by competition between merchants who will present more product offers. Additionally, saving time is a beneficial factor in countries such as Saudi Arabia that have an extended work system. In Saudi Arabia, working hours in the commercial sector extend on average until 9 a.m. -10 p.m. (Al-Maliki, 2005). In addition, big warehouse like Macy's have their own place and they are not interested to be inside the physical Malls, and therefore, lot of time is consumed in moving from place to place. Thus, it is interest to view the various options and products easily and smoothly on one click in the mobile application, consumers need to first consider the presented options, and then choose the appropriate product. The commercial smartphone application is one of the best m-channels to help determine initial options (Kuznetsova & Kuznetsova, 2015). This also helps people who are not convinced about implementing this system to identify the options that will guide them to the specific product they are looking for.

In the main time from the seller perspective can be increased on the previous advantages. The interesting advantages can be summarized as follow:

1. Diffusing widely to the target audience.
2. Displaying products and various options in the same area.
3. Rapidly increasing Internet trade.

So, this approach would be helpful to diffuse the wide segment larger than a traditional shop segment in another region (Bose & Sugumaran, 2006). It can be also used the mailing list or other communication means such as SMS with consumers to distribute the sellers promotions widely (Aljefri, 2003). Finally, sellers benefit from the ability to view many products in one online place. This helps to reduce costs such as shop rental, storage, labor, and operating costs (Bahaddad *et al.*, 2015; EMPG, 2002).

3. THEORETICAL APPROACH

The approach is applied in this paper is SWOT which is used to measure the four main perspectives which are strengths, weaknesses, opportunities, and threats (SWOT) analysis is a strategic planning method that is usually employed to evaluate these four components in a project. Additionally, it is used to specify the internal and external factors that are possible and impossible with respect to achieving a project goal (Cervantes *et al.*, 2015; Hill & Westbrook, 1997). In this Section, a SWOT analysis is performed for e-commerce to identify the most prominent vulnerability issues and threats. The findings will guide further research and help e-commerce become more successful.

Table 1 shows the relevant main stakeholder in this paper which is the retailers and the levels of their influence and interest in this field of study. The level of influence is defined as their influence of particular group to adopt and accept this approach widely used in normal communities. While the level of interest is defined as the level of attention of particular stakeholders for diffuse the e-commerce (Batchelor *et al.*, n.d). The sellers exert one of the highest levels of impact and show high levels of interest in e-commerce. Many studies in both e-commerce have investigated the influencing factors that should be taken into account when making the decision to working in this field and what the features that need to persuade the decision makers segment to engage in this field and how to enter into it. Also, it can be provide the developers e-commerce models to meet the aspirations of retailers' requirements.

In the Table 2 which includes the SWOT analysis and evaluates m-commerce from the retailer perspective and determining related information and requirements for implement the m-commerce approach to merchants should consider.

4. METHODOLOGY

A survey is method that is used in this research for two reasons. First, the audience consists of people from various cultures and traditions residing in the same community. Saudi society does not have much experience in online trading, despite having some basic susceptibility for jump-starting development and using technology in many aspects of economic and trade exchange (Aljefri, 2003; Tan & Macaulay, 2006). Therefore, they are seeking to simulate successful systems from other countries in order to easily and quickly apply this framework. Second, this M-commerce application approach is not widely used in Saudi society, so there are varying opinions about it. Currently, vendors do not have specific ideas and optimal solutions for the society's needs and they have many challenging them to implement the approach perfectly. Considering these factors, a quantitative survey will allow respondents to voice their opinions using both multiple-choice and closed questions (Neuman, 2006).

This method is used to collect information via quantitative questionnaire, the most appropriate method for online rating to present their her view due to luck of online trading importance (AboZaid, 2005). The survey includes companies that willing to adopt the online commercial applications or have plan to design their smartphone commercial application. These companies want to made collaptate with global warehouses in apparel and footwear to increase their products and customers with minimal losses and increased profits (AboZaid, 2005). The goal of the questionnaire is to determine the requirement that would be imprtant to design the commercial application effectively to achieve thier online trading goals.

5. ANALYSIS

The analysis part of this study is an important stage to verify the validity of the factors that are dependent on the SWOT theoretical approach; thus, it is important to build constructs that are suitable for the requirements of the target audience. The

Table 1: M-commerce stakeholders' influence and interest

| Stakeholders | Influence | Interest |
|--|-----------|----------|
| Consumers | High | High |
| Retailers' business enterprises | High | High |
| Telecommunication companies and mobile network operators | Medium | Medium |
| Banks and micro-finance institutions | Medium | Medium |
| Governments | High | Medium |
| Smartphone manufacturers | Medium | High |

Adapted from Batchelor *et al.*, n.d.

Table 2: Summary of SWOT analysis for Seller and consumers in m-commerce

| | Helpful | Harmful |
|---|---|---|
| | Strengths | Weaknesses |
| Internal origin (attributes of the organisation) | Heavy uses of the mobile networks High-speed Internet connectivity Wireless network communicates without geographical limitations Mobile applications are widespread and less complicated Various m-commerce models Increase in smartphone sales Anytime, anywhere Internet capability is booming No standards adopted increases the chances for success | Lack of data security The lack of compatible applications for the preferences and requirements of the target population No built-in encryption capabilities Limited memory and Limited computational power Anti-virus solutions are difficult to implement Major security concerns for users Lack of awareness and e-readiness about the new channel More factors impact on screen performance such as keyboard The small screen size prevents including all the icons on one page. Payment gateway requirements can be problematic for mobile phone customers |
| | Opportunities | Threats |
| External origin (attributes of the environment) | Rate of growth in the mobile user market, even in rural areas especially in KSA Receiving advertisements and promotions frequently Many m-commerce services can be provided Possible to replace printed catalogues with electronic versions Improve the relationship to attract customers and Persuade companies to engage in this field Rich advancements in mobile phones can be embedded in mobile applications The consumers' spending more time which lead to spend more money. New features of each mobile generation can be embedded in mobile applications | Risks related to theft of mobile devices Relies on proprietary solutions No standards for m-commerce Security and privacy risks Mobile viruses can spread attacks quickly throughout the wireless network Concerns about users' acceptance of new technology |

Adapted from (Bahaddad *et al.*, 2015; Batchelor *et al.*, n.d.; Cervantes *et al.*, 2015; Felicitta & Jayanthi, 2009)

purpose of this study is to identify the factors that influence the four sides of the SWOT analysis model regarding the enablers, and challenges faced by international and brand-name companies as they establish commercial smartphone applications in the Saudi market. Many aspects of the SWOT model highlight the need to determine the number of opportunities and the level of risk arising from this endeavour. The appropriate solutions to activate this approach in the most ideal way are also proposed. The analysis part of the study is focused on statistical tests such as Descriptive Data, which include the Mean and Standard Division (SD), and consistency tests, which include Cronbach's Alpha test (Hair *et al.*, 2010; Tabachnick & Fidell, 2007). This test might indicate the impact of the four SWOT factors and identify the possible solutions through added features for commercial smartphone applications than can be adopted by overseas companies.

The Descriptive Data results show the Mean values for the results of participants between 3.2 and 4.6. The values of participants are confined between Strongly Agree and Agree, which are acceptable in each group of SWOT models (see Table 3). Furthermore, the results of the consistency test (Cronbach's Alpha) in each group are within the acceptable level. The minimum acceptance results in this test are 0.6 (Nunnally & Bernstein, 1994). The highest result of the consistency test is 0.730, and the minimum result is 0.603, which equates to an acceptable level of consistency in each group of these factors.

6. MAIN FINDING

The results of SWOT factors represent the viewpoint of the companies involved in varying degrees, which shows the importance of these factors for the traders and the people who are interested in selling their products through electronic channels. The results vary from one group to another, so they are focused on each SWOT group separately.

1. Threats variables group represents the risks faced by companies when they begin to present their products through m-commerce applications. Three variables, T2, T5, and T6, show weak results and they are excluded from the statistical tests. The other variables show strength results that indicate these threats affect traders dramatically. The variable T1 is focused on

Table 3: Descriptive Data for all SME respondents showing variables Mean, SD, and reliability tests for each group

| Group name | Item No. | Mean | Standard deviation | N | Cronbach's alpha if item deleted | Group cronbach's alpha |
|---------------|----------|--------|--------------------|-----|----------------------------------|------------------------|
| Strength | S1 | 4.1509 | 0.65889 | 106 | 0.607 | 0.623 |
| | S2 | 3.8113 | 0.73177 | 106 | 0.614 | |
| | S4 | 3.6887 | 1.09860 | 106 | 0.511 | |
| | S5 | 3.6226 | 1.00903 | 106 | 0.521 | |
| | S6 | 4.3868 | 0.87908 | 106 | 0.582 | |
| | S8 | 4.6604 | 0.61546 | 106 | 0.610 | |
| Weaknesses | W1 | 4.4815 | 0.90152 | 108 | 0.699 | 0.730 |
| | W2 | 3.6667 | 0.98588 | 108 | 0.756 | |
| | W3 | 4.5370 | 0.68938 | 108 | 0.669 | |
| | W4 | 4.4444 | 0.87897 | 108 | 0.713 | |
| | W5 | 4.3519 | 0.75275 | 108 | 0.660 | |
| | W6 | 4.3333 | 0.74883 | 108 | 0.675 | |
| | W7 | 4.2963 | 0.65936 | 108 | 0.729 | |
| | W8 | 4.1852 | 0.72535 | 108 | 0.719 | |
| | W9 | 3.7870 | 0.68428 | 108 | 0.751 | |
| | W10 | 4.6667 | 0.64126 | 108 | 0.701 | |
| Opportunities | O1 | 3.8704 | 1.16083 | 108 | 0.638 | 0.688 |
| | O2 | 3.2130 | 1.26085 | 108 | 0.512 | |
| | O3 | 4.0000 | 0.84278 | 108 | 0.680 | |
| | O4 | 4.2222 | 0.74046 | 108 | 0.652 | |
| | O5 | 4.5000 | 0.79131 | 108 | 0.680 | |
| | O6 | 4.3981 | 0.72266 | 108 | 0.680 | |
| | O7 | 4.0185 | 1.04998 | 108 | 0.678 | |
| | O8 | 3.5370 | 1.01784 | 108 | 0.676 | |
| Threats | T1 | 4.4074 | 1.01426 | 108 | 0.607 | 0.603 |
| | T3 | 4.2037 | 0.78251 | 108 | 0.619 | |
| | T4 | 4.2407 | 0.66796 | 108 | 0.292 | |

Table 4: Top ten leading chains in the global fashion markets

| Sales in Top 10 Market 2014 (US\$ m) | Growth 2009-2014 (%) | Growth 2009-2014 (%) | % of Total Worldwide Sales 2014 |
|--------------------------------------|----------------------|----------------------|---------------------------------|
| 12,497 | 46.6 | 46.6 | 98.8 |
| 11,217 | 62.9 | 62.9 | 56.8 |
| 10,774 | 51.2 | 51.2 | 100.0 |
| 8,714 | 56.3 | 56.3 | 91.4 |
| 8,407 | 35.2 | 35.2 | 99.6 |
| 6,288 | 73.4 | 73.4 | 46.9 |
| 6,153 | 104.4 | 104.4 | 80.4 |
| 5,023 | 0.3 | 0.3 | 83.8 |
| 4,798 | -3.0 | -3.0 | 92.0 |
| 3,895 | 71.2 | 71.2 | 97.8 |

Source: (Euromonitor International, 2015e, p. 19)

the threat associated with keeping confidential information related to commercial applications on devices when those devices are stolen. It is important for companies to deal with these cases, and help their segment to delete their personal and confidential information from applications or pause it quickly. The T3 variable points to the importance of government support to develop the standards of online purchasing through commercial smartphone applications. This leads to support for online purchasing, which allows buyers and sellers to determine their responsibilities, and rights towards each other. These regulations and polices for companies to protect their rights and their clients' rights should be provided and presented through one of the application

screens. These policies help to solve the security and privacy risks faced by consumers who use commercial applications. Due to these risks, the necessary solutions should be found to increase customer opportunities to use these applications gradually and increase their level of acceptance to deal with commercial applications.

2. Opportunities variables group focuses on opportunities available through the adoption of commercial applications for international companies in Saudi Arabia. The results of this show the highest degree of consistency in Cronbach's Alpha test, Mean, and SD, which indicate a major incentive for companies to engage in m-commerce. The variables in this group focus on the importance of society's awareness of dealing with smartphones as the number of Internet users in Saudi Arabia reached 50% of the population, 70% of whom use the Internet through 3G and 4G smartphones (eMarketer, 2015). Furthermore, smartphone devices are a helpful way to receive regular advertisements and e-catalogues. Additionally, many of the services and features on smartphones can be used to reach integration between the smartphone features and commercial applications, which lead to attracting new segments who are not interested in physical shopping (Bahaddad *et al.*, 2012). This leads to more opportunities for online purchasing through electronic channels. Also, new smartphone features can be utilized and updated to new versions of commercial applications in the future.

3. Weaknesses variables group focuses on identifying expected weak aspects inside organizations or companies that can be summarized in ten variables. The weakness in the data security represents one of the most fundamental and challenging problems facing companies that use commercial applications. Therefore, searching for holes in security and fixing them regularly is imperative to solving this problem. Furthermore, compatibility features of m-commerce applications with targeted segment requirements are important to determine the necessary attributes to be implemented in the m-commerce applications and to identify the level of customer satisfaction of these requirements through various electronic feedback and evaluation methods (Al-adaileh, 2009; Law *et al.*, 2010). Additionally, it is important to encrypt confidential information for the companies and their customers in m-commerce applications such as credit card details and bank account data. Other variables are the weakness of some smartphone features such as limited memory space and available battery performance, which require the creation of functions that help to save energy and memory when the applications are running (Khan *et al.*, 2015; McWherter & Gowell, 2012). Also, the small screen size of some smartphones means that only a limited amount of information can be provided in one screen or sliding screen. If a lot of information is being presented, the information display and screen performance will be affected negatively (McWherter & Gowell, 2012). In the meantime, the entry data that takes around 40% of screen size should be used according to the requirements of entry data in particular fields or replaced with voice recording if required. Besides that, three variables represent weaknesses in the e-readiness of the companies to deal with m-commerce applications. This constitutes e-readiness of the companies' staff to deal with their online consumers, which will help to increase the level of readiness of staff who will deal with more complex m-commerce applications in the future. Also, the companies' electronic systems should be equipped with anti-virus software, especially m-commerce applications, to protect the data and the systems of these companies (Bahaddad *et al.*, 2013; Khan *et al.*, 2015). Finally, it is important to provide secure payment options, a variety of channels, and unexpansive fees that represent a big challenge for many companies in the m-commerce field. In the contrast, it has been extended the payment gateways in Saudi Arabia which is called SADAD. It is government organization that works as link between banks and companies to provide a safe payment gateway environment for the companies' consumers to pay via secure methods electronically (Bahaddad *et al.*, 2012). Furthermore, it is provide the necessary assurance for traders to design and develop an electronic platform through the M-commerce applications. New version of SADAD platform will help the purchasers to pay their bills smoothly, and this feature gives important guarantees for global companies to work to provide and present Thiet products in the Saudi market. This feature was coming too late with other require features in M-commerce m, but it was activated early during 2016 as mentioned in MCI official website (MCI, 2016b; SADAD, 2016)

4. Strengths variable group represents the strengths of the companies, which is important in the widespread use of m-commerce applications. This group excludes three variables, S3, S7, and S9, the results of which did not show enough strength in the analytical tests. Other strength variables should also be taken into account when designing m-commerce applications. The variables can be summarized in the following points. Significant and growing work on mobile networks in Saudi Arabia represents power factors for companies that take advantage of this to broadly support the proliferation of m-commerce applications. Also, high-speed Internet, especially DSL and broadband, can be used to provide high-quality product offers and dramatically attract the attention of the target audience (AlGhamdi *et al.*, 2015). Furthermore, frameworks that help beginners to design applications are simple, varied, and uncomplicated. So, creating smartphone applications, and dealing with maintenance and development is not difficult, which helps the spread and availability of these frameworks to companies (Al-Gahtani *et al.*, 2007). Finally, increasing the size of revenue through smartphone applications in Saudi Arabia might help to spread the m-commerce applications needed for the target audience.

This portion presents the most important variables that have emerged in the SWOT approach and provides a good indication in the previous statistical tests, as displayed and focused on the important aspects of each group.

7. DISCUSSION

It is crucial that companies venturing into the global market address current needs if they are to benefit from the rapidly growing internet retail market. Some global chains have already put in place innovative mechanisms to entice buyers into the online market. Some of the most recent technological trends include the development of in-store sensors, the emergence of magic mirrors, and state-of-the-art feature walls, among others (Vega *et al.*, 2015). Instore sensors can be installed on smartphones to advise users on the apparels and outfits that should fit them, and link this to what is available in stores. McQ and Burberry have been at the forefront of the development and implementation of such applications (Euromonitor International, 2015e; Kearney, 2015). Magic mirrors present the fashion items in the online store just as they would be on a clothes hanger, and then offer a virtual experience for users wishing to try the fashion item and consequently have a virtual experience trying to use the items. Alternatively, digital feature walls use large screens to illustrate the items in the store. Burberry for instance uses a state-of-the-art digital wall feature in the form of a 7m screen, located on London’s Regent Street, to display the content in its stores (Kearney, 2015; Mehta & Chugan, 2016). Other technologies used worldwide include: touch screen displays in retail sectors, robotic shop assistants, and Bluetooth sensors (I-Beacons) to send promotional messages to those walking around stores, among others (Mehta & Chugan, 2016).

7.1. Leading Companies in the Global Market

The global fashion market is competitive, and at present Macy’s stores are not among current market leaders. Table 2 below summarises the top ten leading chains and shows TJ Maxx, H&M, and Ross are the top 3 market brands in the clothing and fast fashion market. Moreover, TJ Maxx and Ross dominate the US and H&M the UK (Euromonitor International, 2015a). Also notable in the list is Zara, which has a very strong market hold in Spain, its home market.

With regard to the apparel and footwear markets, the market leaders include Adidas Group, VF Corporation, Nike, PVH, Fast Retailing, H&M, Inditex and Mautitz AB (Euromonitor International, 2015e). The majority of these market leaders have a very strong presence in the United States. In terms of global sales, Ralph Lauren is the market leader, followed by Burberry and Hugo Boss, as shown in Figure 10 below.

The country has a very strong economy, with a GDP of 746.25 billion US dollars in 2014. This represents about 1.2 percent of the entire global economy (Trading Economics, 2014). Its GDP per capita in 2014 was 17819.67 US dollars (Trading Economics, 2014). The country’s economy has growing rapidly over the past 9 years, as depicted in the chart below, suggesting potential to benefit from the growth in the Saudi Market. In 2014, the country experienced a GDP growth of 4%, and it is projected that this growth rate will be maintained for the next five years. This high GDP and income per capita implies a high purchasing power, which has been further enhanced by relatively low employment rates, which are projected to remain below 6% in the lead up to 2019 (Euromonitor, 2015b).

7.2 Saudi Arabia SWOT

The following SWOT Analysis of Saudi Arabia illustrates key factors that should make the country a preferred destination for fashion and apparel retailers:

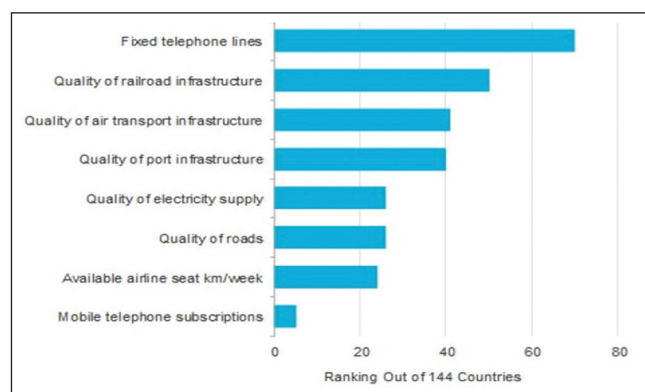


Figure 9: Saudi Arabian Index

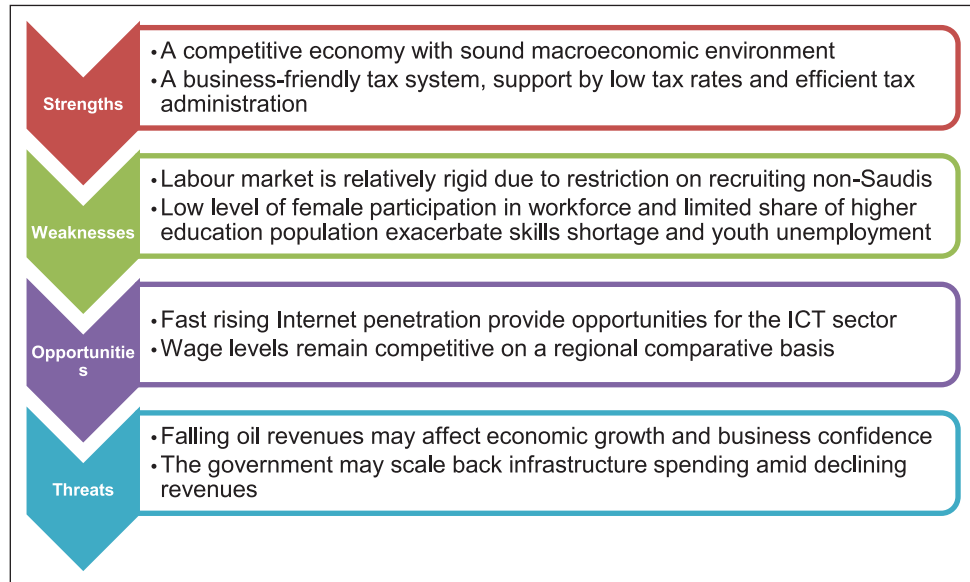


Figure 10: SWOT Analysis of Business Environment in Saudi Arabia. (Source: Euromonitor International, 2015b, p.1)

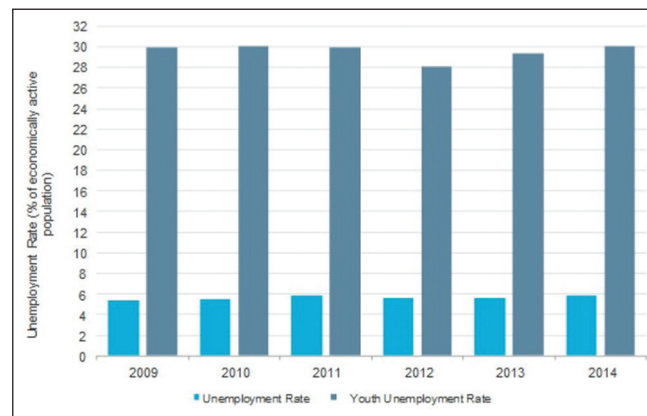


Figure 11: Unemployment rate aged 15 - 24. (Source: Euromonitor International, 2015b, p.10)

There are multiple strengths and opportunities to be gained by positioning the country as an investment destination. Access to the internet in the country (63.7% penetration in households), competitive wage levels, and a fast growing economy, are particularly noteworthy attractants (Alajaji, 2016, Euromonitor International, 2015b). The nation ranks high globally in terms of a majority of the economic infrastructures used in business, as shown in the Figure 9. However, it is important to be cautious of competitors when entering a new international market, specifically massive entry has attendant risks. In Saudi Arabia, future risks include any decline in disposable income due to falling oil revenues, possible government decisions to scale down spending, high youth unemployment (see graph below), and low female participation in income generation and labour, especially as a substantial portion of Macy’s products target youths and women (Bahaddad *et al.*, 2015).

7.3. Saudi Arabia Consumer Behaviour

The consumer behaviour of Saudis is informed by their generally conservative nature, although society is not entirely homogenous in this regard (Rice, 2004). Many individuals are increasingly choosing to follow global fashion trends (Moo rs, 2007), and the young Saudi population in particular is becoming techno-savvy, using internet-enabled smart-phones to access the internet to keep pace with the global trends in the fashion industry (Euromonitor International, 2015b). For this reason, many local retailers are seeking to introduce products that reflect global fashion trends. Furthermore, Saudis are increasingly starting to shop online, indicating a break from long established conservative consumption patterns (Almoussa & Brosdahl, 2013, Bahaddad *et al.*, 2013).

7.4. Fashion and Apparel Retail Market

The Saudi retail market is growing rapidly and at present is considered to be under penetrated, with leading market players still being Saudi retailers. The fashion retail market is led by Fawaz Abdulaziz Al Hokair (Euromonitor, 2015d). Other key retailers in the apparel and footwear market include Al Bandar Trading and M H Alshaya, both of which are currently opening new outlets annually across Saudi Arabia to improve their market share (Euromonitor International, 2015b). In terms of products, high value growth is evident in the footwear and luxury apparel sectors, although apparel remains more attractive than footwear in terms of sales dimensions (volume, value, percentage growth).

Euromonitor International (2015b) has also established that existing international fashion and apparel retailers have elaborate plans to expand into the Saudi market in the near future. Expansion strategies will aim to increase number of outlets, develop employees and establish product line management. Overall, they will seek to realise stronger sales strategies and teamwork. Macy's stores will have to compete with these retailers. It needs to develop superior competitive strategies in view that these chains already have penetrated the market and acclimatized to market challenges, by taking advantage of smartphones commercial applications.

7.5. Risks

There are potential risks may be arising in this approach which can summarize as follow:

Regulations required stores to be closed at 9pm: the policy to close retail stores at 9pm has been under consideration since 2013. The Saudi government predicts that closing retail stores at 9pm will encourage citizens to work in the industry, thereby reducing unemployment among Saudi nationals. Such a move could however affect discretionary spending and have a negative impact on the retail sector (Alrajhi Capital, 2015).

Cuts in government spending: current high levels of government spending are a key driver of disposable income in the Kingdom. With the sharp decline in crude oil prices in recent months, there is a growing risk that the government will need to cut spending, as oil accounts for almost 90% of government revenues. Any impact on disposable income would adversely affect retail trade. The government has announced that it is committed to diversifying the economy away from the oil sector, and has also announced SAR100bn additional expenditure this year (Alrajhi Capital, 2015).

8. RECOMMENDATION

The main recommendation in this paper is advice Macy's stores to consider venturing into the Saudi Arabian market. There is no formidable competitor at present in Saudi Arabia, because none of the global top ten fashion and apparel retailers originate from Saudi Arabia. The environmental analysis has demonstrated that the Saudi market environment is conducive, owing to a cooperative and pro-investment government, good ties between the Saudi government and American investors, the booming economy, and the favorable technological environment.

- Based on global trends, menswear men's leisure bags and sportswear are some of the most viable options in terms of product lines. Footwear and luxury apparel are also likely to be successful, as they are currently booming in Saudi market. However, in view of the limited data, Macy's stores would need to conduct further feasibility studies regarding its present product lines to ascertain their suitability for the Saudi Arabian market.
- At present, when entering into the Saudi Arabian market, all retailers need to consider what ownership structure to adopt. If the 100% foreign ownership rule were implemented this policy would allow a full ownership model for Macy's stores.
- An alternative business model based on current legislation would involve Macy's stores engaging in a joint venture with an existing, but less dominant, company already operating in Saudi Arabia. If a joint venture was deemed unviable, then Macy's stores could still be introduced to Saudi Arabia, but it would be necessary to ensure ownership of 25% of its shares by Saudi nationals.
- The stores should put in place innovative strategies to attract customers inside, and both physical and internet retailing should be supported.

1. To take advantage of the growing techno-wave of economically successful Saudis, the company should introduce advanced technological strategies currently being used by other market leaders in the Western marketplace.

2. Introduction of instore-sensors, use of state-of-the-art digital walls and magic mirrors, are some of the available technological measures that could afford the company a technological advantage and raise its competitiveness in the Saudi market where such innovative strategies are not currently in use.
 3. Other methods, such as touch screen displays, and Bluetooth sensors (I-Beacons) among others could also be employed. These measures would help boost both physical and online purchase decisions.
- Macy's stores could also invest in new generation magic mirrors to allow shoppers to see how they would appear in various outfits and to determine colour combinations of clothing, without physically trying on items. In addition, these options should be synchronised with smart-phones features, allowing the sharing of photos with friends to ensure buyers can seek reassurance about their purchases. Such technology would enable the company to market itself successfully.

Saudi Arabia has had strong IPO activity over the last five years between 2009 and 2014 (Aljazira Capital, 2015), and in June 2015 the Saudi government opened the Saudi stock market to foreigners for direct investment. Thus, there is now a great opportunity for international retail companies' investors to invest in competitors' stock, such as Fawaz Abdulaziz Alhokair among others.

9. CONCLUSION

The purpose of this paper is to discuss the expansion of global companies' advantage in the apparel and footwear market through cooperation with Macy's global company. It focuses on the advantages and risks of investing in global foreign companies by domestic Saudi SMEs. The Saudi companies have the ability to identify the requirements of consumers very well, while international companies have the ability to offer many and varied products because of their capita and widespread global reach. The current study shows the limitations of investments in the apparel and footwear market by international companies in Saudi Arabia, even though the Gulf region is considered a promising zone for many international companies with good investment opportunities. The Saudi Arabian government is keen to facilitate foreign companies, particularly those from the West and the United States. These strategic partnerships will help strengthen government positions between countries, which will be beneficial when creating investment opportunities to face current challenges and search for possible economic resources as alternatives to petroleum power. This strategy focuses on creating business opportunities with many diverse companies globally via commercial smartphone applications that will represent a new generation of electronic commerce.

10. LIST OF REFERENCES

- Al-adaileh, R. (2009). An evaluation of information systems success: A user perspective-the case of Jordan Telecom Group. *European Journal of Scientific Research*, 37(2), 226-239.
- Alajaji, A. (2016). E-BUSINESS AND THE SUPPLY CHAINS. EFFECT OF THE E-BUSINESS ON THE SUPPLY CHAINS IN SAUDI ARABIA. *Journal of International Management Studies*, 16(1).
- Alrajhi Capital (2015). Saudi Retail Sector Retail-Industrial 19 March 2015. [Online]Available at: <http://www.alrajhi-capital.com/en/research/Retail/Retail%20-%20Saudi%20Arabia%20-%20final%20v1.pdf> [Accessed October, 2015].
- AboZaid, T. (2005). The Current Situation of Electronic Commerce (EC)and Its Local and Arabic Challenges. *Tishreen University Journal for Studies and Scientific Research- Economic and Legal Science Series* Vol. 27 (4), 12.
- Al-Gahtani, S. S., Hubona, G. S., & Wang, J. (2007). Information technology (IT)in Saudi Arabia: Culture and the acceptance and use of IT. *Information & Management*, 44(8), 681-691.
- AlGhamdi, R., Alfarraj, O. A., & Bahaddad, A. A. (2015). How Retailers at different Stages of E-Commerce Maturity Evaluate Their Entry to E-Commerce Activities?. *arXiv preprint arXiv:1503.05172*.
- Aljazira Capital (2015). *Opening Saudi Stock Market to Foreign Direct Investment - May 2015* [Online]Available at: http://www.aljaziracapital.com.sa/report_file/ess/SPE-228.pdf [Accessed October, 2015].
- Aljefri, A. M. (2003). Impact of electronic commerce on the community in the Kingdom of Saudi Arabia Retrieved October 12, 2010, from www.minshawi.com/other/e-commerce-in-sa.htm
- AL-MALIKI, S. (2005). Working Hours in the Saudi Environment: A Comparative Investigation with a Survey Study. *Journal of King Abdulaziz University: Economics and Administration*. 19(1), 44
- Almoussa, M., & Brosdahl, D. J. (2013). Online apparel purchasing: a cultural comparison of Saudi Arabian and US consumers. *Journal of International Business and Cultural Studies*, 1-15.
- Bahaddad, A. A., AlGhamdi, R., & Alkhalaf, S. (2015). Adoption Factors for e-Malls in the SME Sector in Saudi Arabia. *arXiv preprint arXiv:1504.01112*.
- Bahaddad, A. A., Drew, S., Houghtoni, L., & Alfarraj, O. A. (2015). Factors attracting online consumers to choose e-Malls for e-procurement in Saudi Arabia. *Enterprise Information Systems*, 1-32.

- Bahaddad, A. A., Houghton, L., & Drew, S. (2013). Attracting Customer in Saudi Arabia to Buy from Your Business Online. *International Journal of Business and Management*, 8(7), 17.
- Bahaddad, A. A., AlGhamdi, R., & Houghton, L. (2012). To What Extent Would E-mail Enable SMEs to Adopt E-Commerce? *International Journal of Business and Management*, 7(22)
- Batchelor, K., Charnesky, A., Ramos, D., Robles, A., & Linde, A. (n.d.)SOCIAL MOBILE COMMERCE. Retrieved September 17, 2015 from <http://socialmobilecommerce.files.wordpress.com/2012/04/foresight-report.pdf>
- Bose, R., & Sugumaran, V. (2006). Challenges for Deploying Web Services-Based E-Business Systems in SMEs. *International Journal of E-Business Research*, 2(1), 18
- Cervantes, M., Crimson, K., Figueroa, C., Hess, A., & Martinez, E. (2015). GM 105–12: PROCTER & GAMBLE COMPANY’S 2015 STRATEGIC AUDIT.
- eMarketer. (2015). *Smartphones, Mobile Commerce Roundup*, Retrieved February 21, 2016, from https://www.emarketer.com/public_media/docs/eMarketer_Mobile_Commerce_Roundup.pdf
- EMPG. (2002). *e-Europe go digital: Benchmarking national and regional e-business policies for SMEs*. Retrieved May 30, 2010 from <http://www.insme.org/documenti/Benchmarking%20national%20and%20regional%20ebusiness%20June%2012%202002.pdf>
- Euromonitor International (2015a). *Apparel and Footwear in 2015: Trends, Developments and Prospects*. [Online]Available at: Euromonitor International (2015b). Business Environment: Saudi Arabia 2015. [Online]Available at: <http://www.euromonitor.com/business-environment-saudi-arabia/report>. [Accessed 18 October 2015].
- Euromonitor International (2015c). Saudi Arabia: Country Profile. [Online]Available at: <http://www.euromonitor.com/saudi-arabia-country-profile/report> [Accessed 13 October 2015].
- Euromonitor International (2015d). Retailing in Saudi Arabia. [Online]Available at: <http://www.euromonitor.com/retailing-in-saudi-arabia/report> [Accessed 15 October 2015].
- Euromonitor International (2015e). *Top 10 Apparel and Footwear Markets: Growth Strategies When the Good Times Stall*. [Online]Available at:
- FELICITTA, J., & GNANA JAYANTHI, J. (2009). *The Impact of M-Commerce in Global Perspectives- A SWOT Analysis*. Paper presented at the The 8th WSEAS Int. Conf. on ELECTRONICS, HARDWARE, WIRELESS and OPTICAL COMMUNICATIONS.
- Hair, J. F., Black, W., Babin, B., & Anderson, R. (2010). *Multivariate data analysis: a global perspective* (7th ed.). New Jersey: Pearson.
- Hill, T. & R. Westbrook (1997). “SWOT Analysis: It’s Time for a Product Recall”. *Long Range Planning* 30 (1): 46–52.
- Kearney, A.T. (2015). *The 2014 Global Retail Development Index: Full Steam Ahead for Global Retailers*. [Online]Available at: <https://www.atkearney.com/documents/10192/4600212/Full+Steam+Ahead+for+Global+Retailers+2014+Global+Retail+Development+In.pdf/6f55a59b-e855-4236-96cb-464c2ca01e91> [Accessed October, 2015].
- Khan, H., Talib, F., & Faisal, M. N. (2015). An analysis of the barriers to the proliferation of M-commerce in Qatar: A relationship modeling approach. *Journal of Systems and Information Technology*, 17(1), 54-81.
- Kuznetsova, N. V., & Kuznetsova, E. V. (2015). Shadow Economy as a Self-Adjustment of Poverty and a Signal from Invisible Hand. *Asian Social Science*, 11(5), 295.
- Law, R., Qi, S., & Buhalis, D. (2010). Progress in tourism management: A review of website evaluation in tourism research. *Tourism Management*, 31(3), 297-313.
- Li, J., Wong, J. Y., Leung, P. W. Y., Yip, W. T., & Tian, X. (2015). CASE SYNOPSIS FOR.
- Macy’s Stores. (2015)*Our Stores - Store Locations & Hours - Macy’s*. [Online]Available at: www.macys.com/locations [Accessed October, 2015].
- Macy’s, Inc. (2015). *Investors Relations*. [Online]Available at: investors.macysinc.com/phoenix.zhtml?c=84477&p=irol-irhome [Accessed October, 2015].
- Market Realist. (2015). Macy’s: What does the largest department store look like? [Online]Available at: <http://marketrealist.com/2015/02/macys-overview-largest-department-store/>[Accessed 10 October 2015].
- MarketLine (2015). Macy’s Inc. [Online]Available at: http://store.marketline.com/Product/macys_inc?
- MCI, (19 April 2016a), *MCI Allows Registering Online Business Activity*. [Online]Available at: <http://mci.gov.sa/en/MediaCenter/News/Pages/19-04-16-02.aspx/>[Accessed 25 April 2016].
- MCI, (9 March 2016b), *E-Payment*. [Online]Available at: <http://m.mci.gov.sa/en/AboutMinistry/Pages/Sadad.aspx/>[Accessed 29 April 2016].
- McWherter, J., & Gowell, S. (2012). *Professional Mobile Application Development*: Wiley.
- Mehta, N., & Chugan, P. K. (2016). Developing High Performance Work System in Retail Outlet. *Macro and Micro Dynamics for Empowering Trade, Industry and Society*, Eds., Deepak Srivastava, Pawan K. Chugan, Nirmal C. Soni and Nikunj Patel, Excel India Publishers, New Delhi for Institute of Management, Nirma University, Ahmedabad India, 107-118.
- Moors, A. (2007). Fashionable Muslims: Notions of Self, Religion, and Society in Sanà. *Fashion Theory*, 11(2), 319-346.
- Moser, S., Swain, M., & Alkhabbaz, M. H. (2015). King Abdullah Economic City: Engineering Saudi Arabia’s post-oil future. *Cities*, 45, 71-80.
- Neuman, W. L. (2006). *Social Research Methods Qualitative and Quantitative Approaches*. New York. Pearson
- Nunnally, J. C., & Bernstein, I. H. (1994). *Psychometric theory* (3rd ed.). New York: McGraw-Hill
productid=3AFD598E-6F71-4D0C-82C9-A88EA867D0C5. [Accessed 17 October 2015].
- Reuters (2015). *Saudi Arabia to allow full foreign ownership in retail*. [Online]Available at: www.reuters.com/article/2015/09/06/saudi-investmentbecuaseronlyh [Accessed 11 October 2015].
- Rice, G. (2004). Doing business in Saudi Arabia. *Thunderbird International Business Review*, 46(1), 59-84.

- Rogers, E. M. (1995). *Diffusion of innovations* (5th ed.). New York: Simon and Schuster
- SADAD, (2016), *Merchant onboarding for SADAD Sccount*. [Online]Available at: <https://www.sadad.com/en/Business/Pages/JoiningNow.aspx>[Accessed 29 April 2016].
- SAGIA, 2016. *INVESTMENT GUIDE*. [Online]Available at: <http://www.sagia.gov.sa/en/Pages/default.aspx>
- Tabachnick, B. G., & Fidell, L. S. (2007). *Using Multivariate Statistics*. Boston: Pearson Education, Inc.
- Tan, Y. L., Macaulay, L. A., & Scheurer, M. (2006). Adoption of ICT among small business: vision vs. reality *International Journal of Electronic Business*, 5(2), 16
- Trading Economics (2014). Saudi Arabia GDP. [Online]Available at: <http://www.tradingeconomics.com/saudi-arabia/gdp> [Accessed October, 2015].
- Vega, K., Cunha, M., & Fuks, H. (2015, March). Hairware: the conscious use of unconscious auto-contact behaviors. In *Proceedings of the 20th International Conference on Intelligent User Interfaces* (pp. 78-86). ACM.
- Wahid, F. (2009, September). *Examining Adoption of e-Procurement in Public sector Using the Perceived Characteristics of Innovation: Indonesian perspective* Paper presented at the Third International ICST Conference, e-Democracy Athens, Greece
- Zhou, C. (2015). Impact of Electronic Commerce on the Sporting Goods Market. *Open Cybernetics & Systemics Journal*, 9, 2135-2140.