

The Relationship between Revenues of Saudi Telecommunication Companies and Online Shopping

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<p>Article history Submitted: 01 August, 2022 Revised: 09 August, 2022 Accepted: 15 August, 2022</p>	<p>Abstract This study aims to investigate the relationship between revenues of Saudi telecommunication companies and online shopping. A quantitative methodology was adopted in achieving study's aims, where a questionnaire was distributed online among a sample of (300) managers and employees of the administrative units at the biggest three Saudi telecom firms STC, Mobily, and Zain. The collected responses were analyzed by SPSS 23 and the results showed the importance of e-commerce and the advantages and benefits it provides to its individual and corporate users, as it enables small businesses to compete in the international market easily and helps companies to attract the largest possible number of customers easily and with low cost. The study also showed that there are many challenges and problems that Saudi customers face when using online shopping and limit the effectiveness of this process, most notably what it relates to the threat to privacy and information security. The results showed the wide spread of online shopping services in Saudi telecommunication companies, as they rely on it to develop customer services and reach competitive advantage. Finally, the study concluded that there is a statistically significant positive relationship between revenues of Saudi telecommunication companies and online shopping at significant level of ($\alpha \leq 0.05$). The study recommended the necessity of telecommunication companies to develop their knowledge in online shopping and e-sale services so as not to miss important marketing opportunities and to achieve more profits and competitive advantage.</p>
<p>Keywords: <i>Telecommunication Companies, Online Shopping, Revenues, Competitive Advantage, E-commerce, Marketing; Saudi Arabia.</i></p>	

1. Introduction

In recent years, there has been a sharp increase in the usage of the Internet for electronic commerce. Businesses are now able to gather data, respond to subscriber requests, and provide their services globally thanks to this growth, which is reflected in the rise in the number of commercial websites as well as the use of online shopping. Online shopping is defined as the procedures and equipment that enable businesses to perform internal and external commercial transactions using internet-based information technology. Investing in online shopping infrastructure and solutions is now regarded as being of utmost importance for businesses looking to compete successfully in any market or industry [1] [2], [3]. Considering the great development and the massive information revolution of technology that has come to dominate business sectors all over the world, keeping up with modern technologies has become the only way for businesses to advance in their field of work in order to achieve the highest profits and revenues, especially technology-related facilities, such as telecommunication industries.

As a result of the intense competition among the businesses in this area, it has been chosen as a field for this study Hence, this study investigates the relationship between online shopping usage and revenues of the Saudi market's telecommunication operators. Due to the potential to offer a bigger number of goods and services through e-business, companies who engage in it are profitable, which contributes to their competitive edge. Additionally, there is an obvious relationship between the company's increased financial success (cost reduction and profit) and its e-business skills. Despite research showing a link between e-business adoption and a company's profitability, there is no guarantee that e-business benefits will result in higher profits or revenues; therefore, the connection between e-business and competitive advantage should be drawn with consideration [4] [5], [6]. The study derives its importance from the importance of electronic commerce, and its significant part in the global economy. Especially that The Kingdom of Saudi Arabia is eager to adopt the idea of digital transformation in several industries to keep up with technological advancement. Revenues provide information that is useful to many parties since they reflect the financial success of the sectors. As a result, this study will assist decision-makers in making the best economic choices.

According to another study, e-business advantages may not always result in higher sales and profits because it is difficult to determine how they will affect the company's improved financial performance [7] [8]–[10]. Based on the research problem, the following questions can be posed: 1) What are the advantages of adopting e-commerce in telecommunication industries in Saudi Arabia? 2) What challenges do Saudi consumers face when using online shopping? 3) How can telecommunication companies enhance their revenues by utilizing online shopping? The remaining of this paper deals with the literature review, methodology, findings, and conclusion.

2 Literature Review

2.1 E-Commerce & Online Shopping:

E-commerce has grown to be a significant force in global trade, due to the numerous opportunities and benefits it has created; it has also played a key role in the development of international trade. Moreover, its presence in the majority of nations and on a variety of markets has increased, and it is possible that the Internet's current prevalence has had a significant positive impact on the activity of electronic commerce. Therefore, online shopping and e-commerce have opened up new opportunities for many industries, businesses, and entrepreneurs [11].

The concept of E-marketing is a major consequence of the modern information revolution, which directly had an impact on the marketing process in the present day. Because of the rapid development of modern means and technologies, the purchasing process has shifted more toward online purchases than traditional purchases. Online shopping help in direct interaction and transactions between the buyer and the seller, exchanging goods and information quickly and cheaply, and transferring money quickly and effortlessly. All of these benefits of online shopping gave many industries a competitive advantage and opened up new markets that eventually reached international markets, ensuring that the highest number of consumers around the world have access to all available goods and services using E-commerce and online shopping [12] [13].

E-marketing is viewed as a promotional tool under this sense. It is also known as the strategic process of distributing, promoting, and pricing items, and identifying the demands of customers utilizing digital media and digital marketing. This concept is more practical and incorporates the key components of the marketing mix. E-marketing is also said to involve the use of technologies that give businesses the ability to control their supply chains, manage their resources, and manage consumer interactions profits [14] [15]–[17].

2.2 Relationship between the Adoption of Online Shopping and Businesses' Revenues

Commercial businesses aim to boost their revenues by gaining more customers. Profitability consequently rises as a result. Therefore, companies compete to use information technologies to reach new customers and boost revenues in this modern information technology era. In particular, one strategy that many businesses employ to draw in new customers is to increase the usage of electronic trading channels. One of the most important steps in growing the use of electronic trade channels is identifying the components required to attract and encourage people to shop online [4].

Many studies argue that e-businesses enhance operational efficiency as well as raise revenues. Mainly because adopting e-marketing applications such as online shopping, is crucial for many businesses' ability to gain and keep a competitive advantage. Moreover, opening an e-commerce store helps the business grow and gives it the resources it needs to compete in today's competitive market [18].

Therefore, E-business is vital in defining a firms' competitive advantage in a similar vein. Information and communication technology used in marketing initiatives is regarded as a source of competitive advantage for a firm when compared to businesses with less developed communication technologies and less applications of online shopping. So, by supplying a great deal of information, reducing costs, creating new services, and giving customers a wide range of options, e-commerce and online shopping are used as tools to compete effectively and raise profits [19].

Since complete information about products, features, and prices is widely available online, E-marketing is crucial in growing the number of customers, which leads to increase in profits and revenues. Because of this common accessibility, consumers are better able to make decisions and are more likely to buy things online. Hence, companies in the e-business sector compete based on pricing, product quality, and profitability, the three elements of competitive advantage [20].

Regarding the competitive advantages of price component, many businesses use e-business and apply online shopping to decrease marketing expenses and lower product prices to remain competitive in the market and have larger revenues.

Not to forget that by switching to E-marketing and online shopping, marketing communications expenses are decreased, and it is easier to evaluate how effectively actions are being carried out. Companies can use e-business to place their goods and services at various price points in reaction to rivals and control price fluctuations to increase the value they provide to clients. Due to direct customer contact over the Internet, which allowed for quick client input, it is clear how important is E-marketing in lowering the expense for marketing research performance [21], [22].

2.3 Fundamentals of Buying Behavior

Customers' purchasing patterns and motivations are referred to as their buying behavior. It involves both the consumption of products and the examination of the purchasing process, and for businesses to make decisions, it is crucial to comprehend client behavior. When putting marketing plans into practice, companies must have a detailed understanding of how consumers behave because these decisions have a direct impact on the profitability of the company. Different consumer behaviors bring different characteristics into the demand function, which can have a significant impact on how effectively businesses operate [23], [24].

Marketing experts can forecast how consumers will respond to promotional materials by explaining consumer behavior. Leaders must look at the demands, motivations, and other elements that influence customers' purchasing decisions in order for marketing activities to be successful in producing the desired results. A greater understanding of consumer behavior will result from research into their beliefs, attitudes, and behavior, which will also help businesses create marketing plans that are effective in selling their goods [11], [25].

2.4 Saudi Telecommunication Companies

The Ministry of Communications and Information Technology in Saudi Arabia has begun a five-year plan to increase the GDP contribution of the sector by \$13.3 billion and speed up its growth by 50%. The goal of the strategy for the telecoms and IT industry for the years 2019 to 2023 is to create a sophisticated and robust digital infrastructure that will help the Kingdom of Saudi Arabia build a digital society, government, thriving digital economy, and innovative future. This is in line with the Saudi Vision 2030 and the National Transformation Program 2020 [26], [27].

The Saudi government has prioritized encouraging widespread e-commerce, as a result, many Saudi online retailers have opened in recent years, and their accessibility offers online buying options that will boost online shopping in the Kingdom of Saudi Arabia. As the core of marketing, understanding consumer behavior is one of the most crucial marketing topics. Studying and comprehending the various aspects that influence Saudi Arabian consumers' behavior when making purchases online thus becomes extremely crucial [28].

3 Research Methodology

3.2 Method Design and Tool

In this study, the research problem focuses on revealing the relationship between revenues of Saudi telecommunication companies and online shopping. The quantitative approach is considered as the most appropriate utilized approach to cover the research problem in a clearer way. This approach essentially integrates data, analyses and uses them to examine the connection between variables [29], [30]. The main objective of this method is to define the possible association between two or more variables [14], [31], as is the case in this research which is aiming to find the relation between Saudi telecommunication companies' revenues and their utilization of online shopping.

The questionnaire was the instrument utilized in this study for the collection of primary data through conducting a cross sectional survey. [32] pointed to the advantages of the survey such as its consistency, as the data gathered is not available from other sources, the unbiased representation of the population of interest and the standardization of the measurement, since the same data is collected from every participant. The questionnaire was designed based on previous relevant studies and literature and consisted of two different parts with a set of closed statements directed towards collecting data on the different study variables.

The first part of the questionnaire consists of questions covering the socio-demographic information of the selected sample participating in this study including participants' gender, age, qualifications, years of experience and telecommunication company they work for. The second part consists of four sections that inquire about different aspects related to the relationship between revenues of Saudi telecommunication companies and online shopping, where the first section includes a group of (8) statements asking about the advantages of adopting e-commerce in telecommunication industries in Saudi Arabia, while the second section inquiries about the challenges Saudi clients face when using online shopping represented by another (7) close-ended statements. Moreover, the third section includes a group of (10) statements that assess the online shopping status in Saudi telecommunication companies and the last fourth section consisted of (7) statements assessing Saudi telecommunication companies' revenues. Moreover, the fifth Likert Scale was utilized to gather the responses of the study sample.

However, it is necessary to verify the reliability and validity of the study tool. The validity of the questionnaire was achieved as long as its statements were taken from questionnaires published in peer-reviewed and reliable previous studies and papers including [11], [21], [24], [33] [21], [34], [35]. However, for the reliability of the questionnaire, it was verified by conducting a pilot study on a sample of (30) managers and employees of the administrative units at the biggest three Saudi telecom firms STC, Mobily, and Zain. The reliability of the tool and its components was determined by SPSS'

Alpha Cronbach test before distributing the tool to the original study sample members and conducting the real study. Table 1 shows the Cronbach alpha values for the overall questionnaire and its different parts.

Table 1: The results of Cronbach' alpha reliability test

Variables	Number of Items	Cronbach's alpha value
The advantages of adopting e-commerce in telecommunication industries	8	0.831
Challenges Saudi clients face when using online shopping	7	0.805
Online shopping status in Saudi telecom companies	10	0.876
Assessment of Saudi telecom companies' revenues	7	0.816
Overall Tool's Items	32	0.863

As shown in Table 1, Cronbach's alpha was determined to be (0.831) for elements of the first scale, (0.805) for elements of the second scale, (0.876) for elements of the third scale and (0.816) for elements of the fourth scale. Moreover, it was (0.863) for the overall instrument elements, which means that the reliability of the tool is acceptable, and that the results that will be obtained from this questionnaire are valid and will be the same if the questionnaire is redistributed to another random sample, as long as Cronbach's Alpha value is higher than (0.7) [19].

3.3 Research Sample

The population in the current study consisted of all managers and employees of the administrative units at the biggest three Saudi telecom firms STC, Mobily, and Zain. The reason for choosing this category is that they are the most familiar with the revenues of the telecommunication companies in which they work and the most able to evaluate the state of online shopping in the company, the most prominent advantages of adopting e-commerce in the telecommunication industry, and the challenges faced by Saudi customers when using online shopping and thus enabling the researcher to achieve the objectives of this study [4], [36].

Due to the impossibility of covering the entire study population, in terms of cost and time-consuming, a simple random representative sample of the study population consisting of (300) managers and employees was selected. Finally, the designed questionnaires have been distributed electronically via online google forms to the targeted sample of global managers as it is considered the easiest, fastest, and highest coverage data collection techniques [37] [38] [39], [40].

The following Table 2 shows the socio-demographic description of the members of the study sample according to (gender, age, qualifications, years of experience and telecommunication company they work for):

Table 2: The socio-demographic characteristics of the study sample

Variable	Categories	Frequency	Percentages
Gender	Male	160	53.3%
	Female	140	46.7%
Age	25-30 years	77	25.7%
	31-36 years	120	40.0%
	37-42 years	60	20.0%
	More than 42 years	43	14.3%
Qualifications	Bachelor's degree	177	59.0%
	Master's degree	85	28.3%
	Doctoral degree	38	12.7%
Years of Experience	Less than 5 years	20	6.7%
	5-10 years	139	46.3%
	11-15 years	42	14.0%
	More than 15 years	99	33.0%

Company	STC	117	39.0%
	Mobily	98	32.7%
	Zain	85	28.3%
Overall		300	100%

The descriptive statistics of the socio-demographic data of the study sample shows that the study participants were divided almost evenly between males (53.3%) and females (46.7%). The most participated age category in this survey was 31-36 years old with a percentage of (40.0%), followed by (25.7%) employees and managers of 25-30 years old, (20.0%) employees and managers of 37-42 years old and lastly (14.3%) whose age are older than 42 years as shown in Table 2 above. All of the study sample members were well educated having bachelor's degree at least (59.0%), Master's degree with a ratio of (28.3%) or Doctoral degree with a ratio of (12.7%). Moreover, the vast majority of the study sample possesses more than 5 years of experience with a percentage of (93.3%); including (46.3%) with 5-10 years of experience, (14%) with 11-15 years of experience, and (33%) with more than 15 years. This indicates that the study sample is composed from highly qualified employees and managers who have knowledge in the field of the study, and this shows their ability to answer the research questions with credibility and high efficiency. Furthermore, the sample consisted of employees from the three major telecommunication companies in Saudi Arabia. The percentage of employees working in STC Company (39%), Mobily Company (32.7%), and in Zain Company (28.3%), and this indicates that the sample is representative of the community and takes into account the opinions of different companies.

The researcher utilized SPSS (23) software program to analyze the primary collected data from the questionnaires, and then presenting the results and conclusions raised from this study. Different statistical descriptive tests were performed including frequencies, percentages, means and standard deviations to summarize variables of interest. Moreover, the simple linear regression and Pearson correlation tests were used to examine the relationship between revenues of Saudi telecommunication companies and online shopping at significance level 5%, which is the main problem of this study.

4 Results and Discussion

In this part, the data of the questionnaires that were collected from a sample of managers and employees of the administrative units at the biggest three Saudi telecom firms STC, Mobily, and Zain were analyzed, using means and standard deviations to obtain the level and ranks of the items related to the study, as well as the Pearson correlation and simple linear regression test to predict the relationship between revenues of Saudi telecommunication companies and online shopping.

4.1- Results related to the Advantages of Adopting E-commerce in Telecommunication Industries in Saudi Arabia

In order to answer the first question in this study about the advantages of adopting e-commerce in telecommunication industries in Saudi Arabia, the descriptive statistics (means and standard deviation) of the responses and their ranks were calculated via SPSS, where means ranging from (1-1.80) were considered very low, from (1.81 to 2.60) were considered low, from (2.61-3.40) were considered moderate, from (3.41-4.20) were considered high and from (4.21-5.00) were considered very high. Table 3 below shows the descriptive summary of the responses to the questionnaire's items used to measure the advantages of adopting e-commerce in telecommunication industries.

Table 3: Summary of participants' responses to items measuring the advantages of adopting e-commerce in telecommunication industries (N=300)

Statement	Mean	Std. Deviation	Rank	Level
It enables small businesses to access and compete online in the international market.	4.07	0.88	1	High
It provides websites and online stores as new channels to provide products and services in a distinctive way and at low costs.	3.96	0.99	7	High
It provides wide and open services, enabling companies to add any product, business or service at any time.	3.98	0.87	6	High
Contribute to attracting the largest possible number of customers and consumers through Internet marketing.	3.93	0.96	8	High
It helps expand the scope of companies' activity from local to global scale at low cost.	4.04	0.83	3	High
Reducing the time between offering and ordering a product or service, and between paying money and receiving the good or service.	3.99	0.96	5	High

Ease of finding business partners for the company with suitable capital.	4.06	0.89	2	High
Great flexibility in dealing with consumers and users of the service provided by the company and the completion of buying and selling operations.	4.00	0.93	4	High
Overall	4.00	0.89	High	

It is clear from Table 3 above that the arithmetic means that measure the advantages of adopting e-commerce in telecommunication industries from the point of view of managers and employees were high ranged from (3.93- 4.07). It can be noticed that item (1) which stated: "It enables small businesses to access and compete online in the international market", represents the highest agreed mean statement (4.07) and was followed secondly by item (7) in which it stated: "Ease of finding business partners for the company with suitable capital" with a mean (4.06), followed thirdly by item (5) which it stated that: "It helps expand the scope of companies' activity from local to global scale at low cost" with a mean (4.04) and finally with the least mean value, item (4) which stated that: "Contribute to attracting the largest possible number of customers and consumers through Internet marketing" with a high mean (3.93).

Furthermore, the overall mean for this section was high with a value of (4.00), which indicates that most of the study sample agree to a large extent on the importance of e-commerce and the advantages and benefits it provides to its individual and corporate users, as it enables small businesses to access and compete online in the international market easily, and helps companies to attract the largest possible number of customers and consumers, and expand their work from the local to the global scale at a low cost, and facilitates the process of finding business partners for the company with suitable capital, as well as the great flexibility it provides in dealing with consumers and users of the service provided by the company and the completion of sales and purchases.

This result is consistent with the study of [41], [42] [11], [23], [24], [43] which indicated that e-commerce and online shopping bring many benefits to companies, including that it increases the spread of companies, allowing their services and goods to reach the largest possible base of customers, helping companies to reach the global and international scale, and facilitating the possibility of communicating with customers and concluding sale and purchase deals immediately with them, and reduce a lot of marketing costs, which increases the profits of companies and gives them a competitive advantage.

4.2- Results related to the Challenges Saudi Clients Face when using Online Shopping

In order to answer the second question in this study about the challenges do Saudi consumers face when using online shopping, a set of questions were asked and in the same manner Likert scale of five points was used in arranging the respondents' answers. The results of the descriptive analysis were as shown in Table 4:

Table 4: Summary of participants' responses to items measuring the challenges that Saudi clients face when using online shopping (N=300)

Statement	Mean	Std. Deviation	Rank	Level
Unclear refund and return policies for payments and products in online shopping.	4.05	0.83	4	High
Security and cyber breaches of user data confidentiality and security, theft and spreading of viruses.	4.06	0.88	3	High
Difficulty in verifying the true identity of customers online.	3.96	0.93	7	High
Pricing, shipping and order fulfillment conflict for online services and products.	4.04	0.87	5	High
The difficulty of choosing the right technology and partners to solve corporate online shopping problems.	4.10	0.85	1	High
Difficulty in achieving customer satisfaction and their loyalty to the company.	4.09	0.86	2	High
Difficulties related to the quality of the product or service obtained from online shopping, such as a discrepancy or mismatch in product specifications or delivery of the wrong product.	4.00	0.92	6	High
Overall	4.04	0.86	High	

It is clear from Table 4 above that the arithmetic means that measure the challenges that Saudi clients face when using online shopping were high ranged from (3.96- 4.10). It can be noticed that item (5) which stated: "The difficulty of choosing the right technology and partners to solve corporate online shopping problems", represents the highest agreed mean statement (4.10) and was followed secondly by item (6) in which it stated: "Difficulty in achieving customer satisfaction and their loyalty to the company" with a mean (4.09), followed thirdly by item (2) which it stated that: "Security and cyber breaches of user data confidentiality and security, theft and spreading of viruses" with a mean (4.06) and finally with the least mean value, item (3) which stated that: "Difficulty in verifying the true identity of customers online" with a high mean (3.96).

Furthermore, the overall mean for this section was (4.04), which indicates that most of the study sample agree to a large extent that there are many challenges and problems that Saudi customers face when using online shopping and limit the effectiveness of this process, most notably what it relates to the threat to privacy and information security where user data and security are exposed to many breaches, theft and spread of viruses, as well as the difficulty of verifying the true identity of customers online, ambiguity of refund and return policies for payments and products in online shopping, and conflicting prices, shipping and order fulfilment for services and products via the Internet, and other difficulties related to the quality of the product or service obtained from online shopping, such as inconsistencies or mismatches in product specifications or wrong product delivery.

These results are consistent with [3], [21], [22], [33] studies which showed that although online shopping is more prevalent now, the problems and challenges associated with it act as a hindrance or setback for online selling companies. Online shopping problems may arise at any time from entering the site to purchase or while using the product or even after sales service. The issues related to security and the legal framework are among the most prominent problems that prevent companies from joining e-commerce, as there are more problems of theft, hacking and piracy in e-commerce compared to traditional ones as well as problems related to products or services such as delays in their delivery or non-conformity with specifications.

4.3- Results related to Online Shopping Status in Saudi Telecommunication Companies

In order to evaluate the online shopping status in Saudi telecom companies, a set of questions were asked and in the same manner Likert scale of five points was used in arranging the respondents' answers. The results of the descriptive analysis were as shown in Table 5:

Table 5: Summary of participants' responses to items measuring online shopping status in Saudi telecom companies (N=300)

Statement	Mean	Std. Deviation	Rank	Level
The company uses the internet to advertise its services.	4.02	0.93	5	High
The company has competent staff who manages the e-marketing activities.	3.97	0.94	8	High
The company performs selling transactions through the internet.	4.06	0.83	2	High
The company uses the internet for promotion activities.	3.98	0.95	7	High
The company uses emails and social media platforms to contact with consumers.	3.95	1.00	9	High
Through the internet, customers provide the company with feedback about the services they have obtained through online shopping.	3.93	0.98	10	High
The company uses the internet to downsize its intermediaries and to outsmart its competitors.	4.01	0.92	6	High
Online shopping is used by the company to break into global market.	4.05	0.88	3	High
The company provided its services online to increase its sales and satisfy customers' needs.	4.03	0.96	4	High
The company has a website and databases that facilitate the process of online shopping and communication with customers.	4.07	0.85	1	High
Overall	4.00	0.91		High

It is clear from Table 5 above that the arithmetic means that measure the online shopping status in Saudi telecom companies were high ranged from (3.93- 4.07). It can be noticed that item (10) which stated: "The company has a website and databases that facilitate the process of online shopping and communication with customers", represents the highest agreed mean statement (4.07) and was followed secondly by item (3) in which it stated: "The company performs selling transactions through the internet" with a mean (4.06), followed thirdly by item (8) which it stated that: "Online shopping is used by the company to break into global market." with a mean (4.05) and finally with the least mean value, item (6) which stated that: "Through the internet, customers provide the company with feedback about the services they have obtained through online shopping" with a high mean (3.93).

Furthermore, the overall mean for this section was (4.00), which indicates the wide spread of online shopping services in Saudi telecommunication companies. This result is consistent with the studies of [2], [18], [24], [25], [43] which indicated that telecommunication companies in the Kingdom of Saudi Arabia use online shopping, as they rely on it to develop customer services and reach competitive advantage through the use of the Internet to advertise their services, and their use of various social media and the presence of personnel specialized in managing shopping activities and following up on consumers, and providing them with websites and databases that facilitate the process of online shopping and communication with customers.

4..4- Results related to the Impact of Online Shopping on Saudi Telecommunication Companies' Revenues

In order to achieve the main aim of this study which is exploring the relationship between revenues of Saudi telecommunication companies and online shopping, a set of questions were asked firstly to assess the revenues in these companies and in the same manner Likert scale of five points was used in arranging the respondents' answers. The results of the descriptive analysis were as shown in Table 6:

Table 6: Summary of participants' responses to items measuring Saudi telecommunication companies' revenues (N=300)

Statement	Mean	Std. Deviation	Rank	Level
Online shopping reduces the costs of advertising and promoting the company's products and services locally and globally.	3.98	0.99	4	High
Online shopping reduces storage and distribution costs and the need for middlemen.	4.08	0.87	1	High
Online shopping reduces sales and presentation costs in terms of sales management costs and salespeople's wages.	4.00	0.93	3	High
It increases the market share of a company's sales.	4.06	0.88	2	High
It facilitates the sale of the company's products in the markets and increases profits.	3.89	0.97	6	High
Contribute to increasing the sale of the company's products at competitive prices that support profits for companies.	3.96	0.85	5	High
E-sales at anytime and anywhere contribute to increasing sales and thus profits.	3.80	1.01	7	High
Overall	3.96	0.85		High

It is clear from Table 6 above that the arithmetic means that measure Saudi telecommunication companies' revenues were high ranged from (3.80- 4.08). It can be noticed that item (2) which stated: " Online shopping reduces storage and distribution costs and the need for middlemen", represents the highest agreed mean statement (4.08) and was followed secondly by item (4) in which it stated: "It increases the market share of a company's sales " with a mean (4.06), followed thirdly by item (3) which it stated that: "Online shopping reduces sales and presentation costs in terms of sales management costs and salespeople's wages" with a mean (4.00) and finally with the least mean value, item (7) which stated that: "E-sales at anytime and anywhere contribute to increasing sales and thus profits" with a high mean (3.80). The overall mean for this section was high with a value of (3.96), which indicates that most of the study sample agree to a large extent that the revenues of the telecommunication companies have improved significantly and the various costs of them have decreased due to the utilization of online shopping.

Moreover, in order to statistically estimate the relationship between revenues of Saudi telecommunication companies and online shopping, Pearson correlation and simple linear regression analyses were implemented utilizing SPSS. The results were as indicated in the following Table (7) below:

Table 7: Linear regression's model summary for the impact of online shopping on Saudi telecommunication companies' revenues (N=300)

(R)	(R ²)	F	DF	α	β	T	Sig
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0.975	0.951	5810.244	Regression	1	0.000	0.911	76.225	0.000
			Residual	298				
			Total	299				

From the above Table 7, the model summary and overall fit statistics indicates that there is a statistically significant positive relationship between revenues of Saudi telecommunication companies and online shopping, where the coefficient of Pearson correlation R (0.975) at ($\alpha \leq 0.05$). The coefficient of determination R² amounted to (0.951), this means that (95.1%) of the positive improvement in the revenues of telecommunication companies is due to online shopping. Moreover, the degree of impact (β) for the impact of online shopping on Saudi telecommunication companies' revenues is (0.911). This means that increasing reliance on online shopping and improving this process in telecommunication companies by one step will contribute to improving companies' revenues by (0.911). The significance of this effect is the value of the calculated (F) which reached (5810.244) and is significant at the level of ($\alpha = 0.000 \leq 0.05$).

These results can be explained by referring to the study of [2], [18], [19], [24], [25], [43], [44] which showed that online shopping contributes to increasing companies' profits by reducing the costs associated with advertising and promoting the company's products and services, storage and distribution costs, the need for intermediaries, sales and display costs in terms of sales management costs and sales representatives' wages, and that it contributes to increasing the company's sales by expanding the customers' base and facilitating the completion of buying and selling transactions, which contributes to increasing the market share of the company's sales, and increases its profits.

5 Conclusion & Recommendations

5.1- Conclusion

In view of the great development and the massive information revolution of technology that has come to dominate business sectors all over the world, keeping pace with modern technologies has become the only way for companies to advance in their field of work, continue and achieve growth in profits and revenues, especially technology-related companies, such as the telecommunication industries. Online shopping (E-commerce) has emerged as one of the most prominent means of modern technology that contributed to changing the methods of sales and marketing and predicted the improvement of companies' performance, sales and profits, which requires business organizations to accelerate in understanding and absorbing these new methods, and to change and modify what is possible in their organizational structure in order to be able to lead in perform its business and gain a competitive advantage, otherwise it will lose everything and exit the market sooner or later.

As a result of the intense competition between companies in this field, it was necessary to know the true relationship between online shopping and company's profitability. Hence, this study aimed to investigate the relationship between revenues of Saudi telecommunication companies and online shopping. The study revealed the importance of e-commerce and the advantages and benefits it provides to its individual and corporate users, as it enables small businesses to access and compete online in the international market easily, and helps companies to attract the largest possible number of customers and consumers, and expand their work from the local to the global scale at a low cost, and facilitates the process of finding business partners for the company with suitable capital, as well as the great flexibility it provides in dealing with consumers and users of the service provided by the company and the completion of sales and purchases.

The study also showed that there are many challenges and problems that Saudi customers face when using online shopping and limit the effectiveness of this process, most notably what it relates to the threat to privacy and information security where user data and security are exposed to many breaches, theft and spread of viruses, as well as the difficulty of verifying the true identity of customers online, ambiguity of refund and return policies for payments and products in online shopping, and conflicting prices, shipping and order fulfilment for services and products via the Internet, and other difficulties related to the quality of the product or service obtained from online shopping, such as inconsistencies or mismatches in product specifications or wrong product delivery. The results also showed the wide spread of online shopping services in Saudi telecommunication companies, as they rely on it to develop customer services and reach competitive advantage through the use of the Internet to advertise their services, and their use of various social media and the presence of personnel specialized in managing shopping activities and following up on consumers, and providing them with websites and databases that facilitate the process of online shopping and communication with customers .

Finally, the study concluded that there is a statistically significant positive relationship between revenues of Saudi telecommunication companies and online shopping at significant level of ($\alpha \leq 0.05$). The study explained this impact by the fact that online shopping contributes to increasing companies' profits by reducing the costs associated with advertising and promoting the company's products and services, storage and distribution costs, the need for intermediaries, sales and display costs in terms of sales management costs and sales representatives' wages, and that it contributes to increasing the company's sales by expanding the customers' base and facilitating the completion of buying and selling transactions, which contributes to increasing the market share of the company's sales, and increases its profits.

5.2- Recommendations

In the light of what the researcher has found, these are the key recommendations of this research. Saudi telecommunication companies should seek to develop their knowledge of business and communications technology and use them in online shopping and e-sale services so as not to miss important marketing opportunities and to achieve more profits and competitive advantage. That telecommunication companies should work on building and developing websites on the Internet that are specialized in marketing their products and services electronically, and communicating with current and prospective customers, in a way that enhances their presence in the market and achieves many benefits in reducing selling and advertising costs, storage and distribution costs and other costs that are related to increasing profits.

Communication companies should use more interactive methods of communication with customers in a way that increases the dynamism and continuity of communication with them and raises their loyalty to the organization, especially as they are service-producing organizations. It is necessary to raise the level and skill of the performance of workers in electronic sales and marketing in telecommunication companies by introducing them to specialized and continuous training courses to keep abreast of all that is new in this field, and to raise the level of their capabilities and expertise in e-commerce and online shopping. The mixed approach is recommended in future studies, where the use of questionnaires can be supplemented by other research methods such as interviews and other techniques to provide richer and more comprehensive data on the impact of online shopping on the companies' profits. It would be useful to do more research on the factors that influence the adoption of online shopping method in companies and the relationship between online shopping and client's convenience and loyalty.

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