

The Growth of Digital Marketing for E-Commerce in Saudi Arabia: E-Marketing Strategies of Electronic Commerce Companies in KSA

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Abstract: This paper aims to show the growth of digital advertising campaigns and the increasing of digital ad spending on e-commerce platforms in Saudi Arabia. The descriptive approach has been followed, using a content analysis of the results extracted from search engines. The results show that the investment of online shopping companies in KSA due to the government protection laws and facilities presented, in addition the customer behavior of using smart phones and following new brands, content, and ads, all these factors reflect on growing of digital marketing and ad spending significantly. The research study shows by insights reported by Saudi Arabia government and analytical insights by some of statistical studies' agencies, the growth size of e-marketing inside the country, and how it expands by electronic commerce marketing strategies. Although the competition of electronic commerce companies in the Kingdom of Saudi Arabia, but the market still in need for new investment international and local, and has the ability to increase spending on digital marketing and online ads as a part of expanding strategy for a business and achieving growing ROI. Finally, the study shows how the consumer behavior affects by ads and electronic commerce widespread strategy, and then the consumer interaction in trying the product or service, achieving the behavioral process of the consumer and the added value of the field of electronic marketing by moving the wheel of shipping operations, and more.

Keywords: Digital Marketing, E-commerce, Online Shopping, Consumer Behavior, Saudi Arabia

I. Introduction

Consumer behavior of purchasing has significantly changed, and it became common that consumers use their internet-connected devices to search for products/services and make purchases from e-commerce platforms. This global phenomenon has overtaken the use of physical stores or as it called "Bricks & Mortar", which has greatly affected the structure and location of stores, ways of purchasing, and the retail market share. Furthermore, consumers are continually seeking and using digital sales platforms. This e-commerce transaction could not have significantly increased if there were no digital marketing platforms that have allowed making promotion campaigns attractive to targeted consumers through the use of various digital marketing techniques.

Digital marketing is a significantly beneficial concept for e-commerce websites which built a brand image and achieved a market share by targeting specific customers who may want to explore the products on its websites. The growth of digital marketing is possible largely due to the benefits and costs compared to traditional marketing, which necessitates the appropriation of traditional marketing techniques, as according Datareportal report 2024 that 52% of Saudi people make a weekly online shopping, and 72% make a digital payment (Kemp, 2024, pp. 87, 88).

The digital marketing industry is comprised of e-commerce platforms that use specific strategies to market their products or services based on analytics. Behavioral and analyzed customer trends are essential for this growth. In the Kingdom of Saudi Arabia (KSA), digital marketing is evolving as an essential practice. All marketing companies are obliged to shift their business strategies to include at least one digital marketing channel using tools, such as websites, smartphone apps, social media, Google apps, YouTube, Email Marketing, and other

means, in digital direct marketing strategies. There are several factors that push companies in KSA to utilize the digital marketing channel for direct marketing, one particularly influential factor is the high rate of mobile penetration at about 134%, which reflects the fact that the Kingdom ranks first in terms of smartphone users in the Arab world.

II. Research Methodology

The theory of planned behavior (TPB) developed by (Ajzen 1991), to predict human behavior by three main factors: Attitude, Subjective Norm, and Perceive Behavioral Control. The theory discussed that any action the person take is according three considerations, first one is the beliefs about the consequences of the practiced behavior, the second consideration is the normative expectations of others, and the third one about the factors which may enable or disable the behavior action (Arafat & Mohamed Ibrahim, 2018). The theory of planned behavior (TPB) has been successfully tested for different subject areas, such as health, consumer behavior, gender issues, public health areas, and the use of digital marketing. Specifically, in the digital marketing literature, TPB has previously been used to predict the digital marketing of the firm's innovativeness, practice, intention, and success in MENA region. In this study, the theory has been proven successful in how digital marketing achieves growth in the field of e-commerce in KSA based on consumer behavior. Indeed, what distinguishes social marketing from other areas of advertising is the use of extensive and rigorous pre-testing procedures designed to reveal, prior to actual campaign exposure, how well the messages work in determining attitude and behavior intention.

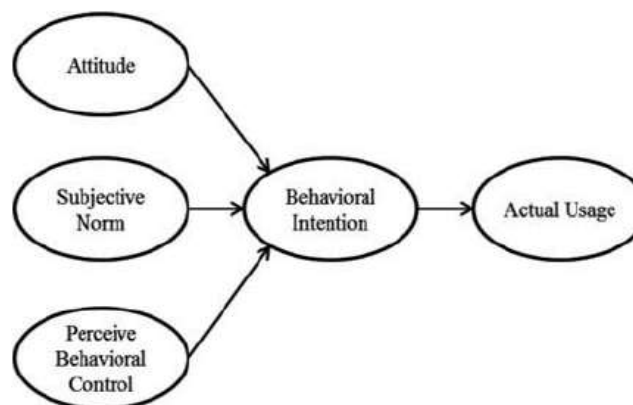


Figure 1: TPB Model, Ajzen, 1991

III. E-Commerce Landscape in Saudi Arabia

The increase in young population in Saudi Arabia by 532K in 2024 comparing to 2023, and the increase of internet usage by 2.5 million compared in the same period (Kemp, 2024), in addition, the high numbers of expatriates inside the kingdom, along with the trend of social media platforms and mobile application development, has established the rise of e-commerce in the country. Several multinational companies and e-commerce giants have started their operations in Saudi Arabia in recent years due to these facts. Moreover, the purchase behavior has changed from traditional to online buying due to the ease of access and shopping experience.

The dynamic change in demographic, economic, and social factors has become the driver of establishing the growth of e-commerce platforms in Saudi Arabia, which shows that the e-commerce market is projected to achieve the revenue of \$14.38bn in 2024, and the revenue is expected to show the annual growth rate (CAGR 2024-2029) of 11% to reach a market volume of \$24.30bn in 2029, as it shown from Statista analysis (Statista, 2024).

The Statista insights shows that fashion is the most growth in online purchasing, then the market of hardware comes in the second place, followed by beauty & personal care, then the household, and in the 5th place is the market of electronics.

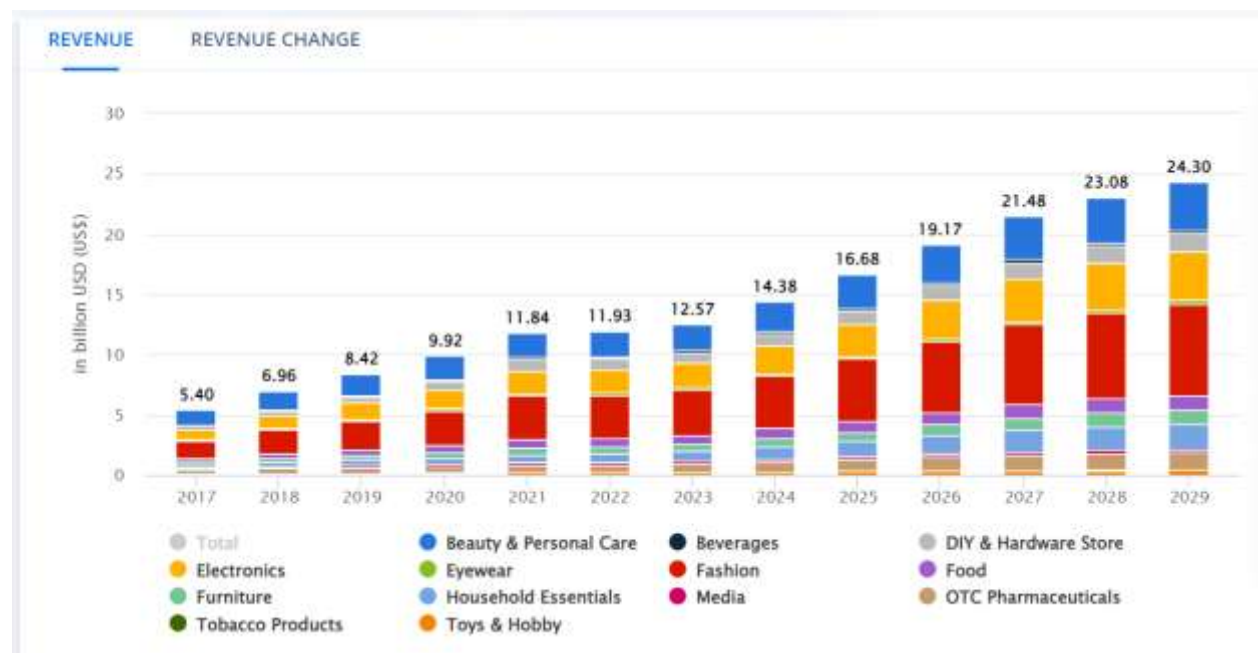


Figure 2: Revenue growth of e-commerce KSA in billion dollars

The ICT report from the Communication and Information Technology Commission underpinned the growth of e-commerce due to six key drivers (Dr. Abdulaziz Salem AIRwais, 2017):

- 1- Rapid rise in internet penetration
- 2- Growth of smart phone usage
- 3- Increased personalization of service
- 4- Growth in e-commerce investment
- 5- Distribution in payments
- 6- Improvements in logistics and distribution

3.1. Investment Opportunity in E-Commerce Sector in KSA:

The ICT report of e-commerce investment (ICT, 2020) present a full analysis for the opportunities overview of electronic commerce growth in Saudi Arabia in the light of Kingdom Vision 2030. The investment overview shows that the investors would need to invest about \$58 million and would breakeven in 6 years of operation. In addition, they can generate the net revenue in KSA of \$1.7 billion, and from rest of GCC market of \$600 million by 2030, keeping an EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) of 8%.

Additional, achieving a value proposition by a high growth market (over 11% CAGR) that give opportunity to address the local demand and easy enter the GCC market. Furthermore, Saudi market characterized by low competition, and it still in its nascent stage for new entrants specially in grocery category and appliances, as there are no clear or giant players specialized in those emerging categories.

The low competition and market growth give the opportunity for the giants' e-commerce companies to achieve a major base and a high market share in KSA market. And this is more obvious in Amazon case, as it takes more than 28% market share after its acquisition of the Arabic company Souq.com in 2017 (Ahmad, et al., 2019), and another case of the giant emirates Noon.com which acquired Namshi Saudi company in 2023 and benefit of its

market place there. Beside those two companies, we can mention also the key players in Saudi market as Jarir Bookstore, SHEIN by 5% market share, Haraj, Alibaba, Extra.com by 6% market share, eBay by 2% market share, Lulu Hypermarket by 2% market share, Nahdi Online by 4% market share (Ali & Suliman, 2022) (Statista, 2024), and this clearly shows the market flexibility to work the local and international brands in a competition with a great return.

On the other hand, the Saudi government launched e-commerce council, and laws which protect consumer against fraudulent, hacking, and others, and make its key stakeholders are: -Ministry of Commerce and Industry, -Ministry of Investment, -Saudi Customs, -National Industrial Development and Logistics Program, -CST, and that enhance the market of e-commerce and increase consumer ability to use online services.

3.2. Ecosystem Analysis:

By analyzing e-commerce ecosystem in KSA, it shows that it takes 6 stages (ICT, 2020):

3.2.1. *Centralized Platform:* In order to streamline operations and optimize efficiency, the Saudi government made a strategic decision to reduce localization efforts and instead focus on the development of a centralized platform and its associated functions. This centralized approach allows for greater coordination and integration, enabling smoother processes and better utilization of resources. The government aims to enhance effectiveness and responsiveness while minimizing redundancies and maximizing synergies by consolidating efforts and centralizing development. This forward-thinking strategy embodies the government's commitment to modernization and digital transformation, ensuring a robust platform that can efficiently cater to the evolving needs of the Kingdom of Saudi Arabia and its citizens.

3.2.2. *Tailoring Product Designing:* by strategically adapting and customizing the products and services, e-commerce ecosystem in KSA aims to cater to the unique needs of the local while fostering the growth of Arabic development and seamless integration efforts duo to Saudi Vision 2030. The primary objective is to ensure a harmonious blend of global expertise and local preferences, all aimed at delivering an unrivaled customer experience tailored specifically for the Arabic market, specially the GCC region.

3.2.3. *Customer and Merchant Acquisition:* by proficiently localizing a comprehensive regional operation system that encompasses various aspects such as product mix, advertising strategies, distinctive payment methods, and much more, allow businesses to significantly enhance customer and merchant acquisition. This approach ensures that the electronic commerce company aligns with the unique preferences, cultural differentiations, and specific needs of the target market, thus increasing their ability to attract and retain a wider customer base while expanding their merchant network. Consequently, by customizing each element of their business model to cater precisely to the local client, companies can establish a strong brand name in the region, gaining trust, satisfaction, and long-term growth.

3.2.4. *Logistic Warehousing:* by building local logistic capabilities in all Saudi country, the government is enhancing logistics and warehousing opportunities within its Vision 2030 by investing in building regional ports and increasing their area. In addition, increasing the number of its road transportation, aircraft fleets and maritime transport, and providing companies with large spaces for warehouses. This major role played by both the Ministry of Transport and the Ministry of Communications. The government also provides specialized training programs for all workers in the logistics and transportation sector to serve this field and increase employment opportunities in it, which contributes to increasing investment opportunities in e-commerce and diversifying the products and services provided accordingly (Al-Maliki, 2021).

3.2.5. *Analyzing Customers:* in the realm of business promotion and investment opportunities, the Saudi government provides all necessary statistics to investment companies about the nature of customers, their data, behaviors, and various work environments that contribute in one way or another to building corporate strategies and identifying investment opportunities. These studies and statistics are available in detailed reports uploaded

to the websites of Saudi authorities and ministries, and also explain the opportunities provided by the government to business owners.

3.2.6. *Customer Care*: deploy customer services in Arabic speaking specially, and other spread languages inside the Kingdom. It is of utmost importance to deploy top-notch customer care services in Arabic-speaking communities, with a specialized focus on catering to their unique needs. Additionally, the government recognize the significance of providing exceptional support in other prevalent languages spoken across the Kingdom duo to the foreign investment and attracting investors and foreign workers, tourists, etc. to ensure widespread satisfaction and covers the need of all citizens and residents in KSA.

IV. Digital Marketing Strategies for E-Commerce Platforms

With the growth of e-commerce, Saudi Arabia have the largest rates of smartphone users. 8 out of 10 use mobile phones and are among the highest social media users worldwide, and are experiencing increased e-commerce activities growth rates. The demand for online shopping will be driven by the opportunity for businesses to set up their e-commerce platforms or add e-commerce to their current business.

On overview of digital ad spending in Saudi Arabia, spending value will increase from \$973.1 million in 2022 to reach \$1,438.5 million by 2027, and expected to record a CAGR of 8.1% during the five years between 2023-2027 (TechInsight360, 2023).

According Statista analysis, digital ad spending increased 2x from 2019 to 2024 per internet user, and expected to grow by 1.5x till 2027 as it shown in the next table (Statista , 2023). And the largest market for digital advertising is Search Engines by recording a market volume of \$851.8 million in 2024.

	2019	2020	2021	2022	2023	2024	2025	2026	2027
Banner Advertising	11.1	12.3	14.2	14.6	15.6	16.5	17.3	18.0	18.7
Classifieds	2.1	1.9	2.1	2.2	2.3	2.4	2.5	2.6	2.7
In-App Advertising	7.6	9.1	11.5	12.9	14.5	16.1	17.8	19.3	20.8
Influencer Advertising	1.0	1.4	1.6	2.0	2.2	2.5	2.7	3.0	3.3
Search Advertising	11.5	12.9	17.3	19.8	22.2	24.8	27.9	30.5	33.1
Social Media Advertising	8.0	8.5	10.8	11.1	11.9	12.5	13.1	13.5	13.9
Video Advertising	3.1	4.0	5.1	5.3	5.6	5.9	6.1	6.3	6.5

Table 1: Average ad spending per internet user, by USD

By analyzing ad spending by industry, it appears that FMCG take the largest ad spending share of 33.4%, Pharma & Healthcare ad spending share of 8.6%, Retail gains a 5.8% ad spending share, Travel & Leisure gain a 4%, and the Financial Services ad spending share 3.8%, and those additional to other industries of

governments, businesses, telecommunications, and others, which all use the e-commerce services, products, or e-payment.

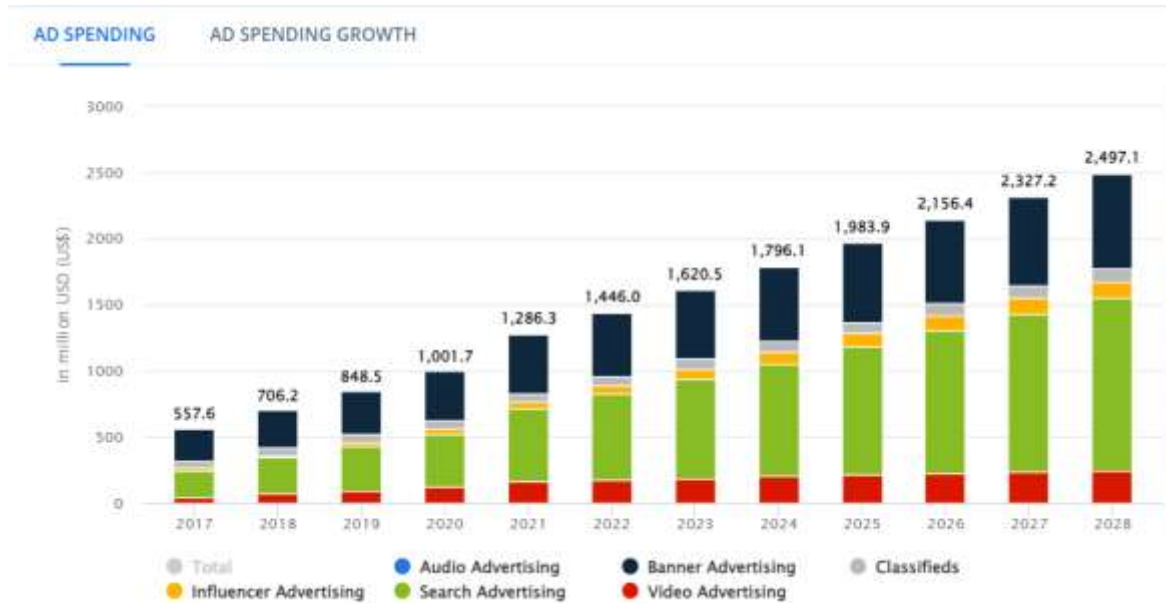


Figure 3: Ad spending growth in Saudi Arabia

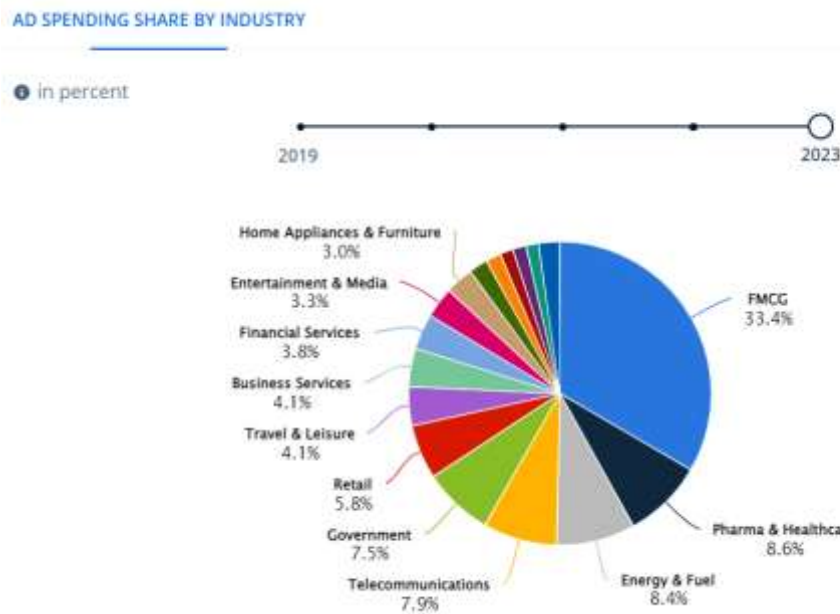


Figure 4: Ad spending share by industry

4.1. SEO / SEM Strategies:

SEO (Search Engine Optimization) is the first pillar of digital marketing. The main objective of SEO is to improve the visibility of the websites and platforms in the organic search results of search engines, especially 1st SERP. The main role of SEO is to comprehend the working mechanisms of search engines, the behaviors of the target audience, the desired information content, and analyzing search keywords. Optimize web performance, UI/UX, and web content are the key methods that should be given big focus on SEO to create user satisfaction and increases the visitor's return for more information on the website (Narayan Srivastava, et al., 2017).

In addition, utilizing demographic data for search engine overview helps in identifying the audience platform and helps in understanding the audience target specifications. Getting organic traffic take a long time to get a result may reach to more than 6 months, especially in a high competition, but the data collected for the organic user is more accurate and could achieve a nearest profit, as the customer already looking for what he needs.

On the other hand, SEM (Search Engine Marketing) plays the same role of SEO but by promoting the search text. Mechanism of SEM works by targeting users by specific paid search keywords, creating a specific content that may include a Call to Action, adding structure snippet and assets like (Promocode, related landing page, App downloading, Calling, Location, other product or service, and more), and determining the bid strategy. SEM has many different types for creating campaigns which are: - Search engine texting, - Display campaigns which play by online banners and videos, - Video campaign promoted on YouTube, - Shopping campaign which is specialized for e-commerce, and finally the most important one - Performance Max campaign, and this one is collecting all the previous types in one campaign strategy.

Both of SEO and SEM play a complementary role to increase the chance of brand visibility, however their different in a term of work. About e-commerce most common strategy, the user whom reach the website by organic result, then he easily will retarget by a PPC ad, and the traffic occurred by SEM could increase the web rank on SERPs (Olatunde Ologunbe & Obafemi Taiwo, 2023). Cost per click is maximizing the return of the organization. Moreover, the lifelong value of the customer, the running time on the website, and the lifetime values obtained from the search are important, that the algorithm could understand user behavior and use retargeting strategy for the same users and their similar.

By looking at shopping search queries on google.com.sa it shows that the keyword (جرير) Jarir is the high search volume query for e-commerce, followed by (النهدي) Nahdi, then (Noon) e-commerce, and (Amazon). And about the products queries it show that the keyword (عطر) Perfume is the most searched on google SA, followed by (iPhone) and (Samsung), then (شنط) Bags, then search keywords about furniture (Kemp, 2024). Most of keywords searched by Arabic language, and the type of searching queries appear the most opportunities and power of competition in developing digital marketing on GOOGLE.

4.2. Google Shopping Ads Strategy:

Google Merchant Center is another tool provided by Google. Its main goal is to provide a unique and enhanced experience for online stores that achieves both the goals of merchants and user behavior. The Merchant Center works exclusively for products, as it allows e-commerce platforms to list their products and provide key details such as prices, features, product pictures, and enticing information. This comprehensive platform serves as a bridge between merchants and potential customers, ensuring a smooth and streamlined shopping experience (Weisinger, 2014).

In order for the unit list of the Merchant Center to appear on Google Search, it is seamlessly linked to Google Ads. Google Shopping Ads, which are run through a different campaign type known as "Shopping," enable a wide array of products to appear to users based on matched search keywords. This strategic integration ensures that consumers can easily find a diverse range of products directly on the search engine page, enhancing their convenience and simplifying their shopping journey. The greatest advantage of this intuitive approach is that users can find a vast selection of high-quality products, all within the confines of the search results page. With just a single click, they can access the landing page of their desired product, expediting the process of finding and purchasing items. This easy transition from search to purchase not only saves valuable time for users but also enhances their overall satisfaction and encourages repeated engagement.

With the powerful functionalities of the Google Merchant Center, both merchants and users can enjoy a highly effective and efficient online shopping experience. This robust tool empowers merchants by providing them with an optimized platform to showcase their products, reach a wider audience, and drive sales. Simultaneously, users benefit from the convenience, variety, and accessibility offered by the Merchant Center, ensuring they can make informed purchasing decisions effortlessly. By harnessing the capabilities of Google Merchant Center,

online merchants can establish a strong online presence while maximizing their visibility and revenue potential. On the other hand, users can enjoy a personalized shopping experience, enabled by the seamless integration of Google Ads and an extensive selection of products right at their fingertips.

4.3. Social Media Marketing Strategy:

Using social media platforms to drive traffic into e-commerce stores has been one of the most common tactics in existing research related to social media marketing for e-commerce. According Data Reportal Saudi Arabia, 94.3% of social media users from the total population, highest number of them between the age 25-34 years old by 14.4% female and 27.8% males, whom have a full decision of buying. The first main reason for using social media is to keep connecting with others by 44.7%, that followed by 41.3% filling their spare time, and in the 3rd position, to search products to purchase by 29.6%.

The most social media platform used by Saudi citizens is WhatsApp by 83.1% for a personal using or direct contacting, then Instagram by 72.7% for following social networks, discover new social content and so on. Digital marketing finds its way on social media, that social media ads is a main source of brand discovery by 28.9%, followed by social media comments by 28.1%, and that come after search engines which serve brand discovery by 32.3%. Social media could represent the most direct form of communication with sellers in an e-commerce platform, and when it comes to Instagram, general features include product descriptions, hashtags, and a "SWIPE UP" feature to directly access the product website. Although having a direct link to a purchase page in a message is not a unique feature of Instagram, but this channel is the most platform to achieve a revenue, this because it is a place where an image of the product can be placed, which according to the announcement will lead to increased product commitment.

As it appears in figure 5 that Instagram is the highest growth platform in achieving revenue of \$134.3 million in 2023, and expected to duplicated in 2028 to reach \$276.6 million. When Facebook achieved \$33.6 million in 2023, and expected to duplicated too to reach \$69.1 million in 2028.

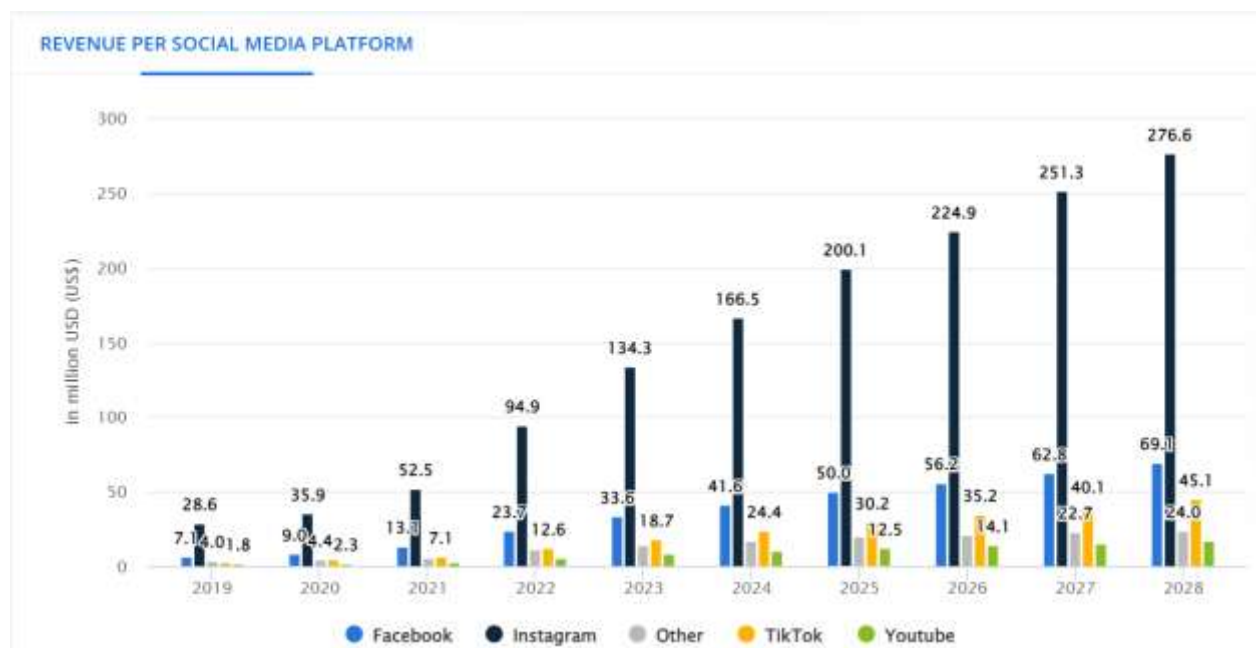


Figure 5: Revenue in million USD per social media platform

The main advantage of running an online business is the usual cost savings for an infrastructure, staff, place, lightening, and inventory. Social media became a good opportunity for small and medium online merchants as a tool to drive traffic and increase sales through SMM (social Media Marketing), and achieving business expanding, the use of social networks like these has now become the lion's share of digital marketing activities.

Since the main goal is to attract traffic, the use of social media is to improve the image of the organization, allowing many people to follow the official account and interact with content, and create user requests related to the products of the organization that they're using.

4.4. Email Marketing Strategy:

Email Marketing is a main part of direct marketing, which is using a directly commercial message to a group of people relevant to the ad of email, offer them the product, service, or info they looking for, build loyalty, brand awareness, trust, solicit sales, or ask businesses for partnership (Lian Bawm & Deb Nath, 2014). Email marketing is increasing as a cost-effective marketing tool, in addition, it provides marketers with a direct contact info of targeted audience, and permitted relationship building and real time interaction with customers (Ahmed, 2016). The growth of using smart phones and accessing most of apps by email is the key trend that help merchants and marketers to reach easily their target audience by direct email campaigns.

What was earlier perceived as email marketing has now developed into a thorough setup where the customer gets well conversant with the company, its products, and its services. It is most of the time the first attention that a receiver does not delete off the record. Email marketing is prevalent for earnings creation from existing buyers, when creating email campaign, it's necessary to keep important metrics to measure campaign success, which are Delivery Rate, Open Rate, and Click Through Rate (Hudak, et al., 2017).

Email advertising in Saudi Arabia experiencing significant growth year over year. According to the insights of KSA, ad spending in email campaigns in Saudi market is forecasted to reach \$32.32 million in 2024, it anticipated to achieve CAGR 2024-2029 of 4.91%, leading to an estimated market volume of \$41 million in 2029.

Customers in Saudi Arabia have shown their convenience and accessibility of email, and their prefer to receive ads through it for promotional offers and staying up to date about products and services from the different brands (Statista, 2024).

V. Consumer Behavior and Preferences

Customer behavior is a set of behavioral, psychological, emotional factors which affect the people's decisions in purchasing. It reflects the consumer attitude and motivations to purchase a product or service, and its frequency of purchasing process (S. Al Hamli & Sobaih, 2023).

It is important to understand the behavior and preferences of consumers in order to know which scheme of e-commerce could satisfy them and coincide with their habits. To adequately tailor marketing campaigns to patterns of consumer behavior when purchasing products and services online, it is necessary to understand what factors drive consumers to accept or resist these products or services.

5.1. Consumer Behavior on Online Shopping:

About electronic commerce, online shopping behavior respect to three main factors which are Demographic Factors, Psychological Factors, and Online Store Factors (Ansari, 2016).

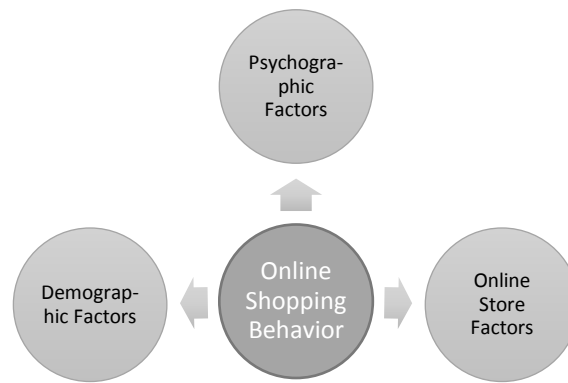


Figure 6: Online Shopping Behavior framework

Demographic factors of online shopping are different from factors of traditional shopping behavior, that the customer of online shopping tended to be a higher socio-economic status, more educated, easy to use technology, and in the average age of youth. In addition, the cultural and nationality factors, that Saudi citizens are prouder of their country. According to a survey by google, the research asked what it means to be a Saudi national, and 73% said that they are having pride of their country and its accomplishments for Vision 2030. Furthermore, that 54% of Saudi consumers said that they buy a local made products for national encouragement (Hijazi & Alhazza, 2023).

Psychographic factors of online shopping behavior refer to the effect of several independent variables such as ease of use, interactivity, enjoying shopping, and control perceiving, on some of dependent variables such as customer loyalty, website quality and performance, and intention to continue shopping (Celsi & Gilly, 2003). Furthermore, consumer trust plays a significant role in influencing online shopping behavior. Trust can be built through reliable and secure transaction processes, positive reviews and ratings, as well as effective customer service. When consumers trust an online retailer, they are more likely to make repeat purchases and recommend the website to others. In addition, consumer trust is considering a positively influence the online shopping behavior, followed by customer attitude, and situational factors of online shopping like delivery, price, mobility, and distance (Kvalsvik, 2022). A customer attitude should be followed by a positive attitude towards online shopping as is often driven by factors such as convenience, time-saving benefits, wide product selection, and competitive pricing. Conversely, negative attitudes may stem from concerns about privacy and security, lack of trust in online transactions, or previous unsatisfactory experiences.

Online store factors of online shopping are reputation of e-commerce, website design and performance, user experience, website content and presentation of product/service. Additionally, it is essential to mention that the presentation of images and showcasing the remarkable features of the products or the exceptional benefits of using the service play a pivotal role in attracting customers and establishing trust. The reputation of an online store is crucial as it provides customers with a sense of reliability and credibility. Furthermore, website design and performance significantly contribute to the overall experience of users, ensuring an easy and enjoyable shopping journey. Moreover, the user experience encompasses various aspects such as easy navigation, clear and concise information, and the availability of customer support. The content and presentation of a website also hold great importance, as they shape the perception of the brand and its offerings. High-quality content that effectively communicates the unique selling points and value proposition of the products or services, and its matching with search keywords and SEO techniques, can greatly influence customer decisions. The presentation of products through images, accompanied by compelling descriptions, further enhances the shopping experience and assists customers in making informed choices.

All these factors additionally to pricing factor, consumer education and income, user technological background, user anxiety, recommendations, reviews and word-of-mouth, usefulness, and perceived risk, and more draw the consumer behavior of shopping online (Baubonienė & Gulevičiūtė, 2015).

5.2. Consumer Behavior on Digital Advertising:

Year over year, advertising spending on digital channels increase in Saudi market. According Data Reportal report of Saudi Arabia, it shows that total digital marketing spending in 2023 is \$1.76 billion, by increasing 11.9% than 2022, when digital ad spending represents 74.5% of total ad spending. The amount of spending divided as the follow: -\$746.7 million on search ads by increasing 15%, -\$524.9 million on digital banners by increasing 9.5%, -\$188.2 million spending on digital videos by increasing 8.7%, -increase spending on online influencers by 16% to be \$74.81 million, -share of total digital advertising on social media 22.7% by decreasing 1.9% (Kemp, 2024).

According to a study in KSA by (Mohammad Naquibur) about advertising impact on Saudi people, he found that 62.5% of consumers were agree, and 14.5% strongly agree that advertising is very important to catch costumer's attraction. In addition, 75.62% agree that advertisement always influence customer purchase behavior, and 67% agree that they purchase through ads to satisfy their needs and enhancing their style of living. 65% of customers agree that advertisement persuaded to take a purchase decision, and 58.87% agree that advertisement is a reason to create a brand image about their needed product/service (Naquibur Rahman & Naaz, 2019).

However, what makes costumer interact with digital advertising is the competitive advantages of advertiser. A company with a unique competitive advantage has its enablers and resources that build its internal strength and create market opportunities which reflect on its goods/services by a different value proposition. Digital marketing considers a communication strategy that link customer needs with company's ability to provide better value for its production, that marketing communication strategies are important to create an organization identity which make it different from its competitors, and help it to maintain its competitive advantage on the long-term (Khaled Bin Khunin & Abed Al-Fattah Al-Nsour, 2024).

VI. Conclusion

In conclusion, after the wide steps of Saudi Vision 2030, and encouraging business to invest in KSA under laws and protection of government, in addition, the culture and awareness growth of Saudi people to use smart devices and getting a high life style, all these factors help electronic commerce companies to find its way to invest trustily in Saudi market. And this by the way lead to increase spending on digital advertising on different channels, which reflect on brand growth and awareness and create loyalty. Interesting in digital marketing not only reflect on business growth, but also reflect on increasing marketing and advertising agencies as a specialized organizations serve other businesses in creating their marketing plans, market research, and digital campaigns in a huge competitive market.

This study has found that e-commerce platforms in Saudi Arabia is a powerful market that effect digital marketing growth and utilize its power in most of their characteristics and processes. The majority of the e-commerce classifieds are using most of the concepts and strategies related to digital marketing such as social media marketing, search engines, digital communication channels, websites, and mobile apps to achieve its goals of expanding a brand name, and increase the revenue. This, therefore, lead to increase growth in the digital marketing market, and increase spending on digital advertising, including achieving a strong return in the field of digital marketing at all financial, economic and technological levels.

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