E-BUSINESS AND THE SUPPLY CHAINS. EFFECT OF THE E-BUSINESS ON THE SUPPLY CHAINS IN SAUDI ARABIA.

Aalya Alajaji, Prince Sultan University, Saudi Arabia

ABSTRACT

The internet has heralded revolutionary changes to the way things are conducted in society. Business activities have also taken a dramatic change on the global front as a result of the internet and related techno phenomena. The universal realization of the impact power and efficiency of the world wide web has, in turn, influenced the adoption and embracing of the Internet in business transactions. Ultimately, most organization's supply chains now have the internet and e-commerce as a central and focal point in the system. Boardroom decision in matters such as marketing and product promotion can no longer be made with oblivion to internet platforms and mediums. Indeed, using internet platforms in the promotion, marketing, sales and client service has resulted in more efficient transactional business outcomes.   Trends in technology have made an indelible mark in the competitive global business world and cannot be ignored by any serious entrepreneur. The phenomena have no exception in Saudi Arabia where business has grown and matured to match global standards and completion. The growth in this region has however recorded a relatively slowly progress as far as embracing e-business is concerned. The slow growth can be related to existing and traditional barriers in the e-commerce culture of Saudi Arabia. These include the individual level of immature e-business practices, poor background and perceived threats in the future of internet based business transactions.   Despite these barriers to embracement of e-commerce, signs of future improvement and progress have been experienced. Addressing and solving the challenges in this area has shown some definite signs of will in both private and government quarters. The actual impact of e-commerce in Saudi Arabia can only be known by establishing the existing internet based commerce practices. The effect and involvement are also related to the challenges faced, marketing approaches used and awareness and support for the idea of online business. This research study explores all these issues in an attempt to establish the effect of e-business in the supply chains in Saudi Arabian business world.

Keywords: *e-Commerce, Barriers, Adopting, Saudi Arabia*