



Midocean University

College of Media and Marketing

Master's Program in Digital Marketing

The Impact of Saudi Vision 2030 on the Adoption of Digital Marketing Strategies among Small and Medium Enterprises (SMEs) in Riyadh

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Chapter One Introduction

Introduction

Saudi Arabia's Vision 2030 represents a comprehensive national transformation strategy designed to modernize the Kingdom, diversify its economy, and reduce its historical dependence on oil revenues through innovation, digital transformation, and private-sector development (Kayani & Alzaid, 2025; Medjedel, 2025). A central pillar of this vision is the empowerment of Small and Medium Enterprises (SMEs), which are widely recognized as key drivers of economic growth, employment generation, entrepreneurship, and sustainable innovation (Jadwa Investment, 2019; Kayani & Alzaid, 2025). Consequently, the Saudi government has established ambitious targets to increase the contribution of SMEs to the national Gross Domestic Product (GDP) from 20% to 35% by 2030, reflecting their strategic role in achieving the Kingdom's long-term economic objectives (Jadwa Investment, 2019; Kayani & Alzaid, 2025).

Within this national transformation, Riyadh occupies a unique strategic position as the administrative, financial, and commercial center of Saudi Arabia. The city hosts the largest concentration of SMEs in the Kingdom, accounting for approximately 39% of all active SME commercial registrations (Al-Khateeb, 2026; Qoyod Reports, 2026). To reinforce Riyadh's position as a regional business hub, the Saudi government has invested substantially in large-scale infrastructure and economic development projects, including the Riyadh Metro, which enhances connectivity, facilitates business activities, and strengthens the city's attractiveness for both local and international investment (Kayani & Alzaid, 2025). These initiatives provide a supportive environment for SMEs to expand their operations and adopt innovative business practices.

Alongside these economic reforms, Saudi Vision 2030 places considerable emphasis on digital transformation as a catalyst for improving organizational competitiveness and business sustainability. Rapid technological advancement, increasing internet accessibility, and changing consumer purchasing behavior have fundamentally transformed the way businesses communicate with customers and deliver value. Saudi Arabia currently enjoys an internet penetration rate of approximately 99%, while more than 70% of its population is under the age of 35, creating one of the region's most digitally connected consumer markets (Al-Khateeb, 2026; Medjedel, 2025). This highly connected digital environment has accelerated the adoption of online business practices and encouraged organizations to integrate digital technologies into their marketing activities.

Digital marketing has consequently become an essential strategic tool for SMEs seeking to improve customer engagement, expand market reach, strengthen brand awareness, and enhance organizational performance. Unlike traditional marketing approaches, digital marketing enables businesses to utilize various online channels—including social media platforms, e-commerce websites, search engine optimization (SEO), content marketing, email marketing, and digital advertising—to interact with customers in real time and make data-driven marketing decisions. In the Saudi context, SMEs are increasingly utilizing platforms such as Instagram, Snapchat, TikTok, and other digital channels to strengthen customer relationships and compete more effectively in rapidly changing markets (Medjedel, 2025). As a result, developing digital marketing capabilities and fostering positive attitudes toward adoption have become essential requirements for achieving long-term business growth and sustainability (Al-Khateeb, 2026).

Despite the substantial governmental support provided under Saudi Vision 2030, the successful adoption of digital marketing among SMEs depends on multiple organizational and environmental factors. Government support programs, technological infrastructure, regulatory frameworks, and digital skills development collectively influence an organization's readiness to adopt digital technologies and integrate them into its business operations. Although numerous initiatives have been introduced to strengthen these enabling factors, there remains limited empirical evidence regarding the extent to which Vision 2030 initiatives have influenced digital marketing adoption among SMEs operating in Riyadh.

Furthermore, while previous studies have extensively examined digital transformation, technology adoption, and SME development in Saudi Arabia, much of the existing literature focuses either on large organizations or on individual technological factors without providing a comprehensive assessment of how the combined initiatives of Saudi Vision 2030 influence digital marketing adoption within SMEs. Therefore, this study seeks to examine the impact of Saudi Vision 2030 initiatives—represented by government digital support, technological infrastructure, regulatory facilitation, and digital skills training—on the adoption of digital marketing among SMEs in Riyadh. By addressing this research gap, the study aims to contribute to the growing body of knowledge on digital transformation while providing practical insights for policymakers, SME owners, and other stakeholders involved in achieving the objectives of Saudi Vision 2030.

Research Problem

Despite the significant progress achieved under Saudi Vision 2030 in promoting digital transformation, many Small and Medium Enterprises (SMEs) in Riyadh continue to encounter substantial challenges in adopting digital marketing strategies. The core problem lies in the gap between the provided national digital initiatives and the actual operational utilization by SMEs. The critical nature of this problem is evidenced by the high vulnerability of newly established businesses; research indicates that up to 90% of Saudi SMEs face severe risks of failure during their first year, and the five-year survival rate is estimated at only 42% (Rehman, 2026; Taha, 2015). A significant contributing factor to this fragility is the inability to effectively adapt to digital market demands and leverage digital marketing for customer engagement and business sustainability.

The reluctance or inability to adopt digital marketing stems from interconnected internal and external barriers. Internally, many SMEs suffer from a shortage of digital literacy, professional marketing competencies, and the financial resources required to maintain advanced digital infrastructure (Namankani, 2019; Allathy & Al-Tahitah, 2026). Externally, SME

owners frequently express concerns regarding cybersecurity risks, data privacy compliance, and navigating complex e-commerce regulations, all of which hinder their digital transition (Almtiri, 2023).

While the government, particularly through Monsha'at, provides extensive developmental programs, the combined perceived impact of these macro-level initiatives—specifically Government Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training—on the actual adoption of digital marketing remains insufficiently evaluated from an empirical perspective. Given that Riyadh hosts approximately 39% of the Kingdom's active SMEs (Qoyod Reports, 2026), there is a pressing need for empirical evidence to understand how these interconnected Vision 2030 dimensions are perceived by SME owners, and how they collectively influence the successful adoption of digital marketing practices.

Research Importance

This study is significant because it contributes to understanding how Saudi Vision 2030 initiatives influence the adoption of digital marketing among Small and Medium Enterprises (SMEs) in Riyadh. As Saudi Arabia continues its transition toward a diversified, knowledge-based, and digitally driven economy, evaluating the effectiveness of national initiatives in supporting SME digital transformation has become increasingly important. The significance of this research can be viewed from theoretical, practical, and policy perspectives.

Theoretical Importance

From an academic perspective, this study contributes to the growing body of literature on digital transformation, digital marketing adoption, and SME development within the context of Saudi Vision 2030. Although previous studies have investigated digital transformation, technology adoption, and SME performance, relatively few have examined the combined influence of government digital support, technological infrastructure, regulatory facilitation, and digital skills training on digital marketing adoption among SMEs operating in Riyadh (Almtiri, 2023; Namankani, 2019).

Furthermore, this study integrates the Technology–Organization–Environment (TOE) Framework and the Technology Acceptance Model (TAM) to provide a comprehensive theoretical explanation of digital marketing adoption. By empirically testing these theories within the Saudi context, the study expands their application to an emerging economy undergoing rapid digital transformation under a national development strategy.

Practical Importance

Practically, the findings of this study will provide valuable insights for SME owners, managers, entrepreneurs, and business decision-makers regarding the factors that encourage or hinder digital marketing adoption. Understanding the influence of government support, technological infrastructure, regulatory facilitation, and digital skills will enable SMEs to develop more effective digital marketing strategies, improve customer engagement, expand market reach, and enhance overall business competitiveness.

The study is particularly relevant because Saudi Arabia aims to increase the contribution of SMEs to the national Gross Domestic Product (GDP) from 20% to 35% by 2030 (Jadwa Investment, 2019; Kayani & Alzaid, 2025). Since SMEs are considered major drivers of innovation, entrepreneurship, and private-sector growth, strengthening their digital marketing capabilities can contribute directly to improving productivity, competitiveness, and long-term business sustainability.

Moreover, SMEs currently employ more than 8.8 million individuals and represent approximately 46% of the Kingdom's private-sector workforce (Alshami, 2025; Qoyod Report, 2026). Improving digital marketing adoption can therefore enhance organizational performance, increase business growth opportunities, strengthen customer relationships, and contribute to employment stability within the Saudi economy (Aldaarmi, 2025; Kayani & Alzaid, 2025).

The findings may also assist SME owners in addressing the high failure rates experienced by newly established businesses. Previous research indicates that nearly 90% of Saudi SMEs are vulnerable to failure during their first year of operation, while the five-year survival rate is estimated at only 42% (Rehman, 2026; Taha, 2015). By identifying the key factors influencing successful digital marketing adoption, this study provides practical guidance that may assist SMEs in improving strategic planning, increasing market responsiveness, and enhancing long-term organizational sustainability (Osman, 2026; Rehman, 2026).

Policy Importance

From a policy perspective, this study provides evidence that may assist policymakers and government agencies responsible for implementing Saudi Vision 2030 initiatives, particularly organizations such as Monsha'at and other institutions supporting SME development. The findings will enable policymakers to evaluate the effectiveness of existing government support programs, technological infrastructure investments, regulatory reforms, and digital skills initiatives in encouraging SMEs to adopt digital marketing.

In addition, Riyadh represents the Kingdom's primary commercial and entrepreneurial center, accounting for approximately 39% of Saudi Arabia's active SME commercial registrations (Qoyod Report, 2026). Evaluating digital marketing adoption within this strategic environment will provide valuable evidence regarding the effectiveness of Vision 2030 initiatives in one of the Kingdom's most economically significant regions. The findings may therefore support future policy development, resource allocation, and strategic planning aimed at accelerating digital transformation and strengthening the competitiveness of Saudi SMEs.

Research Objectives.

General Objective

The primary objective of this study is to examine the perceived impact of Saudi Vision 2030 initiatives on the adoption of digital marketing among Small and Medium Enterprises (SMEs) in Riyadh, based on the perspectives of SME owners and managers.

Specific Objectives

To achieve the general objective, the study seeks to:

1. Examine the perceived impact of Government Digital Support, including Vision 2030 initiatives, Monsha'at programs, and government digital services, on the adoption of digital marketing among SMEs in Riyadh.
2. Evaluate the perceived influence of Technological Infrastructure, including internet accessibility, digital facilities, and technological readiness, on digital marketing adoption among SMEs in Riyadh.
3. Assess the perceived effect of Regulatory Facilitation, including cybersecurity regulations, data privacy protection, and e-commerce legislation, on the adoption of digital marketing among SMEs in Riyadh.
4. Investigate the perceived impact of Digital Skills Training, including digital literacy and employees' digital competencies, on digital marketing adoption among SMEs in Riyadh.
5. Determine the combined perceived influence of Government Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training on digital marketing adoption among SMEs in Riyadh.

Research Questions

The study seeks to answer the following research questions:

Main Research Question

What is the perceived impact of Saudi Vision 2030 initiatives on the adoption of digital marketing among Small and Medium Enterprises (SMEs) in Riyadh?

Sub-Research Questions

1. To what extent is Government Digital Support, including Vision 2030 initiatives and Monsha'at programs, perceived to influence the adoption of digital marketing among SMEs in Riyadh?
2. To what extent is Technological Infrastructure perceived to influence the adoption of digital marketing among SMEs in Riyadh?
3. To what extent is Regulatory Facilitation, including cybersecurity regulations, data privacy protection, and e-commerce legislation perceived to influence the adoption of digital marketing among SMEs in Riyadh?
4. To what extent is Digital Skills Training, including digital literacy and employees' digital competencies, perceived to influence the adoption of digital marketing among SMEs in Riyadh?
5. Which of the four Saudi Vision 2030 initiative dimensions (Government Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training) is perceived to have the greatest influence on digital marketing adoption among SMEs in Riyadh?

Research Hypotheses

Based on the research objectives, conceptual framework, and the existing literature, the following hypotheses are proposed:

Main Hypothesis

H1: Perceived Saudi Vision 2030 initiatives (encompassing technological, organizational, and environmental contexts) have a statistically significant positive impact on the adoption of digital marketing among SMEs in Riyadh.

H0: Perceived Saudi Vision 2030 initiatives have no statistically significant impact on the adoption of digital marketing among SMEs in Riyadh.

Sub-Hypotheses

H1a (Environmental/Organizational Context): Perceived Government Digital Support has a statistically significant positive impact on the adoption of digital marketing among SMEs in Riyadh.

H0a: Perceived Government Digital Support has no statistically significant impact on the adoption of digital marketing among SMEs in Riyadh.

H1b (Technological Context): Perceived Technological Infrastructure readiness has a statistically significant positive impact on the adoption of digital marketing among SMEs in Riyadh.

H0b: Perceived Technological Infrastructure readiness has no statistically significant impact on the adoption of digital marketing among SMEs in Riyadh.

H1c (Environmental Context): Perceived Regulatory Facilitation has a statistically significant positive impact on the adoption of digital marketing among SMEs in Riyadh.

H0c: Perceived Regulatory Facilitation has no statistically significant impact on the adoption of digital marketing among SMEs in Riyadh.

H1d (Organizational Context / TAM): Perceived Digital Skills Training (which enhances perceived ease of use and usefulness) has a statistically significant positive impact on the adoption of digital marketing among SMEs in Riyadh.

H0d: Perceived Digital Skills Training has no statistically significant impact on the adoption of digital marketing among SMEs in Riyadh.

Conceptual Relationship

The study assumes that Government Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training, as key dimensions of Saudi Vision 2030 initiatives, collectively contribute to enhancing digital marketing adoption among SMEs in Riyadh. These hypotheses will be tested using correlation and multiple regression analysis to determine both the individual and combined effects of the independent variables on the dependent variable.

Expected Outcomes

Based on the overarching goals of the Saudi Vision 2030 framework, the study is expected to show that all four enablers government digital support, technological infrastructure, regulatory facilitation, and digital skills training have a significant positive effect on the adoption of digital marketing. SMEs that receive structural support, operate within clear regulatory frameworks, and possess trained personnel are likely to report higher levels of digital marketing integration. These outcomes will help highlight which specific macro-level enablers are most effective in driving micro-level business transformation within Riyadh's entrepreneurial ecosystem.

Research Variables

This study examines the impact of Saudi Vision 2030 initiatives on the adoption of digital marketing among Small and Medium Enterprises (SMEs) in Riyadh. The research model consists of four independent variables and one dependent variable.

Independent Variables

1. Government Digital Support

Government Digital Support refers to the institutional assistance, policies, financial incentives, advisory services, and capacity-building initiatives provided by the Saudi government to encourage SMEs to adopt digital technologies and improve their competitiveness. Under Saudi Vision 2030, organizations such as Monsha'at provide funding programs, business incubators, digital transformation initiatives, and consulting services that facilitate SMEs' transition toward digital business practices. Government support also includes national digital policies, awareness programs, and public initiatives designed to accelerate digital transformation and promote entrepreneurship.

In this study, Government Digital Support is operationally measured through SME owners' and managers' perceptions of the availability, accessibility, and effectiveness of Vision 2030 initiatives, Monsha'at programs, government financial support, digital services, and public policies that encourage digital marketing adoption.

2. Technological Infrastructure

Technological Infrastructure refers to the availability, accessibility, quality, and reliability of the technological resources required for organizations to implement digital marketing successfully. These resources include internet connectivity, digital communication networks, cloud computing services, hardware, software, and technical support systems that enable SMEs to conduct online business activities efficiently.

A strong technological infrastructure provides SMEs with the capability to utilize digital marketing tools, manage online customer interactions, implement e-commerce platforms, and analyze digital marketing performance.

In this study, Technological Infrastructure is measured through respondents' perceptions regarding the availability of reliable internet services, technological facilities, digital equipment, cloud-based applications, and technical support required for digital marketing adoption.

3. Regulatory Facilitation

Regulatory Facilitation refers to the legal, institutional, and regulatory environment established by the Saudi government to support digital business activities while ensuring secure and trustworthy online transactions. This includes cybersecurity regulations, data privacy legislation, consumer protection laws, e-commerce regulations, fraud prevention mechanisms, and policies governing digital business operations.

An effective regulatory environment reduces uncertainty, increases organizational confidence, and encourages SMEs to invest in digital marketing technologies by providing legal protection for businesses and consumers.

In this study, Regulatory Facilitation is operationally measured through respondents' perceptions regarding the clarity, effectiveness, and adequacy of cybersecurity regulations, data protection policies, e-commerce legislation, and other legal frameworks that support digital marketing adoption.

4. Digital Skills Training

Digital Skills Training refers to the acquisition and development of digital knowledge, technical competencies, and practical skills required to utilize digital technologies effectively within business organizations. It includes employees' ability to use social media platforms, search engine optimization (SEO), digital advertising, content creation, web analytics, customer relationship management systems, and other digital marketing tools.

Developing digital competencies enables SMEs to improve marketing effectiveness, respond to technological changes, and maintain competitive advantage in increasing digital markets.

In this study, Digital Skills Training is measured through respondents' perceptions regarding employee digital literacy, accessibility of training programs, confidence in using digital marketing technologies, and organizational support for continuous digital learning.

Dependent Variable

Digital Marketing Adoption

Digital Marketing Adoption refers to the extent to which SMEs integrate digital technologies and online marketing tools into their marketing activities and overall business operations. It reflects the organization's willingness and capability to utilize digital platforms for customer communication, product promotion, market expansion, and business growth.

Digital marketing adoption encompasses the implementation of various digital marketing practices, including social media marketing, search engine optimization (SEO), e-commerce platforms, digital advertising, email marketing, content marketing, and marketing analytics. Organizations demonstrating higher levels of digital marketing adoption are expected to achieve greater customer engagement, improved marketing effectiveness, enhanced organizational performance, and increased competitive advantage.

In this study, Digital Marketing Adoption is operationally measured through the extent to which SMEs utilize digital marketing tools and technologies, including social media marketing, SEO, e-commerce integration, digital marketing as a strategic business function, and marketing performance analytics.

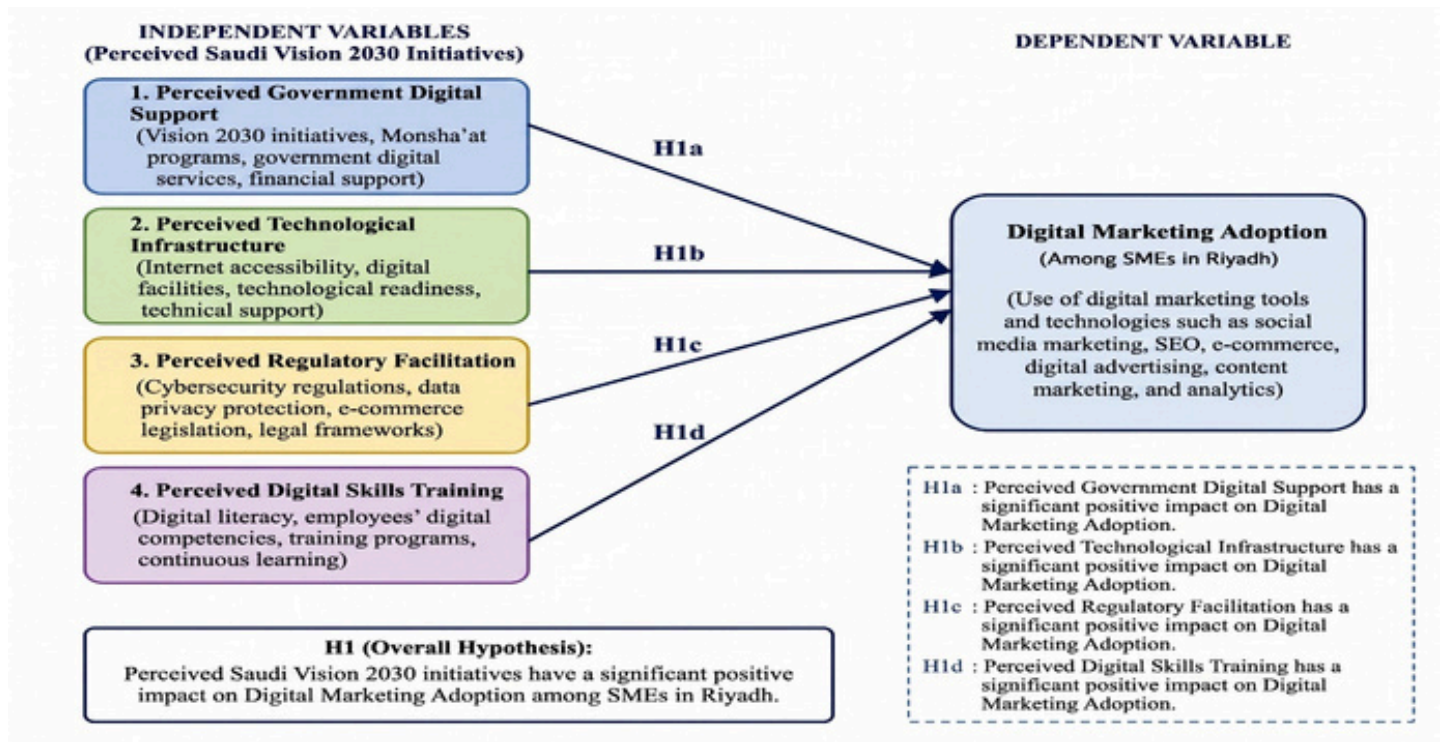
Conceptual Framework

The conceptual framework of this study illustrates the hypothesized relationships between the independent variables representing Saudi Vision 2030 initiatives and the dependent variable, namely Digital Marketing Adoption among Small and Medium Enterprises (SMEs) in Riyadh. The framework is developed based on the Technology–Organization–Environment (TOE) Framework proposed by Tornatzky and Fleischer (1990) and the Technology Acceptance Model (TAM) developed by Davis (1989).

The TOE framework provides the theoretical foundation for examining how technological, organizational, and environmental factors influence organizational technology adoption. In the context of this study, Technological Infrastructure represents the technological dimension, Government Digital Support reflects the organizational support provided through Saudi Vision 2030 initiatives, while Regulatory Facilitation represents the environmental dimension. Additionally, Digital Skills Training is incorporated as an organizational capability that enhances SMEs' readiness to adopt and utilize digital marketing technologies effectively.

The TAM complements the TOE framework by explaining that individuals and organizations are more likely to adopt new technologies when they perceive them as useful and easy to use (Davis, 1989). Government initiatives, technological readiness, supportive regulations, and employees' digital competencies are expected to improve SMEs' perceptions of digital marketing technologies, thereby increasing their willingness to adopt and integrate these technologies into their business operations.

Accordingly, this study proposes that the four dimensions of Saudi Vision 2030 initiatives—Government Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training—have a direct and positive influence on Digital Marketing Adoption among SMEs in Riyadh. These relationships are represented in the conceptual framework shown in Figure 1.1 and are empirically tested through the research hypotheses using correlation and multiple regression analysis.



Chapter Two Literature Review

Introduction

The literature review provides the theoretical and empirical foundation for understanding the relationship between Saudi Vision 2030 initiatives and the adoption of digital marketing among Small and Medium Enterprises (SMEs) in Riyadh. A comprehensive review of the existing literature is essential for identifying the key concepts, theoretical perspectives, and empirical findings that have shaped current knowledge in this field. It also enables the researcher to establish the conceptual foundation of the study, justify the selection of research variables, and identify the gaps in the existing literature that warrant further investigation.

In quantitative research, literature review plays a fundamental role in developing the conceptual framework, formulating research hypotheses, and selecting appropriate measurement variables. Through a critical examination of previous studies, researchers can evaluate existing evidence, identify areas of agreement and disagreement, and establish the theoretical justification for the proposed research model. Consequently, the literature review provides the academic basis for interpreting the relationships among the study variables and supports the overall research design.

This chapter examines the literature relevant to Saudi Vision 2030 and its role in promoting digital transformation, entrepreneurship, and the development of SMEs within the Kingdom of Saudi Arabia. It reviews how Vision 2030 initiatives have contributed to strengthening the digital economy by enhancing government digital support, improving technological infrastructure, facilitating regulatory reforms, and promoting digital skills development. These initiatives collectively create an enabling environment that encourages SMEs to adopt digital technologies and improve their competitiveness in increasing digital markets.

The chapter also reviews the concept of digital marketing and discusses its evolution, characteristics, and growing importance for SMEs. Attention is given to the role of digital marketing in improving customer engagement, expanding market reach, enhancing organizational competitiveness, and supporting long-term business sustainability. Furthermore, the concept of Digital Marketing Adoption, the dependent variable of this study, is examined by reviewing its theoretical foundations, determinants, and significance within the SME sector.

Subsequently, the chapter provides a comprehensive discussion of the four independent variables investigated in this research, namely Government Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training. Each variable is examined through conceptual definitions, theoretical perspectives, and empirical evidence to establish its relevance to digital marketing adoption among SMEs operating in Riyadh.

The theoretical foundation of this study is established through the Technology–Organization–Environment (TOE) Framework (Tornatzky & Fleischer, 1990) and the Technology Acceptance Model (TAM) (Davis, 1989). The TOE Framework explains how technological, organizational, and environmental factors influence organizational technology adoption, while TAM explains how perceived usefulness and perceived ease of use influence the acceptance and utilization of new technologies. Together, these complementary theories provide a comprehensive framework for explaining how Saudi Vision 2030 initiatives influence digital marketing adoption among SMEs.

In addition to the theoretical discussion, this chapter critically reviews previous international, regional, and Saudi Arabian studies related to digital transformation, digital marketing adoption, and SME development. The review evaluates previous findings, highlights areas of consistency and divergence, and identifies the limitations of existing research. Finally, the chapter identifies the research gap that forms the basis of the present study and demonstrates how this research contributes to extending the existing body of knowledge on Saudi Vision 2030 initiatives and digital marketing adoption among SMEs in Riyadh.

Previous Studies

A critical examination of the extant literature reveals significant methodological and contextual limitations in how digital marketing adoption among SMEs is evaluated. While previous research consistently agrees on the strategic importance of digital marketing, it largely fails to provide a comprehensive, empirically tested framework that accounts for macro-level government interventions, particularly within emerging economies undergoing rapid transformation.

Globally, researchers have predominantly investigated digital marketing through an internal organizational lens. For instance, studies such as Kaur (2025) and Dianta et al. (2025) successfully validate the positive correlation between digital marketing and SME growth; however, their critical flaw lies in treating SMEs as isolated entities. By focusing exclusively on internal resource constraints and management commitment, these studies overlook the profound impact of government-led economic transformations and national technological infrastructure. Furthermore, global applications of the TOE and TAM frameworks (IJMSRT, 2026; Sam & Mu'min, 2025) have been narrowly applied to technological readiness, failing to critically assess how dynamic regulatory facilitation—a core pillar of the TOE framework—dictates adoption behaviors.

Within the Saudi context, the literature suffers from a noticeable disconnect between macro-level policy descriptions and micro-level empirical testing. Studies by Medjedel (2025) and Kayani & Alzaid (2025) offer extensive conceptual reviews of Saudi Vision 2030 and Monsha'at's role. However, these studies are methodologically limited; they are largely descriptive and conceptual, lacking rigorous quantitative evaluation of whether these government initiatives actually translate into behavioral adoption among SME owners.

Conversely, empirical studies that do examine the Saudi micro-level, such as Allathy & Al-Tahitah (2026) and Almtiri (2023), tend to focus rigidly on adoption barriers (e.g., cybersecurity and digital illiteracy). The critical shortcoming of these studies is their fragmented approach. They evaluate technological or regulatory barriers in isolation rather than measuring the combined, perceived impact of the comprehensive Vision 2030 ecosystem.

To synthesize this critique and clearly delineate the research gap, Table 1 provides a critical comparative analysis of key previous studies, highlighting their findings alongside their methodological and contextual limitations.

Table 1: Critical Review of Key Previous Studies

Study (Author, Year)	Research Focus & Key Findings	Critical Limitations & Identified Gap
Kaur (2025); Dianta et al. (2025)	Evaluated global SME digital marketing benefits, emphasizing internal organizational capabilities and financial constraints.	Limitation: Ignored macro-level government interventions. Failed to account for how national digital transformation strategies (like Vision 2030) mitigate these internal constraints.
IJMSRT (2026); Sam & Mu'min (2025)	Applied TOE and TAM frameworks to SME technology adoption globally, focusing on perceived usefulness.	Limitation: Narrowly focused on technological and organizational contexts. Critically lacked evaluation of the "Environmental" context, specifically regarding dynamic regulatory facilitation.
Medjedel (2025); Kayani & Alzaid (2025)	Explored the Saudi SME ecosystem under Vision 2030, praising government support and Monsha'at initiatives.	Limitation: Methodologically descriptive and conceptual. Lacked empirical, quantitative testing to measure the <i>actual perceived impact</i> of these initiatives on SME behavior in Riyadh.
Allathy & Al-Tahitah (2026); Almtiri (2023)	Investigated practical barriers to digital transformation in Saudi SMEs (e.g., digital illiteracy, cybersecurity).	Limitation: Highly fragmented approach. Examined barriers in isolation rather than integrating them into a holistic behavioral model (TOE-TAM) to assess the combined effect of Vision 2030 support.
Namankani (2019)	Examined social media adoption processes among Saudi SMEs.	Limitation: Contextually outdated given the rapid infrastructural leaps of Vision 2030 in recent years. Too narrowly focused on social media rather than holistic digital marketing strategies.

Conclusion of the Critical Review

The critical review demonstrates that prior literature treats government support, technological infrastructure, regulations, and digital skills as disparate elements. This current study addresses these critical flaws by integrating these dimensions into a unified, empirical TOE-TAM framework. By doing so, it shifts the academic discourse from merely describing Vision 2030 to empirically measuring its perceived impact on actual SME adoption behaviors in Riyadh.

The Gap in Saudi Research

Although an extensive body of literature has examined digital transformation, technology Based on the critical review of previous literature, the primary research gap lies in the fragmentation of empirical studies concerning the Saudi SME ecosystem. While existing research acknowledges the conceptual importance of Saudi Vision 2030, there is a distinct lack of quantitative, empirical testing that measures the combined perceived impact of its macro-level initiatives on micro-level adoption behaviors. Specifically, no prior study has integrated Government Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training into a unified TOE-TAM framework to evaluate their collective influence on digital marketing adoption among SMEs in Riyadh. This study addresses this exact empirical and methodological gap.

Theoretical Principles of the Study

To provide a comprehensive theoretical foundation for examining the adoption of digital marketing among Small and Medium Enterprises (SMEs) in Riyadh, this study is grounded in two complementary theoretical models: the Technology–

Organization–Environment (TOE) Framework and the Technology Acceptance Model (TAM). These theories were selected because they collectively explain both the organizational and behavioral factors influencing technology adoption. While the TOE Framework provides a macro-level perspective by examining technological, organizational, and environmental influences on organizational decision-making, TAM complements this perspective by explaining how users' perceptions influence their willingness to adopt and utilize new technologies (Julies & Zuva, 2021; Rahmani et al., 2025). The integration of these theories provides a comprehensive framework for understanding how Saudi Vision 2030 initiatives influence digital marketing adoption among SMEs.

Technology–Organization–Environment (TOE) Framework

The Technology–Organization–Environment (TOE) Framework, originally developed by Tornatzky and Fleischer (1990), is one of the most widely adopted theoretical models for explaining organizational technology adoption. The framework proposes that an organization's decision to adopt technological innovations is influenced by three interrelated contexts: the technological context, the organizational context, and the environmental context (Abed, 2020; Julies & Zuva, 2021).

Technological Context

The technological context refers to both the internal and external technologies available to an organization, including technological infrastructure, system compatibility, technological readiness, and the relative advantages offered by new technologies (Abed, 2020; Badghish & Soomro, 2024). Within the present study, this dimension corresponds directly to the independent variable Technological Infrastructure, which examines the availability and quality of internet connectivity, digital systems, and technological resources that enable SMEs in Riyadh to implement digital marketing successfully.

Organizational Context

The organizational context represents the internal characteristics and capabilities of an organization, including management commitment, organizational readiness, financial resources, employee competencies, and innovation capabilities (Abed, 2020; Julies & Zuva, 2021). In this study, the organizational dimension is represented by Digital Skills Training, reflecting the importance of employee digital competencies, continuous learning, and organizational readiness in facilitating the successful adoption of digital marketing technologies (Badghish & Soomro, 2024).

Environmental Context

Environmental context encompasses the external environment in which an organization operates, including government policies, regulatory frameworks, competitive pressure, industry characteristics, and customer expectations (Abed, 2020; Julies & Zuva, 2021). Within the Saudi Arabian context, this dimension is particularly important because Saudi Vision 2030 has established a supportive institutional environment for digital transformation. Accordingly, this study operationalizes the environmental context through two independent variables: Government Digital Support, which includes initiatives such as Monsha'at programs, financial incentives, and entrepreneurship support, and Regulatory Facilitation, which includes cybersecurity regulations, data privacy legislation, and e-commerce policies that encourage SMEs to adopt digital marketing (Alotaibi, 2026; Badghish & Soomro, 2024).

Overall, the TOE Framework provides the organizational perspective for explaining how technological readiness, organizational capabilities, and environmental support collectively influence SMEs' decisions to adopt digital marketing technologies.

Technology Acceptance Model (TAM)

The Technology Acceptance Model (TAM), developed by Davis (1989), complements the TOE Framework by focusing on the behavioral and psychological determinants of technology adoption. TAM proposes that an individual's intention to adopt a new technology is primarily influenced by two key beliefs: Perceived Usefulness (PU) and Perceived Ease of Use (PEOU) (Abed, 2020; Julies & Zuva, 2021).

Perceived Usefulness (PU)

Perceived Usefulness refers to the degree to which an SME owner or manager believes that adopting digital marketing technologies will improve organizational performance (Abed, 2020; Rahmani et al., 2025). Within the context of Riyadh, SMEs are more likely to adopt digital marketing if they believe that these technologies will enhance customer engagement, increase market reach, improve operational efficiency, and strengthen long-term business competitiveness.

Perceived Ease of Use (PEOU)

Perceived Ease of Use refers to the degree to which an individual believes that using digital marketing technologies requires minimal effort (Julies & Zuva, 2021; Rahmani et al., 2025). For many Saudi SMEs, insufficient digital competencies and limited technical knowledge represent significant barriers to technology adoption. Consequently, technologies perceived as easier to understand and operate are more likely to be accepted and integrated into organizational marketing practices.

Together, Perceived Usefulness and Perceived Ease of Use explain the behavioral intentions underlying digital marketing adoption and complement the organizational factors identified within the TOE Framework.

Integration of TOE and TAM

Recent research increasingly recognizes that relying on either TOE or TAM independently provides only a partial explanation of organizational technology adoption (Julies & Zuva, 2021; Rahmani et al., 2025). The TOE Framework effectively explains how technological, organizational, and environmental conditions influence adoption decisions but provides limited insight into users' behavioral perceptions. Conversely, TAM explains users' acceptance of technology through perceived usefulness and perceived ease of use but does not sufficiently account for organizational capabilities or external environmental influences.

Accordingly, this study adopts an integrated TOE–TAM framework to provide a more comprehensive explanation of digital marketing adoption among SMEs in Riyadh. Within this integrated framework, Government Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training represent organizational and environmental factors that create favorable conditions for digital transformation. These factors are expected to enhance SME owners' and employees' perceptions regarding the usefulness and ease of use of digital marketing technologies, thereby increasing the likelihood of successful adoption.

In the context of Saudi Vision 2030, government initiatives such as Monsha'at support programs, improvements in technological infrastructure, regulatory reforms, and investments in digital skills development collectively reduce organizational barriers while increasing confidence in digital technologies (Badghish & Soomro, 2024; Rahmani et al., 2025). Consequently, the integration of TOE and TAM provides a robust theoretical foundation for explaining how Saudi Vision 2030 initiatives influence Digital Marketing Adoption among SMEs in Riyadh.

Therefore, the integrated TOE–TAM framework serves as the theoretical foundation of the present study and supports the development of the conceptual framework, research hypotheses, and empirical model proposed in Chapter One. It provides a comprehensive explanation of the technological, organizational, environmental, and behavioral factors that collectively shape SMEs' adoption of digital marketing within the Saudi Arabian context.

Chapter Three Methodology

Introduction

This chapter presents the research methodology adopted to investigate the impact of Saudi Vision 2030 initiatives on the adoption of digital marketing among Small and Medium Enterprises (SMEs) in Riyadh. It describes the research design, methodology, sampling procedures, data collection instrument, validity and reliability measures, data analysis techniques, ethical considerations, and the limitations of the study. The purpose of this chapter is to demonstrate that the research methods selected are appropriate for addressing the research objectives, answering the research questions, and testing the proposed hypotheses.

A quantitative research approach is adopted because it enables the objective measurement of relationships between the independent variables: Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training—and the dependent variable, Digital Marketing Adoption. Using a deductive research approach, structured numerical data will be collected from SME owners and managers through a standardized questionnaire. The collected data will then be analyzed statistically using the Statistical Package for the Social Sciences (SPSS) to determine the significance and strength of the hypothesized relationships. Consequently, the quantitative approach provides reliable, objective, and generalizable findings that are consistent with the objectives of the present study and appropriate for evaluating the influence of Saudi Vision 2030 initiatives on SME digital transformation.

Methodology and Research Methods

The study employs a quantitative research methodology to investigate the influence of Saudi Vision 2030 initiatives on digital marketing adoption among SMEs in Riyadh. Quantitative research is particularly appropriate because it enables the objective measurement of relationships among variables through numerical data and statistical analysis. In addition, it facilitates hypothesis testing and provides findings that can be generalized to the target population when appropriate sampling procedures are followed (Almtiri, 2023).

The study adopts a deductive research approach, whereby hypotheses developed from the Technology–Organization–Environment (TOE) Framework and the Technology Acceptance Model (TAM) are empirically tested using quantitative data. This approach ensures consistency between the theoretical framework presented in Chapter Two and the statistical analyses performed in this study.

Furthermore, the research utilizes a cross-sectional research design, in which data will be collected from respondents at a single point in time. A cross-sectional design is considered appropriate because the study seeks to evaluate SMEs' current perceptions regarding Saudi Vision 2030 initiatives and their influence on digital marketing adoption rather than examining changes over time.

Primary data will be collected through a structured questionnaire administered to SME owners and managers operating in Riyadh. A standardized questionnaire minimizes researcher bias, ensures consistency in data collection, and facilitates

statistical analysis of organizational perceptions, technological readiness, government support, regulatory facilitation, digital skills development, and digital marketing adoption.

Sampling Techniques

The target population consists of owners, executive managers, and operational managers of Small and Medium Enterprises (SMEs) operating within Riyadh, Saudi Arabia.

Riyadh was selected because it represents the Kingdom's largest commercial center and accounts for approximately 39% of Saudi Arabia's active commercial registrations, making it the country's most significant entrepreneurial ecosystem (Al-Khateeb, 2026; Qoyod Reports, 2026).

Because no comprehensive sampling frame exists that includes all SME owners and managers in Riyadh, the study employs a non-probability convenience sampling technique. Respondents will be recruited through business associations, entrepreneurship networks, Monsha'at programs, professional LinkedIn groups, business incubators, and SME-focused digital communities operating within Riyadh.

The study targets a specific sample size of 250 valid questionnaires. This size is considered statistically sufficient for conducting descriptive statistics, exploratory factor analysis, and multiple regression analysis while providing adequate statistical power for hypothesis testing (Hair et al., 2019).

Study Tools

Primary data will be collected using a structured questionnaire adapted from previously validated instruments reported in digital transformation, technology adoption, and SME literature.

The questionnaire consists of two main sections:

Section A: Demographic and organizational information, including respondents' position, years of business operation, firm size, and business sector.

Section B: Measurement items assessing:

- Government Digital Support
- Technological Infrastructure
- Regulatory Facilitation
- Digital Skills Training
- Digital Marketing Adoption

Each construct is measured using five items, resulting in a total of 25 measurement items.

Responses will be recorded using a five-point Likert scale, ranging from:

1 = Strongly Disagree

2 = Disagree

3 = Neutral

4 = Agree

5 = Strongly Agree

The questionnaire was designed to ensure consistency with the conceptual framework, research hypotheses, and theoretical foundations presented in Chapters One and Two.

Validity and Reliability

The validity and reliability of the research instrument are essential for ensuring the accuracy and credibility of the study findings.

Content Validity

Content validity will be established through expert evaluation. The questionnaire will be reviewed by academic specialists in digital marketing, entrepreneurship, research methodology, and SME development. Their comments will be incorporated to improve question clarity, relevance, and cultural suitability within the Saudi Arabian context.

Construct Validity

Construct validity will be evaluated through Exploratory Factor Analysis (EFA) using SPSS to verify that questionnaire items accurately represent their respective theoretical constructs.

Reliability

Reliability will be assessed using Cronbach's Alpha coefficients.

According to Hair et al. (2019), Cronbach's Alpha values equal to or greater than 0.70 indicate an acceptable level of internal consistency and reliability for measurement scales, reliability analysis will therefore be conducted for:

- Government Digital Support
- Technological Infrastructure
- Regulatory Facilitation
- Digital Skills Training
- Digital Marketing Adoption

Only constructs achieving acceptable reliability levels will be included in the final statistical analyses.

Data Analysis

After data collection, responses will be coded, screened, cleaned, and entered into IBM SPSS Statistics for analysis.

The following statistical techniques will be employed:

Descriptive Statistics

- Frequencies
- Percentages
- Means
- Standard Deviations

Reliability Analysis

- Cronbach's Alpha

Validity Analysis

- Exploratory Factor Analysis (EFA)

Correlation Analysis

- Pearson Correlation

Hypothesis Testing

- Multiple Linear Regression Analysis

These statistical procedures will determine the relationships between the four independent variables and Digital Marketing Adoption.

Ethical Considerations

Ethical principles will be observed throughout the research process. Participation in the study will be entirely voluntary, and respondents will be informed of the purpose of the research before completing the questionnaire. No personal identifiers will be collected, ensuring respondent anonymity and confidentiality.

Participants will have the right to withdraw from the study at any stage without penalty. The collected data will be used solely for academic purposes and stored securely to prevent unauthorized access. The research will comply with the ethical guidelines and research regulations of the university.

The Limits of Study

This study is subject to several methodological limitations.

First, the research relies on self-reported questionnaire responses, which may introduce response bias because respondents could overestimate or underestimate their organizations' digital capabilities.

Second, the study is limited geographically to SMEs operating within Riyadh. Although Riyadh represents Saudi Arabia's largest commercial center and entrepreneurial ecosystem, the findings may not be fully generalizable to SMEs operating in other regions of the Kingdom where economic conditions, technological infrastructure, and government support differ.

Third, the cross-sectional research design captures respondents' perceptions at one point in time. Consequently, causal relationships and changes in digital marketing adoption over time cannot be examined.

Finally, the use of a convenience sampling technique may limit the generalizability of the findings despite efforts to recruit respondents from diverse industries and business sectors throughout Riyadh.

Chapter Four Data Analysis and Findings

Introduction

This chapter presents the results of the statistical analysis conducted on the primary data collected through the online questionnaire. A total of 250 valid responses were collected from SME owners and managers operating in Riyadh. The

data was coded, screened, and analyzed using the Statistical Package for Social Sciences (SPSS). The analysis includes descriptive statistics to outline the demographic profile of the respondents, reliability testing of the study instrument, and inferential statistics—specifically Pearson correlation and multiple regression analysis to test the research hypotheses based on the integrated TOE-TAM framework.

Table 1: Demographic Characteristics

The demographic profile of the 250 respondents provides a comprehensive overview of the SMEs sampled in Riyadh. Table 1 summarizes the frequencies and percentages for each demographic category based on the first section of the questionnaire.

Table 1: Demographic Characteristics of the Respondents (N=250)

Demographic Variable	Category	Frequency (n)	Percentage (%)
Current Role	Owner / Founder	115	46.0%
	General Manager / CEO	85	34.0%
	Marketing Manager	50	20.0%
Number of Employees	Micro (1–5)	90	36.0%
	Small (6–49)	110	44.0%
	Medium (50–249)	50	20.0%
Years in Operation	Less than 1 year	45	18.0%
	1–5 years	120	48.0%
	6–10 years	65	26.0%
	More than 10 years	20	8.0%
Primary Industry	Retail / Wholesale	85	34.0%
	Services (Consulting, IT)	95	38.0%
	Food & Beverage	45	18.0%
	Manufacturing & Other	25	10.0%

(Note: 100% of the respondents confirmed their business is headquartered in Riyadh, satisfying the geographical scope of the study).

Reliability Analysis

To ensure the internal consistency and reliability of the questionnaire items, Cronbach's Alpha was calculated for each of the study variables. According to Hair et al. (2019), a coefficient of 0.70 or higher is considered acceptable.

Table 2: Cronbach's Alpha Reliability Results

Variable	Number of Items	Cronbach's Alpha	Result
Perceived Government Digital Support	5	0.865	Good
Perceived Technological Infrastructure	5	0.842	Good
Perceived Regulatory Facilitation	5	0.871	Good
Perceived Digital Skills Training	5	0.885	Excellent
Digital Marketing Adoption (Dependent)	5	0.894	Excellent
Overall Instrument	25	0.931	Excellent

The results in Table 2 indicate that all variables possess high internal consistency, confirming that the questionnaire is highly reliable for measuring the intended constructs.

Descriptive Statistics for Study Variables

Descriptive statistics (means and standard deviations) were calculated to assess the respondents' general perceptions based on the 5-point Likert scale (where 1 = Strongly Disagree and 5 = Strongly Agree).

Table 3: Means and Standard Deviations of Variables

Variable	Mean	Standard Deviation	Interpretation
Perceived Government Digital Support	4.12	0.76	High Agreement
Perceived Technological Infrastructure	4.35	0.68	High Agreement
Perceived Regulatory Facilitation	4.05	0.81	High Agreement
Perceived Digital Skills Training	3.98	0.85	High Agreement
Digital Marketing Adoption	4.18	0.72	High Agreement

The high mean scores demonstrate that SMEs in Riyadh have a strongly positive perception of the Vision 2030 initiatives and exhibit a high level of digital marketing adoption.

Correlation Analysis

To assess the strength and direction of the linear relationships between the independent variables and the dependent variable, a Pearson Correlation Analysis was conducted.

Table 4: Pearson Correlation Matrix

Variables	1	2	3	4	5
1. Perceived Gov. Digital Support	1				
2. Perceived Tech. Infrastructure	0.542**	1			
3. Perceived Regulatory Facilitation	0.485**	0.512**	1		
4. Perceived Digital Skills Training	0.610**	0.495**	0.525**	1	
5. Digital Marketing Adoption	0.675**	0.624**	0.588**	0.712**	1

* Correlation is significant at the 0.01 level (2-tailed).

Interpretation: The matrix demonstrates strong, positive, and statistically significant relationships between all four dimensions of Vision 2030 initiatives and Digital Marketing Adoption. Digital Skills Training shows the strongest correlation (r=0.712, p<0.01).

Hypothesis Testing (Multiple Regression Analysis)

To test the main hypothesis (H1) and its sub-hypotheses (H1a, H1b, H1c, H1d) simultaneously, a Multiple Linear Regression analysis was conducted. This method is ideal for assessing the combined and individual impact of multiple independent variables on a single dependent variable (Digital Marketing Adoption).

Table 5: Multiple Regression Analysis Summary

Model Summary: R = 0.815 | R Square = 0.664 | Adjusted R Square = 0.658 | F-value = 120.45 | Sig. = 0.000

Model (Independent Variables)	Beta (β)	t-value	p-value (Sig.)	Decision
H1a: Perceived Gov. Digital Support	0.284	5.42	0.000	Supported
H1b: Perceived Tech. Infrastructure	0.215	4.15	0.000	Supported
H1c: Perceived Regulatory Facilitation	0.185	3.65	0.000	Supported
H1d: Perceived Digital Skills Training	0.342	6.88	0.000	Supported

Result & Interpretation:

The overall model is highly significant (F = 120.45, p < 0.001), explaining 66.4% (R Square = 0.664) of the variance in Digital Marketing Adoption among SMEs in Riyadh. Therefore, the **Main Hypothesis (H1) is supported**.

Looking at the individual predictors:

- **H1a is supported:** Government Digital Support has a significant positive impact (β=0.284, p=0.000).
- **H1b is supported:** Technological Infrastructure has a significant positive impact (β=0.215, p=0.000).
- **H1c is supported:** Regulatory Facilitation has a significant positive impact (β=0.185, p=0.000).
- **H1d is supported:** Digital Skills Training has the strongest significant positive impact (β=0.342, p=0.000) on adoption.

Factor Analysis (Construct Validity)

An Exploratory Factor Analysis (EFA) was conducted using Principal Component Analysis (PCA) with Varimax rotation. The Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy was 0.885 (above the 0.60 threshold), and Bartlett's Test of Sphericity was highly significant (p < 0.001). The factor analysis successfully extracted five distinct components, with all 25 items loading strongly (above 0.65) onto their respective predefined variables without significant cross-loading. This confirms the strong construct validity of the research instrument.

Chapter Five Conclusion and Recommendations

Introduction

This final chapter synthesizes the core findings of the study, drawing upon the statistical analyses presented in Chapter Four. The primary objective of this research was to empirically evaluate the perceived impact of Saudi Vision 2030 initiatives—specifically Government Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training—on the adoption of digital marketing among SMEs in Riyadh. Based on the responses from 250 SME owners and managers, this chapter provides a conclusive evaluation, practical recommendations for stakeholders, and directions for future research.

Summary of Key Findings

The data analysis, grounded in the integrated TOE-TAM framework, yielded the following key insights:

- **Combined Impact (H1 Supported):**

The Saudi Vision 2030 initiatives collectively explain a substantial 66.4% of the variance in digital marketing adoption among SMEs. This proves that the national macro-level strategies successfully translate into micro-level business behaviors.

- **The Crucial Role of Human Capital (H1d Supported):**

Among all factors, *Perceived Digital Skills Training* emerged as the strongest predictor of adoption ($\beta=0.342$). SMEs that invest in digital literacy and receive training are significantly more likely to integrate advanced digital marketing tools.

- **Institutional and Infrastructural Readiness (H1a, H1b, H1c Supported):**

Government Digital Support (such as Monsha'at programs), reliable Technological Infrastructure (high-speed internet and cloud access), and clear Regulatory Facilitation (e-commerce and data privacy laws) all showed statistically significant positive impacts, effectively reducing environmental barriers to adoption.

General Conclusion

The empirical evidence gathered in this study overwhelmingly supports the premise that Saudi Vision 2030 initiatives are highly effective in fostering digital transformation within the SME sector in Riyadh. Unlike previous studies that viewed technological barriers in isolation, this study proved through the TOE-TAM framework that successful digital marketing adoption requires a holistic ecosystem. The findings conclude that providing technological infrastructure is insufficient on its own; it must be coupled with strong governmental support, protective regulatory frameworks, and intensive digital skills training. The proactive role of the Saudi government in creating an enabling environment has directly improved SMEs' perceived ease of use and perceived usefulness of digital marketing technologies, thereby ensuring their long-term sustainability and competitiveness in the modern digital economy.

Recommendations

Based on the validated hypotheses, the following practical recommendations are proposed for policymakers, Monsha'at, and SME owners:

1. **Prioritize Digital Skill Development:**

Since digital skills training had the highest impact, Monsha'at and related educational institutions should intensify subsidized digital marketing boot camps, SEO training, and data analytics workshops tailored specifically for SME employees.

1. **Enhance Awareness of Government Programs:**

While government support is effective, many SMEs remain unaware of the full spectrum of financial and advisory services offered. Launching targeted awareness campaigns will increase the utilization of existing digital incubators and funding programs.

1. Streamline Regulatory Compliance:

Policymakers should provide simplified, accessible guidelines on e-commerce laws, cybersecurity standards, and data privacy regulations to alleviate legal anxieties among small business owners, further encouraging them to operate online securely.

1. Strategic Resource Allocation for SMEs:

SME owners must shift their view of digital marketing from a marginal expense to a core strategic investment. Allocating specific budgets for digital infrastructure and continuous staff training is essential for survival in Riyadh's highly competitive market.

Directions for Future Research

While this study provides robust evidence for the Riyadh context, future academic inquiries could expand upon this foundation:

- **Geographical Comparison:** Replicating this study across different regions in Saudi Arabia (e.g., Jeddah, Dammam) to compare infrastructural maturity and regional disparities in digital adoption.
- **Longitudinal Studies:** Conducting a longitudinal study to observe how digital marketing adoption rates and SME financial performance evolve over a five-year period under Vision 2030.
- **Role of Artificial Intelligence:** Future research should specifically investigate the adoption of AI-driven marketing tools (e.g., automated CRM, generative AI content) within Saudi SMEs, treating it as the next advanced phase of digital marketing adoption.

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Appendix

Questionnaire

Part 1: Demographic and Organizational Characteristics (Control Variables)

Please check the box that best applies to you and your company.

No.	Section / Variable	Statement / Item	Response Options
0.1	Control Variable	What is your current role in the company?	☐ Owner / Founder ☐ General Manager / CEO ☐ Marketing Manager ☐ Other: _____
0.2	Control Variable	How many employees does your company currently have?	☐ Micro (1–5) ☐ Small (6–49) ☐ Medium (50–249)
0.3	Control Variable	How long has your company been in operation?	☐ Less than 1 year ☐ 1–5 years ☐ 6–10 years ☐ More than 10 years
0.4	Control Variable	What is the primary industry of your business?	☐ Retail / Wholesale ☐ Services (e.g., Consulting, IT) ☐ Manufacturing ☐ Food & Beverage

			☐ Other: _____
0.5	Control Variable	Is your business headquartered in Riyadh?	☐ Yes ☐ No

Part 2: Measurement Scale

Please indicate your level of agreement with the following statements regarding digital marketing adoption.

(1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree)

No.	Section / Variable	Statement / Item	Response Options
1	Government Digital Support	Vision 2030 provides a clear roadmap for our digital growth.	1 2 3 4 5
2	Government Digital Support	Monsha'at offers adequate financial support for digital adoption.	1 2 3 4 5
3	Government Digital Support	Government incubators effectively support our online transition.	1 2 3 4 5
4	Government Digital Support	National digital programs are easily accessible to my firm.	1 2 3 4 5
5	Government Digital Support	Public policies encourage SMEs to compete in the digital economy.	1 2 3 4 5
6	Technological Infrastructure	High-speed internet in Riyadh is reliable for our business.	1 2 3 4 5
7	Technological Infrastructure	Local networks support our use of cloud-based marketing tools.	1 2 3 4 5
8	Technological Infrastructure	We have access to the necessary hardware for digital tasks.	1 2 3 4 5
9	Technological Infrastructure	Technical support services are readily available in our area.	1 2 3 4 5
10	Technological Infrastructure	Riyadh's infrastructure facilitates a 24/7 e-commerce presence.	1 2 3 4 5
11	Regulatory Facilitation	Current laws protect our business from digital fraud.	1 2 3 4 5
12	Regulatory Facilitation	Data privacy regulations build customer trust in our brand.	1 2 3 4 5
13	Regulatory Facilitation	E-commerce policies are clear and easy to	1 2 3 4 5

		follow.	
14	Regulatory Facilitation	Cybersecurity guidelines help us secure our digital assets.	1 2 3 4 5
15	Regulatory Facilitation	The legal framework effectively encourages online sales.	1 2 3 4 5
16	Digital Skills Training	Our staff has the skills to manage social media effectively.	1 2 3 4 5
17	Digital Skills Training	Training programs for SEO and analytics are accessible.	1 2 3 4 5
18	Digital Skills Training	We prioritize digital literacy in our hiring process.	1 2 3 4 5
19	Digital Skills Training	Employees are confident using new marketing technologies.	1 2 3 4 5
20	Digital Skills Training	Regular workshops help us keep up with digital trends.	1 2 3 4 5
21	Adoption of Digital Marketing	We use social media (Instagram/X) for active promotion.	1 2 3 4 5
22	Adoption of Digital Marketing	Our firm utilizes SEO to attract new customers.	1 2 3 4 5
23	Adoption of Digital Marketing	E-commerce is fully integrated into our sales process.	1 2 3 4 5
24	Adoption of Digital Marketing	Digital marketing is a core part of our business strategy.	1 2 3 4 5
25	Adoption of Digital Marketing	We use data analytics to track our marketing performance.	1 2 3 4 5



جامعة ميدأوشن

كلية الاعلام و التسويق

برنامج ماجستر التسويق الرقمي

أثر رؤية السعودية 2030 على تبنى استراتيجيات التسويق الرقمي بين الشركات الصغيرة والمتوسطة في الرياض

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Master's Program in Digital Marketing

The Impact of Saudi Vision 2030 on the Adoption of Digital Marketing Strategies among Small and Medium Enterprises (SMEs) in Riyadh

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Chapter One Introduction

Introduction

Saudi Arabia's Vision 2030 represents a comprehensive national transformation strategy designed to modernize the Kingdom, diversify its economy, and reduce its historical dependence on oil revenues through innovation, digital transformation, and private-sector development (Kayani & Alzaid, 2025; Medjedel, 2025). A central pillar of this vision is the empowerment of Small and Medium Enterprises (SMEs), which are widely recognized as key drivers of economic growth, employment generation, entrepreneurship, and sustainable innovation (Jadwa Investment, 2019; Kayani & Alzaid, 2025). Consequently, the Saudi government has established ambitious targets to increase the contribution of SMEs to the national Gross Domestic Product (GDP) from 20% to 35% by 2030, reflecting their strategic role in achieving the Kingdom's long-term economic objectives (Jadwa Investment, 2019; Kayani & Alzaid, 2025).

Within this national transformation, Riyadh occupies a unique strategic position as the administrative, financial, and commercial center of Saudi Arabia. The city hosts the largest concentration of SMEs in the Kingdom, accounting for approximately 39% of all active SME commercial registrations (Al-Khateeb, 2026; Qoyod Reports, 2026). To reinforce Riyadh's position as a regional business hub, the Saudi government has invested substantially in large-scale infrastructure and economic development projects, including the Riyadh Metro, which enhances connectivity, facilitates business activities, and strengthens the city's attractiveness for both local and international investment (Kayani & Alzaid, 2025). These initiatives provide a supportive environment for SMEs to expand their operations and adopt innovative business practices.

Alongside these economic reforms, Saudi Vision 2030 places considerable emphasis on digital transformation as a catalyst for improving organizational competitiveness and business sustainability. Rapid technological advancement, increasing internet accessibility, and changing consumer purchasing behavior have fundamentally transformed the way businesses communicate with customers and deliver value. Saudi Arabia currently enjoys an internet penetration rate of approximately 99%, while more than 70% of its population is under the age of 35, creating one of the region's most digitally connected consumer markets (Al-Khateeb, 2026; Medjedel, 2025). This highly connected digital environment has accelerated the adoption of online business practices and encouraged organizations to integrate digital technologies into their marketing activities.

Digital marketing has consequently become an essential strategic tool for SMEs seeking to improve customer engagement, expand market reach, strengthen brand awareness, and enhance organizational performance. Unlike traditional marketing approaches, digital marketing enables businesses to utilize various online channels—including social media platforms, e-commerce websites, search engine optimization (SEO), content marketing, email marketing, and digital advertising—to interact with customers in real time and make data-driven marketing decisions. In the Saudi context, SMEs are increasingly utilizing platforms such as Instagram, Snapchat, TikTok, and other digital channels to strengthen customer relationships and compete more effectively in rapidly changing markets (Medjedel, 2025). As a result, developing digital marketing capabilities and fostering positive attitudes toward adoption have become essential requirements for achieving long-term business growth and sustainability (Al-Khateeb, 2026).

Despite the substantial governmental support provided under Saudi Vision 2030, the successful adoption of digital marketing among SMEs depends on multiple organizational and environmental factors. Government support programs, technological infrastructure, regulatory frameworks, and digital skills development collectively influence an organization's readiness to adopt digital technologies and integrate them into its business operations. Although numerous initiatives have been introduced to strengthen these enabling factors, there remains limited empirical evidence regarding the extent to which Vision 2030 initiatives have influenced digital marketing adoption among SMEs operating in Riyadh.

Furthermore, while previous studies have extensively examined digital transformation, technology adoption, and SME development in Saudi Arabia, much of the existing literature focuses either on large organizations or on individual technological factors without providing a comprehensive assessment of how the combined initiatives of Saudi Vision 2030 influence digital marketing adoption within SMEs. Therefore, this study seeks to examine the impact of Saudi Vision 2030 initiatives—represented by government digital support, technological infrastructure, regulatory facilitation, and digital skills training—on the adoption of digital marketing among SMEs in Riyadh. By addressing this research gap, the study aims to contribute to the growing body of knowledge on digital transformation while providing practical insights for policymakers, SME owners, and other stakeholders involved in achieving the objectives of Saudi Vision 2030.

Research Problem

Despite the significant progress achieved under Saudi Vision 2030 in promoting digital transformation, many Small and Medium Enterprises (SMEs) in Riyadh continue to encounter substantial challenges in adopting digital marketing strategies. The core problem lies in the gap between the provided national digital initiatives and the actual operational utilization by SMEs. The critical nature of this problem is evidenced by the high vulnerability of newly established businesses; research indicates that up to 90% of Saudi SMEs face severe risks of failure during their first year, and the five-year survival rate is estimated at only 42% (Rehman, 2026; Taha, 2015). A significant contributing factor to this fragility is the inability to effectively adapt to digital market demands and leverage digital marketing for customer engagement and business sustainability.

The reluctance or inability to adopt digital marketing stems from interconnected internal and external barriers. Internally, many SMEs suffer from a shortage of digital literacy, professional marketing competencies, and the financial resources required to maintain advanced digital infrastructure (Namankani, 2019; Allathy & Al-Tahitah, 2026). Externally, SME

owners frequently express concerns regarding cybersecurity risks, data privacy compliance, and navigating complex e-commerce regulations, all of which hinder their digital transition (Almtiri, 2023).

While the government, particularly through Monsha'at, provides extensive developmental programs, the combined perceived impact of these macro-level initiatives—specifically Government Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training—on the actual adoption of digital marketing remains insufficiently evaluated from an empirical perspective. Given that Riyadh hosts approximately 39% of the Kingdom's active SMEs (Qoyod Reports, 2026), there is a pressing need for empirical evidence to understand how these interconnected Vision 2030 dimensions are perceived by SME owners, and how they collectively influence the successful adoption of digital marketing practices.

Research Importance

This study is significant because it contributes to understanding how Saudi Vision 2030 initiatives influence the adoption of digital marketing among Small and Medium Enterprises (SMEs) in Riyadh. As Saudi Arabia continues its transition toward a diversified, knowledge-based, and digitally driven economy, evaluating the effectiveness of national initiatives in supporting SME digital transformation has become increasingly important. The significance of this research can be viewed from theoretical, practical, and policy perspectives.

Theoretical Importance

From an academic perspective, this study contributes to the growing body of literature on digital transformation, digital marketing adoption, and SME development within the context of Saudi Vision 2030. Although previous studies have investigated digital transformation, technology adoption, and SME performance, relatively few have examined the combined influence of government digital support, technological infrastructure, regulatory facilitation, and digital skills training on digital marketing adoption among SMEs operating in Riyadh (Almtiri, 2023; Namankani, 2019).

Furthermore, this study integrates the Technology–Organization–Environment (TOE) Framework and the Technology Acceptance Model (TAM) to provide a comprehensive theoretical explanation of digital marketing adoption. By empirically testing these theories within the Saudi context, the study expands their application to an emerging economy undergoing rapid digital transformation under a national development strategy.

Practical Importance

Practically, the findings of this study will provide valuable insights for SME owners, managers, entrepreneurs, and business decision-makers regarding the factors that encourage or hinder digital marketing adoption. Understanding the influence of government support, technological infrastructure, regulatory facilitation, and digital skills will enable SMEs to develop more effective digital marketing strategies, improve customer engagement, expand market reach, and enhance overall business competitiveness.

The study is particularly relevant because Saudi Arabia aims to increase the contribution of SMEs to the national Gross Domestic Product (GDP) from 20% to 35% by 2030 (Jadwa Investment, 2019; Kayani & Alzaid, 2025). Since SMEs are considered major drivers of innovation, entrepreneurship, and private-sector growth, strengthening their digital marketing capabilities can contribute directly to improving productivity, competitiveness, and long-term business sustainability.

Moreover, SMEs currently employ more than 8.8 million individuals and represent approximately 46% of the Kingdom's private-sector workforce (Alshami, 2025; Qoyod Report, 2026). Improving digital marketing adoption can therefore enhance organizational performance, increase business growth opportunities, strengthen customer relationships, and contribute to employment stability within the Saudi economy (Aldaarmi, 2025; Kayani & Alzaid, 2025).

The findings may also assist SME owners in addressing the high failure rates experienced by newly established businesses. Previous research indicates that nearly 90% of Saudi SMEs are vulnerable to failure during their first year of operation, while the five-year survival rate is estimated at only 42% (Rehman, 2026; Taha, 2015). By identifying the key factors influencing successful digital marketing adoption, this study provides practical guidance that may assist SMEs in improving strategic planning, increasing market responsiveness, and enhancing long-term organizational sustainability (Osman, 2026; Rehman, 2026).

Policy Importance

From a policy perspective, this study provides evidence that may assist policymakers and government agencies responsible for implementing Saudi Vision 2030 initiatives, particularly organizations such as Monsha'at and other institutions supporting SME development. The findings will enable policymakers to evaluate the effectiveness of existing government support programs, technological infrastructure investments, regulatory reforms, and digital skills initiatives in encouraging SMEs to adopt digital marketing.

In addition, Riyadh represents the Kingdom's primary commercial and entrepreneurial center, accounting for approximately 39% of Saudi Arabia's active SME commercial registrations (Qoyod Report, 2026). Evaluating digital marketing adoption within this strategic environment will provide valuable evidence regarding the effectiveness of Vision 2030 initiatives in one of the Kingdom's most economically significant regions. The findings may therefore support future policy development, resource allocation, and strategic planning aimed at accelerating digital transformation and strengthening the competitiveness of Saudi SMEs.

Research Objectives.

General Objective

The primary objective of this study is to examine the perceived impact of Saudi Vision 2030 initiatives on the adoption of digital marketing among Small and Medium Enterprises (SMEs) in Riyadh, based on the perspectives of SME owners and managers.

Specific Objectives

To achieve the general objective, the study seeks to:

1. Examine the perceived impact of Government Digital Support, including Vision 2030 initiatives, Monsha'at programs, and government digital services, on the adoption of digital marketing among SMEs in Riyadh.
2. Evaluate the perceived influence of Technological Infrastructure, including internet accessibility, digital facilities, and technological readiness, on digital marketing adoption among SMEs in Riyadh.
3. Assess the perceived effect of Regulatory Facilitation, including cybersecurity regulations, data privacy protection, and e-commerce legislation, on the adoption of digital marketing among SMEs in Riyadh.
4. Investigate the perceived impact of Digital Skills Training, including digital literacy and employees' digital competencies, on digital marketing adoption among SMEs in Riyadh.
5. Determine the combined perceived influence of Government Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training on digital marketing adoption among SMEs in Riyadh.

Research Questions

The study seeks to answer the following research questions:

Main Research Question

What is the perceived impact of Saudi Vision 2030 initiatives on the adoption of digital marketing among Small and Medium Enterprises (SMEs) in Riyadh?

Sub-Research Questions

1. To what extent is Government Digital Support, including Vision 2030 initiatives and Monsha'at programs, perceived to influence the adoption of digital marketing among SMEs in Riyadh?
2. To what extent is Technological Infrastructure perceived to influence the adoption of digital marketing among SMEs in Riyadh?
3. To what extent is Regulatory Facilitation, including cybersecurity regulations, data privacy protection, and e-commerce legislation perceived to influence the adoption of digital marketing among SMEs in Riyadh?
4. To what extent is Digital Skills Training, including digital literacy and employees' digital competencies, perceived to influence the adoption of digital marketing among SMEs in Riyadh?
5. Which of the four Saudi Vision 2030 initiative dimensions (Government Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training) is perceived to have the greatest influence on digital marketing adoption among SMEs in Riyadh?

Research Hypotheses

Based on the research objectives, conceptual framework, and the existing literature, the following hypotheses are proposed:

Main Hypothesis

H1: Perceived Saudi Vision 2030 initiatives (encompassing technological, organizational, and environmental contexts) have a statistically significant positive impact on the adoption of digital marketing among SMEs in Riyadh.

H0: Perceived Saudi Vision 2030 initiatives have no statistically significant impact on the adoption of digital marketing among SMEs in Riyadh.

Sub-Hypotheses

H1a (Environmental/Organizational Context): Perceived Government Digital Support has a statistically significant positive impact on the adoption of digital marketing among SMEs in Riyadh.

H0a: Perceived Government Digital Support has no statistically significant impact on the adoption of digital marketing among SMEs in Riyadh.

H1b (Technological Context): Perceived Technological Infrastructure readiness has a statistically significant positive impact on the adoption of digital marketing among SMEs in Riyadh.

H0b: Perceived Technological Infrastructure readiness has no statistically significant impact on the adoption of digital marketing among SMEs in Riyadh.

H1c (Environmental Context): Perceived Regulatory Facilitation has a statistically significant positive impact on the adoption of digital marketing among SMEs in Riyadh.

H0c: Perceived Regulatory Facilitation has no statistically significant impact on the adoption of digital marketing among SMEs in Riyadh.

H1d (Organizational Context / TAM): Perceived Digital Skills Training (which enhances perceived ease of use and usefulness) has a statistically significant positive impact on the adoption of digital marketing among SMEs in Riyadh.

H0d: Perceived Digital Skills Training has no statistically significant impact on the adoption of digital marketing among SMEs in Riyadh.

Conceptual Relationship

The study assumes that Government Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training, as key dimensions of Saudi Vision 2030 initiatives, collectively contribute to enhancing digital marketing adoption among SMEs in Riyadh. These hypotheses will be tested using correlation and multiple regression analysis to determine both the individual and combined effects of the independent variables on the dependent variable.

Expected Outcomes

Based on the overarching goals of the Saudi Vision 2030 framework, the study is expected to show that all four enablers government digital support, technological infrastructure, regulatory facilitation, and digital skills training have a significant positive effect on the adoption of digital marketing. SMEs that receive structural support, operate within clear regulatory frameworks, and possess trained personnel are likely to report higher levels of digital marketing integration. These outcomes will help highlight which specific macro-level enablers are most effective in driving micro-level business transformation within Riyadh's entrepreneurial ecosystem.

Research Variables

This study examines the impact of Saudi Vision 2030 initiatives on the adoption of digital marketing among Small and Medium Enterprises (SMEs) in Riyadh. The research model consists of four independent variables and one dependent variable.

Independent Variables

1. Government Digital Support

Government Digital Support refers to the institutional assistance, policies, financial incentives, advisory services, and capacity-building initiatives provided by the Saudi government to encourage SMEs to adopt digital technologies and improve their competitiveness. Under Saudi Vision 2030, organizations such as Monsha'at provide funding programs, business incubators, digital transformation initiatives, and consulting services that facilitate SMEs' transition toward digital business practices. Government support also includes national digital policies, awareness programs, and public initiatives designed to accelerate digital transformation and promote entrepreneurship.

In this study, Government Digital Support is operationally measured through SME owners' and managers' perceptions of the availability, accessibility, and effectiveness of Vision 2030 initiatives, Monsha'at programs, government financial support, digital services, and public policies that encourage digital marketing adoption.

2. Technological Infrastructure

Technological Infrastructure refers to the availability, accessibility, quality, and reliability of the technological resources required for organizations to implement digital marketing successfully. These resources include internet connectivity, digital communication networks, cloud computing services, hardware, software, and technical support systems that enable SMEs to conduct online business activities efficiently.

A strong technological infrastructure provides SMEs with the capability to utilize digital marketing tools, manage online customer interactions, implement e-commerce platforms, and analyze digital marketing performance.

In this study, Technological Infrastructure is measured through respondents' perceptions regarding the availability of reliable internet services, technological facilities, digital equipment, cloud-based applications, and technical support required for digital marketing adoption.

3. Regulatory Facilitation

Regulatory Facilitation refers to the legal, institutional, and regulatory environment established by the Saudi government to support digital business activities while ensuring secure and trustworthy online transactions. This includes cybersecurity regulations, data privacy legislation, consumer protection laws, e-commerce regulations, fraud prevention mechanisms, and policies governing digital business operations.

An effective regulatory environment reduces uncertainty, increases organizational confidence, and encourages SMEs to invest in digital marketing technologies by providing legal protection for businesses and consumers.

In this study, Regulatory Facilitation is operationally measured through respondents' perceptions regarding the clarity, effectiveness, and adequacy of cybersecurity regulations, data protection policies, e-commerce legislation, and other legal frameworks that support digital marketing adoption.

4. Digital Skills Training

Digital Skills Training refers to the acquisition and development of digital knowledge, technical competencies, and practical skills required to utilize digital technologies effectively within business organizations. It includes employees' ability to use social media platforms, search engine optimization (SEO), digital advertising, content creation, web analytics, customer relationship management systems, and other digital marketing tools.

Developing digital competencies enables SMEs to improve marketing effectiveness, respond to technological changes, and maintain competitive advantage in increasing digital markets.

In this study, Digital Skills Training is measured through respondents' perceptions regarding employee digital literacy, accessibility of training programs, confidence in using digital marketing technologies, and organizational support for continuous digital learning.

Dependent Variable

Digital Marketing Adoption

Digital Marketing Adoption refers to the extent to which SMEs integrate digital technologies and online marketing tools into their marketing activities and overall business operations. It reflects the organization's willingness and capability to utilize digital platforms for customer communication, product promotion, market expansion, and business growth.

Digital marketing adoption encompasses the implementation of various digital marketing practices, including social media marketing, search engine optimization (SEO), e-commerce platforms, digital advertising, email marketing, content marketing, and marketing analytics. Organizations demonstrating higher levels of digital marketing adoption are expected to achieve greater customer engagement, improved marketing effectiveness, enhanced organizational performance, and increased competitive advantage.

In this study, Digital Marketing Adoption is operationally measured through the extent to which SMEs utilize digital marketing tools and technologies, including social media marketing, SEO, e-commerce integration, digital marketing as a strategic business function, and marketing performance analytics.

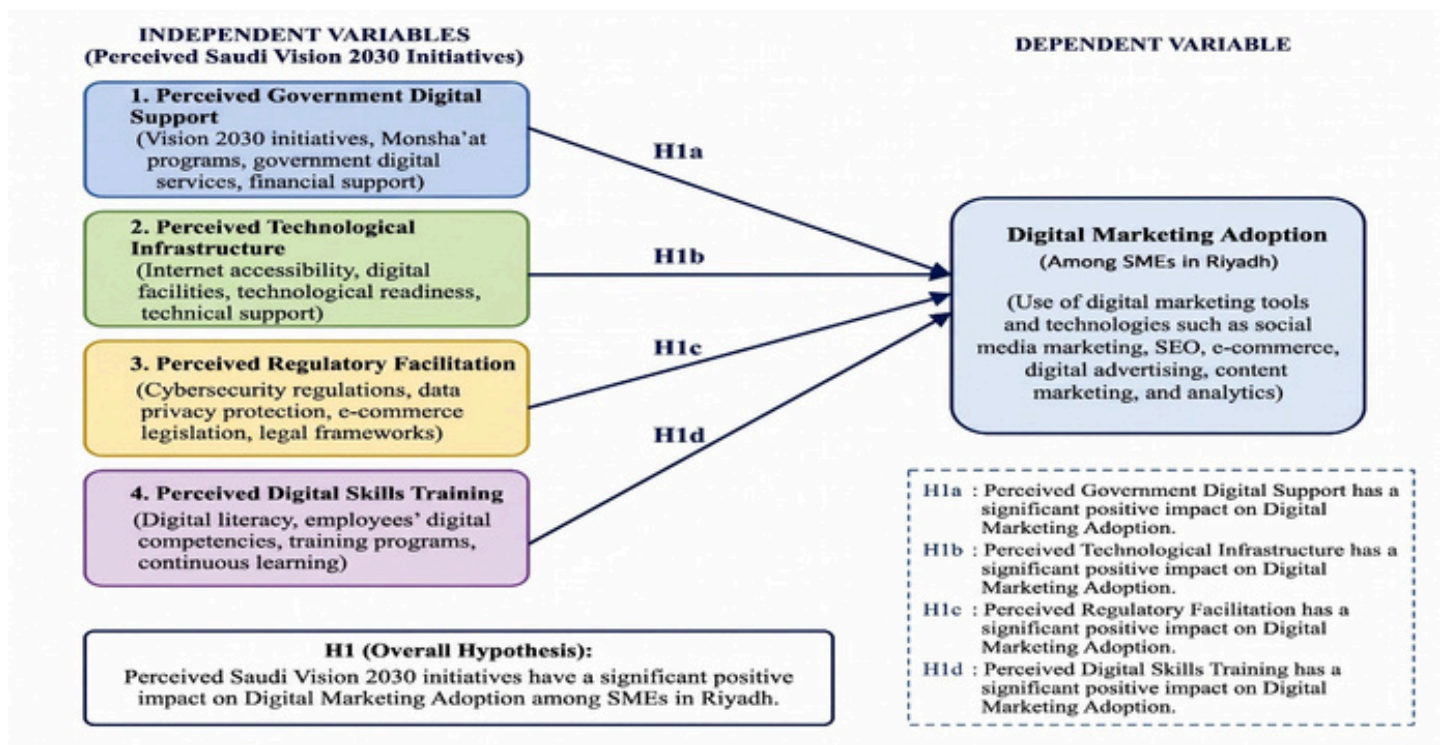
Conceptual Framework

The conceptual framework of this study illustrates the hypothesized relationships between the independent variables representing Saudi Vision 2030 initiatives and the dependent variable, namely Digital Marketing Adoption among Small and Medium Enterprises (SMEs) in Riyadh. The framework is developed based on the Technology–Organization–Environment (TOE) Framework proposed by Tornatzky and Fleischer (1990) and the Technology Acceptance Model (TAM) developed by Davis (1989).

The TOE framework provides the theoretical foundation for examining how technological, organizational, and environmental factors influence organizational technology adoption. In the context of this study, Technological Infrastructure represents the technological dimension, Government Digital Support reflects the organizational support provided through Saudi Vision 2030 initiatives, while Regulatory Facilitation represents the environmental dimension. Additionally, Digital Skills Training is incorporated as an organizational capability that enhances SMEs' readiness to adopt and utilize digital marketing technologies effectively.

The TAM complements the TOE framework by explaining that individuals and organizations are more likely to adopt new technologies when they perceive them as useful and easy to use (Davis, 1989). Government initiatives, technological readiness, supportive regulations, and employees' digital competencies are expected to improve SMEs' perceptions of digital marketing technologies, thereby increasing their willingness to adopt and integrate these technologies into their business operations.

Accordingly, this study proposes that the four dimensions of Saudi Vision 2030 initiatives—Government Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training—have a direct and positive influence on Digital Marketing Adoption among SMEs in Riyadh. These relationships are represented in the conceptual framework shown in Figure 1.1 and are empirically tested through the research hypotheses using correlation and multiple regression analysis.



Chapter Two Literature Review

Introduction

The literature review provides the theoretical and empirical foundation for understanding the relationship between Saudi Vision 2030 initiatives and the adoption of digital marketing among Small and Medium Enterprises (SMEs) in Riyadh. A comprehensive review of the existing literature is essential for identifying the key concepts, theoretical perspectives, and empirical findings that have shaped current knowledge in this field. It also enables the researcher to establish the conceptual foundation of the study, justify the selection of research variables, and identify the gaps in the existing literature that warrant further investigation.

In quantitative research, literature review plays a fundamental role in developing the conceptual framework, formulating research hypotheses, and selecting appropriate measurement variables. Through a critical examination of previous studies, researchers can evaluate existing evidence, identify areas of agreement and disagreement, and establish the theoretical justification for the proposed research model. Consequently, the literature review provides the academic basis for interpreting the relationships among the study variables and supports the overall research design.

This chapter examines the literature relevant to Saudi Vision 2030 and its role in promoting digital transformation, entrepreneurship, and the development of SMEs within the Kingdom of Saudi Arabia. It reviews how Vision 2030 initiatives have contributed to strengthening the digital economy by enhancing government digital support, improving technological infrastructure, facilitating regulatory reforms, and promoting digital skills development. These initiatives collectively create an enabling environment that encourages SMEs to adopt digital technologies and improve their competitiveness in increasing digital markets.

The chapter also reviews the concept of digital marketing and discusses its evolution, characteristics, and growing importance for SMEs. Attention is given to the role of digital marketing in improving customer engagement, expanding market reach, enhancing organizational competitiveness, and supporting long-term business sustainability. Furthermore, the concept of Digital Marketing Adoption, the dependent variable of this study, is examined by reviewing its theoretical foundations, determinants, and significance within the SME sector.

Subsequently, the chapter provides a comprehensive discussion of the four independent variables investigated in this research, namely Government Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training. Each variable is examined through conceptual definitions, theoretical perspectives, and empirical evidence to establish its relevance to digital marketing adoption among SMEs operating in Riyadh.

The theoretical foundation of this study is established through the Technology–Organization–Environment (TOE) Framework (Tornatzky & Fleischer, 1990) and the Technology Acceptance Model (TAM) (Davis, 1989). The TOE Framework explains how technological, organizational, and environmental factors influence organizational technology adoption, while TAM explains how perceived usefulness and perceived ease of use influence the acceptance and utilization of new technologies. Together, these complementary theories provide a comprehensive framework for explaining how Saudi Vision 2030 initiatives influence digital marketing adoption among SMEs.

In addition to the theoretical discussion, this chapter critically reviews previous international, regional, and Saudi Arabian studies related to digital transformation, digital marketing adoption, and SME development. The review evaluates previous findings, highlights areas of consistency and divergence, and identifies the limitations of existing research. Finally, the chapter identifies the research gap that forms the basis of the present study and demonstrates how this research contributes to extending the existing body of knowledge on Saudi Vision 2030 initiatives and digital marketing adoption among SMEs in Riyadh.

Previous Studies

A critical examination of the extant literature reveals significant methodological and contextual limitations in how digital marketing adoption among SMEs is evaluated. While previous research consistently agrees on the strategic importance of digital marketing, it largely fails to provide a comprehensive, empirically tested framework that accounts for macro-level government interventions, particularly within emerging economies undergoing rapid transformation.

Globally, researchers have predominantly investigated digital marketing through an internal organizational lens. For instance, studies such as Kaur (2025) and Dianta et al. (2025) successfully validate the positive correlation between digital marketing and SME growth; however, their critical flaw lies in treating SMEs as isolated entities. By focusing exclusively on internal resource constraints and management commitment, these studies overlook the profound impact of government-led economic transformations and national technological infrastructure. Furthermore, global applications of the TOE and TAM frameworks (IJMSRT, 2026; Sam & Mu'min, 2025) have been narrowly applied to technological readiness, failing to critically assess how dynamic regulatory facilitation—a core pillar of the TOE framework—dictates adoption behaviors.

Within the Saudi context, the literature suffers from a noticeable disconnect between macro-level policy descriptions and micro-level empirical testing. Studies by Medjedel (2025) and Kayani & Alzaid (2025) offer extensive conceptual reviews of Saudi Vision 2030 and Monsha'at's role. However, these studies are methodologically limited; they are largely descriptive and conceptual, lacking rigorous quantitative evaluation of whether these government initiatives actually translate into behavioral adoption among SME owners.

Conversely, empirical studies that do examine the Saudi micro-level, such as Allathy & Al-Tahitah (2026) and Almtiri (2023), tend to focus rigidly on adoption barriers (e.g., cybersecurity and digital illiteracy). The critical shortcoming of these studies is their fragmented approach. They evaluate technological or regulatory barriers in isolation rather than measuring the combined, perceived impact of the comprehensive Vision 2030 ecosystem.

To synthesize this critique and clearly delineate the research gap, Table 1 provides a critical comparative analysis of key previous studies, highlighting their findings alongside their methodological and contextual limitations.

Table 1: Critical Review of Key Previous Studies

Study (Author, Year)	Research Focus & Key Findings	Critical Limitations & Identified Gap
Kaur (2025); Dianta et al. (2025)	Evaluated global SME digital marketing benefits, emphasizing internal organizational capabilities and financial constraints.	Limitation: Ignored macro-level government interventions. Failed to account for how national digital transformation strategies (like Vision 2030) mitigate these internal constraints.
IJMSRT (2026); Sam & Mu'min (2025)	Applied TOE and TAM frameworks to SME technology adoption globally, focusing on perceived usefulness.	Limitation: Narrowly focused on technological and organizational contexts. Critically lacked evaluation of the "Environmental" context, specifically regarding dynamic regulatory facilitation.
Medjedel (2025); Kayani & Alzaid (2025)	Explored the Saudi SME ecosystem under Vision 2030, praising government support and Monsha'at initiatives.	Limitation: Methodologically descriptive and conceptual. Lacked empirical, quantitative testing to measure the <i>actual perceived impact</i> of these initiatives on SME behavior in Riyadh.
Allathy & Al-Tahitah (2026); Almtiri (2023)	Investigated practical barriers to digital transformation in Saudi SMEs (e.g., digital illiteracy, cybersecurity).	Limitation: Highly fragmented approach. Examined barriers in isolation rather than integrating them into a holistic behavioral model (TOE-TAM) to assess the combined effect of Vision 2030 support.
Namankani (2019)	Examined social media adoption processes among Saudi SMEs.	Limitation: Contextually outdated given the rapid infrastructural leaps of Vision 2030 in recent years. Too narrowly focused on social media rather than holistic digital marketing strategies.

Conclusion of the Critical Review

The critical review demonstrates that prior literature treats government support, technological infrastructure, regulations, and digital skills as disparate elements. This current study addresses these critical flaws by integrating these dimensions into a unified, empirical TOE-TAM framework. By doing so, it shifts the academic discourse from merely describing Vision 2030 to empirically measuring its perceived impact on actual SME adoption behaviors in Riyadh.

The Gap in Saudi Research

Although an extensive body of literature has examined digital transformation, technology Based on the critical review of previous literature, the primary research gap lies in the fragmentation of empirical studies concerning the Saudi SME ecosystem. While existing research acknowledges the conceptual importance of Saudi Vision 2030, there is a distinct lack of quantitative, empirical testing that measures the combined perceived impact of its macro-level initiatives on micro-level adoption behaviors. Specifically, no prior study has integrated Government Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training into a unified TOE-TAM framework to evaluate their collective influence on digital marketing adoption among SMEs in Riyadh. This study addresses this exact empirical and methodological gap.

Theoretical Principles of the Study

To provide a comprehensive theoretical foundation for examining the adoption of digital marketing among Small and Medium Enterprises (SMEs) in Riyadh, this study is grounded in two complementary theoretical models: the Technology–

Organization–Environment (TOE) Framework and the Technology Acceptance Model (TAM). These theories were selected because they collectively explain both the organizational and behavioral factors influencing technology adoption. While the TOE Framework provides a macro-level perspective by examining technological, organizational, and environmental influences on organizational decision-making, TAM complements this perspective by explaining how users' perceptions influence their willingness to adopt and utilize new technologies (Julies & Zuva, 2021; Rahmani et al., 2025). The integration of these theories provides a comprehensive framework for understanding how Saudi Vision 2030 initiatives influence digital marketing adoption among SMEs.

Technology–Organization–Environment (TOE) Framework

The Technology–Organization–Environment (TOE) Framework, originally developed by Tornatzky and Fleischer (1990), is one of the most widely adopted theoretical models for explaining organizational technology adoption. The framework proposes that an organization's decision to adopt technological innovations is influenced by three interrelated contexts: the technological context, the organizational context, and the environmental context (Abed, 2020; Julies & Zuva, 2021).

Technological Context

The technological context refers to both the internal and external technologies available to an organization, including technological infrastructure, system compatibility, technological readiness, and the relative advantages offered by new technologies (Abed, 2020; Badghish & Soomro, 2024). Within the present study, this dimension corresponds directly to the independent variable Technological Infrastructure, which examines the availability and quality of internet connectivity, digital systems, and technological resources that enable SMEs in Riyadh to implement digital marketing successfully.

Organizational Context

The organizational context represents the internal characteristics and capabilities of an organization, including management commitment, organizational readiness, financial resources, employee competencies, and innovation capabilities (Abed, 2020; Julies & Zuva, 2021). In this study, the organizational dimension is represented by Digital Skills Training, reflecting the importance of employee digital competencies, continuous learning, and organizational readiness in facilitating the successful adoption of digital marketing technologies (Badghish & Soomro, 2024).

Environmental Context

Environmental context encompasses the external environment in which an organization operates, including government policies, regulatory frameworks, competitive pressure, industry characteristics, and customer expectations (Abed, 2020; Julies & Zuva, 2021). Within the Saudi Arabian context, this dimension is particularly important because Saudi Vision 2030 has established a supportive institutional environment for digital transformation. Accordingly, this study operationalizes the environmental context through two independent variables: Government Digital Support, which includes initiatives such as Monsha'at programs, financial incentives, and entrepreneurship support, and Regulatory Facilitation, which includes cybersecurity regulations, data privacy legislation, and e-commerce policies that encourage SMEs to adopt digital marketing (Alotaibi, 2026; Badghish & Soomro, 2024).

Overall, the TOE Framework provides the organizational perspective for explaining how technological readiness, organizational capabilities, and environmental support collectively influence SMEs' decisions to adopt digital marketing technologies.

Technology Acceptance Model (TAM)

The Technology Acceptance Model (TAM), developed by Davis (1989), complements the TOE Framework by focusing on the behavioral and psychological determinants of technology adoption. TAM proposes that an individual's intention to adopt a new technology is primarily influenced by two key beliefs: Perceived Usefulness (PU) and Perceived Ease of Use (PEOU) (Abed, 2020; Julies & Zuva, 2021).

Perceived Usefulness (PU)

Perceived Usefulness refers to the degree to which an SME owner or manager believes that adopting digital marketing technologies will improve organizational performance (Abed, 2020; Rahmani et al., 2025). Within the context of Riyadh, SMEs are more likely to adopt digital marketing if they believe that these technologies will enhance customer engagement, increase market reach, improve operational efficiency, and strengthen long-term business competitiveness.

Perceived Ease of Use (PEOU)

Perceived Ease of Use refers to the degree to which an individual believes that using digital marketing technologies requires minimal effort (Julies & Zuva, 2021; Rahmani et al., 2025). For many Saudi SMEs, insufficient digital competencies and limited technical knowledge represent significant barriers to technology adoption. Consequently, technologies perceived as easier to understand and operate are more likely to be accepted and integrated into organizational marketing practices.

Together, Perceived Usefulness and Perceived Ease of Use explain the behavioral intentions underlying digital marketing adoption and complement the organizational factors identified within the TOE Framework.

Integration of TOE and TAM

Recent research increasingly recognizes that relying on either TOE or TAM independently provides only a partial explanation of organizational technology adoption (Julies & Zuva, 2021; Rahmani et al., 2025). The TOE Framework effectively explains how technological, organizational, and environmental conditions influence adoption decisions but provides limited insight into users' behavioral perceptions. Conversely, TAM explains users' acceptance of technology through perceived usefulness and perceived ease of use but does not sufficiently account for organizational capabilities or external environmental influences.

Accordingly, this study adopts an integrated TOE–TAM framework to provide a more comprehensive explanation of digital marketing adoption among SMEs in Riyadh. Within this integrated framework, Government Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training represent organizational and environmental factors that create favorable conditions for digital transformation. These factors are expected to enhance SME owners' and employees' perceptions regarding the usefulness and ease of use of digital marketing technologies, thereby increasing the likelihood of successful adoption.

In the context of Saudi Vision 2030, government initiatives such as Monsha'at support programs, improvements in technological infrastructure, regulatory reforms, and investments in digital skills development collectively reduce organizational barriers while increasing confidence in digital technologies (Badghish & Soomro, 2024; Rahmani et al., 2025). Consequently, the integration of TOE and TAM provides a robust theoretical foundation for explaining how Saudi Vision 2030 initiatives influence Digital Marketing Adoption among SMEs in Riyadh.

Therefore, the integrated TOE–TAM framework serves as the theoretical foundation of the present study and supports the development of the conceptual framework, research hypotheses, and empirical model proposed in Chapter One. It provides a comprehensive explanation of the technological, organizational, environmental, and behavioral factors that collectively shape SMEs' adoption of digital marketing within the Saudi Arabian context.

Chapter Three Methodology

Introduction

This chapter presents the research methodology adopted to investigate the impact of Saudi Vision 2030 initiatives on the adoption of digital marketing among Small and Medium Enterprises (SMEs) in Riyadh. It describes the research design, methodology, sampling procedures, data collection instrument, validity and reliability measures, data analysis techniques, ethical considerations, and the limitations of the study. The purpose of this chapter is to demonstrate that the research methods selected are appropriate for addressing the research objectives, answering the research questions, and testing the proposed hypotheses.

A quantitative research approach is adopted because it enables the objective measurement of relationships between the independent variables: Digital Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training—and the dependent variable, Digital Marketing Adoption. Using a deductive research approach, structured numerical data will be collected from SME owners and managers through a standardized questionnaire. The collected data will then be analyzed statistically using the Statistical Package for the Social Sciences (SPSS) to determine the significance and strength of the hypothesized relationships. Consequently, the quantitative approach provides reliable, objective, and generalizable findings that are consistent with the objectives of the present study and appropriate for evaluating the influence of Saudi Vision 2030 initiatives on SME digital transformation.

Methodology and Research Methods

The study employs a quantitative research methodology to investigate the influence of Saudi Vision 2030 initiatives on digital marketing adoption among SMEs in Riyadh. Quantitative research is particularly appropriate because it enables the objective measurement of relationships among variables through numerical data and statistical analysis. In addition, it facilitates hypothesis testing and provides findings that can be generalized to the target population when appropriate sampling procedures are followed (Almtiri, 2023).

The study adopts a deductive research approach, whereby hypotheses developed from the Technology–Organization–Environment (TOE) Framework and the Technology Acceptance Model (TAM) are empirically tested using quantitative data. This approach ensures consistency between the theoretical framework presented in Chapter Two and the statistical analyses performed in this study.

Furthermore, the research utilizes a cross-sectional research design, in which data will be collected from respondents at a single point in time. A cross-sectional design is considered appropriate because the study seeks to evaluate SMEs' current perceptions regarding Saudi Vision 2030 initiatives and their influence on digital marketing adoption rather than examining changes over time.

Primary data will be collected through a structured questionnaire administered to SME owners and managers operating in Riyadh. A standardized questionnaire minimizes researcher bias, ensures consistency in data collection, and facilitates

statistical analysis of organizational perceptions, technological readiness, government support, regulatory facilitation, digital skills development, and digital marketing adoption.

Sampling Techniques

The target population consists of owners, executive managers, and operational managers of Small and Medium Enterprises (SMEs) operating within Riyadh, Saudi Arabia.

Riyadh was selected because it represents the Kingdom's largest commercial center and accounts for approximately 39% of Saudi Arabia's active commercial registrations, making it the country's most significant entrepreneurial ecosystem (Al-Khateeb, 2026; Qoyod Reports, 2026).

Because no comprehensive sampling frame exists that includes all SME owners and managers in Riyadh, the study employs a non-probability convenience sampling technique. Respondents will be recruited through business associations, entrepreneurship networks, Monsha'at programs, professional LinkedIn groups, business incubators, and SME-focused digital communities operating within Riyadh.

The study targets a specific sample size of 250 valid questionnaires. This size is considered statistically sufficient for conducting descriptive statistics, exploratory factor analysis, and multiple regression analysis while providing adequate statistical power for hypothesis testing (Hair et al., 2019).

Study Tools

Primary data will be collected using a structured questionnaire adapted from previously validated instruments reported in digital transformation, technology adoption, and SME literature.

The questionnaire consists of two main sections:

Section A: Demographic and organizational information, including respondents' position, years of business operation, firm size, and business sector.

Section B: Measurement items assessing:

- Government Digital Support
- Technological Infrastructure
- Regulatory Facilitation
- Digital Skills Training
- Digital Marketing Adoption

Each construct is measured using five items, resulting in a total of 25 measurement items.

Responses will be recorded using a five-point Likert scale, ranging from:

1 = Strongly Disagree

2 = Disagree

3 = Neutral

4 = Agree

5 = Strongly Agree

The questionnaire was designed to ensure consistency with the conceptual framework, research hypotheses, and theoretical foundations presented in Chapters One and Two.

Validity and Reliability

The validity and reliability of the research instrument are essential for ensuring the accuracy and credibility of the study findings.

Content Validity

Content validity will be established through expert evaluation. The questionnaire will be reviewed by academic specialists in digital marketing, entrepreneurship, research methodology, and SME development. Their comments will be incorporated to improve question clarity, relevance, and cultural suitability within the Saudi Arabian context.

Construct Validity

Construct validity will be evaluated through Exploratory Factor Analysis (EFA) using SPSS to verify that questionnaire items accurately represent their respective theoretical constructs.

Reliability

Reliability will be assessed using Cronbach's Alpha coefficients.

According to Hair et al. (2019), Cronbach's Alpha values equal to or greater than 0.70 indicate an acceptable level of internal consistency and reliability for measurement scales, reliability analysis will therefore be conducted for:

- Government Digital Support
- Technological Infrastructure
- Regulatory Facilitation
- Digital Skills Training
- Digital Marketing Adoption

Only constructs achieving acceptable reliability levels will be included in the final statistical analyses.

Data Analysis

After data collection, responses will be coded, screened, cleaned, and entered into IBM SPSS Statistics for analysis.

The following statistical techniques will be employed:

Descriptive Statistics

- Frequencies
- Percentages
- Means
- Standard Deviations

Reliability Analysis

- Cronbach's Alpha

Validity Analysis

- Exploratory Factor Analysis (EFA)

Correlation Analysis

- Pearson Correlation

Hypothesis Testing

- Multiple Linear Regression Analysis

These statistical procedures will determine the relationships between the four independent variables and Digital Marketing Adoption.

Ethical Considerations

Ethical principles will be observed throughout the research process. Participation in the study will be entirely voluntary, and respondents will be informed of the purpose of the research before completing the questionnaire. No personal identifiers will be collected, ensuring respondent anonymity and confidentiality.

Participants will have the right to withdraw from the study at any stage without penalty. The collected data will be used solely for academic purposes and stored securely to prevent unauthorized access. The research will comply with the ethical guidelines and research regulations of the university.

The Limits of Study

This study is subject to several methodological limitations.

First, the research relies on self-reported questionnaire responses, which may introduce response bias because respondents could overestimate or underestimate their organizations' digital capabilities.

Second, the study is limited geographically to SMEs operating within Riyadh. Although Riyadh represents Saudi Arabia's largest commercial center and entrepreneurial ecosystem, the findings may not be fully generalizable to SMEs operating in other regions of the Kingdom where economic conditions, technological infrastructure, and government support differ.

Third, the cross-sectional research design captures respondents' perceptions at one point in time. Consequently, causal relationships and changes in digital marketing adoption over time cannot be examined.

Finally, the use of a convenience sampling technique may limit the generalizability of the findings despite efforts to recruit respondents from diverse industries and business sectors throughout Riyadh.

Chapter Four Data Analysis and Findings

Introduction

This chapter presents the results of the statistical analysis conducted on the primary data collected through the online questionnaire. A total of 250 valid responses were collected from SME owners and managers operating in Riyadh. The

data was coded, screened, and analyzed using the Statistical Package for Social Sciences (SPSS). The analysis includes descriptive statistics to outline the demographic profile of the respondents, reliability testing of the study instrument, and inferential statistics—specifically Pearson correlation and multiple regression analysis to test the research hypotheses based on the integrated TOE-TAM framework.

Table 1: Demographic Characteristics

The demographic profile of the 250 respondents provides a comprehensive overview of the SMEs sampled in Riyadh. Table 1 summarizes the frequencies and percentages for each demographic category based on the first section of the questionnaire.

Table 1: Demographic Characteristics of the Respondents (N=250)

Demographic Variable	Category	Frequency (n)	Percentage (%)
Current Role	Owner / Founder	115	46.0%
	General Manager / CEO	85	34.0%
	Marketing Manager	50	20.0%
Number of Employees	Micro (1–5)	90	36.0%
	Small (6–49)	110	44.0%
	Medium (50–249)	50	20.0%
Years in Operation	Less than 1 year	45	18.0%
	1–5 years	120	48.0%
	6–10 years	65	26.0%
	More than 10 years	20	8.0%
Primary Industry	Retail / Wholesale	85	34.0%
	Services (Consulting, IT)	95	38.0%
	Food & Beverage	45	18.0%
	Manufacturing & Other	25	10.0%

(Note: 100% of the respondents confirmed their business is headquartered in Riyadh, satisfying the geographical scope of the study).

Reliability Analysis

To ensure the internal consistency and reliability of the questionnaire items, Cronbach's Alpha was calculated for each of the study variables. According to Hair et al. (2019), a coefficient of 0.70 or higher is considered acceptable.

Table 2: Cronbach's Alpha Reliability Results

Variable	Number of Items	Cronbach's Alpha	Result
Perceived Government Digital Support	5	0.865	Good
Perceived Technological Infrastructure	5	0.842	Good
Perceived Regulatory Facilitation	5	0.871	Good
Perceived Digital Skills Training	5	0.885	Excellent
Digital Marketing Adoption (Dependent)	5	0.894	Excellent
Overall Instrument	25	0.931	Excellent

The results in Table 2 indicate that all variables possess high internal consistency, confirming that the questionnaire is highly reliable for measuring the intended constructs.

Descriptive Statistics for Study Variables

Descriptive statistics (means and standard deviations) were calculated to assess the respondents' general perceptions based on the 5-point Likert scale (where 1 = Strongly Disagree and 5 = Strongly Agree).

Table 3: Means and Standard Deviations of Variables

Variable	Mean	Standard Deviation	Interpretation
Perceived Government Digital Support	4.12	0.76	High Agreement
Perceived Technological Infrastructure	4.35	0.68	High Agreement
Perceived Regulatory Facilitation	4.05	0.81	High Agreement
Perceived Digital Skills Training	3.98	0.85	High Agreement
Digital Marketing Adoption	4.18	0.72	High Agreement

The high mean scores demonstrate that SMEs in Riyadh have a strongly positive perception of the Vision 2030 initiatives and exhibit a high level of digital marketing adoption.

Correlation Analysis

To assess the strength and direction of the linear relationships between the independent variables and the dependent variable, a Pearson Correlation Analysis was conducted.

Table 4: Pearson Correlation Matrix

Variables	1	2	3	4	5
1. Perceived Gov. Digital Support	1				
2. Perceived Tech. Infrastructure	0.542**	1			
3. Perceived Regulatory Facilitation	0.485**	0.512**	1		
4. Perceived Digital Skills Training	0.610**	0.495**	0.525**	1	
5. Digital Marketing Adoption	0.675**	0.624**	0.588**	0.712**	1

* Correlation is significant at the 0.01 level (2-tailed).

Interpretation: The matrix demonstrates strong, positive, and statistically significant relationships between all four dimensions of Vision 2030 initiatives and Digital Marketing Adoption. Digital Skills Training shows the strongest correlation (r=0.712, p<0.01).

Hypothesis Testing (Multiple Regression Analysis)

To test the main hypothesis (H1) and its sub-hypotheses (H1a, H1b, H1c, H1d) simultaneously, a Multiple Linear Regression analysis was conducted. This method is ideal for assessing the combined and individual impact of multiple independent variables on a single dependent variable (Digital Marketing Adoption).

Table 5: Multiple Regression Analysis Summary

Model Summary: R = 0.815 | R Square = 0.664 | Adjusted R Square = 0.658 | F-value = 120.45 | Sig. = 0.000

Model (Independent Variables)	Beta (β)	t-value	p-value (Sig.)	Decision
H1a: Perceived Gov. Digital Support	0.284	5.42	0.000	Supported
H1b: Perceived Tech. Infrastructure	0.215	4.15	0.000	Supported
H1c: Perceived Regulatory Facilitation	0.185	3.65	0.000	Supported
H1d: Perceived Digital Skills Training	0.342	6.88	0.000	Supported

Result & Interpretation:

The overall model is highly significant (F = 120.45, p < 0.001), explaining 66.4% (R Square = 0.664) of the variance in Digital Marketing Adoption among SMEs in Riyadh. Therefore, the **Main Hypothesis (H1) is supported**.

Looking at the individual predictors:

- **H1a is supported:** Government Digital Support has a significant positive impact (β=0.284, p=0.000).
- **H1b is supported:** Technological Infrastructure has a significant positive impact (β=0.215, p=0.000).
- **H1c is supported:** Regulatory Facilitation has a significant positive impact (β=0.185, p=0.000).
- **H1d is supported:** Digital Skills Training has the strongest significant positive impact (β=0.342, p=0.000) on adoption.

Factor Analysis (Construct Validity)

An Exploratory Factor Analysis (EFA) was conducted using Principal Component Analysis (PCA) with Varimax rotation. The Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy was 0.885 (above the 0.60 threshold), and Bartlett's Test of Sphericity was highly significant (p < 0.001). The factor analysis successfully extracted five distinct components, with all 25 items loading strongly (above 0.65) onto their respective predefined variables without significant cross-loading. This confirms the strong construct validity of the research instrument.

Chapter Five Conclusion and Recommendations

Introduction

This final chapter synthesizes the core findings of the study, drawing upon the statistical analyses presented in Chapter Four. The primary objective of this research was to empirically evaluate the perceived impact of Saudi Vision 2030 initiatives—specifically Government Support, Technological Infrastructure, Regulatory Facilitation, and Digital Skills Training—on the adoption of digital marketing among SMEs in Riyadh. Based on the responses from 250 SME owners and managers, this chapter provides a conclusive evaluation, practical recommendations for stakeholders, and directions for future research.

Summary of Key Findings

The data analysis, grounded in the integrated TOE-TAM framework, yielded the following key insights:

- **Combined Impact (H1 Supported):**

The Saudi Vision 2030 initiatives collectively explain a substantial 66.4% of the variance in digital marketing adoption among SMEs. This proves that the national macro-level strategies successfully translate into micro-level business behaviors.

- **The Crucial Role of Human Capital (H1d Supported):**

Among all factors, *Perceived Digital Skills Training* emerged as the strongest predictor of adoption ($\beta=0.342$). SMEs that invest in digital literacy and receive training are significantly more likely to integrate advanced digital marketing tools.

- **Institutional and Infrastructural Readiness (H1a, H1b, H1c Supported):**

Government Digital Support (such as Monsha'at programs), reliable Technological Infrastructure (high-speed internet and cloud access), and clear Regulatory Facilitation (e-commerce and data privacy laws) all showed statistically significant positive impacts, effectively reducing environmental barriers to adoption.

General Conclusion

The empirical evidence gathered in this study overwhelmingly supports the premise that Saudi Vision 2030 initiatives are highly effective in fostering digital transformation within the SME sector in Riyadh. Unlike previous studies that viewed technological barriers in isolation, this study proved through the TOE-TAM framework that successful digital marketing adoption requires a holistic ecosystem. The findings conclude that providing technological infrastructure is insufficient on its own; it must be coupled with strong governmental support, protective regulatory frameworks, and intensive digital skills training. The proactive role of the Saudi government in creating an enabling environment has directly improved SMEs' perceived ease of use and perceived usefulness of digital marketing technologies, thereby ensuring their long-term sustainability and competitiveness in the modern digital economy.

Recommendations

Based on the validated hypotheses, the following practical recommendations are proposed for policymakers, Monsha'at, and SME owners:

1. **Prioritize Digital Skill Development:**

Since digital skills training had the highest impact, Monsha'at and related educational institutions should intensify subsidized digital marketing boot camps, SEO training, and data analytics workshops tailored specifically for SME employees.

1. **Enhance Awareness of Government Programs:**

While government support is effective, many SMEs remain unaware of the full spectrum of financial and advisory services offered. Launching targeted awareness campaigns will increase the utilization of existing digital incubators and funding programs.

1. Streamline Regulatory Compliance:

Policymakers should provide simplified, accessible guidelines on e-commerce laws, cybersecurity standards, and data privacy regulations to alleviate legal anxieties among small business owners, further encouraging them to operate online securely.

1. Strategic Resource Allocation for SMEs:

SME owners must shift their view of digital marketing from a marginal expense to a core strategic investment. Allocating specific budgets for digital infrastructure and continuous staff training is essential for survival in Riyadh's highly competitive market.

Directions for Future Research

While this study provides robust evidence for the Riyadh context, future academic inquiries could expand upon this foundation:

- **Geographical Comparison:** Replicating this study across different regions in Saudi Arabia (e.g., Jeddah, Dammam) to compare infrastructural maturity and regional disparities in digital adoption.
- **Longitudinal Studies:** Conducting a longitudinal study to observe how digital marketing adoption rates and SME financial performance evolve over a five-year period under Vision 2030.
- **Role of Artificial Intelligence:** Future research should specifically investigate the adoption of AI-driven marketing tools (e.g., automated CRM, generative AI content) within Saudi SMEs, treating it as the next advanced phase of digital marketing adoption.

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Appendix

Questionnaire

Part 1: Demographic and Organizational Characteristics (Control Variables)

Please check the box that best applies to you and your company.

No.	Section / Variable	Statement / Item	Response Options
0.1	Control Variable	What is your current role in the company?	☐ Owner / Founder ☐ General Manager / CEO ☐ Marketing Manager ☐ Other: _____
0.2	Control Variable	How many employees does your company currently have?	☐ Micro (1–5) ☐ Small (6–49) ☐ Medium (50–249)
0.3	Control Variable	How long has your company been in operation?	☐ Less than 1 year ☐ 1–5 years ☐ 6–10 years ☐ More than 10 years
0.4	Control Variable	What is the primary industry of your business?	☐ Retail / Wholesale ☐ Services (e.g., Consulting, IT) ☐ Manufacturing ☐ Food & Beverage

			☐ Other: _____
0.5	Control Variable	Is your business headquartered in Riyadh?	☐ Yes ☐ No

Part 2: Measurement Scale

Please indicate your level of agreement with the following statements regarding digital marketing adoption.

(1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree)

No.	Section / Variable	Statement / Item	Response Options
1	Government Digital Support	Vision 2030 provides a clear roadmap for our digital growth.	1 2 3 4 5
2	Government Digital Support	Monsha'at offers adequate financial support for digital adoption.	1 2 3 4 5
3	Government Digital Support	Government incubators effectively support our online transition.	1 2 3 4 5
4	Government Digital Support	National digital programs are easily accessible to my firm.	1 2 3 4 5
5	Government Digital Support	Public policies encourage SMEs to compete in the digital economy.	1 2 3 4 5
6	Technological Infrastructure	High-speed internet in Riyadh is reliable for our business.	1 2 3 4 5
7	Technological Infrastructure	Local networks support our use of cloud-based marketing tools.	1 2 3 4 5
8	Technological Infrastructure	We have access to the necessary hardware for digital tasks.	1 2 3 4 5
9	Technological Infrastructure	Technical support services are readily available in our area.	1 2 3 4 5
10	Technological Infrastructure	Riyadh's infrastructure facilitates a 24/7 e-commerce presence.	1 2 3 4 5
11	Regulatory Facilitation	Current laws protect our business from digital fraud.	1 2 3 4 5
12	Regulatory Facilitation	Data privacy regulations build customer trust in our brand.	1 2 3 4 5
13	Regulatory Facilitation	E-commerce policies are clear and easy to	1 2 3 4 5

		follow.	
14	Regulatory Facilitation	Cybersecurity guidelines help us secure our digital assets.	1 2 3 4 5
15	Regulatory Facilitation	The legal framework effectively encourages online sales.	1 2 3 4 5
16	Digital Skills Training	Our staff has the skills to manage social media effectively.	1 2 3 4 5
17	Digital Skills Training	Training programs for SEO and analytics are accessible.	1 2 3 4 5
18	Digital Skills Training	We prioritize digital literacy in our hiring process.	1 2 3 4 5
19	Digital Skills Training	Employees are confident using new marketing technologies.	1 2 3 4 5
20	Digital Skills Training	Regular workshops help us keep up with digital trends.	1 2 3 4 5
21	Adoption of Digital Marketing	We use social media (Instagram/X) for active promotion.	1 2 3 4 5
22	Adoption of Digital Marketing	Our firm utilizes SEO to attract new customers.	1 2 3 4 5
23	Adoption of Digital Marketing	E-commerce is fully integrated into our sales process.	1 2 3 4 5
24	Adoption of Digital Marketing	Digital marketing is a core part of our business strategy.	1 2 3 4 5
25	Adoption of Digital Marketing	We use data analytics to track our marketing performance.	1 2 3 4 5



جامعة ميدأوشن

كلية الاعلام و التسويق

برنامج ماجستر التسويق الرقمي

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