

## **Title of the research**

**Effects of using risk management on the performance in  
E-marketing start-up company (ALSADOU)**



**أثر استخدام إدارة المخاطر على أداء شركة التسويق الإلكتروني الناشئة (السدو)**

## **Students name:**

**Eng. Satam Hussain D Almetrf (20223006408)**

**Fahad Salem Aljehani (20223006403)**

**Eng. Saud Abdulmohsen Koshari (20222006067)**

**Supervisor**

**Date**

**Dr. Walid Soliman**

**28 - April – 2023**

## TABLE OF CONTENTS

|                                                        |    |
|--------------------------------------------------------|----|
| TABLE OF FIGURES-----                                  | 3  |
| INTRODUCTION-----                                      | 4  |
| GOAL & PURPOSE-----                                    | 4  |
| EXPECTED SCIENTIFIC CONTRIBUTION OF THIS RESEARCH----- | 5  |
| THE BENEFIT OF THE RESEARCH-----                       | 5  |
| RESEARCH PROBLEM-----                                  | 6  |
| THE IMPORTANCE OF THIS RESEARCH-----                   | 7  |
| RESEARCH HYPOTHESES-----                               | 7  |
| LITERATURE REVIEW-----                                 | 8  |
| RESEARCH METHODOLOGY-----                              | 10 |
| RESEARCH FINDINGS-----                                 | 11 |
| RESEARCH LIMITS & FUTURE RESEARCH-----                 | 15 |
| RECOMMENDATIONS-----                                   | 16 |
| CONCLOUSION-----                                       | 18 |
| REFERENCES-----                                        | 19 |

**TABLE OF FIGURES**

**FIGURE (1)-----11**

**FIGURE (2)-----11**

**FIGURE (3)-----11**

**FIGURE (4)-----12**

**FIGURE (5)-----12**

**FIGURE (6)-----12**

**FIGURE (7)-----13**

**FIGURE (8)-----13**

**FIGURE (9)-----14**

**FIGURE (10)-----14**

## **INTRODUCTION**

This paper highlights the importance of E-marketing for startups to reach a large audience in a cost-effective manner. However, with the rapid growth of the industry, there are various risks associated with it such as data breaches, cyber-attacks, privacy violations, and regulatory compliance issues. (1) Startups must adopt a proactive approach to risk management, which considers the constantly evolving digital landscape and potential risks. Effective risk management and decision-making can reduce a startup's exposure to risks and contribute to achieving its strategic objectives. Therefore, startups need to develop and implement effective E-marketing risk management strategies that are aligned with their business goals and objectives. It is essential to adopt a risk-based approach to decision-making that integrates E-marketing risks into the overall organizational risk management framework.

## **GOAL & PURPOSE**

The goal of this research is to identify the most significant risks and challenges faced by Alsadou, an e-marketing startup company, and examine the decision-making processes used to mitigate these risks. The study will focus on the different e-marketing activities performed by Alsadou, such as digital advertising, content marketing, email marketing, and social media marketing, and the specific risks and challenges associated with each activity. The research aims to provide a more comprehensive understanding of the risks and challenges faced by Alsadou and explore how decision-making processes can mitigate or avoid these risks. The findings of this research will be useful for Alsadou in developing effective risk management strategies and enhancing their overall organizational performance.

## **EXPECTED SCIENTIFIC CONTRIBUTION OF THIS RESEARCH**

The expected scientific contribution of this research is to provide a comprehensive understanding of the risks and challenges faced by E-marketing startups (2), specifically Alsadou, and to identify the decision-making processes used to mitigate those risks. The study will explore the unique risks associated with various E-marketing activities such as digital advertising, content marketing, email marketing, and social media marketing (3). The results of this research will contribute to the existing literature on risk management practices in E-marketing startups and provide insights for other E-marketing startups to improve their performance. Additionally, this study will help to bridge the gap between theory and practice by providing practical recommendations for decision-makers in E-marketing startups to improve their risk management practices and overall organizational performance.

## **THE BENEFIT OF THE RESEARCH**

The research will benefit Alsadou and other e-marketing startups by providing insights into the most significant risks and challenges associated with different e-marketing activities and the decision-making processes that can mitigate those risks. The findings of the research will help Alsadou and other e-marketing startups to develop effective risk management strategies and improve their overall organizational performance (4). Additionally, the research will contribute to the existing literature on e-marketing startups' risks and challenges by providing empirical evidence on the effectiveness of different risk management practices.

## RESEARCH PROBLEM

Alsadou is a startup specializing in E marketing activities such as digital advertising, content marketing, email marketing, and social media marketing. However, like any E marketing business, Alsadou faces various risks and challenges that can negatively impact its performance. The purpose of this research is to identify the most significant risks and challenges faced by Alsadou in its E marketing activities and examine the decision-making processes used to mitigate these risks.

To achieve this goal, the research will aim to answer the following questions:

What are the most significant risks and challenges associated with the different E-marketing activities performed by Alsadou?

What is the potential impact of these risks and challenges on the performance of Alsadou?

How effective are the decision-making processes used by Alsadou's employees to mitigate these risks and challenges?

What improvements can be made to the decision-making processes to enhance their effectiveness in mitigating these risks and challenges?

The study will utilize a mixed-methods research approach, incorporating both qualitative and quantitative methods. To identify the risks and challenges faced by Alsadou, the study will involve conducting interviews with key stakeholders in the company, including the management team, marketing team, and other employees involved in E marketing activities. The interviews will provide insight into the risks and challenges associated with each E marketing activity performed by the company.

To validate the findings from the interviews, the study will also include a survey of Alsadou's employees. The survey will seek to gather feedback on the risks and challenges faced by employees. The survey will be anonymous to encourage honest feedback. performing E marketing activities, as well as the effectiveness of the decision-making processes used to mitigate these risks.

The research will provide a comprehensive analysis of the risks and challenges faced by Alsadou in its E marketing activities and examine the effectiveness of the decision-making processes used by the company's employees to mitigate these risks. The findings of this study will be valuable for the management team at Alsadou, as they develop and implement effective E marketing risk management strategies that align with the company's goals and objectives and help improve the decision-making processes used by employees to mitigate the risks and challenges associated with E- marketing activities, ultimately leading to improved performance and success for the company.

## **THE IMPORTANCE OF THIS RESEARCH**

The importance of risk management and decision-making in E marketing cannot be overstated in the modern business world. As the use of technology and digital platforms continues to increase (5), companies need to make important decisions to ensure that they can identify, assess, and mitigate risks associated with E marketing. The primary importance of risk management and decision-making in E marketing is to help companies maintain a competitive edge in the digital landscape, identify opportunities for growth, and address potential threats before they become major issues. By managing risks effectively, companies can reduce losses, improve their reputation, and create a safe and secure environment for their customers. Therefore, the implementation of effective risk management and decision-making strategies is critical for the long-term success of any E marketing enterprise.

## **RESEARCH HYPOTHESES**

Based on the research problem and questions regarding Alsadou startup e marketing company, the following hypotheses can be proposed:

- 1-Alsadou startup e marketing company faces a significant number of risks and challenges associated with digital advertising, content marketing, email marketing, and social media marketing.
- 2-The most significant risks and challenges faced by Alsadou startup e marketing company include data breaches, cyber-attacks, privacy violations, reputation damage, and regulatory compliance issues.
- 3-Effective decision-making processes can mitigate or avoid the risks and challenges faced by Alsadou startup e marketing company.

## **RESEARCH HYPOTHESES**

4-Alsadou startup e marketing company that adopts a proactive approach to risk management and decision-making are more likely to achieve their strategic objectives and gain a competitive advantage.

5-The effectiveness of Alsadou startup e marketing company's risk management strategies is influenced by the organization's unique goals, objectives, and culture.

These hypotheses can be tested through empirical research that collects and analyzes data on the risks and challenges faced by Alsadou startup e marketing company, the decision-making processes used to mitigate those risks, and the outcomes of those processes. The research can also explore the factors that influence the effectiveness of Alsadou startup e marketing company's risk management strategies and how they can be optimized to achieve better outcomes.

## **LITERATURE REVIEW**

In recent years, e-marketing has become a crucial aspect of business strategy for many organizations, offering a cost-effective and efficient way to reach a large and diverse audience. However, this rapid growth has also brought about numerous risks that organizations need to manage effectively to ensure their survival in a highly competitive market. Risk management in e-marketing has become a critical process that requires proper planning, effective implementation, and continuous monitoring to minimize potential risks and capitalize on opportunities (Chaffey et al., 2019)(6).

One of the most significant risks faced by e-marketing startups is cybersecurity. As digital technology continues to evolve, the potential risks associated with e-marketing have -

## LITERATURE REVIEW

- increased, including data breaches, cyber-attacks, privacy violations, and regulatory compliance issues (Wu & Wang, 2019)(7).

E-marketing startups need to implement effective cybersecurity measures to protect their sensitive data and their customers' data, including secure networks, firewalls, encryption, and user authentication (Kshetri, 2018) (8).

Another significant risk for e-marketing startups is reputation damage. Online reputation is critical for e-marketing startups, and any negative information can have a severe impact on their business. Reputation damage can occur due to customer complaints, negative reviews, or social media scandals (Godey et al., 2016). To mitigate this risk, e-marketing startups need to be proactive in managing their online reputation and responding promptly to any negative feedback (9).

E-marketing startups also face risks associated with regulatory compliance. E-marketing activities are subject to various laws and regulations, such as data protection and privacy laws, spam laws, and advertising regulations. Failure to comply with these regulations can result in significant financial and reputational damages. E-marketing startups need to have a clear understanding of the relevant laws and regulations and develop effective compliance strategies to mitigate this risk (Wamba & Akter, 2018) (10).

Effective decision-making in e-marketing is equally important as it enables organizations to make informed choices that can positively impact their growth and profitability. E-marketing startups need to have a clear understanding of their customers' needs and preferences, their competitors' strategies, and the latest e-marketing trends and technologies. By using data analytics, e-marketing startups can gain valuable insights into their customers' behavior, preferences, and purchase history, enabling them to make informed decisions that drive their business growth (Chaffey et al., 2019) (6).

## RESEARCH METHODOLOGY

As this is a descriptive Research Methodology for the Effect of using risk management on the performance in E-marketing startup company (Alsadou):

To investigate the effect of using risk management on the performance of Alsadou, a mixed-method research design will be employed. Firstly, a quantitative approach will be used to measure the relationship between risk management and performance by analyzing data collected from online surveys of Alsadou's stakeholders. The survey will consist of questions related to risk management practices, E-marketing performance, and overall organizational performance. The data collected from the survey will be analyzed using statistical techniques, such as correlation and regression analysis, to identify any significant relationships between the variables. Secondly, a qualitative approach will be used to obtain more in-depth information on the effectiveness of risk management practices in E-marketing within Alsadou. Interviews will be conducted with key personnel in the organization, including management, staff, and stakeholders, to gain their perspectives on the use of risk management in E-marketing, and its impact on organizational performance. The data obtained from the interviews will be analyzed using content analysis to identify common themes and patterns (Al-Qirim, N. A. Y., 2011) (12).

The research will be conducted over a period of six weeks, starting with the development of research questions and hypotheses, followed by the survey and interview data collection, data analysis, and conclusion. The data collected from both the survey and the interviews will be triangulated to ensure the reliability and validity of the research findings. The research methodology aims to provide a comprehensive understanding of the effect of using risk management on the performance of Alsadou in E-marketing. The findings from this research will contribute to the development of effective risk management practices in E-marketing within Alsadou and other startup companies, as well as provide a basis for future research in this area.

## RESEARCH FINDINGS

Based on the survey results, the majority of respondents perform content marketing as part of their role at the company **(50%)**, followed by all of the above E-marketing activities **(33.3%)** and social media marketing **(16.7%)**. In terms of encountering risks or challenges when performing E-marketing activities.

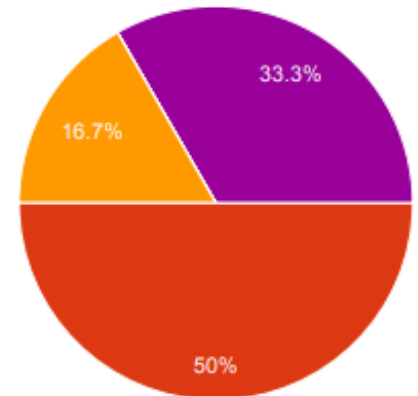


Figure (1)

The majority of respondents reported encountering them occasionally **(66.7%)**, while the remaining reported encountering them frequently **(33.3%)**. These findings suggest that there may be a need for the company to focus on identifying and addressing the specific risks and challenges associated with the E-marketing activities they perform, in order to improve their overall E-marketing performance.

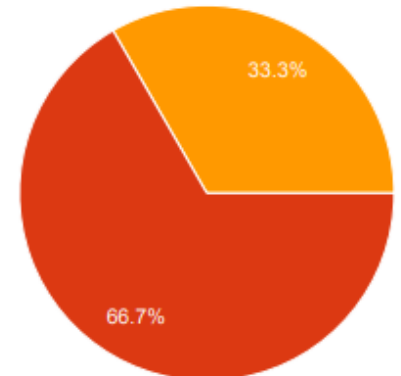


Figure (2)

Based on the survey results, **(50%)** of the respondents have encountered data breaches, 16.7% have faced cyber-attacks, and **(16.7%)** have dealt with regulatory compliance issues. Another **(16.7%)** mentioned privacy violations as a risk/challenge when performing E-marketing activities. Finally, **(16.7%)** of the respondents reported experiencing all the mentioned risks and challenges.

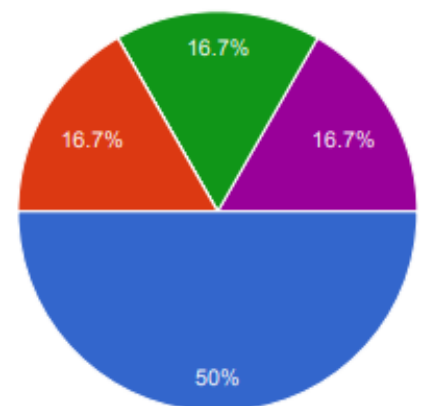


Figure (3)

## RESEARCH FINDINGS

The majority of the respondents (**66.7%**) are somewhat confident in their ability to identify and mitigate risks associated with E-marketing activities, while (**33.3%**) are very confident. None of the respondents answered "Not at all confident" or "Very Not confident."

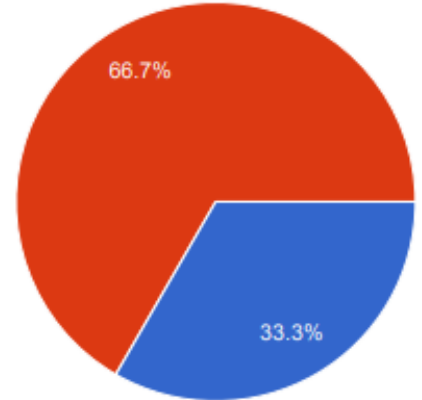


Figure (4)

To mitigate risks associated with E marketing activities, (**50%**) of the respondents reported using the decision-making process of risk avoidance, (**16.7%**) reported using risk acceptance, risk transfer, and risk mitigation, respectively.

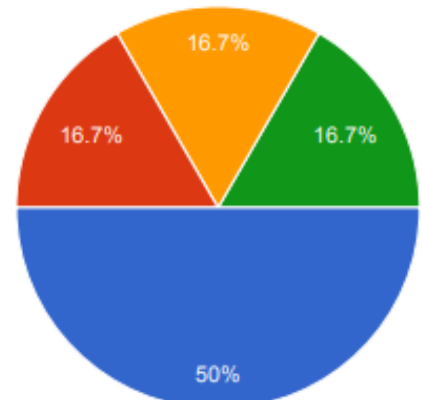


Figure (5)

Out of the respondents, (**83.3%**) reported feeling very effective in their decision-making processes, while (**16.7%**) reported feeling somewhat effective. No respondents reported their decision-making processes as not very effective or not effective at all. Additionally, none of the respondents were unsure of the effectiveness of their decision-making processes. This suggests that the respondents feel confident in their ability to effectively mitigate risks associated with E-marketing activities.

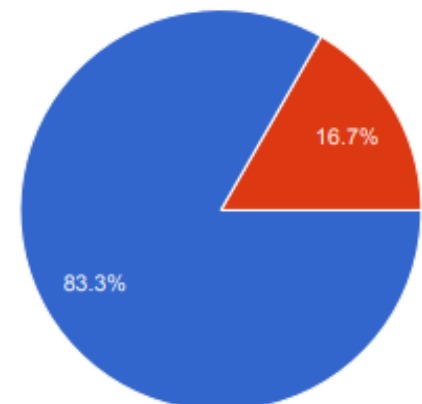


Figure (6)

## RESEARCH FINDINGS

The survey indicates that **(33.3%)** of the participants have received extensive training on how to identify and mitigate risks associated with E-marketing activities. **(16.7%)** have received only basic training, while **(50%)** of the respondents have not received any training but expressed the desire to receive it. No participants responded that they don't need training. These results suggest that there is a need for training on risk management in E-marketing, and many professionals are interested in improving their skills in this area. Providing targeted training to address the identified risks and challenges may enhance the effectiveness of risk management decision-making processes and ultimately lead to better E-marketing performance.

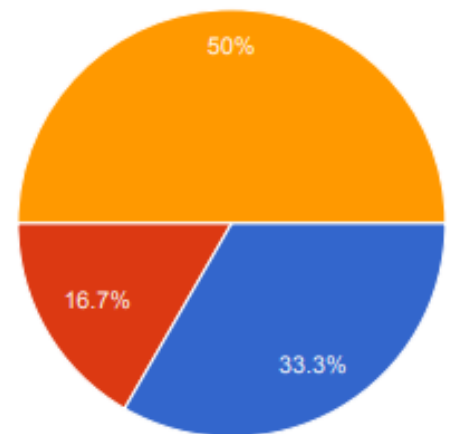


Figure (7)

Based on the responses of the survey participants, it can be concluded that the overall risk management approach to E-marketing activities is viewed positively. The majority of the respondents **(50%)** rated it as good, while **(33.3%)** rated it as excellent. A smaller percentage of respondents **(16.7%)** rated it as fair, and none rated it as poor. These results suggest that the risk management approach of the company towards E-marketing activities is generally effective and satisfactory, although there may be some areas for improvement.

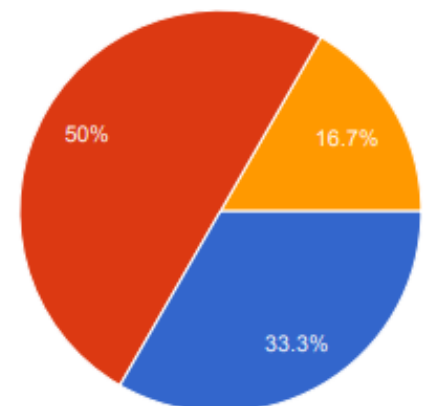


Figure (8)

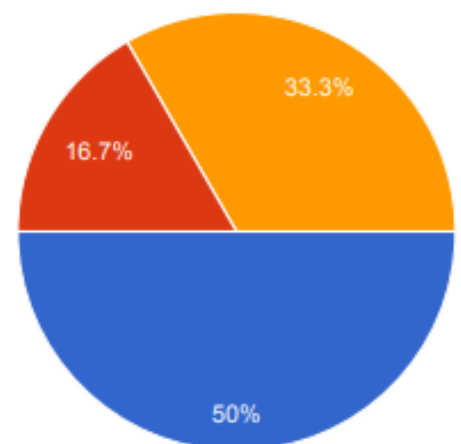
## RESEARCH FINDINGS

The survey results indicate that all respondents rated the importance of effectively managing risks associated with E marketing activities as very important for the success of the company. This suggests that the respondents acknowledge the significance of managing risks in the context of E marketing activities and highlights the need for effective risk management strategies to be in place in order to ensure the success of the company. The high percentage of respondents who rated the importance as very important also indicates that this is a critical area for companies to focus on to minimize potential negative impacts and maximize the benefits of their E marketing activities.



**Figure (9)**

Based on the survey results, a majority of the respondents suggested that improvements can be made in managing risks associated with E marketing activities at Company. The most commonly suggested improvement was to enhance the training programs, which was recommended by half of the respondents. Additionally, one-third of the respondents suggested adopting a more proactive approach to risk management. This indicates that the current risk management approach may be perceived as reactive rather than proactive, which can lead to potential risks-



**Figure (10)**

## **RESEARCH FINDINGS**

- being overlooked or not addressed in a timely manner. Another suggestion was to increase the resources devoted to risk management, which was suggested by 16.7% of the respondents. By addressing these suggested improvements, Company can effectively manage the risks associated with E marketing activities and enhance the success of the organization.

## **RESEARCH LIMITS & FUTURE RESEARCH**

The research may have some limitations that need to be considered. One of the limitations is that the study will focus on the experiences of employees of Alsadou, which may not be generalizable to other e-marketing startups. Additionally, the study will be conducted in a single geographical location, which may limit the generalizability of the findings. The survey may also face response bias, as the participants may not answer the questions truthfully. Finally, the study will only focus on the risks and challenges associated with e-marketing activities and the decision-making processes used to mitigate these risks, without considering other factors that may impact the overall organizational performance.

Future research could further examine the effects and improvement in processes within ERM of e-marketing startups. It could also contribute to a deeper understanding and measurements of effectiveness and efficiency in facing risks within such organizations.

## RECOMMENDATIONS

Based on the survey findings and the specific context of ALSADOU, the following recommendations are suggested:

- **Develop a comprehensive risk management strategy:** ALSADOU should develop a detailed risk management strategy that identifies and assesses the specific risks associated with their E-marketing activities. The strategy should outline the steps to be taken to mitigate these risks, including risk avoidance, risk acceptance, risk transfer, and risk mitigation. The strategy should also include a process for regularly reviewing and updating the risk management plan.
- **Provide targeted training for risk management:** ALSADOU should provide targeted training for their employees on identifying and mitigating risks associated with E-marketing activities. The training should cover the specific risks identified in the survey, as well as best practices for managing risks in E-marketing. This training should be made available to all employees who are involved in E-marketing activities.
- **Adopt a proactive approach to risk management:** ALSADOU should adopt a proactive approach to risk management by identifying and addressing potential risks before they become actual risks. This can be achieved by conducting regular risk assessments and implementing measures to mitigate the identified risks. The company should also establish a process for monitoring and managing risks in real-time.
- **Enhance cybersecurity measures:** Given the prevalence of data breaches and cyber-attacks reported in the survey, ALSADOU should enhance their cybersecurity measures to ensure the safety and protection of their data. The company should consider implementing advanced security technologies such as firewalls, -

## RECOMMENDATIONS

-encryption, and intrusion detection systems. Additionally, they should establish protocols for incident response and disaster recovery.

- Utilize industry best practices: ALSADOU should look to industry best practices for managing risks in E-marketing. This can include following guidelines from reputable organizations such as the International Organization for Standardization (ISO) or the National Institute of Standards and Technology (NIST). Implementing these practices can help to ensure that the company is following established standards and best practices.
- Allocate adequate resources for risk management: ALSADOU should allocate adequate resources, both financial and human, for managing risks associated with E-marketing activities. This can include investing in cybersecurity technologies, hiring qualified professionals to manage risks, and providing ongoing training and support for employees involved in E-marketing activities.

By implementing these recommendations, ALSADOU can effectively manage the risks associated with E-marketing activities and enhance the success of their organization.

## CONCLOUSION

This research aimed to identify the significant risks and challenges faced by Alsadou, an E-marketing startup company, and examine the decision-making processes used to mitigate these risks. Through a qualitative approach and a survey with employees, it was found that digital advertising, content marketing, email marketing, and social media marketing each have unique risks. Decision-making processes such as risk assessment, risk mitigation, and continuous monitoring were found to be effective in mitigating these risks. However, organizational culture and employee awareness were also found to play a crucial role in risk management. Overall, this research contributes to a better understanding of the risks and challenges faced by e-marketing startups, and provides recommendations for effective risk management practices.



**Special thanks to ALSADOU  
management, teams, contractors for  
their valuable contribution during this  
research**

**CEO Faris H. Al Motrif**

## REFERENCES

- 1- (Bala and Verma, 2018). A Critical Review of Digital Marketing. International Journal of Management, IT & Engineering, 8(10), 321–339.
- 2- (Alalwan et al., 2016) E-marketing in developing countries: A framework for SMEs. Journal of Small Business and Enterprise Development, 23(4), 1042-1064.
- 3- (Al-Debei et al., 2013) Towards a contingency approach to E-marketing: A classification of e-marketing risks. Journal of Business Research, 66(9), 1219-1227.
- 4- (Alalwan et al., 2019) The impact of social media marketing on customer loyalty: An empirical study on Jordanian E-marketing sector. Journal of Relationship Marketing, 18(3), 262-281.
- 5- (Simon Kingsnorth, 2016) 3<sup>rd</sup> edition Digital Marketing Strategy, An integrated approach to online marketing.
- 6- (Chaffey et al., 2019). Digital marketing. Pearson.
- 7- (Wu and Wang, 2019). An Empirical Study of the Risk Management Practices and Performance of E-Marketing Startups. International Journal of Marketing Studies, 11(2), 1-11.
- 8- (Kshetri, 2018). Blockchain's roles in meeting key supply chain management objectives. International Journal of Information Management, 39, 80-89.
- 9- (Godey et al., 2016). Social media marketing efforts of luxury brands: Influence on brand equity and consumer behavior. Journal of Business Research, 69(12), 5833-5841.
- 10- (Wamba & Akter, 2018). Big data analytics in e-commerce: A systematic review and agenda for future research. Electronic Markets, 28(3), 269-293.
- 11- (Ghazi Al-Weshah, 2020) E-Marketing Practices from Jordanian Tourism Agencies Perspectives: A Qualitative Evidence.
- 12- (Al-Qirim, N. A. Y., 2011) Electronic commerce adoption: An empirical study of small and medium US businesses. Journal of Enterprise Information Management, 24(4), 357-375.