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**Assessment of the Palestinian Market**  
**to Adapt E-Commerce**

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# Assessment of the Palestinian Market to Adapt E-Commerce.

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## **ACKNOWLEDGEMENT**

In the name of God the Most gracious the most merciful and prayers and peace upon his noble Prophet Mohammad, at the end of this thesis, I would like to take some time to thank all the people without whom this project would never have been possible. Although it is just my name on the cover, many people have contributed to the research in their own particular way and for that I want to give them special thanks. First, I give thanks to God for protection and ability to do work. Special mention goes to my enthusiastic supervisor Dr. Ahmad Sadaqa, his challenges brought this work towards a completion. And the Faculty of high studies at the Arab American University for making it possible for me to study here I give deep thanks to the Professors and lecturers at the strategic planning and fund-raising program. I would like also to express my deepest gratitude to my family and friends. This thesis would not have been possible without their warm love, continued patience, and endless support.

## **DEDICATION**

To the teacher and the Master of Creation, to the illiterate who taught the learners our

Master (Muhammad), peace and blessings of God be upon him.

To my beloved mother & dad.

Who taught me the alphabet of joy... and who was a symbol of my happiness.

To my dear wife & my daughter (Farah)

Who filled my life with pleasure and hope and happiness.

To you all I dedicate this.

**Omar W. Shabana**

## ABSTRACT

The rapid development of e-commerce and its spread in global markets has increased the importance of having a strategic plan to control this trade and to direct it to the right path to obtain the best use of it and to avoid its risks

This study aims to analyse the reality of the Palestinian market and its readiness concerning e-commerce in terms of the availability of the appropriate infrastructure and supporting factors for it, this could be done by analysing the social, political, legal, economic and technological environment in the Palestinian market.

Interviews were held with merchants and officials in government and private sectors related to e-commerce. A questionnaire was also distributed to a sample of people. The aim of these interviews and the questionnaire is to reach results on the reality of e-commerce in Palestine

The absence of the will of the state to develop electronic commerce, the lack of laws that protect customers and merchants, and the lack of an advanced electronic payment system that facilitates and regulates the payment of all these factors negatively affected the trust of the Palestinian community in electronic commerce and as a result, the demand for this trade will remain weak.

Through this research it was found that increasing the Palestinian community's confidence in electronic commerce is through increasing their awareness of this trade and providing the necessary infrastructure for it, such as legislation protecting the consumer and developing logistic services and electronic payment systems

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# CHAPTER 1

## GENERAL FRAMEWORK

### 1.1. Introduction

In 2019, retail e-commerce sales worldwide amounted to 3.53 trillion US dollars and e-retail revenues are projected to grow to 6.54 trillion US dollars in 2022. Online shopping is one of the most popular online activities worldwide. (J.Clement, 2020)

The growth rate of Chinese GDP from year 2012 – 2016 was 7.9%, 7.8%, 7.3%, 6.9%, 6.7%, respectively due to increase in e-commerce activity and SMEs encouragement policy, (YI, 2017)

These figures and facts emphasize the importance of e-commerce in the global market and its important role in changing economies of large countries around the world, such as China and the United States.

What distinguishes e-commerce is the ease of use and the low operational cost compared to traditional trade, so it's noticed that most of large commercial companies have started to create e-commerce websites for their work, and in some cases, some of these companies have transformed all their commercial activity into e-commerce.

Nevertheless, e-commerce is not riskless, the existence of a clear strategic plane to control and develop this commerce will help to mitigate its risks and to increase economic growth.

Like the rest of the world, the Palestinian market also affected by e-commerce, it's noticed in the last few years the spread of Palestinian e-commerce sites and pages and it's increased day by day. Despite their smallness and lack of experience in this field, some of Palestinian e-commerce sites have achieved remarkable success, this matter considered as

an indication of the importance of having a country-level strategy to develop this commerce and to achieve goals that have a positive impact on the Palestinian economy.

the necessary data for this research will be collected Through interviews with all stakeholders related to e-commerce, whether they are merchants or government officials or from the private sector, the other source of data is by distributing a questionnaire to a sample of the Palestinian population, and then this data will be analyzed to get out conclusions help to understand the degree of the suitability of the Palestinian market for e-commerce.

## **1.2. Research Problem**

What distinguishes this research is its scarcity, as e-commerce in the Palestinian market is still in its infancy, and no studies have been done covering this subject. On the other hand, it has not yet been a strategic plan for the government to develop this trade, which makes this research and other similar research as a reference that can be used when the government starts planning a strategy to develop this trade.

The research problem is, does the environment of the Palestinian economy and market have the needed infrastructure that suite e-commerce?

## **1.3. Objective of The Study**

This research aim to evaluate the suitability of the Palestinian market environment regarding e-commerce requirements, which include the evaluation of the social, political, legal, economic, and technological factors .

#### **1.4. Significance of The study**

What distinguishes this research is that it was prepared at a time when e-commerce has become a global trend and its importance is increasing day by day, so it is through the research results it will be possible to assess what are the capabilities available in the Palestinian market for e-commerce. Also, because the topic is new to the Palestinian market and studies and research related to this topic are very rare and almost non-existent, this field study will provide important information on e-commerce, which can be used to do research and studies on the topic in the future and help in providing proposals that would develop this trade and benefit from it as much as possible.

#### **1.5. Research Questions**

The main question for this research is: **Does the Palestinian market environment suitable for e-commerce?**

An analysis of this environment will be done with the factors affecting it to answer this question. In addition, after completing the research, the sub-questions will be answered.

1. What is the degree of suitability of the social environment for electronic commerce?
2. What is the degree of suitability of the political environment for electronic commerce?
3. What is the degree of suitability of the legal environment for electronic commerce?
4. What is the degree of involvement of Palestinian economy in e-economy?
5. Is technology available for e-commerce?

## 1.6. Definition of Terms

3G	the third generation of wireless mobile telecommunications technology
4G	the fourth generation of wireless mobile telecommunications technology
B2B	business-to-business
B2C	business-to-consumer
B2G	business-to-government
C2C	consumer-to-consumer
ICT	information and communications technology
IT	information technology
SME	small and medium-sized enterprise
UNCTAD	United Nations Conference on Trade and Development
UNESCO	United Nations Educational, Scientific and Cultural Organization
VAT	value-added tax
SLEPT	social, legal, economic, political and technological
EB	electronic business
EC	electronic commerce
PCs	personal computers
ICTPR	ICT Policy Review

## **CHAPTER 2**

### **Theoretical framework**

#### **2.1. Introduction**

As a result of the massive advancement in information and communication technology (ICT) such as internet and technology devices, human life become more and more electronically administrated, so much so that it has reached all of the life activities, such as education, work, entertainment, social interaction, and even eating and drinking. At present, the technologically developed countries have an important position among the great powers, for example, Japan considered one of the most important developed countries as a result of the advancement of the Japanese ICT sector. Also, the more citizens of these countries engage in technological life, the easier their lives will be.

Business is also affected by technological development, so we can see new strategies, models, and theories in the world of economy and business as a result of this development.

#### **2.2. E-business and E-commerce**

E-business (EB) could be defined as using ICT in running, administrating and controlling business activities which include trading (buying and selling), communications with stockholders, market analysis and surveys, and development of products (Chaffey, 2009)

Another similar definition for e-business is: using electronic devices like computers, mobiles, and internet networks to communicate stakeholders inside the organization, or to conduct activities aim to increase profitability for the organizations like advertising, marketing, buying, selling, also to collect information about markets and customers to analyze market and evaluate performance management to take strategic decisions (Richard, 2008)

As we see from the previous definitions, the main idea of e-business is to use ICT in business activities, and since commerce is part of the business, e-commerce considered as part of e-business.

## **E-commerce (EC)**

Turban defines E-commerce (EC) as the process of buying and selling goods or services using the internet, this process may include ordering and payment for the goods electronically and sometimes the delivery of these goods electronically for the types that can be transferred such as music, movies or electronic games.

EC could be classified depending on the degree of involvement of digitalization in the main commerce stages, table 1 illustrates these classifications as follows, The first classification is purely e-commerce, and in this classification, all stages of commerce are done digitally where the goods are displayed, purchased , paid and delivered digitally, the second classification is partially EC which mean using digital means in some of the commerce stages, and the last category is non-EC which refer to the traditional shape of trading where all stages are conducted physically. (Efraim, King, & Jae, 2015)

Table 1 Classification of e-commerce

Activity	1	2	3	4	5	6	7	8
Order , payment	P	D	D	D	D	P	P	P
Order fulfilment	P	D	D	P	P	D	P	D
Delivery (shipment)	P	D	P	P	D	D	D	D
Classification of EC	<b>Non-EC</b>	<b>Pure EC</b>	<b>Partial EC</b>					
Legend : P physical, D digital								

(Efraim, King, & Jae, 2015)

There is a similarity in defining e-commerce and e-business between authors, some consider EC is the same as EB and vice versa and some differences between them.

Djan defines e-commerce and e-business as follows:

E-commerce: is the process of business trading with other business and formulation of internal processes using ITC, which means e-commerce is not only doing online shopping but also communicating with other business and stakeholder electronically.

E-business: e-business is more concerned with the transformation of the business key process through using of internet technologies (Ohene-dejan & James, 2008)

Watson broadens the definition of e-commerce to be similar to e-business definition. E-commerce is more than ordering online products, its includes all the organization interacts with its stakeholders electronically (Richard, 2008) .

### **2.3. Types of e-commerce**

Types of e-commerce can be divided according to the parties involved in this commerce, these parties could be customers, traders (business) and government.

Types are as follows: -

- 1- Business to consumers ( B2C): which mean that the process of trading or transaction is between business (sellers) and customers ( buyer or end-users) where the business display its products on online store and consumers order these products and complete the payment against it and the buyer make the delivery (Shakur, 2011)
- 2- Business to business (B2B): which mean the transaction is between business (seller) and another business (buyer) (Shakur, 2011)
- 3- Consumer to consumer (C2C): when consumers (not a company) sells product to another consumer (Chaffey, 2009)

4- Business to Government ( B2G): when governments institutions or agencies use web automated service to do their procurement process, for example, the request for proposals are posted online (Barry, 2015) (Chaffey, 2009)

The most common type is B2C and the most common platform for this kind is Amazon which most of the seller are retailers and buyers are consumers, B2B such Dell which sells computers parts to its agents, and C2C such as eBay.

## **2.4. History and Development of E-commerce**

The Internet revolution is the major milestone in e-commerce development, in the 90s the world wide web appeared and the internet became commercialized after it was limited to military purposes this transformation gives opportunities to companies in developed countries to have a presence on the web and to promote their products using text and photos

In 1999 e-commerce shifted, where at first the EC exchange was confined between business and customers (B2C), and then there was a new type of activity between businesses where exchange between companies became common, also new types of EC appear such as E-learning and E-government

In 2009 Social networks entered EC activities, as this network starts to have attention from internet users, some business and individuals start using social networks such as Facebook and Twitter to promote their products, e-commerce activities on this networks increases since 2009 until today (Efraim, King, & Jae, 2015)

The increase in the number of users of e-commerce, whether they are individual consumers or Business Shows that this trade is achieving great success and generate profits for companies using it, this success came after a break down at the first wave of e-commerce which was in the period 1997-2002, where it's almost died right then. But after that, there was a second wave or re-birth of e-commerce and this time it was successful. (Ohene-dejan & James, 2008).

The differences between the two waves and what was the reasons for the failure in the first wave is shown in the table below 2

Table 2 the differences between the first wave and the second wave

First wave (1997-2002)	Second wave (2003-2008)
e-commerce websites or platforms were largely limited for American (USA) companies, as a result, the used language in EC platforms was only English because of dominant of American companies on the global markets, this causes limitations to make e-commerce global	Global companies start using e-commerce, the dominance of US companies decreased and new languages used
Internet services were slow and not convenient for customers where they have to wait a lot of time to buy products	Internet becomes much faster and more convenient for users; this leads to an increase in EC users
Unstructured use of e-mail service and there was manual filtering for customers e-mails which needs to hire employees to read all emails and send e-mails back to customers and this cost time and money	Customized structured email integral with customers contacts, business starts using email to build a relationship with customers, where automatic e-mails sent to customers in a timely manner
Business totally depended on advertising as the source of revenue with no other source	Found new advertising strategies integrated with e-commerce activities
A lot of companies starts e-commerce with outside investors who didn't understand the business process and how to improve it with e-commerce technology, they were emphasizing on how this business will reduce costs but they didn't think of how this business will produce revenue	e-commerce established with business owners money and capital with emphasizing on how they will generate revenue from e-commerce

(Ohene-dejan & James, 2008)

Now day's e-commerce sales represent 14.1% from the retail sales worldwide with amount of 3.535 trillion USD, the figure below show the growth of e-commerce during the last 2 years and the estimated growth for the next 4 years

### **Retail Ecommerce Sales Worldwide, 2017-2023** trillions, % change and % of total retail sales

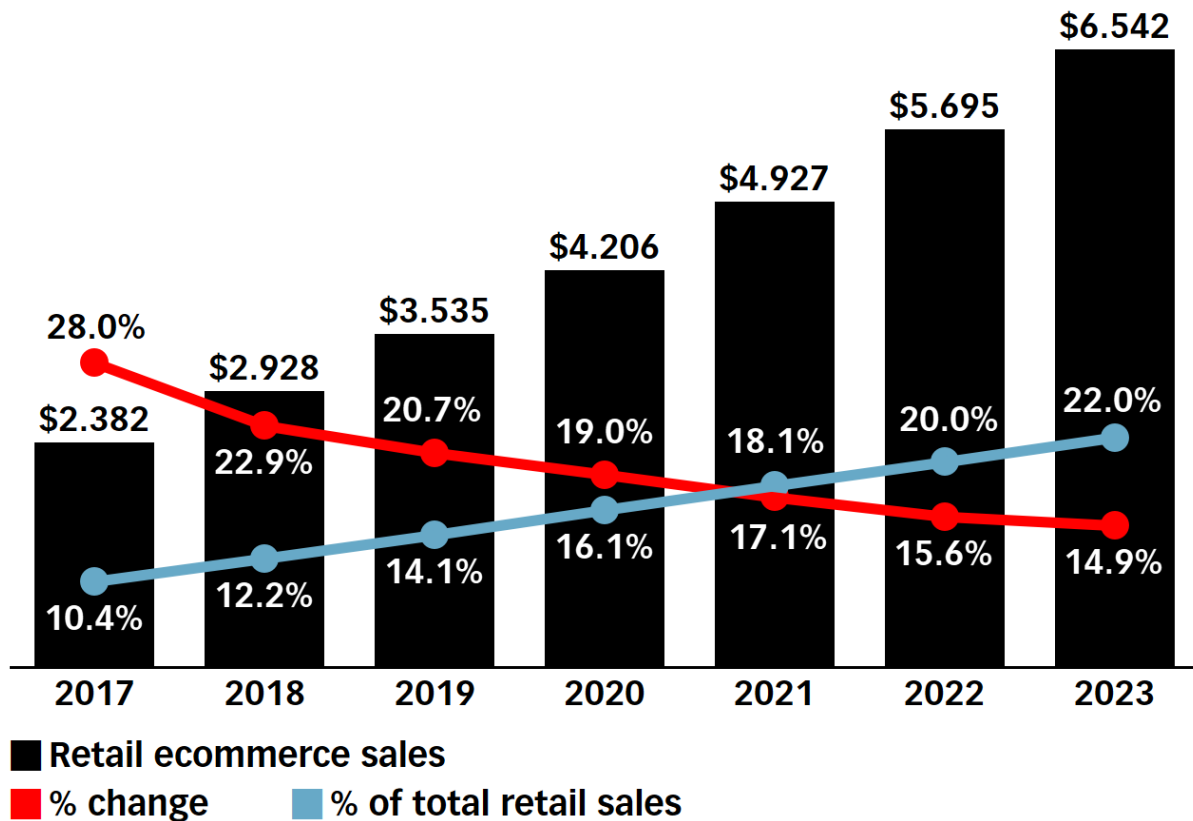


Figure 1 Retail Ecommerce sales worldwide. (Lipsman, 2019).

## 2.5. Importance of E-commerce

The high demand for e-commerce, whether by customers or by commercial companies, has made this trade of obvious importance to the economy of countries and commercial companies as well as customers.

Regardless of the degree of involvement of the business into the electronic applications in their work which come under the E-commerce banner, electronic networks give business

the ability to enhance, improve, transform, and re-invent its process with more efficient and effective way (Shakur, 2011)

The great advancement of IT is creating new models and strategies for business in running their daily activities whether these activities internally with their employees or externally with their customers and agents, the new models enabled the business to do the following:

- 1- Greater focusing on consumers: is one of the most important things that companies compete for.
- 2- Product customization: sometimes products are customized for a group of people or for one person which creates competitive advantage for businesses.
- 3- Improving customers services: getting immediate feedback from customers at the real-time and getting immediate response for customers complaint or inquiries will improve the customer service quality, also conducting surveys is much easier and this will help business to evaluate their products or services and make the needed improvements
- 4- Entering the global stage ( globalization ): business starts thinking globally rather than on the local level due to the possibility of getting to global markets easily using the internet
- 5- Redefinition of business functions and paradigms for product, services, delivery, support, and pricing

Because the cost of establishing e-commerce platforms for the business is not too costly and not risky, e-commerce gives a chance for small and medium business (SMEs) to enter the markets with more competitive capabilities and benefits, also large companies benefit from e-commerce as well, these benefits could be tangible either intangible.

The tangible benefits mainly in increasing revenue and reducing costs by:

- Increasing revenue by opening new markets, attracting new customers and increasing loyalty.
- Cost reduction in marketing by reducing expenses on printings when using online marketing and advertising. Also saving time and effort in customer service and making online sales.
- Saving time and efforts in the administrative tasks internally like HR tasks and organizing sales and orders.

### **Intangible Benefits**

- Improving customer services with using online technologies and getting feedback from customers immediately.
- Brand enhancement with improving customer services and online marketing strategy.
- Increasing efficient communications between stakeholders.

All these benefits will increase competitive advantage for the organizations locally and globally (Chaffey, 2009)

Kuz in his book list the advantages and disadvantages of e-commerce for customers and business.

### **Advantages and Benefits for Customers are: -**

- It provides more flexibility in shopping time because e-markets are always available and easily reachable for customers all the time, so it saves time and efforts
- Shopping could be done anywhere with no need to visit the shop
- More options to choose from, since these markets are globally opened so shopping will have more option and much customized

- E-commerce provides more opportunities for new start-ups business to enter the market and that will increase competition which in turns drive business to offer lower prices and better quality for customers .

### **For Business**

- Increasing customers' loyalty, e-commerce help business to improve their customers' services which will increase customers loyalty
- Improving communication with customers and getting feedback directly from them.
- Opportunities to enter new global markets.
- Saving money with no need to pay for intermediaries since there is direct communication with customers (Kuz, 2016).

## **2.6. Disadvantages of E-commerce**

### **For Customers**

- Security risks like data hacking and theft of information, It is meant to hack the e-commerce pages and steal credit card information for shoppers
- Identifying theft (Impersonating shoppers and doing illegal acts in their name)
- Fraud ( for example not delivering the goods for customers, Create e-sale sites for fake companies)

### **For Business**

- The high cost of logistics (the delivery of goods cost)
- Increasing competition from cross-borders and local business (Kuz, 2016).

## 2.7. Risks of E-commerce

Despite e-commerce positive effects it has had on the economies of many major countries, it is not without risks and negative effects on traditional trade.

Forever 21 filed for bankruptcy and restructuring the company in light of the change in the tastes of customers, especially young people, in addition to the large expansion that the company has done through the opening of branches around the world, which placed a huge burden on the company to pay operating and management expenses of these branches.

One of the most important factors that have changed the taste of the company's customers is the tendency of these young customers to buy online, in a survey conducted in March 2019 shows that 60% of young people and teenagers prefer the method of e-shopping rather than the traditional way by visiting stores physically. The company found that the management of its website to sell its clothes electronically cost less than running many branches spread all over the world and achieve the same sales rate at a time the Internet service spread all over the world and the demand for e-shopping is increasing significantly (Kim & Wang, 2019)

Also, the risks of e-commerce threaten customers, the most important threats are

- 1- In some countries the absence of a law that protects the rights of customers in cases of fraud, for example, the specifications of goods do not match what is displayed on the websites of the purchase
- 2- Another important threat is the possibility of credit card information being stolen, there are Internet hackers who target e-commerce websites to steal the personal information's and numbers of the credit cards, which is filled by shoppers during their e-shopping process.

In an article published by the Middle East Business magazine titled “what are the risks of online shopping”, where the focus was on the risks of theft of credit card information

during the purchase. According to the article, the process of electronic payment using credit cards is the most common way among customers where 75% of them used their credit cards to pay for their purchases through electronic sales sites, in the second place comes the method of payment on delivery, especially in the Arab region, the reason for this is the lack of confidence of customers in electronic shopping.

Also the report mention that there is a study conducted by Kaspersky Lab Company regarding online financial transactions during the festive season. The study showed that 46% of the surveyed people most concern is that criminals have access to their bank credentials, at the same time, 49% did not remember which websites they shared their financial statements on, Also in this study, 21% of people whose data fell into the wrong hands could not recover their stolen money. (Middle East Business Magazine, 2019).

## **2.8. E-commerce Environment**

Looking at the countries that have achieved remarkable development in the field of e-commerce such as the United States, the United Kingdom, and Canada, we find that these countries have created a suitable environment for this trade through a policy that focuses on the sustainability of this type of trade and create an inherent electronic economic environment

To create this environment three things must be applied

- 1- Market environment: Developing technological skills for citizens by introducing them as part of educational curricula, encouraging investment in the technological field, and providing internet service at low prices.
- 2- Creating an appropriate political and legal environment: Providing political support through the support provided by government institutions and legislation laws that regulate this trader

3- Infrastructure: Providing advanced technology capabilities such as broadband and internet services (Booz, Allen, & Hamilton, 2002`)

A key factor in successful e-commerce strategy is the strategic agility to the environment which mean in this case the ability of the organization strategies to adapt customers' needs and to create new competitive advantages

To implement a strategy for e-commerce at the state level, it is necessary to assess factors of the macro-economic environment to know the strengths and weaknesses and what are the challenges and risks. The SLEPT framework (social, legal, economic, political, technological) is used to examine the E-commerce environment at the macroeconomy level (Chaffey, 2009).

**Social:**

One of the key things, in order to achieve progress in the field of e-commerce, is to increase the demand for this type of commerce, this means to increase the number of e-commerce users weather they were customers or merchants (business), and they are, of course, members of the community.

to achieve this goal, we must create a culture of individuals commensurate with the nature of this trade, for example developing their English, because most of the websites use English language, on the hand increasing their confidence in this trade by providing a suitable trusted e-commerce environment, the more they trust, the greater their use, confidence could be achieved by increasing awareness, experience and knowledge which is achieved through training and practice, for example when there is a secure e-payment system and the users of e-commerce aware about this system this will increase their confidence, (Cominetti, 2002)

Understanding customers' behavior in using technology helps determine what motivates them to use it, and what keeps them away from it, Chaffey point out barriers that keep individual customers from using technology in their purchases or business

- 1- Cost of access to the internet whether this cost of the internet service or cost of the devices such as computers and smartphones
- 2- value proposition: consumers must have a reason to use online purchasing, which can be purchased from internet offer that the traditional way cannot offer
- 3- ease of use: using internet need to be easy for customers
- 4- Security: the lack of trust of using online shopping, and the fear of using personal information and credit card information
- 5- Fear of the unknown: the fear of new technology and stories about fraud issues increases the fear of using the online shopping

*“Using the internet and ICTs in education seems to be a significant driver of citizens’ confidence in their own skills. Several governments, notably Italy and France, have attempted to tackle the skill issue later in life through a range of courses in computer skills.” (Chaffey, 2009)*

The number of online shoppers is increasing around the world, researches on consumer’s behaviour suggest the relationship between frequency of purchase times and purchase value is directly proportional to consumer confidence in purchasing using the internet (Chaffey, 2009)

For business the degree of e-commerce involvement in large companies is much more than small and medium companies, The failure of companies to adopt the strategy of e-commerce and not keep pace with technological development in the work will cause high risks that may lead to bankruptcy, therefore, these companies must be aware of the

importance to have the needed resources to keep up with these changes in working methods. (Chaffey, 2009)

Risk and reward principle which means what the effect of not using e-commerce in business. This principle could be used by companies to measure the need of using e-commerce in their business

- 1- Revenue: Does using e-commerce increase profits?
- 2- Reputation: if the business is not available online (not using e-commerce) does this affect its reputation negatively
- 3- Strategic importance: what is the impact of not being on the web (King, 2005).

### **Legal Environment**

Any country wants to develop E-commerce in its region, laws, and regulations must exist to control this commerce to protect consumers and retailers. For example, in Germany, there are many laws relevant to E-commerce such as:

- 1- Privacy protection laws: which protect consumer's data on the web such as personal information and financial information like credit cards number or bank account numbers.
- 2- Signature law: Any approval that is confirmed by one of the technology means, such as e-mail, is considered official approval and effective.
- 3- Contracting laws: which means the approval on contract of buying and selling through the internet is bound to all parties.

In e-commerce related laws, there is a free selection of choosing which law should be applied but there are some laws that could not be revoked, like the laws that protect consumers inside the country (Kuz, 2016)

Providing the right legal environment for e-commerce is a challenge. The reason for this is that e-commerce sometimes happens between parties from different countries. Therefore, the law governing this relationship must be clear to both parties to protect their rights regardless of location, therefore, companies must be aware of the legal aspects to avoid legal problems with customers. The legal environment for e-commerce should provide protection to customers and vendors in cases of fraud, and should also provide protection for intellectual rights and ensure the protection of privacy and freedom of expression. (Efraim, King, & Jae, 2015)

The most important areas that should be legally covered are:

- 1- The privacy of data and information provided by consumers to the retailers, this could be personal information like address, credit card numbers and preferences, and who takes the responsibility for leaking this information.
- 2- The registration of the domain name on the web means that an organization or individual must not use a domain used by another organization or individual, also using a trademark for another company must be under the legal approvals.
- 3- The electronic contract: the contract on e-commerce must have all the needed content and to be easily accessible and clear for all consumers and contain the following information:
  - a- The company identity and address
  - b- The main features of goods
  - c- All costs like taxes and delivery costs.
  - d- The price offer validation
  - e- The cancelation terms

After approving the contract between all parties, an email confirmation from the supplier or seller to consumers or buyers is considered as a copy of the contract. Also, taxation law

must be changed to be compatible with e-commerce which makes the government able to collect taxes from products entering its borders. (Kuz, 2016).

### **Political Factor**

The political role of developing e-commerce is the responsibility of the state and its affiliated institutions

The role of the state is to build a system that supports e-commerce in coordination with the private sector through the following matters

- 1- Providing universal access to the Internet and eliminating all things that prevent it.
- 2- Encourage investment in the fields of technology to serve the development of e-commerce.
- 3- Providing the necessary human resources to develop e-commerce by improving university education curricula as well as at the basic stage in schools to increase knowledge in the new generations of technology.
- 4- Coordinate with the private sector to form a system and a clear plan to develop the appropriate environment for electronic commerce
- 5- The broad headline of these matters is that the government must have the willingness to develop e-commerce through a well and supported plan. (Cominetti, 2002)

Another role of the government is to promote e-commerce benefits for all citizens and businesses. Also helping the organization for compliance with legalization and encouraging them to adopt e-commerce in their business by giving them facilities in taxes and formal procedures. We do not want to forget the role of the state in protecting its economy from the dangers of e-commerce, one of the protection procedures by protecting the internal trade from the dangers of e-shopping from foreign countries this could be done

by applying tax and customs regulations on e-commerce transaction from foreign countries.

Here some examples for the roles of the governmental organization in promoting and regulating e-commerce from the European Union

- The EC Information Society initiative

([http://europa.eu.int/information\\_society/index\\_en.htm](http://europa.eu.int/information_society/index_en.htm)) which was established in 1998, the purpose of this initiative is to increase social awareness of information technology and encourage them to use it in their life

- UNESCO (the United Nations Educational, Scientific and Cultural Organization) also have activities in society in less developed countries (Chaffey, 2009).

### **Economical Factor**

E-commerce is directly related to the country economic environment, international companies when setting e-commerce strategies, they targeted the economies that have a healthy environment for e-commerce (Chaffey, 2009)

### **E-economy**

E-economy Defined as the interaction between citizens, business, and government using dynamic system which depends on technological methods to achieve social and economic benefits,

Booz, Allen, and Hamilton (2002) prepare a framework for assessing country progress towards e-economics, this framework was developed by them upon the request of the British government to provide an assessment of UK e-commerce environment and to explain why some countries achieved superior performance in e-commerce, and what the best practice to develop e-commerce is? This framework indicates that the main

stakeholders in the e-economy are the citizens, government and business, the communication between these stakeholders depends on technology to reach mutual benefits.

E-economy has four major layers (the environment, readiness, uptake and use, and impact)

1- The environment: describes the ability of the economy to uptake e-commerce activities, or as Booz and Allen and Hamilton describes it as, the fertility of the economic environment for e-commerce. E-economy environment includes three layers :

a- The market: The market to be fertile needs to have the knowledge and the skills in IT services and technology, with a low cost of access to e-commerce technology and encouraging investments.

b- Political and regulatory environment: the existence of laws and regulations related to e-commerce and the degree of the political leadership to support e-commerce. These steps are the responsibility of the government to create a suitable environment through organizational work within three options:

- The first: creating a specialized cross-governmental organization within the cabinet officer.
- The second: creating a specialized organization within the treasury and ministry of finance.
- The third: dividing the responsibility across several departments by giving the e-commerce policy to the ministry of industry and the role of e-government policy to the ministry of interior.

c- Infrastructure: the availability and the quality of e-commerce infrastructure, the quality of internet service broadband and all related infrastructure for e-commerce like technology, laws and regulations, logistics, and economic environment

2- Readiness: when country economy stakeholders have the ability and the needed qualifications to take advantage of using technology in the economy and market, this qualifications contains human resource skills and the technological devices to use it in e-commerce, the devices could be PCs and laptops and smartphones.

Governments policies is the main factor to improve the level of readiness for economy stakeholders, for citizen when government includes ICT Study materials in the curriculum in schools and universities, this will make student skilled in using IT technology, also decreasing the cost of technology on the citizens by reducing costs of IT devices such as PCs, smartphones or any other device and reducing cost of the internet services.

When citizens become trained and have the knowledge of using IT technology and devices this will benefit for business as well, so they will have qualified trained employees in IT, also cost reduction of IT technology will benefit business and make it possible for them to use it in their work.

3- Uptake and use: this means the scope of using online services in e-commerce. For citizens, the rang of using e-commerce starts from surfing and using email until buying goods, for business and government the scope of using e-commerce starts from the publication of their websites until using it in managing their institutions internally and externally.

4- Impact: the degree of changes in citizens and business and government behavior as a result of using online services and technology in their lives (Booz, Allen, & Hamilton, 2002`)

The Figure Below Summarizes the framework.



Figure 2 Booz Allen e-economy framework (Booz, Allen, & Hamilton, 2002')

## **Technological Factor**

Regarding the technological aspect, the definition of electronic commerce is based on the presence of the technological factor in it, e-commerce: is a process of transformation business procedures using technological means, the process of transformation is not limited to the process of buying and selling, but rather that its include communication with stakeholders and to make to financial transfers, whether from customers or suppliers.

Therefore, internet technology and e-payment technology are required to complete the e-commerce process. (Richard, 2008)

In the revolution of e-commerce in China, one of the most important factors that contributed to the spread and success of e-commerce in China was the use of modern technology, this technology is:

- 1- Smart mobile phones
- 2- The fourth generation in Chinese telecom companies
- 3- An advanced and reliable e-payment system

The presence of smartphone technology and the existence of the fourth-generation service increase number of e-commerce users and increase their activity, in addition to that, the presence of technology and e-payment system that could accept payment from most of the world countries make it easier for China to enter into global markets (Choi & Liu, 2015).

## **2.9. E-commerce and Social media**

One of the e-commerce channels is social media stores or platforms we see it spread on social media such as Facebook, Twitter, and Instagram, despite this e-commerce model is still not spread as e-commerce marketplace platforms but it's developing and become more common. The distinctive thing about social media e-commerce platforms is that social media is the most used website among people, and consumers usually make a buy decision

after they knew about this product from someone they know, and that's what happens in social media.

Social media is very popular around the world and is becoming the new e-commerce marketplace, for business using social media in e-commerce could be either in advertising or promoting products or to selling their products directly from platform, for that reason Facebook and Instagram make some new options for customers to be able to buy directly without leaving social media page or application, for example, the option buy now or order now when displaying products.

Here some statistics for social media platforms effect on e-commerce

- 87% of customers say that social media help them decide what to buy
- 90% of followers try to reach out brands via social media
- Social network advertising revenue was about 41 billion in 2017. (Singh, 2018).

## **2.10. E-commerce Facts and Figures**

Business.com website introduces the biggest countries in the e-commerce market as follows: -

China

Today China is the biggest e-commerce market and the fastest-growing markets with 35% annual growth, annual online sales 670 billion USD with a 15.9% share of total retail sales.

Ali Baba is and Tmall is the most famous e-commerce platforms located in China.

United States

It is the second country in e-commerce which comes after china with annual sales 340 billion USD, e-commerce share of total retail sales was about 7.5%.

The following list is for the leading countries in e-commerce around the world

Table 3 leading countries in e-commerce and size of e-commerce sales

<b>Country</b>	<b>e-commerce annual sales / billion</b>	<b>Ecommerce share of total retail sales</b>
United Kingdom	99	14.5%
Japan	79	5.4%
Germany	73	8.4%
France	43	5.1%
South Korea	37	9.8%
Canada	30	5.7%
Russia	20	2 %
brazil	19	2.8%

(Edquid, 2017)

## **2.11. E-Commerce in Palestine**

As it was described in the previous chapter, the evaluation of the market environment fertility to adapt e-commerce strategy by evaluating the social environment for customers, business and the government which they are the main stakeholders and Availability of appropriate legal infrastructure and logistical services is the first step in the process of a strategic approach to the development of e-commerce

In this research, the SLEPT framework is used to evaluate the Palestinian market which will cover all of the needed factors that determine the market fertility for e-commerce.

### **E-commerce in Palestine**

E-commerce in the Palestinian market is still in its first stages, according to the Palestinian Central Bureau of Statistics in 2014, 0.4 % of the Palestinian uses e-commerce in its simple definition which means buying and selling products (The Palestinian Central Bureau of Statistics, 2014)

Al-Hayat Aljadeda journal has published a report prepared by the journalist Bara' Musleh on e-commerce in Palestine in April 2018, which the journalist interviewed some of the

traders and customers and some officials in institutions related to e-commerce. The conclusion of the report that e-commerce in Palestine considered as promising market despite its still not controlled by-laws to protect the consumers as the General Manager of Consumer Protection in Palestine Mr. Ibrahim Al-Qadi said but there is Work is currently underway to establish a Palestinian system for e-commerce to protect the consumer, also Mr. Al-Qadi pinpoint that this kind of commerce could have some risks on the local commerce since most of the Palestinian e-commerce consumers dealing with global websites outside Palestine but it's still early to measure this effect. For traders, some of them support the idea of charging taxes on goods purchased online from other countries to protect the Palestinian local traders, and some of them didn't support the idea since they believe that e-commerce must be controlled by laws and regulations without charging any taxes because this commerce will be a benefit for consumers. (Musleh, 2018)

### **The Social Factor**

The Palestinian society is young, according to Palestinian bureau statistics in 2017, the Palestinian population distribution by age shows that 49.7% of ages are between 0-19-year-old and 31.2% are between 20-39 years old. 97% of the Palestinian could read and write, and 23% finished their high school, 14.2% have a bachelor degree or above. (The Palestinian Central Bureau of Statistics, 2017).

These statistics considered an important factor to increases chances for a successful e-commerce strategy because these young people are the users for e-commerce in the present time and the future, but it's important to consider the statistics about the using the internet in the Palestinian society, according to Palestinian bureau statistics in 2014, 53.7% of the individuals (more than 10 years) using internet and 39% of them have an email,

## **Legal Environment**

In June 15, 2017, the Palestinian Presidency Office approved Law No. 15 of 2017 on electronic transactions, which becomes effective after publication in local newspapers. In this law, the meaning of electronic transactions and electronic signature has been clarified. Thus, the electronic signature is binding on the contracting parties and entails responsibilities as in paper contracts and signature, Also, the electronic transactions within this law become binding for the parties if it was agreed that the transactions between them will be done through electronic means and this is through the documentation of this agreement by sending an e-mail stating the completion of the agreement. This law has been applied in the field of government through the provision of government services electronically, which follows the framework of automated transactions completed to save time and effort

Jamil Zagharneh the Director-General of the General Department of Information Systems at the Ministry of Communications stated in interview with Palestinian News and Info Agency WAFA on April-2019 (the electronic transaction law is not enough to cover e-commerce transactions because this type of commerce needs its laws and legislations that cover all its aspects. (Zagharneh, 2019)

In the absence of a law on e-commerce in the Palestinian legislation, and to know whether there are any measures taken by government institutions related to electronic commerce would control the increasing activity on electronic commerce in the Palestinian market, it was necessary to go to the Ministry of Finance -Customs and Excise Department and VAT and meet with the legal adviser to this department Mr. Saadeh Sawafta, where he talked about the procedures that began to follow to control this type of commerce as a result of the increasing number of people who deal with it and buying from countries outside Palestine, the Customs Department hire its employees in the area of mail delivery in Jericho, the mission of these officials is to examine the parcels that arrive to the Palestinian post and impose customs on the parcels that are high value. Currently, these parcels are evaluated based on the estimation of customs officials, They determine which parcels will be charged and which will not depending on their estimates that if the parcels are for trade or not, in

case they decide that this is for trade it will be charged customs duties, this decision (for trade or not) based on the quantity demanded. If the quantity exceeds personal use, it is considered for trade. The other criterion for evaluating packages is the price of the package if the price exceeds a certain limit, customs fees will be charged. But as mentioned earlier, these standards remain at customs employee's estimates. However, to regulate the issue of imposing customs duties and setting clear standards, the Customs and Excise Department of the Ministry of Finance is currently studying a draft amendment of the Customs Law of 1962 or maybe there will be a new draft law on customs.

The project will take into consideration the issue of customs on the parcels that are more than \$ 50, using the Jordanian experience in this subject, where they applied a special law to impose customs on postal parcels, which had a positive impact on the state treasury.

As for the local trade, it is assumed that every trader doing business by buying or selling through websites or web pages to open a tax file and pay their tax obligations, but the reality is completely different. And this is because of two things: -

The first is that the issue of tax evasion in Palestine is widespread, so the Tax Department gives priority to pursuing merchants who own shops and large companies. As for the owners of e-commerce sites, their number is much lower and the volume of their trade is much less than other traders, so they are ignored.

The other thing is that it is not easy for customs employees to reach these dealers because they do not have known addresses such as a shop or offices or a company, therefore, it will take time and effort to pursue them

Referring to the Jordanian taxation project, which will benefit from it when starting to develop the Palestinian law, in a press statement to the Jordanian Minister of Digital Economy and Entrepreneurship, Muthana Al-Gharaiba said that the decision to impose customs on e-commerce was aimed to equalizing trade between taxpayers and non-taxpayers and to protect the local traders.

Director-General of Jordan Customs, Maj. Gen. Abdul Majid Al-Rahamneh said about this decision "the government has responded to the demands of the commercial sector, by including

practical measures to protect Jordanian traders, sellers, and producers from consumers' reluctance to buy goods from local merchants and to purchase them from e-commerce platforms outside Jordan, causing them significant losses. According to the decision taken by the Jordanian government in this regard, an amount of 5 JOD will be collected for each parcel received by international mail if its value exceeds 50 JOD, noting that the buyer should notify this package through a customs platform, in the event of receipt of an unreported package on the platform, an amount of JOD 15 will be collected from the buyer as a fine for non-notification. (jo24.net, 2019).

### **Technological Environment**

The technological factor is the most important factor in e-commerce, where without the presence of technology there is no e-commerce. From e-commerce definition, we found that there's at least 50% of the e-commerce process is depending on technology.

In a report published in 2017 by the Palestinian ministry of telecommunications and information technology (MTIT) about the reality of the telecommunication and information technology in Palestine, It was noted that the telecommunications sector suffers from problems and complications caused by the Israeli occupation Procedures like controlling the frequencies and hardware's used in the telecommunication sector.

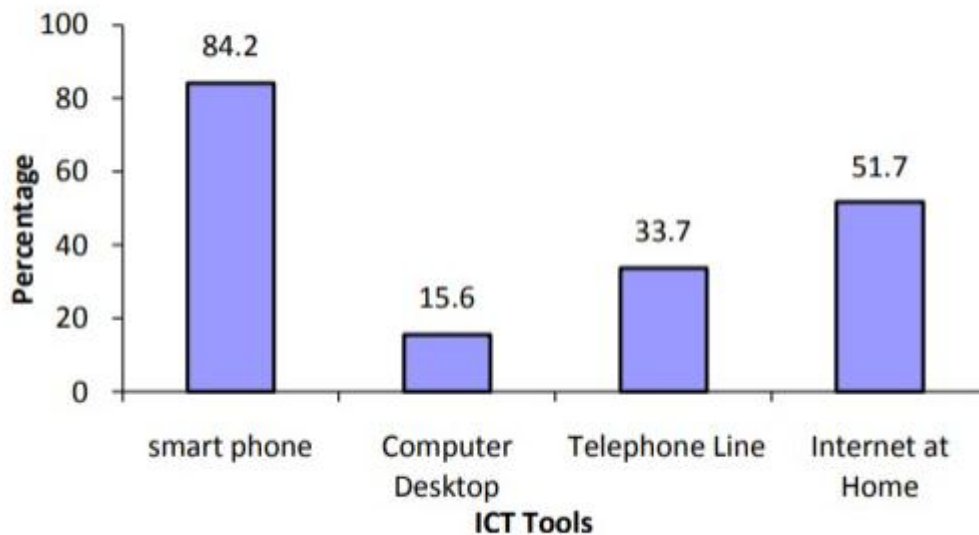
In the other hand the Palestine scored 6.2 on the ICT skills index which mean that there is a qualified environment for ICT usage and development especially if the 3G service starts to operate in Palestine (palestinian ministry of telecom and information technology, 2017)

Although there is a difficulty facing the ICT sector in Palestine but there is significant progress in ICT especially in the last 5 years especially after launching the 3g service in West bank and Gaza during 2018

The Palestinian information technology association (PITA), which represent 150 major ICT companies in Palestine and located in Ramallah. In 2018 PITA published a technical report after EXPOTECH technology week event between 24-27 September which summarize the reality of ICT sector in Palestine and highlighted the strength and weaknesses of this sector

The Palestinian ICT sector is growing rapidly in the last years with 25% market growth and an estimated market size of 500-638 million USD, with 250 ICT companies with 9200 employees, this sector contribution in GDP around 6% in 2014 and 2015. in 2018 the technological infrastructure in Palestine had a quantum leap by launching 3G service in West Bank and Gaza and the subscriptions for cellular phone lines increased by 31% from the year 2010 till 2017 and it increased after launching 3G. (PITA, 2018).

Statistics related ICT tools availability in households shows the following:-



*Figure 3 Percentage of household in Palestine by the availability of ICT tools at home (PITA, 2018)*

### **E-payment in Palestine**

Director of the Payment Systems Department in the Palestinian Monetary Authority Mr. Ryad Awwad says until the year 2018 there was a legal gap in E-payment system due to the lack of related laws that cover this subject, but in 2018 this matter was solved after Decree-Law No. (15) Of 2017 on electronic transactions by Palestinian authority Where Articles No. 27-31 states that E-payments methods are accepted by the Palestinian law, the

accepted methods and the legal implications for e- payment users was clarified. Also Mr. Awwad said that there are new licensing requests for four Palestinian companies specialized in providing electronic payment services and will soon be operating in the Palestinian territories (Awwad, 2019)

In a study about the (( Electronic Payment Systems, Risks, and Control Methods an Empirical Study on Bank of Palestine)) in the year 2010, the results of this study was that E-payment is time became An inevitable reality, government support and Existence of laws and legislation will provide suitable environment to develop this service (Shahin, 2010)

PALPAY is the only specialized company that provides E-payment service In Palestine, Mr. Shafiq Bali the marketing manager in the company reported in the interview with him that the company provide E-payment services since 2010 and until this time, the idea is to provide the ability to make e-payment for the public services like electricity, telephone, water bills and e-payment for some of the local university fees. This services provided to customers through three-way, the first through point of sales which is available in many different location in Palestine, the second by the e-wallet which mean the customers will have cards with secret numbers and could be charged with money and then used it to make e-payment, its similar to visa card but issued by PALPAY, the third option is to link the PALPAY system with the mobile banking service or online banking services and they are now linked with Palestine bank and planning to make deals with Arab Bank and Arab Islamic Bank very soon. And about his opinion about E-payment in Palestine Mr. Shafiq says that we have the needed infrastructure for this services and even better than other Arab countries around us and in the future, most of our payments will be using E channels, but the main problems according to Mr. Bali is the absence of governmental support for this services and absence of awareness about this service (Bali, 2019)

In a news posted on Al-Eqtisadi website, the Palestinian Mobile Telecommunications Company (Jawwal) will launch Jawwal Pay co. as the first integrated e-wallet in Palestine. The product will provide electronic payment services for individuals and companies where it will enable its users to transfer money between them locally, also this wallet offers the possibility to make payments for local companies such as water, electricity and telephone bills. This service will be under the supervision of the Palestinian Monetary Authority, which is responsible for the electronic payment system in Palestine. Ibrahim Khammash, the General Manager of Jawwal pay co. said that the company will have a role in the development of e-commerce by providing an easy cheap e- payment method, adding that the company have enough experienced, qualified staff and the needed technological infrastructure to ensure the delivery of high-level services (Aliqtisadi, 2019)

### **Political Factor**

The political situation in Palestine differs from the rest of the world due to the Israeli occupation of the Palestinian territories and imposition of economic agreements allowing them to control Palestinian resources, including control of borders and control the mechanism of entry of exports and imports into Palestine territories.

Director of the Palestinian Post Office Hussein Sawafta said that Palestinian mail received by two ways, the first through the Israeli mail and the other from the Jordanian mail but in both cases the Israeli procedures complicates the entry of it to us, and most of the times they refused to enter the mail from the Jordanian side because they want to restrict the entry of Palestinian mail through them to collect mail closing expenses which mean if the mail came from Jordanian side the closing expenses will be paid to the Palestinian by the country where the mail sent from, but if it came from the Israeli side the closing expenses will be paid to the Israeli side, also the Israeli security check for the Palestinian mail

sometimes it takes more than two weeks and sometimes they reserved it to its country of origin from their side without any reasons (Sawafta, 2019)

In an interview with Mr. Basel Antar the Head of Marketing and Investment Department at the Palestinian Postal Directorate, he stressed on the words of Mr. Sawaftah that the final expenses seized by the Israelis as a result of the provisions of the Paris Convention gives the Israelis the right to seize them, and he explained that these expenses or tariffs paid by the sending country to the receiving country of the post, for example, if the Israeli mail receives 500 thousand parcels from China, At the same time, Israel sent 300,000 parcels to China. In this case, China pays a final expense for Israeli mail for 200,000 parcels,( the difference between incoming and outgoing mail). As a result of the refusal of the International Postal Union to apply for a permanent membership of Palestine in the Federation, the Palestinian merchant or customer is obliged to identify their address on the websites of electronic procurement or international mail as Israel as a result, the final expenses are paid to the address of the receiving country.

Also, Mr. Antar said about the Palestinian mail problems that the main problem for us is the Israeli procedures towards dealing with Palestinian parcels, because they are seizing the parcels for long time under the pretext of security check and sometimes they call the Palestinian customers to consult their offices to verify the nature of these packages in the cases where the content of the package is unknown what its function or purpose of it, there are also cases of theft of some of these packages by the Israelis mail employees

Regarding the readiness of the Palestinian post office to accommodate the increasing activity of e-commerce in the Palestinian market, Mr. Antar said that they have 32 offices spread in all governorates of the West Bank covering most of the large residential communities, this deployment will provide the possibility for most Palestinian citizens to receive their parcels regardless of where they live, but the problem is that the Israelis are

holding the Palestinian incoming mail until the warehouses are filled and then they send it at once to the area of receiving the Palestinian mail-in Jericho, causing a problem in the delay in the distribution of Palestinian mail to the post offices. Besides, there is a shortage in the number of Palestinian workers in the post office, which contributes to the increase in the problem of delays in the delivery of mail, the reason for this shortage is the lack of new employment in this sector, and the employment is limited to daily wage workers, which is considered low and therefore we find that workers tend to work in other areas with higher wages.

In the field of postal sector development, Mr. Antar told us that in addition to Palestine's demands for permanent membership in the International Postal Union, there were several development projects in cooperation with non-governmental organizations, especially USAID which funded a coding of houses project in the West Bank, but this project was not completed due to the lack of cooperation of local municipalities with them under the pretext of high cost as the funding from USAID was only for the Palestinian Postal Administration and did not include municipalities.

Referring to the impact of e-commerce, Mr. Antar said that the increase in the number of received parcels doubled by 100% annually, especially in the last three years, (Antar, 2019) the approximate number of parcels over the past few years was as follows

*Table 4 parcels received by Palestinian mail over the past years*

<b>Year</b>	<b>Number of Parcels</b>
2015	60,000
2016	280,000
2017	330,000
Average of 2018 and 2019	600,000

(Antar, 2019)

This increase in the number of parcels is caused by an increase in the number of Palestinians who purchase online from outside Palestine, especially from China This explanation provided by Mr. Antar when asked about it (Antar, 2019)

Also In a telephone interview with Mr. Bilal Kamel - Director of the Department of Internet and electronic services in the Palestinian Ministry of Commerce and Economy, when asked about the role of the Ministry of Economy in monitoring and follow-up traders who practice electronic commerce within the Palestinian market, he stated that the role of the ministry is currently limited to granting the necessary licenses to these traders to start their commercial activities regardless of the method used for sale, whether through websites or the traditional sale in a shop. Concerning the control of electronic sales, there are several parties are supposed to be followed up each according to its competence, customs is following up the legality of the goods sold in terms of collecting fees for these goods and the Ministry of Health is responsible for following up on the compliance of these goods with public health standards as in traditional trade. As for the development of electronic commerce, currently, there is a project to develop the electronic payment system in cooperation with the Ministry of Economy and Trade and the Ministry of Communications and Information Technology in addition to the Palestinian Monetary Authority which all electronic payments will be registered with the PMA so that any payment can be reviewed in addition to the possibility of providing multiple electronic payment options.

So far, the development of e-commerce has not been started seriously, according to Mr. Kamel's opinion the things that can be done at the moment are the development of the electronic payment system, which will be ready soon, and the other thing is the development of laws governing electronic commerce, which is among the plans of the Ministry of Communications and Information Technology. (Kamel, 2019)

Concerning the strategic plan of the Ministry of Communications and Information Technology for the years 2017-2022, we find that the mission of this plan is: (Preparation of infrastructure, legal and regulatory to provide integrated electronic services and the advancement of the digital economy and enhance the role of the sector and its contribution to the achievement of sustainable economic and community development).

Although all the things mentioned in the mission of the strategic plan serve the development of electronic commerce, some of the goals are directly related to e-commerce. For example, one of the objectives of this plan is to develop laws and legislations related to electronic commerce, some of which have been completed, such as the law of electronic transactions and the law of electronic crimes. (Ministry of Communications and Information Technology, 2016).

### **Interview with Traders**

In this research, the researcher conducted several interviews with traders or(merchants) who depend on their business on e-commerce. These interviews aim to understand the reality of this trade in the Palestinian market, and to identify the problems facing traders, and what they think they need to develop and improve their trade, and what their opinion about e-commerce infrastructure in Palestine.

The first interview was with Diala Khashan the cofounder of Vatrine Company, this company established in 2016 which was specialized in selling clothes for men and women and later become specialized in women clothes only.

Vatrin Company in its electronic sale depends on the display of goods of Turkish stores on its Facebook and Instagram pages, and then when the customer requests any piece of clothing from their page, Vatrין buys this piece from the Turkish store and deliver it to

customers. The communication between the Diala and their customers is by Facebook messenger or Instagram messages and the payment method is cash on delivery.

Diala said that the number of customers increased during the last year by 100% from the previous year most of them from young girls and ladies, and the value of sales was almost 200 thousand dollars in 2018, despite that customers is still tend to buy for goods that have a relatively low price because their confidence and experience in online shopping is still low so the risk they take to buy is low.

On the other hand, Ms. Diala also does not offer goods at a high price because she does not want to take risks. After all, customers sometimes refuse to receive the product and refuse to pay for it and in this case, she will bear the loss.

For the governmental support she sad that there is no strong support for this kind of commerce but maybe there is some support for the new start-ups' companies in general regardless the nature of the business, through the Investment Promotion Law so that these companies are exempted from paying taxes for the first five years of work.

The future of E-commerce in Palestine considered promising since numbers of E-shoppers increasing continuously but they need more knowledge and more experience to increase their trust in using E-shopping.

About infrastructure, Diala said for Vatrine Company they suffer from poor delivery service provided by local companies because it's inefficient in delivery time and cost, although they are dealing with a relatively good company for them, this service in general needs to be developed to meet the demand for e-commerce. Also, the existence of special laws and regulations to control e-commerce will help in developing this type of commerce and it will have a positive impact on increasing customers trust. E-payment system also must be developed and people must be educated more about this service.

Palestine Mall Online is a page on Facebook created in 2017 and it has 110 thousand subscribers, the founder of this page is Mr. Anas Zaid from Jenin city.

Ana said that at the beginning he has no previous experience in E-commerce but he and his partner have a store in Jenin city that sells miscellaneous goods imported from China. But after they started running their page on Facebook the sales increased significantly.

About customers, Mr. Zaid said that customer's ages vary from 22 years to 60 years old of both sexes according to the product, but most of them are 25-35 years old. Most of his customers tend to buy cheap products to avoid risks, but when the products with high prices are sold on the site at a lower price than the market, customers want to take the chance to buy it despite the high price.

Regarding the existence of an e-commerce infrastructure Anas said there are no regulators on our business as traders, we can offer and sell the goods without any interference in our work and not even impose a sales tax. Also, there are no laws to control e-commerce activity but as we have our laws and handle our customer's disputes by ourselves. What is noticeable is that most customers do not read the details of the announcement accurately, so when they receive the goods they find that there are things they did not know about, so a problem occurs but it is solved amicably most of the times.

About the delivery methods they using in Palestine Mall, Anas said they have their cars and make their delivery for their orders so they don't need to use local mail companies, despite that this method cost the company a lot of money to buy the cars, but it's still better than dealing with delivery companies because depending on their experience with them a lot of problems happened especially in collecting money from customers because there is a delay in the delivery of this money to the company

Payment method that used in the company work is cash payment on delivery of product because most of the customers didn't trust or they didn't know how to use credit cards, but

they hope to start using credit card payment soon, but customers need to increase their trust and knowledge in this payment method.

Most common problem with customers is not receiving the order either because the customers are not in the specified address, or they are not satisfied with the quality or the specifications of the product, however, all these problems are solved amicably.

The future of e-commerce is promising in Palestine and the indicators for this conclusion is that the numbers of customers and traders who use e-commerce are increasing significantly in recent years as a result of the advantages of this trade for both parties, for customers its saves time and money and for traders, it gives them a chance to create their online stores with minimum cost and to reach more people. But to develop this commerce the infrastructure must be developed to keeping up with evolution in this commerce around the world, some obstacles have a direct impact on the development of this trade, for example, the measures of the Israeli occupation regarding the entry of goods into the Palestinian territories such as seizure and delay in receiving them.

The third interview was with Mr. Fawzi Altheeb the founder and general manager of Matjarkom.com website, which is established in 2015 specialized in e-commerce, this company has 20 employees and sells all kind of products which imported from china

Mar Fawzi have a different experience because he worked in similar company in Saudi Arabia before and he has experience in this kind of commerce, Mr. Fawzi said about e-commerce in Palestine benefiting from his previous experience in this field (This trade will spread more widely in the Palestinian market in the future, but some things hinder the progress of this trade properly), these things are summarized below

1- Lack of control over the intruders on this trade and who reduce the confidence of customers in this type of trade by not adhering to the ethics of sale and exploit the lack of control over these

- 2- There should be more customer orientation towards electronic payment, and this is the responsibility of the banks so that they should be more aware of customers about the electronic payment cards and also by offering the possibility of installment payments on these cards.
- 3- Delivery companies suffer from lack of experience in this area in terms of non-compliance with their clients in the subject of money collections from customers as well as the inability to meet the growing demands for delivery service

The fourth interview with Mr. Akram Musleh, who has been using online shopping for a long time because he has a brother living in the United States and works in the field of e-commerce there through eBay and Amazon, Akram brother learned him how to buy from these sites, at first, he was buying things using his brother's credit card issued by American bank, However, as credit cards issued by Palestinian banks became acceptable to these sites, he starts using it for his purchases, and after a while, he started a business using e-commerce based on the principle of becoming an intermediary between the customers and the e-commerce sites so that he requests any goods desired by the customer from these sites on his mailing address and using his credit card for a commission paid by the customer after a while numbers of his customers increased and profit has grown to the extent that it has a reasonable financial income from this work, so the idea of establishing its own office is necessary for the ease of access to customers,

Akram closed his office after 2 years in 2018, the main reasons for this was

- 1- At the beginning of his work, he was depending on his partner to get the mail from Israel post office in Jerusalem which was the delivery time for the required packages was approximately two weeks, but for personal issue, he became not able to deal with Israeli post office so he starts to Receipt of his goods from Palestinian post office in Al-

Bireh city which the delivery time for the required packages was approximately two months which considered a very long time for customers

2- The second reason was that they didn't have Warehouse which was necessary for him because if they have the products in their warehouse the delivery time for the customers will be much shorter and this is very important for the customers

3- The third was that many of his clients have learned how to buy online themselves and using their credit cards

For Akram as he said if he had a warehouse, he could have continued his business because delivery time was the main concern for his customers

## Literature review

### 2.12. International Experiences / Cases

Through searching for previous experiences of neighbouring and global countries, we found that several previous experiences have developed strategic plans to develop e-commerce and most of them have succeeded in achieving a significant progress in this area, but the Palestinian situation is different from other countries because of the Israeli occupation and its control over Palestinian resources which weakening of the Palestinian economy, so it's difficult to compare the Palestinian market environment with other countries, Nevertheless, it is possible to benefit from other experiences of some countries that have made a strategy to develop electronic commerce.

#### **Egypt**

In 2017, the Egyptian Ministry of Communications and Information Technology, in cooperation with UNITED DEVELOPMENT NATIONS CONFERENCE ON TRADE AND DEVELOPMENT (UNCTAD) made a national strategy to develop its e-commerce, where first they analyze the economic and market environment to know the weaknesses in it, and then they set goals so that the weaknesses are strengthened and the strengths are exploited. The results of the analysis were as follows: -

- The technological infrastructure is good, as there is a fourth-generation service in Egypt and the spread of the Internet service in most of the regions of Egypt in addition to having young people who have competence and skill in the field of computers and communications technology, but this technology needs to be developed to be available in all regions of Egypt and fit with the demand E-commerce growth by providing faster internet technologies to meet e-commerce requirements.

- In Egypt, there is an electronic payment system monitored by the Central Bank and controlled by an effective law, but there are a large number of Egyptian citizens who do not use electronic payment and prefer to use cash payment and this matter needs a mechanism to encourage the use of electronic payment, especially in rural areas.
- Also, the Egyptian postal service is managed effectively through the spread of post offices in most parts of Egypt, but concerning e-commerce, there are two problems facing business, the first is the issue of collecting money from customers when they deliver the goods and the second is the high cost, especially private delivery companies.
- there are laws related to e-commerce transactions, but they need to be developed and updated to keep up with changes in e-commerce
- A law must be established to impose a tax on goods purchased electronically from global sales sites
- Since there is a large customer base in the Egyptian market, there is an opportunity for business owners to establish their own electronic sales websites.
- The technological skills that exist in Egypt must be developed to gain skills related to e-commerce technology through developing primary and higher education curriculum and providing special training courses for students
- The awareness of e-commerce must be increased, whether for customers or merchants and business owners by introducing them to their rights and duties. All consumer protection societies can play an important role in educating customers and also the chamber of the information and communication technology can have an important role in increasing the awareness of merchants.

The figure below shows the Phases for Developing a National E-commerce Strategy which was followed during the development strategy in the Arab Republic of Egypt

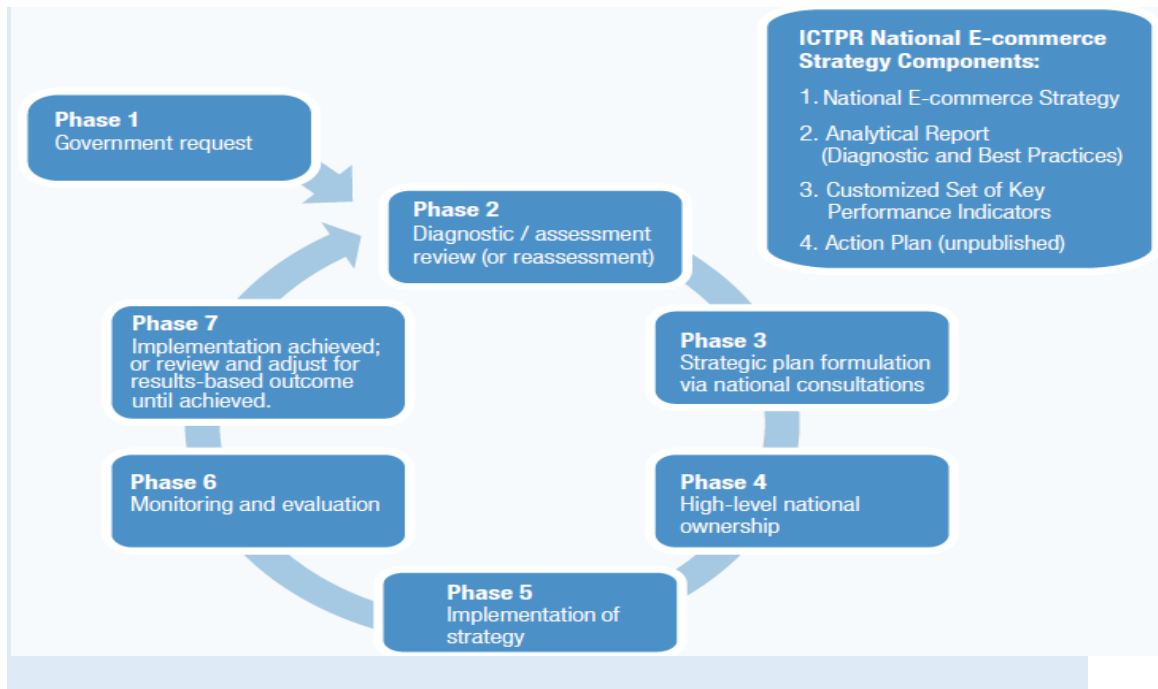


Figure 4 Phases for Developing a National E-commerce Strategy

*(united nation conference on trade and development, 2017)*

Through a comparison between the environment of the Egyptian economy and the Palestinian economy, we find that there are great similarities in the results reached by the Egyptian government in analyzing the electronic trade environment with the results reached through this research, with differences having to do with the fact that the Egyptian market has a larger customer base From the Palestinian market, in addition to the fact that the Egyptian trade can enter the global market much easier than the Palestinian, which has restrictions caused by the Israeli occupation.

However, it is possible to take advantage of the Egyptian e-commerce development plan due to the existence of this similarity and to follow the recommendations and objectives in this plan when making a strategic plan for e-commerce in Palestine

Also, the methodology that was followed in this research regarding the analysis of the Palestinian market environment is almost similar to a large extent to the methodology that

was followed in the process of analyzing the Egyptian environment (United Nations Conference on Trade and Development, 2017)

## **Chile**

In another study in 2002, on the experience of the State of Chile in adopting a strategy to develop e-commerce, this strategy relied on

- 1- establishing cooperation between the government sector and the private sector
- 2- and to increase the demand for this trade
- 3- and to find the appropriate infrastructure for the development of this trade.

But before that, there was a political decision from the head of state to direct all efforts towards achieving this goal. Through the analysis of the market environment in the country of Chile, some steps were taken to achieve the required development of this trade.

These steps and recommendations include the following: -

- 1- Working to increase people's demand for this trade by increasing citizen's awareness about the benefits and mechanisms of e-commerce, which will encourage them to increase their demand for it.
- 2- Development of the e-commerce infrastructure, for example, developing the technological sector by providing internet service for all citizens especially in rural areas, as well as the ease of providing electronic devices for all.
- 3- Also, the development of a secure and efficient electronic payment system that meets the requirements of citizens and protects their data.
- 4- Developing logistics services to provide a highly efficient delivery service in terms of delivery time and cost

The figure below shows the structure of the strategy followed by the country of Chile in developing the infrastructure of electronic commerce. (Cominetti, 2002)

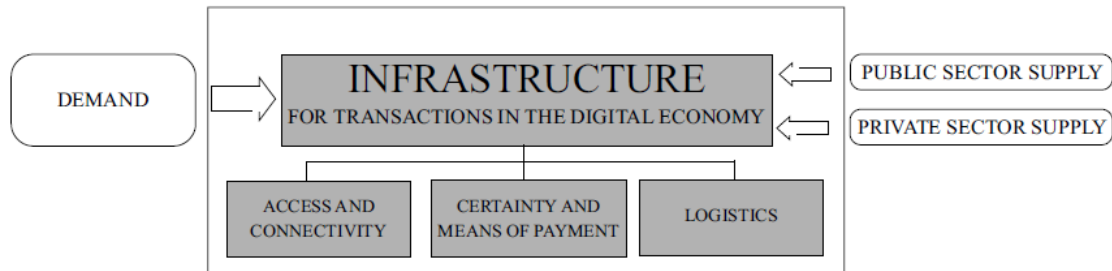


Figure 5 developing the infrastructure of electronic commerce (Cominetti, 2002)

From the previous examples of the experience of the Republic of Egypt and the State of Chile, we note that the necessary infrastructure to develop electronic commerce is similar with each other, and the steps that have been followed in both cases are almost the same with a difference in the degree of required development for this infrastructure, depending on the position of each country when starting to lay down its strategy and analysis of the e-commerce environment, for example, regarding the development of the technological factor, the degree of development in Chile need more development than Egypt, the reason is that Chile started its plan in the year 2002, while Egypt started its plan in 2017 when the technological progress at that time was greater than it was in 2002.

Requirements of E-commerce development that apply to Egypt and Chile applies to Palestine, therefore, benefiting from these experiences will facilitate the process of starting a strategy for e-commerce in Palestine.

### China

One of the most successful e-commerce experiences is the Chinese experience, where currently, expectations indicate that electronic sales in China will constitute 24% of the total retail sales, compared to 2013, where the proportion of electronic retail sales constituted 8% of the total retail sales in China

The chart below shows the change in this percentage over the past nine years

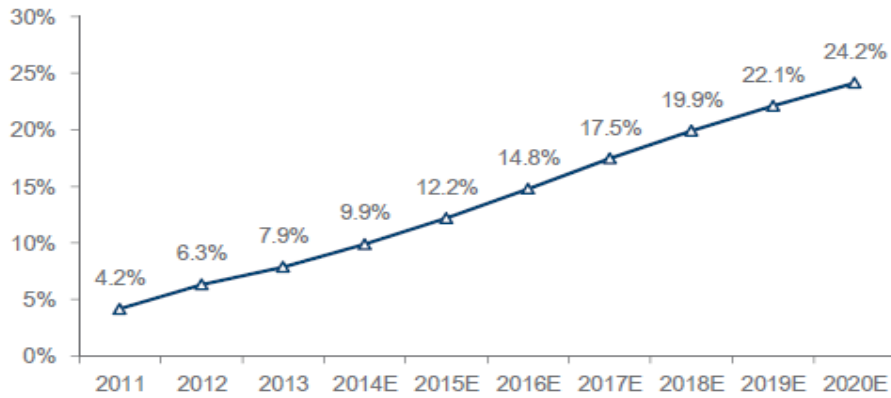


Figure 6 China online retail transaction value as % of total retail value (*Choi & Liu, 2015*)

The reason for the great development of electronic commerce in China is for several reasons

- 1- Increasing customer spending rate on e-shopping
- 2- The great development in the field of mobile phones
- 3- The increase in the volume of overseas trade
- 4- Logistics development and payment system

And expectations also indicate that this percentage will increase during the coming years and the reason is that the number of e-shopping users will increase and the volume of their expenses on e-shopping will also increase, and the reason for this is that the first generation of Chinese who accompanied the Internet revolution is now aged in the thirties and have sufficient knowledge of using technology and have Financial independence, which enables them to spend more on shopping. The other reason is that, according to studies and statistics, the more customers experience in e-shopping, the more they will spend on it.

The development in cell phones and the increase in the number of people who have smartphones in addition to the presence of the fourth generation service in China had an important role in increasing the number of e-shoppers and increase in the rate of spending,

it is a feature of the mobile phone that it is easy to use and can be used by the user to enter the Internet service in Any place and time especially for people in rural areas with no fixed-line internet services

As for foreign trade, China has become one of the first countries on electronic sales abroad due to the cheap price of goods, which is the main factor that make customers purchase from sites outside the borders of their country, in addition to that the good delivery service to most countries of the world, and the availability of e-payment service also played important role in development of e-commerce in China.

Complementing the ability to deliver parcels to most of the countries of the world, China has also taken an interest in the internal/ local mail system so that all regions of China can be reached, whether within major cities or in the rural areas, so we find that there are some large companies such as Ali Baba that have built warehouses in areas far from City centres aiming to reach the customer in less time and at lower cost. In this context, according to opinion polls, the price of delivery service has a great impact on the extent of the Chinese demand for e-commerce, for this reason, the policies in this field seek to reduce this cost as much as possible by reducing fuel prices and transportation fees in addition to the cost of storage, so all of these factors determine the cost of delivery to the customer. (Choi & Liu, 2015)

Through the Chinese experience and reviewing the strategies that have been followed, it's noticed that the focus was on reaching remote areas and increase the number of users for e-commerce in addition to provide the appropriate infrastructure for logistics and technology, which should be focused on in the Palestinian market, despite the large differences between the Palestinian and Chinese economic environment, there are common things regarding e-commerce, and what applies to the Chinese market applies to the Palestinian market. The infrastructure needed to develop electronic commerce in

Palestine is the same as that It has been worked on and developed in China, so Palestine should benefit from this experience.

## CHAPTER 3

### Methodology

The research methodology will be based on an assessment of the macroeconomic factors of the Palestinian market using "SLEPT" Social, Legal, Economic, Political and Technological framework which mean assessment of these factors regarding e-commerce

Each factor will be assessed as follows

1. Social Factor: will be assessed by studying the extent of people knowledge about this trade and the degree of their involvement in it
2. Legal environment: to asses if the Palestinian law cover e-commerce activity
3. Economic Factor: The economic environment will be evaluated by analyzing the results of the interviews that will be done with all parties in addition to the questionnaire analysis, whereby the degree of Palestinian society and government involvement in e-commerce depending on Booz and Allen framework which will be discussed later in the literature review
4. The political factor: this factor is analyzed through interviews with officials in the relevant ministries and government departments to find out what steps the government has taken and will take in to develop e-commerce in the Palestinian market,
5. The technological Factor: the technological infrastructure availability and suitability to e-commerce in Palestinian market will be assessed through a review of companies working in the ITC such as the Palestinian Telecommunications Company or companies that provide technology services for e-commerce such as Paypal and the Palestinian Ministry of Communications and Information Technology, in addition to the Palestinian Monetary Authority and which is responsible for the e-payment service. This reviews will be done through meetings with officials of these companies and ministries or through publications and reports that published by them time to time..

This research is descriptive research that will produce results from interviews and questionnaires, but there are quantitative results that will be presented to measure the degree of the Palestinian market's involvement in electronic commerce.

Methods of collecting information for this research will be through distributing a questionnaire to a sample of the Palestinian community and by conducting interviews with stakeholders, as well as publications on Internet sites, magazines, statistical reports or periodic reports of these institutions.

### **Description of The Sample**

In this study, the target study sample will be divided into two segments

The first relates to studying the extent of the Palestinian market's involvement in electronic commerce, and this sample will be as follows

First, a random sample from the Palestinian community, mainly consumers, where a questionnaire that was created on Google forms will be sent to them in their e-mail in order to answer the questionnaire. 100 questionnaires randomly distributed and will produce 4 segments of consumers

**The first segment:** is people who do not use e-commerce, and find out the reasons?

**The second segment:** is the people who use e-commerce, but they deal with international sites only and do not buy from Palestinian sites.

**The third segment:** is the people who deal with Palestinian and international e-commerce websites and will try to find out what is the difference between these sites through their experience.

The next sample are merchants who uses e-commerce in their business, where they will be interviewed to try to assess the degree of involvement in e-commerce activity in their business and what they think about the future of e-commerce in Palestine and what is the

main reasons that prompted them to start e-commerce, and what are the difficulties that face them and what are the chances of success for this type of trade. The interviewed merchants are

- 1- Ms Diala Khashan the cofounder of Vatrine Company, this company established in 2016 which was specialized in selling clothes Vatrine Company in its electronic sale depends on the display of goods of Turkish stores on its Facebook and Instagram pages
- 2- Mr. Anas Zaid from Jenin city the founder of Palestine Mall Online which it's a page on Facebook created in 2017 and it has 110 thousand subscribers.
- 3- Mr. Fawzi Altheeb the founder and general manager of Matjarkom.com website, which is established in 2015 specialized in e-commerce, this company has 20 employees and sells all kind of products which imported from china.
- 4- Mr. Akram Musleh: who was working as intermediary between the customers and e-commerce websites

The third parts of interviews is with officials from related ministries and related sectors

The interviews were done with the following

- 1- Mr. Saadeh Sawafta: the legal adviser of Customs and Excise Department and VAT in ministry of finance
- 2- Mr. Ryad Awwad : Director of the Payment Systems Department in the Palestinian Monetary Authority
- 3- Mr. Shafiq Bali the marketing manager of PALPAY which is specialized company that provides E-payment service In Palestine
- 4- Basel Antar the Head of Marketing and Investment Department at the Palestinian Postal Directorate
- 5- Bilal Kamel - Director of the Department of Internet and electronic services in the Palestinian Ministry of Commerce and Economy

## **CHAPTER 4**

### **DATA ANALYSIS**

#### **4.1. Merchants Interview Analysis and Results**

The main goal of doing interviews with merchants who rely on e-commerce for their work is to know the extent of the success of this type of trade in the Palestinian market and what are the problems facing those who work in it and how ready the market for it

By analyzing the interviews, we can summarize them in the following points:

- 1- It is noticeable that the Palestinian demand for e-commerce has increased recently and this conclusion came as a result of a noticeable increase in the number of customers and followers of e-commerce pages and also the increase in the number of electronic pages on Facebook that specialize in e-commerce, and this matter can be observed not only through the interviews, but for anyone with a Facebook account who can notice ads for Palestinian pages displaying their goods on the site, they are constantly increasing.
- 2- Despite the increasing demand of customers to purchase online, they are still cautious in dealing with it, and it seems through a note that customers avoid buying expensive goods, and on the other hand, their preferred means is payment when receiving the goods, and this is another evidence of their caution against electronic buying. The reason for this caution is that this trade is still in its infancy and customers' experience with traders is still few.
- 3- All the merchants interviewed agreed that having a law regulating e-commerce and the relation between the seller and the buyer will have a positive impact on their work since the presence of such a law will increase people's demand for electronic buying after they know that there is a law that will protect them and compensate them in cases of

fraud as well as the matter for traders whereas, in the presence of this law, they will guarantee their right to collect the price of the goods sold.

- 4- The presence of electronic payment methods facilitates the work of merchants through that one of the most important problems they face now is the collection of the price of the goods from the customers, as there are avoid receiving and paying for goods, which causes a loss to the merchant when he delivers the goods to the customers but they did not want to receive it, and in this case, the cost resulting from delivery is borne by the merchant, this is in addition to that many traders deal with private delivery companies, and those who are responsible for receiving the price of the goods when delivering them to the customer, however, these companies delay the delivery of these funds to the merchant, which causes In a crisis with traders due to lack of liquidity.
- 5- Shortage of infrastructure that e-commerce needs. For example, we do not have delivery companies that cover the increasing requirements of merchants and that they are highly professional to serve customers.

After the results of the interviews were summarized, we find that although there is no strong infrastructure that supports e-commerce in the Palestinian market, this commerce is a success for the traders who use it, and we note that some of these traders have been running their e-projects for several years and that their trade is expanding from a year to another, and this matter constitutes a positive and encouraging point for the development of this trade to spread it further because of its benefit to the Palestinian economy as this trade provides job opportunities for young people in addition to providing them with an opportunity to establish their projects that generate profits for them at the lowest possible cost and the biggest evidence of that is the young merchants who were met where they stressed that.

Although all the merchants that were interviewed talked about the necessity of an e-commerce law, at the same time they consider the lack of government control on electronic sales pages an opportunity to increase their profits through that they currently do not pay taxes on their sales or customs on their imported goods and this matter constitutes their ability to compete by offering goods at a lower price than traditional store owners.

## **4.2. Questionnaire Analysis**

As previously mentioned, the questionnaire that was distributed to a random sample of people results in two segments, the first is those who do not use e-commerce, and the second segment is the ones who use e-commerce, This category is divided into three categories: 1- People who buy from global sites only 2- People who buy from Palestinian sites only 3- people who buy from international and Palestinian sites.

Initially, the survey results will be presented in general, and then a detailed analysis will be presented for each of the three segments

120 questionnaires were distributed and 92 responses were received. The first eight questions are general questions answered by all of the samples, and it shows the culture and knowledge of the sample in e-commerce and their knowledge of how to buy from the Internet. This information is important for measuring the social factor in Palestinian society.

The sample was of different ages and genders, but it is noticeable that most of the sample was from the youth category, where the percentage of ages from 20 to 35 was 72.9% of the sample, which is normal in a young community like the Palestinian community.

All of the sample answered that they had knowledge of how to use the Internet, where the percentage was 100%, and 94.6% of the sample knew how to buy online, and 85.9% of the sample bought online one day.

**First Category: People Who Do Not Use E-commerce.**

Questions no. 29, 30 and 31 are intended to find out the reasons for not using the electronic purchase and what are the things that can lead them to start using this method of purchase

The percentage of people who do not use e-commerce is small, as the questionnaire showed that their rate was 14.1%. When asked about the reason for not using this type of commerce, most of the answers were in they are not interested in this way of commerce, the other reason of not using e-commerce is the lack of capabilities such as credit cards or no delivery service available in their area and the other reason is the lack of confidence in the electronic buying process

The next question for this category was, what are the things that motivate you to start using e-commerce? And the answers are that 50% of this category will start using e-commerce if they have the capabilities to do so like credit cards and sufficient knowledge. And 37.5% answered that if the prices for the products offered on the Internet are lower than the stores, this could be a reason to use e-commerce.

Also, despite they don't buy from the Internet, most of them are aware of the existence of Palestinian e-commerce websites, where the percentage of those who know the existence of Palestinian websites was 81.3%, and 18.8% do not know.

**The Second Category: People Who Use E-commerce.**

The questions in this section (question 9 to question 16) aim to measure the extent of the Palestinian community's involvement in this type of commerce by collecting information about the frequency of using e-commerce in the last year, and the value of the amounts spent on the purchase. The degree of involvement is directly proportional to the fertility of the electronic economic environment. The higher the degree of involvement, the more the economic environment is compatible with e-commerce. Also, the buying behaviours of this group will be determined and what are the incentives for them to use e-shopping.

Regarding the number of purchases, the questionnaire shows that 36.7% of the sample purchased more than 10 times during the past year, 32.9% bought less than 3 times a year, and 30.4% from 10-4 times, concerning the average spending per order, the rates were mostly in the sums between 50-500 shekels, as the questionnaire showed that 24.1% of buyers spend 50-100 shekels on each order and 21.5% spend from 100-200 shekels on a single order and 20.3% They spend from 200 to 500 shekels per order

This matter can be explained by the fact that the nature of the products purchased electronically are products with prices range at this rate, as the questionnaire showed that the most purchased products are clothes and electronics, as the ratios appear in the questionnaire.

When asked about their evaluation of their experience, the questionnaire showed that 53.2% of the sample assessed their experience as being moderate and in need of improvement, and the remainder 46.8% assessed their experience as very good, while none of them evaluated his experience as bad, which is a positive indication of capabilities that exist in the Palestinian market in the field of e-commerce.

Although there is an appetite for e-commerce, however, shopping traditionally by going to the store and choosing the goods is the preferred method, as the questionnaire showed that 54.4% of the sample prefer traditional shopping, and this matter is considered natural, as e-commerce is still new to the market, on the other hand, the traditional way of shopping has advantages that are not present in e-commerce in that it provides the possibility to see the goods and try them out before purchasing them, and this preference distinguishes traditional shopping from e-shopping, but there is a category that prefers e-shopping over traditional shopping and They have their reasons.

They were asked about the strongest factor that drives them to buy from the internet among the three factors 1- saving time and effort 2- getting a better price 3- having more

options, the answers to these factors were close, which mean these factors have the same effect with a little advantage in getting a better price.

On the other hand, a question was asked about what are the most influential factors that make you avoid e-commerce and the results showed that the most influential factor is the delivery time of goods by 75.9% and the second factor is the lack of trust in the seller and the goods by 51.9% and finally the cost of purchase and delivery comes at 25.3%

When the sample was asked about the payment method used in the e-commerce process, the result was that most of their purchases are made through bank credit cards where the questionnaire showed that 83.5% of their purchases are paid from these cards and it is considered an electronic payment method, and 45.6% From their purchases they pay for it in cash when they receive it.

The next part of the questionnaire (question no. 17) will produce three categories of people who buy online. The first category is those who purchase from international sites only, and the second category is those who purchase from Palestinian sites and the third is those who purchase from the Palestinian and international sites. The results showed that 57% of the sample buys from Palestinian sites and international sites, 30.3% buy from international sites only, and the rest are buying from Palestinian sites only by 12.7%

1 - The first category: They are the people who buy from international sites only. The questions for this category (question 18-21) aim to know the evaluation of their experience and know the reason for not buying from the Palestinian sites, and the results were as follows: -

The main reason for not buying from the Palestinian sites is that the prices of the goods in these sites are more expensive than those in the global sites, and the next reason is that the global sites provide options of goods more than the Palestinian sites and the third main

reason is the lack of trust in the merchant and the existing laws that protect customers In cases of fraud

As for the evaluation of their experience in purchasing from global sites, the results were as follows

When asked about their opinion of the delivery service in terms of time and cost, 54.2% of the sample said that they suffer from the long delivery time of the purchased goods and 41.7% said that they are suitable and evaluate them as good and acceptable to them, and 4% said they are inappropriate In terms of time and price

Confirmation of the above results. The questionnaire showed that the most problem faced by this category is the inefficiency of the delivery service in terms of time, as 62.5% of their problems are related to the delay in receiving the goods and sometimes not receiving them, while 20.8% said that they did not They face any problems

72.7% the problems that they faced were solved amicably through compensation or replacement of goods

The second category is the people who buy from the Palestinian sites only, which showed that the results of the questionnaire

60% of them believe that their experience in purchasing from the Palestinian sites is considered to be medium and in need of improvement, and 40% of them think that it is good and acceptable and no one of them mentioned it as bad

The delivery service is medium and needs improvements in price and time, as 70% of them reported this

100% of the sample prefer to pay for the goods in cash upon receipt

The most common problems facing this category are the lack of conformity of the product specifications with the advertisement, followed by that the terms of sale are not clear, such

as the cost of delivery or the policy of switching and return, then followed in the list of problems delivery service

At the same time, 60% have not resolved the problems that occurred with them.

The last part of the questionnaire relates to people who buy from local Palestinian sites and international sites, and when asked about which sites do you prefer? 47.8% of them answered that they prefer buying from international websites and 19.6% prefer buying from Palestinian websites, and 32.6% have no difference between Palestinian and international sites,

To find out the reasons that lead them to prefer sites over others, the answers are as follows

For those who prefer to buy from global sites, the strongest reason is the prices and the other reason that they have more products options

As for those who prefer Palestinian sites, the reasons were that the delivery service is better and easier, the replace and returns are easier and the payment method is better

### **4.3. Questionnaire Analysis Results**

- 1- It can be said that the Palestinian community has knowledge of the basics of e-commerce, and they also can use their technology, and there is a good number that they once bought online.
- 2- The main catalyst that drives people to buy online is to get a lower price and more purchase options.
- 3- It can be said that there is the ability of the Palestinian community to increase its degree of involvement in e-commerce since there is a large percentage of the sample make online purchases more than ten times during the past year, which indicates that they are satisfied with this method.

- 4- E-commerce can compete with traditional commerce if it provides a better price and fast delivery time, this thing can be achieved in the Palestinian market as a result of two things, first, the cost of goods sold on the Internet is less than the cost of goods sold in the usual way inside the shop, due to the lower operating and administrative expenses, and also because currently, the goods sold electronically in the Palestinian market are not taxed and therefore can be sold at lower price, and the second reason is that the merchants who sell their goods electronically within the Palestinian market can deliver the goods in a short time if they have an immediate delivery service.
- 5- Although there are Palestinian sites that sell online, global sites still control this type of trade in the Palestinian market, which poses a challenge for local merchants to compete.
- 6- Because the Palestinian economy is unproductive economy and all the goods offered in the Palestinian sites are imported goods, therefore the ability of these sites to compete in price is very difficult.
- 7- At the same time, there is an opportunity for Palestinian sites to compete by providing less delivery time than international sites, and this matter is important for customers.
- 8- Although a large number of the sample pays for their purchases through credit cards, cash on delivery is the best option for them because they feel it's safer for them.

#### **4.4. SLEPT Framework Analysis**

- 1- **Social Factor analysis:** It is noticeable that the Palestinian society considered a young society. Through the data obtained from the Palestinian Central Bureau of Statistics, the percentage of youth in Palestinian society is approximately 30% with age range between 20- 40 years, these percentage is of great importance to the e-commerce environment in that the population of these ages has sufficient knowledge of using technology and the Internet. The reason for this is that this generation has kept pace

with the development of modern means of communication, especially the Internet, computer and smartphones and this increases the likelihood of this segment of the population using e-commerce whether they are customers or business. Also When the business knows how to use this technology, the possibility of using it in their work is very likely

Through analyzing the interviews with business owners and analyzing the results of the customer questionnaire, it's noted that the Palestinian community has sufficient knowledge of the technology used in e-commerce, and all the sample that were interviewed or responded to the questionnaire answered that they had full knowledge of e-commerce and Its technologies, also they believe that e-commerce provides them with features that are not present in traditional shopping such as saving time and effort and lower prices.

On the other hand, the merchants who were interviewed showed a good knowledge of e-commerce, and its methods and benefits for them, and the evidence for this is that they are continuing their business with e-commerce and that some of them have abandoned the traditional sale and turned towards e-commerce.

its also noted that the Palestinian community still prefers traditional shopping over electronic shopping for the reasons mentioned in the analysis of the questionnaire

However, despite these results, most Palestinians purchase from international and well-known sites and prefer them over local Palestinian sites. The reason for this is their lack of confidence in Palestinian sites.

2- **Legal environment:** Through meetings with specialists in this field, we summarize the legal status of the Palestinian society as follows:

- In terms of laws supporting e-commerce, Palestinian law has recently issued two laws, one of which relates to electronic transactions where electronic transactions

were adopted in government departments so that citizens can complete some of their government transactions electronically, according to the strategic plan of the Palestinian Ministry of Economy and Trade this law will be applied soon in the Palestinian government institutions. In addition to the law of electronic payments, which has been applied for some time since 2012.

- Although there has been increasing activity in recent years for e-commerce in the Palestinian market, there is no specific law for this type of commerce that regulates the relationship between related parties.
- All concerned parties should attach great importance to the legal aspect of this commerce to protect them. Through the questionnaire and interviews with traders, it was found that most customers do not read the terms of sale, including the policy of exchange and return and product specifications which makes them a victim of fraud or that they buy goods differently from what they are looking for.
- All traders stressed the necessity of a commercial law that protects their rights and also the rights of their customers. This is important to them in several ways, the first that preserves their rights, and the second that the existence of this law will increase the confidence of customers in the e-shopping process, thus increasing their activity in this type of trade, which leads to increased demand for electronic goods and an increase in profits of business.

**3- The Technological Environment :** is one of the most advanced and ready factors in Relation to electronic commerce in the Palestinian market.

Despite the presence of obstacles imposed by the Israeli occupation on the Palestinian telecommunications sector, the reality of telecommunications technology in Palestine is trying to keep with the development in the neighboring countries, it could be said that the minimum required technology for e-commerce is achieved.

The Palestinian community has enough qualified persons in the field of communications technology and computer programming, which can contribute to the development of electronic commerce

The start of cellular communications companies operating inside Palestine in providing 3G services must have a positive effect in the future in increasing the ability of Palestinians to access the Internet service easily, which contributes to increasing their opportunities to use electronic shopping.

On the other hand, the available statistics show that approximately 97% of Palestinian families have a smartphone, which is one of the things that makes access to the Internet easier to use, in addition to that almost half of Palestinian families have internet access through fixed access lines.

In addition to internet technology, there is an e-payment technology that is considered to be available in the Palestinian market, but it still needs more improvement to comply with e-commerce global standards. What is lacking in this technology is that it is possible to pay through your electronic card, but these payments are not documented by the Palestinian Monetary Authority, this matter is especially important in cases where there is a dispute in the electronic buying and selling process where there must be a possibility to cancel the cash payment and return it to the card account.

#### 4- Political Environment

There is no clear plan for the Palestinian government to develop e-commerce, but its role is limited to setting some steps that can be considered the beginning of interest in e-commerce, but these steps are not sufficient.

Also, the Palestinian political situation negatively affects the development of e-commerce in Palestine. The control of the Israeli occupation over Palestinian economic resources and

the imposition of measures to keep the Palestinian economy dependent on the Israeli occupation economy, such as controlling crossings and borders and forcing Palestinians to use Israeli crossings and ports, cause weakness in external trade with other countries.

The absence of a postal code for Palestine force the Palestinian citizen to use the Israeli mail, which in turn performs procedures that lead to delay in receiving mail and weaken the Palestinians' demand for electronic purchases from countries outside Palestine

There is a clear increase in the use of e-commerce, and pages are spread on social media, but these pages are not subjected to any regulatory authority and managed by people who unknown to customers, which increases the possibility of fraud.

The private and governmental mail sectors suffer from a problem that is summarized by the lack of experience and capabilities in dealing with progress in e-commerce in addition to the absence of a coding system for easy access to addresses this makes the Palestinian Post not working as required, and limiting its role.

### **5- Economic Analysis:**

To analyze the environment of the Palestinian economy, measuring the degree of involvement of the Palestinian market in e-commerce is an indication of the degree of acceptance of the economic environment for this type of trade.

The e-economy in the Palestinian market is still in its infancy, and the Palestinian economy cannot be considered ready to start the transition to the e-economy due to the absence of many key factors to reach this stage.

State institutions still not considering the mechanism of electronic transactions, and the Palestinian community still has some fears of engaging significantly in e-commerce, as customers have a lack of confidence in e-shopping and suffer from logistical problems such as delivery service, also merchants suffer from a lack of experience in the logistical

sector and not adopting the e-payment system in their sales operations, therefore, they enter into e-commerce cautiously and they have exposed to risk greater than other countries.

*Table 5 the SPLET analysis indicators results*

<b>social factor</b>		
<b>indicator</b>	<b>result</b>	<b>comments</b>
community knowledge of technology	94.6% know how to be online	Increasing confidence is one of the most important factors for increasing the use of EC
confidence in E-commerce	still need improvement	
ability to increase using e-commerce	yes	

<b>legal environment</b>		
<b>indicator</b>	<b>result</b>	<b>comments</b>
existence of e-commerce law	no special e-commerce law but there is e-payment law and e-transaction law	Having a law covering all aspects of e-commerce is very important to increase confidence in e-commerce

<b>technological environment</b>		
<b>indicator</b>	<b>result</b>	<b>comments</b>
availability of technological tools	available	The technological environment is suitable for EC with the need of improvement on e-payment system
availability of skills	available	
community knowledge of using technology	94.6% know how to buy online	

<b>political environment</b>		
<b>indicator</b>	<b>result</b>	<b>comments</b>
state willing to develop e-commerce	no national plane for development	The need for a nationwide plan to develop and support e-commerce is the primary factor and the first step in developing
state support infrastructure	no support especially for logistics	
control over e-commerce activities	no control at the current time	

<b>economic environment</b>		
<b>indicator</b>	<b>result</b>	<b>comments</b>
community involvement	36% purchase more than 10 times last year 46.8% assessed their experience with EC as a very good 54.4% prefer traditional shopping over EC	The degree of involvement of members of society and the state in the electronic economy is the measure of the development of electronic commerce and the suitability of the economy for this type of trade.
business involvement	100% of the interviewed sample They stated that they will continue to work in EC	
government involvement	no involvement	

## CHAPTER 5

### Results and Recommendations

The results will be arranged in a way that the research questions are presented and answered through the results of the research, after which the recommendation will be mentioned after the results of each question

- What is the degree of suitability of the social environment for electronic commerce?
  - 1- It can be said that the Palestinian community has knowledge of the basics of e-commerce, and they also can use their technology, and there is a good number that they once bought online.
  - 2- The main catalyst that drives people to buy online is to get a lower price and more purchase options.
  - 3- It can be said that there is the ability of the Palestinian community to increase its degree of involvement in e-commerce since there is a large percentage of the sample make online purchases more than ten times during the past year, which indicates that they are satisfied with this.

### Recommendations

- 1- To improve the social environment, the confidence of people in e-commerce must be increased, and this comes through the implementation of laws that protect the rights of customers and guarantee them the right to claim their rights before the courts and the competent authorities. After it has been implemented, conducting awareness campaigns and explanations of the provisions of this law for everyone to ensure that all parties know their rights and duties.

- What is the degree of suitability of the political environment for electronic commerce?
  - 1- There is no clear plan for the Palestinian government to develop e-commerce, but its role is limited to setting some steps that can be considered the beginning of interest in e-commerce, but these steps are not sufficient.
  - 2- Also, the Palestinian political situation negatively affects the development of e-commerce in Palestine. The control of the Israeli occupation over Palestinian economic resources and the imposition of measures to keep the Palestinian economy dependent on the Israeli occupation economy, such as controlling crossings and borders and forcing Palestinians to use Israeli crossings and ports, cause weakness in external trade with other countries.
  - 3- The absence of a postal code for Palestine force the Palestinian citizen to use the Israeli mail, which in turn performs procedures that lead to delay in receiving mail and weaken the Palestinians' demand for electronic purchases from countries outside Palestine
  - 4- There is a clear increase in the use of e-commerce, and pages are spread on social media, but these pages are not subjected to any regulatory authority and managed by people who unknown to customers, which increases the possibility of fraud.
  - 5- The private and governmental mail sectors suffer from a problem that is summarized by the lack of experience and capabilities in dealing with progress in e-commerce in addition to the absence of a coding system for easy access to addresses this makes the Palestinian Post not working as required, and limiting its role.

## **Recommendation**

- 1- There must be a political decision to develop e-commerce in Palestine by adopting a strategy aimed at creating a suitable environment for e-commerce so that after some time it is possible to see the impact of this plan on the Palestinian economy. For that, the suggestion that a special committee be formed by a decision of the government, the role of this committee is to develop a strategic plan in electronic commerce, and the members of this committee will be the relevant ministries (the Ministry of Economy and Trade, the Ministry of Communications and Information Technology, and the Ministry of Finance) as well as private institutions such as the Consumer Protection Association And the Chamber of Commerce, banks and companies that provide electronic payment services.
- 2- There should be a single authority that is competent in all matters related to e-commerce and its activities, as it is possible to establish a specialized unit in the Palestinian Ministry of Economy whose responsibility is to grant all necessary licenses to all merchants who perform e-commerce activity on electronic sites in addition to exercising a supervisory role over these The sites in all respects, starting with the tax file and ending with the type and specifications of the goods displayed on the site and their conformity with the reality. in addition to matching these goods with health and legal standards.
- 3- Coordination of the government with large companies in the Palestinian market that have e-commerce branches such as Akram Sbitany Co. or Abdin Home Company by starting campaigns to encourage customers to use e-commerce by offering discounts or providing a free delivery service, the goal is to introduce people to e-commerce and increase Their confidence and demand for it.

- 4- The government in coordination with a specialized research centre to conduct a study aiming to find out what types of merchandise are experiencing demand from customers to purchase them electronically and the market needs them, the goal is to guide new investors who want to establish their own business to invest in this type of merchandise.
- 5- The government can make agreements with local banks to finance projects related to e-commerce with a concessional interest rate, including a project for a local delivery service company or projects to finance the import of goods that will be sold electronically
  - What is the degree of suitability of the legal environment for electronic commerce?
    - 1- Although there has been increasing activity in recent years for e-commerce in the Palestinian market, there is no specific law for this type of commerce that regulates the relationship between related parties.
    - 2- All the merchants interviewed agreed that having a law regulating e-commerce and the relation between the seller and the buyer will have a positive impact on their work since the presence of such a law will increase people's demand for electronic buying after they know that there is a law that will protect them and compensate them in cases of fraud as well as the matter for traders whereas, in the presence of this law, they will guarantee their right to collect the price of the goods sold.
    - 3- Community awareness should be increased regarding the necessity and existence of a law that protects electronic buying and selling

## **Recommendations**

- 1- The confidence of people in e-commerce must be increased, and this comes through the implementation of laws that protect the rights of customers and guarantee them the

right to claim their rights before the courts and the competent authorities. After it has been implemented, conducting awareness campaigns and explanations of the provisions of this law for everyone to ensure that all parties know their rights and duties.

2- Also concerning the legal aspect, It is better not to apply the customs law to the online purchased goods with value more than 50 JOD (that was talked about with the Legal Adviser to the Ministry of Finance) temporarily until the goal of the spread of e-commerce in the Palestinian market is reached, the reason is that this law may cause customers to move away from e-commerce, because The Israeli side is imposing a 17% tax on goods valued at more than \$ 75 and customs at 31% for merchandise whose value exceeds \$ 500, In this case, adding any additional fees will cause the prices for the goods to increase, making online shopping ineffective and useless to customers and it will be less popular, which is the opposite of what should be done in the current stage

- What is the degree of involvement of Palestinian economy in e-economy?

1- The e-economy in the Palestinian market is still in its infancy, and the Palestinian economy cannot be considered ready to start the transition to the e-economy due to the absence of many key factors to reach this stage.

2- Palestinian community still has some fears of engaging significantly in e-commerce, as customers have a lack of confidence in e-shopping and suffer from logistical problems such as delivery service, also merchants suffer from a lack of experience in the logistical sector

3- E-commerce can compete with traditional commerce if it provides a better price and fast delivery time, this thing can be achieved in the Palestinian market as a result of two things, first, the cost of goods sold on the Internet is less than the cost of goods sold in the usual way inside the shop, due to the lower operating and administrative expenses, and also because currently, the goods sold electronically

in the Palestinian market are not taxed and therefore can be sold at lower price, and the second reason is that the merchants who sell their goods electronically within the Palestinian market can deliver the goods in a short time if they have an immediate delivery service.

- 4- At the same time, there is an opportunity for Palestinian sites to compete global sites by providing less delivery time than international sites, and this matter is important for customers.

## **Recommendations**

- 1- Concerning delivery service, a plan must be found to activate the role of the Palestinian governmental mail In delivering goods between the Palestinian governorates, since there are 32 post offices spread in these governorates, customers can reach and receive goods from them, and delivery fees may be charged at a certain rate on each parcel, but these fees must be less than the delivery fees for private companies, this plan can generate additional revenue for the Palestinian Post office
- 2- The government can make agreements with local banks to finance projects related to e-commerce with a concessional interest rate, including a project for a local delivery service company or projects to finance the import of goods that will be sold electronically
  - Is technology available for e-commerce?
    - 1- Despite the presence of obstacles imposed by the Israeli occupation on the Palestinian telecommunications sector, the reality of telecommunications technology in Palestine is trying to keep with the development in the neighboring

countries, it could be said that the minimum required technology for e-commerce is achieved.

- 2- The Palestinian community has enough qualified persons in the field of communications technology and computer programming, which can contribute to the development of electronic commerce
- 3- In addition to internet technology, there is an e-payment technology that is considered to be available in the Palestinian market, but it still needs more improvement to comply with e-commerce global standards.

### **Recommendation**

- 1- Developing the e-payment system in a way that is commensurate with the electronic commerce.
  - From a legal point of view, there must be a law that protects both the buyer and the seller in cases of conflict between them.
  - On the other hand, the seller has the right to receive the price of the sold goods, this can be done through the presence of an e-payment system in which there is a mediator between the seller and the buyer as is the case in international sites, so once the buyer confirms the receipt of the goods the money is transferred from the mediator to the seller, also the buyer was given a certain period to try the goods, in the event the mediator was not notified of any problem in the goods during the trial period, the buyer loses the right to retrieve the money, in the cases in which the buyer informs the existence of a difference in the goods or does not receive them, the matter is followed up and return the money to him if it is proven.

- 2- Banks also have a role in promoting online shopping cards, which are cards used for electronic purchases and charged from the card owner's bank account. What distinguishes this card is that it is available to anyone who has a bank account with no requirement to issue it.

### **Proposal for E-commerce sites Directory**

At the end of this research, and after reaching the results and recommendations, an idea will be presented that could help to increase Palestinian community involvement in e-commerce

This idea is based on the principle of creating an electronic directory for e-commerce sites in Palestine. This directory belongs to the Palestinian Ministry of Economy and the mechanism for implementing this idea is as follows:

- 1- All owners of e-commerce pages and websites which working in the Palestinian market are invited to register their sites in this directory so that registration is free and includes the registration of the commercial name of the site, information about site owners and the administrators, for example, their addresses and their contact numbers, this invitation will be done through advertisements on the ministry page or through radio, television, and Facebook
- 2- To encourage website owners to register, it may be possible to start registering some of the well-known sites in the Palestinian market, such as Akram Sbitany's website (La2ta) and Mart. PS, whose owners can be easily reached by the ministry of economy, this step will encourage other sites to start registering.
- 3- When the site owners register in the directory, they are also informed about the related laws to e-commerce and explanations for each term of these laws. These laws include the e-commerce law (*of course after it has been declared*) and the electronic payment

law, this matter aims to clarify their obligations and duties when practicing e-commerce in addition to the legal consequences in cases of fraud

4- In conjunction with the start of registering the sites in this directory, a promotion campaign the directory is directed to customers and inviting them to purchase from the sites that are registered in the directory, and also to clarify to the customers that the registered sites and their owners are known to the Ministry of Economy and can be reached in cases of fraud, thus Their right is guaranteed to pursue the owners of these sites legally by submitting a complaint to the Ministry of Economy, which in turn will follow up on any dispute with sites owners.

5- After a while, customers will prefer to buy from the sites registered in the directory, because they are guaranteed and known, therefore, sales of these sites will increased more than the unregistered sites, which will motivate the rest of the unregistered to register

The existence of this directory will have many benefits for all parties, whether customers, merchants or the government, and as a result of the Palestinian economy as a whole.

**For Customers**, the existence of this guide will increase their confidence in e-commerce and improve their experience, this directory will provide them with the ability to pursue site owners in cases of fraud.

Customers can be provided with an option to evaluate the sites in this directory, and certainly, this evaluation will appear on the website, which will push customers to choose sites that have a higher evaluation, this matter will benefit the customers as they will have more confidence in the sites that have been given a Higher evaluation, also, sites will make more efforts to obtain a better evaluation.

**For Government**, this directory will provide a database about the owners of e-commerce sites, as it is possible after a period the government may impose fees or taxes on the sales

of these sites, therefore it will be easy to reach` them, in addition to that after few years this directory can be used to provide Statistical data that can be used to do economic studies, especially when the owners of these sites are requested to provide data about their sales movement to the Ministry.

**For Merchants (E-commerce Sites)** in the future, if the e-commerce sites were officially registered within the Ministry of Economy and were also registered with the Companies Controller as an existing company, they could submit sales data in this directory as an official document to obtain facilities from banks.

The directory page can be used to increase people's awareness of the laws of electronic commerce and their rights and duties, besides, to provide instructions to teach them how to shop online by including links on the page related to these matters.

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## مدى موائمة السوق الفلسطيني لعمل للتجارة الالكترونية

تحية طيبة

ان الهدف من هذا الاستبيان هو قياس درجة فهم المستهلك الفلسطيني لمفهوم التجارة الالكترونية وقياس درجة الانخراط في هذا النوع من التجارة في السوق الفلسطيني وهو من اهم العناصر التي تحدد مدى قابلية السوق لتطوير هذه التجارة والاستفادة منها كما هي حال العديد من الدول

وهذا هو الهدف الرئيسي من رسالتي في الماجستير بعنوان (مدى ملائمة السوق الفلسطيني للتجارة الالكترونية ) والتي اقوم بها حاليا بصفتي طالبا في الجامعة العربية الامريكية-الدراسات العليا

لذا ارجو منكم تخصيص بعض دقائق من وقتكم من اجل الاجابة على اسئلة هذا الاستبيان

الطالب : عمر شبانه

الجامعة العربية الامريكية - الدراسات العليا

1- العمر

20-25 ○

26-35 ○

35-50 ○

اكبر من 50 ○

2- الجنس

ذكر ○

انثى ○

3- التحصيل الاكاديمي

توجيهي ○

بكالوريوس ○

دراسات عليا ○

4- السكن

قرية ○

مدينة ○

5- ما مدى معرفتك بمفهوم بالتجارة الالكترونية؟

جيد جدا ○

جيد ○

متوسط ○

ضعيف ○

6- هل تجيد استخدام الانترنت ؟

نعم ○

- 7- هل تعرف كيفية الشراء عبر الانترنت؟
- لا
- نعم
- لا

- 8- هل قمت يوما بالشراء او البيع عن طريق التجارة الالكترونية؟
- نعم
- لا

### الاشخاص الذين يستخدمون التجارة الالكترونية

- 9- عدد المرات التي قمت فيها بالشراء عبر الانترنت خلال السنه الماضية
- 1-3 مرات
- 4-10 مرات
- اكثر من 10
- 10- لاشياء التي تقوم بشرائها عبر الانترنت يرجى ترتيبها من الاكثر شراؤ للاقبل بحيث رقم 1 يكون الاكثر شراء
- ملابس
- مواد غذائيه
- اجهزه الكترونية
- مواد تجميل
- ادوات منزلية
- لوازم سيارات (قطع وكماليات)
- مواد طبية
- مواد زراعية
- معدات ثقيلة ( قطع غيار , اجهزة كهربائية )
- اثاث للبيت
- كماليات البيت (ديكور , ادوات مطبخ, قطع اثاث صغيرة)
- 11- معدل المبلغ المالي الذي تصرفه على التسوق عبر الانترنت
- 10-50 شيكل
- 50-100
- 100-200
- 200-500
- اكثر من 500
- لايمهم القيمة
- 12- كيف تقيم تجربتك بالشراء عبر الانترنت
- جيد جدا
- متوسطة وتحتاج لبعض التحسيناتمتوسطة
- سيئة وغير مجدية
- 13- هل تفضل الشراء عن طريق المواقع الالكترونية ام الشراء بالطريقة التقليدية من خلال زيارة المحل ورؤية البضاعه
- من خلال المواقع الالكترونية
- من خلال زيارة المحل
- لافرق بينهم

- 14- ما هو الدافع الاقوى الذي يجعلك تقوم بالشراء عبر الانترنت ( يمكن اختيار اكثر من سبب )
- السعر
  - توفير الجهد والوقت
  - وجود خيارات اوسع للشراء
- 15- ما هي الاسباب التي قد تدفعك بعدم الشراء عبر الانترنت يرجى ذكرها بترتيب حسب الاهمية ( الاهم ثم الاقل اهمية )
- قلة الثقة بالبائع والمنتج
  - تكلفة الشراء والتوصيل
  - الوقت التي تحتاجه البضاعة للوصول
- 16- وسيلة الدفع المستخدمة في عملية الشراء
- بطاقة بنكية من بنوك داخل فلسطين
  - بطاقة بنكية من بنوك خارج فلسطين
  - حوالات بنكية
  - الدفع عند الاستلام
- 17- المواقع او الصفحات التي تقوم بالشراء منها هل هي ؟
- مواقع عالمية فقط ( خارج فلسطين )
  - مواقع محلية فقط ( داخل فلسطين )
  - مواقع عالمية وفلسطينية

### اسباب عدم الشراء من المواقع الفلسطينية

- 18- ما هي اسباب عدم شرائك من مواقع وصفحات فلسطينية ؟
- لا علم لدي بوجود مواقع او صفحات فلسطينية
  - عدم الثقة بهذه المواقع والقوانين التي تضبط عملية البيع
  - عدم توفر الخيارات الكافية من البضائع
  - تكلفة اعلى بكثير من المواقع العالمية
- 19- ما هو تقييمك لخدمة التوصيل للبضاعة المشتراه من هذه المواقع العالمية من حيث الوقت والتكلفة
- جيدة وسعرها مناسبة
  - غير جيدة واسعار غير مناسبة
  - السعر غير مناسب
  - مدة التوصيل غير مناسبة
- 20- هل واجهتكم اي المشاكل التالية من خلال الشراء من المواقع العالمية
- عدم كفاءة خدمة التوصيل ( التاخر في التوصيل طويل او لم يتم الاستلام )
  - عدم مطابقة مواصفات المنتج للاعلان
  - شروط البيع غير واضحة ( مثل تكلفة التوصيل او سياسة التبدل والارجاع )
  - لم واجه اي مشكلة
- 21- الحل الذي توصلت اليه مع البائع
- حل ودي بالتعويض او البديل
  - تم التوجه الى الجهات المختصة من القضاء او الشرطة
  - لم يتم معالجة المشكلة

## تقييم تجربة الشراء من مواقع فلسطينية

- 22- ما هو تقييمك لتجربة الشراء من هذه الموقع او الصفحات
- جيد
  - متوسط وبحاجة لقليل من التحسينات
  - سيئه
- 23- ما هو تقييمك لخدمة التوصيل للبضاعة المشتراه من هذه المواقع
- جيدة وسعرها مناسبة
  - غير جيدة واسعار غير مناسبة
  - متوسطة بحاجة لتحسين قليل في السعر و وقت التوصيل
- 24- ما هي الطريقة المفضله لديك لدفع ثمن البضائع عند الشراء من المواقع الفلسطينية
- دفع مسبق من خلال بطاقات بنكية ( فيزا او بطاقة شراء خاصة بالانترنت)
  - الدفع عند استلام البضاعة
  - حوالات بنكية
- 25- هل واجهتك اي من المشاكل التالية في الشراء من المواقع الفلسطينية (يمكن اختيار اكثر من مشكلة)
- عدم كفاءة خدمة التوصيل ( التاخر في التوصيل طويل او لم يتم الاستلام)
  - عدم مطابقة مواصفات المنتج للاعلان
  - شروط البيع غير واضحة ( مثل تكلفة التوصيل او سياسة التبدل والارجاع )
  - لم واجه اي مشكلة
- 26- الحل الذي توصلت اليه مع البائع
- حل ودي بالتعويض او البديل
  - تم التوجه الى الجهات المختصة من القضاء او الشرطة
  - لم يتم معالجة المشكلة (لم يتم التعويض او البديل)
  - لاتوجد مشكلة

## مقارنه بين المواقع العالمية والفلسطينية

- 27- حسب تجربتك هل تفضل الشراء من المواقع العالمية او الفلسطينية(المحلية)
- المواقع الفلسطينية
  - المواقع العالمية
  - لا فرق بينهما
- 28- اذا كانت اجابتك في السؤال السابق الخيار الاول او الثاني يرجى اجابة السؤال التالي واذا كانت اجابتك الخيار الثالث يرجى عمل submit - ما هي الاسباب لاجابتك في السؤال السابق (يمكن اختيار اكثر من سبب)
- الاسعار افضل
  - خدمة التوصيل افضل
  - الخيارات شراء افضل
  - وسيلة الدفع افضل
  - سهولة تبدال وارجاع البضاعة

**الاسئلة التالية الهدف منها تحديد اسباب عدم استخدامك التجارة الالكترونية والعوامل التي قد تدفعك لاستخدامها**

- 29- ما هي اسباب عدم شرائك من خلال مواقع الانترنت ( يمكن استخدام اكثر من سبب )
- لانك لا تعرف الطريقة
  - لانك غير مهتم بالموضوع
  - عدم الثقة بالمنتج والبائع
  - يوجد زيادة في التكلفة وفي الوقت لاستلام البضاعة
  - عدم توفر الامكانيات ( بطاقات ائتمانية خاصة بك او عدم وجود خدمة توصيل لمنطقتك )
- 30- ما هي الامور التي قد تدفعك للبدء باستخدام الشراء من مواقع الانترنت
- الحصول على سعر افضل
  - توفير الوقت والجهد
  - اذا توفرت المعرفة والامكانيات والادوات لذلك
- 31- هل لديك علم بوجود مواقع فلسطينية تعتمد على البيع عن طريق الانترنت
- نعم
  - لا

## ملخص الدراسة

تهدف هذه الدراسة الى تقييم مدى موائمة السوق الفلسطيني للتجارة الإلكترونية من خلال تحليل البيئة الاجتماعية والسياسية والقانونية والاقتصادية والتكنولوجية.

تم تحليل هذه العناصر من خلال توزيع استبيان على عينة عشوائية من المجتمع الفلسطيني وكان الهدف من الاستبيان فهم سلوكيات المجتمع الفلسطيني تجاه التجارة الإلكترونية ومدى انخراطه بها.

من ناحية أخرى تم إجراء مقابلات مع تجار من مناطق مختلفة في السوق الفلسطيني والذين يعملون في مجال التجارة الإلكترونية وأيضاً كان الهدف من هذه المقابلات معرفة مدى نجاح هذه التجارة في السوق الفلسطيني وهل يمكن التطور في هذه التجارة؟

وأيضاً تم عمل مقابلات مع مسؤولين في القطاعات ذات العلاقة من وزارات او مؤسسات حكومية وخاصة من أجل معرفة ما هي البنية التحتية المتوفرة ومدى ملاءمتها للتجارة الإلكترونية.

كانت نتائج الدراسة متفاوتة بين العناصر التي تم دراستها من حيث انه يوجد جزء من هذه العناصر يتناسب من التجارة الإلكترونية مع ضرورة تطويرها وبعض من هذه العناصر لازالت لا تحقق أدنى متطلبات التجارة الإلكترونية وبحاجة لتعديلات كثيرة لجعلها مناسبة لهذا النوع من التجارة.

التوصيات في هذه الدراسة تركز على ضرورة بذل الدولة جهداً أكبر في تطوير هذه التجارة من خلال وضع خطة تهدف الى زيادة ثقة المجتمع ودفعهم الى زيادة استخدامهم لهذه التجارة من خلال سن القوانين التي تحمي الاطراف ذات العلاقة وايضا من خلال توفير البنية التحتية والخدمات اللوجستية بالإضافة الى ضرورة ممارسة دور رقابي على التجار وتوفير حماية لهم.

في نهاية الدراسة تم اقتراح انشاء دليل للشركات والمواقع التي تمارس نشاط التجارة الإلكترونية داخل السوق الفلسطيني والذي سيكون كقاعدة بيانات متوفرة للجميع وسيكون له أثر ايجابي على مستوى المستهلكين والتجار والحكومة.