

Research Article

The Effect of Utilizing Business Model Canvas on the Satisfaction of Operating Electronic Business

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The Business Model Canvas (BMC) is a strategic model for developing business organizations' roadmap toward achieving their goals. While several organizations utilize the Business Model Canvas (BMC) to establish and operate their businesses well, the utilization of BMC seems to be limited in the local market of Saudi Arabia, especially when businesses utilize electronic business channels. This paper aims to explore the status of the utilization of BMC among Saudi SMEs, as a critical sector. The paper highlights the awareness and practice of BMC's nine factors before and during the operation of e-commerce stores by Saudi SMEs. Then, it aims to explore the significance of practicing those factors in increasing the satisfaction level of running businesses. In this paper, a quantitative survey was distributed conveniently to 200 SMEs in the two largest Saudi cities, which are Riyadh (the capital) and Jeddah (the country's main seaport), resulting in 63 valid participations from different industries. After operating e-commerce stores, most SMEs gained more knowledge of five BMC factors: key partners, value propositions, customer relationships, customer segments, and cost structures. Meanwhile, they found some issues in the other four factors: key activities, key resources, channels, and revenue streams. The proposed method exposes the variety of results and indicates a lack of understanding of BMC by the examined e-commerce SME samples, as they depend on traditional methods of identifying the elements of each of the BMC factors.

1. Introduction

The Business Model Canvas (BMC) is a tool for strategic management that firms can use to define their business key factors and ideas [1]. The BMC offers a one-page concentrated template that allows the firm to document fundamental elements of the business, its products, and services or to structure a business idea in a coherent way [2, 3]. Figure 1 shows a common BMC that covers all nine fundamental elements. In the presented figure, the right side of the canvas focuses on the customer and the external needs of the business, while the left side of the BMC focuses on the business itself and the internal needs of the business [4].

As such, it is notable that both the external and internal needs of the business meet at the value proposition corner, which entails exchanging the values between the business and the clients [5]. Companies use the BMC for various reasons, including the need to quickly draw a picture of what the idea entails, to understand the business by connecting with the idea, to understand the different kinds of customer decisions that influence the use of the business systems, to provide a clear idea of what the business is likely to be, and to reach a sustainable transition to utilizing information systems [6, 7].

The focus of the study was on Saudi Arabian Small and Medium-sized Enterprises (SMEs) with an e-commerce presence. The study was drawn from the fact that a majority

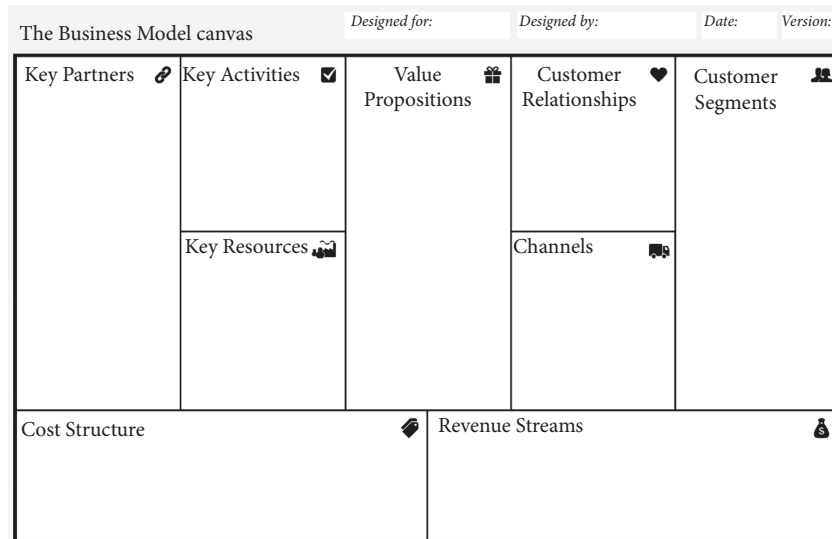


FIGURE 1: The Business Model Canvas [4].

of the businesses in the country are family owned, and, as such, very few of them apply conventional models of business management and administration, such as corporate governance, corporate social responsibility (CSR), sustainable business management, and the application of various business models, such as the Business Model Canvas [1, 8]. Nonetheless, due to globalization and the exposure of the Saudi Arabian markets to the global economy, many firms are taking up these universal corporate standards and applying them in their operations. SMEs in the country, irrespective of their ownership, are also taking up these universal corporate standards and applying them in their operations [9].

2. Literature Review

2.1. Components of the Business Model Canvas. Figure 1 shows one of the most common BMC templates, which incorporates nine elements of strategic management, including key partners, key activities, and key resources as the internal factors, customer relationships, customer segments, and customer channels as the external factors, which meet up under value propositions of the firm, factored with cost structures and revenue streams to ensure the maximization of returns on investment. The following section evaluates the nine elements of BMC, with a specific focus on how each element works, and the expected outcome for the firms, particularly SMEs [3], when they practice these concepts.

2.1.1. Key Partners. According to Aji, Yusop, Dahari, and Mohd, a company requires a network of partners to help it progress and expand its operations within its primary markets [3, 10]. In this regard, the key partners refer to the external companies, suppliers, contractors, or parties that the company requires to achieve or implement its key activities, and, in the process, deliver desired value to the customers. Baraibar-Diez, Odriozola, Llorente, and Sánchez support the above claims, citing that the partner networks

are instrumental in optimizing the operations of the firm, reducing all business risks that the firm might face in the course of its operations, as well as cultivating strong and long-lasting strategic business alliances, such as buyer-supplier relationships [11]. For instance, the global pandemic issue of COVID 19 is one of the severe risks that wiped several businesses—including well-known brands—from the market [12]. Thus, the existence of a robust business model would help to mitigate the harsh impact of such a crisis. These not only boost the sustainability of the firm but also allow it to focus more on core business activities, thereby boosting productivity margins.

2.1.2. Key Activities. Bocken, Schuit, and Kraaijenhagen asserted that key activities of the firm should focus on the execution of the firm's value proposition [13]. This means that a company should not promise its esteemed customers what it cannot deliver, as delivering on its value proposition is what differentiates it from its competitors in the market, giving it an edge over other industry players. Bocken, Boons, and Baldassarre support the above claims, citing that the key activities of the business are the actions, processes, programs, or projects undertaken by the firm to deliver on its outlined value propositions to the customers [14]. As such, a firm's management must question various aspects of its operations and activities to ensure that each one of them delivers on the promises set for the firm.

2.1.3. Key Resources. Bryant, Straker, and Wrigley stated that key resources refer to resources that the firm requires to create value for its customers, given its respective line of products and services [15]. As such, resources are a company's assets that are instrumental in facilitating production activities, thereby supporting and sustaining the operations of the business [1]. The resources can come in various forms, including human resources or human capital, financial resources or financial capital, and intellectual resources such as

patents, trademarks, and copyrights. Carayannis, Grigoriadis, Stamati, and Valvi agreed with the above claims, stating that identifying the resources that the business needs to achieve its objectives under key activities is the most effective way to improve the firm's competitiveness, as well as boost its marginal earnings [16].

2.1.4. Value Propositions. Chua, Chiu, and Bool stated that customers come to purchase and consume a company's products and services because of the perceived values that they derive from their consumption, as opposed to what their competitors offer [3, 5]. As such, the value proposition of the firm entails the collection of products and services that a business offers to meet the needs of its customers [17]. Crick and Crick agreed with the above claims, stating that the company's value proposition is what distinguishes the firm from its competitors, enabling it to stand out from the competition, as well as attracting and retaining the potential and target customers as loyal consumers of the brand [18]. Davies and Chambers noted that value proposition provides value to the products and services that the firm offers to its customers through different elements, including performance, customization, newness, uniqueness, getting the job done, cost efficiencies, brand or status, pricing, risk reduction, accessibility, and convenience and usability [9].

2.1.5. Customer Relationships. Heyes, Sharmina, Mendoza, Gallego-Schmid, and Azapagic stated that customer relationships are essential for the growth and expansion of any business, as well as its sustainability in the long run [3, 19]. Therefore, companies must identify the types of relationships they want to create with their respective customer segments to ensure the survival and success of the business [20]. Horváth and Szabó supported the above claims, arguing that businesses must engage in various forms of business relationships, including personal assistance, dedicated personal assistance, self-service, automated services, communities, and cocreation [21]. Similarly, Hruska and Maresova added that close customer relationships are strategic in improving sales volumes and expanding the company's market thresholds, given that the firm is capable of maintaining strong and long-lasting business relationships with its loyal customers on a long-term basis [22].

2.1.6. Customer Segments. Klimas stated that customer segments are defined by where the business, as well as its products and services, fit into the value chain [23]. To survive in the market competition, businesses are supposed to identify the consumer markets that they serve and build an effective business model around them [24, 25]. Customers of the company are what shape the growth and development of the firm by patronizing the firm's products and services in the market, as opposed to purchasing products from its competitors [26]. Ladd supports the above claims, citing that market segmentation is an effective strategy for businesses to create a competitive edge over other industry players by understanding the customers' tastes and preferences, and

then delivering products and services tailor-made to match these needs [27]. Lüdeke-Freund, Bohnsack, Breuer, and Massa added that the segmentation of customers follows various frameworks, including their needs and attributes, to facilitate the implementation of an appropriate corporate strategy that aligns with the characteristics of the market segment [28].

2.1.7. Channels. According to Davies and Chambers, a business channel refers to the avenues that the business uses to reach its customers, with a particular focus on delivering their respective products and services [3, 29]. In essence, the channels that the business uses must be not only efficient but also convenient for the customers, to ensure ease in the accessibility of their products and services. This enhances the company's brand image through improved place utility. Ojasalo and Ojasalo support the above claims, arguing that a company can deliver its value proposition to its target and potential customers using different channels; however, the most effective channels are those that deliver the company's value proposition through means that are not only fast and efficient but also cost-effective [30]. Similarly, Pedersen, Gwozdz, and Hvass added that the different channels that the company can use to reach its potential and target clients include its channels or storefronts, partner channels or major distributors, or a combination of both [31].

2.1.8. Cost Structures. Santonen and Julin stated that the element of the cost structure in the Business Model Canvas describes the most important monetary consequences of the firm when operating under different business models [32, 33]. In this regard, the cost structure is usually shaped in line with the business structure, with a particular focus on the firm's specific goals and objectives [26]. Schoormann, Behrens, and Knackstedt were in favor of the above claims, stating that the business structure falls into two distinct classes: the cost-driven class and the value-driven class [34]. A cost-driven class is a business model that focuses on the minimization of all costs and having no frills, such as low-cost airlines. On the other hand, a value-driven class is less concerned with the costs incurred in the operations of the firm, and, rather, more focused on the creation of value for products and services for the firm. In most cases, the latter class maintains a premium brand of products and services, such as Louis Vuitton and Mercedes Benz. Setiawan, Surjokusumo, Ma'some, Johan, Hasyim, Kurniasi, and Nasihien also added that the best strategy for ensuring efficient management of cost structures is to understand the firm's business class structure and the role that cost plays in maintaining the firm's value propositioning [33, 35].

2.1.9. Revenue Streams. Urban, Klemm, Ploetner, and Hornung defined revenue streams as the way a company makes income from each customer segment [36]. The primary purpose of a company engaging in business activities is to maximize its shareholders' wealth. As such, most companies are for-profit, meaning that they aim to maximize

their profits through successful delivery of their value propositions, and, hence, maintain steady revenue streams for the business. Uusitalo and Antikainen supported the above claims, citing that a business should identify and pursue one or more of the different models of revenue streams, including asset sales, usage fees, subscription fees, licensing, brokerage fees, advertising, lending, leasing, or renting, among many others [37]. Asset sale or service sale is the most common type of revenue stream pursued by most businesses; it entails the sale of ownership rights to a physical good or the rendering of specific professional services to the target clients (the sale of goods and services). Santonen and Julin added that “usage fees” refer to the revenues generated from the use of a particular service, such as UPS, and “subscription fees” refer to revenues generated by selling access to a continuous service, such as Netflix. Brokerage fees are revenues generated from an immediate service between two or more parties, such as a broker selling a house for a commission [38].

2.2. Analysis of the Existing Gap in the Practice of BMC in Saudi Arabia and Globally

2.2.1. Global View. Franco-Santos stated that, from the global perspective, companies, both small and large, are adopting and implementing the BMC framework to improve their performance standards and efficiency [39]. Companies based in western countries, including Europe and America, are particularly leading in the adoption and implementation of the BMC framework, given the successes attributed to its integration into business operations. However, Osterwalder and Euchner noted that the degree of inception and integration of the BMC framework in the rest of the world cannot be compared to that of Saudi Arabia, as the integration of the framework in the Arab country seems lower and less prevalent as compared to its counterparts, such as the United States and the United Kingdom [40]. Indrawan, Nasution, Adil, and Rossanty added that while in the UK 9 out of every 10 SMEs implemented the BMC framework, the statistics in Saudi Arabia were a little lower, at 3 to 5 out of 10 [41]. In this regard, it is advisable for more SMEs in the Saudi Arabian market to consider adopting and implementing the BMC framework to improve their operational excellence.

2.2.2. In Saudi Arabia. According to Toro-Jarrín, Ponce-Jaramillo, and Güemes-Castorena, the Saudi Arabian market has begun adopting and implementing the BMC concept, as evidenced by the adoption of conventional business frameworks by both large multinational corporations and SMEs [42], though the adoption of BMC for e-commerce is still undeclared. The adoption of these conventional business frameworks by Saudi Arabian firms has enabled them to compete on a global scale. Joyce and Paquin agree with the above claims, citing that many different SMEs in the country have also adopted and implemented the BMC framework to facilitate improved success margins in strategic planning and management [43]. Jbara and Darnton noted that Souq, one of the leading brands in Saudi Arabia, had adopted and

implemented the business framework to improve its productivity and efficiency in operations [44]. The scholars added that the entry of western firms into the market, taking advantage of the conducive foreign direct investment (FDI) policies in the country as the Saudi government focuses on diversifying its streams of income, has been a major contributor to the integration of BMC in the Saudi Arabian context.

3. Current Research Gap

Saudi Arabia is one of the leading global economic countries, given the fact that it has the second-largest deposits of crude oil and natural gas in the world. As such, the circular flow of money in the economy derived from the proceeds of oil and gas exports creates a business environment conducive for firms to operate and prosper [45]. Most of the companies operating in Saudi Arabia are either state-owned or family owned. The state-owned companies make up the majority of the large-cap companies in the country, with a few family owned companies. However, most of the start-ups or SMEs in the country are family owned. Given the stiff competition in the market, and the need to grow and expand both nationally and regionally, these SMEs are expected to integrate various strategies to give them an edge over their competitors, as well as to ensure efficient management of their operations. Therefore, the integration of the Business Model Canvas in their activities provides the right framework for achieving their strategic management goals and lean start-ups [46]. The problem examined in the research paper involves how these SMEs apply the Business Model Canvas to improve the success rates of their business operations, especially in their e-businesses.

The research study aimed to address the gap regarding the absence of adequate background information on the integration of the BMC framework in the Saudi Arabian market. As noted in the literature review analysis, the BMC framework is one of the many conventional business frameworks that are slowly penetrating the Saudi Arabian business context, triggered by the move by the country's leadership to diversify its revenues by making the country open for business and to reduce overreliance on oil and gas revenues. As such, there is little information regarding the adoption and implementation of the BMC framework by businesses in Saudi Arabia, particularly among SMEs. The research study focuses on addressing this research gap and providing information regarding the awareness and practice of the BMC by Saudi Arabian SMEs. In addition, this research paper aims to evaluate the awareness of SMEs' practice of the BMC components in the Saudi Arabian market. In other words, this study aims to answer the following questions:

- (i) What is the level of awareness among Saudi Arabian SMEs regarding the practice of BMC before starting online businesses?
- (ii) What is the level of awareness among Saudi Arabian SMEs regarding the practice of BMC when running online businesses?

To answer the developed research questions, the level of satisfaction would be explored by looking at the utilization of the nine BMC factors, as shown in Figure 2.

This study considered every SME that includes any sort of online process in running its business. This means that a particular SME might use a specific online solution but not run a business-to-consumer (B2C) direct e-commerce store.

4. Research Methodology

4.1. Research Design and Method. The study used an explorative research design to address the gap, which is discussed early in the literature concerning the awareness and practice of the BMC components by Saudi Arabian SMEs. The literature gap arises from the fact that Saudi Arabia is a wealthy Arab country whose main source of revenue is oil and gas that aimed recently to diversify its sources of income. As such, the explorative research design is instrumental in facilitating a critical analysis of the awareness and practice of the BMC framework by these SMEs, because most of the private businesses in the country are family owned, and, as such, likely to disregard most of the conventional business practices.

The study used the quantitative research method, focusing on the collection and analysis of figurative data from the study population. In this particular case, the study population for the research was Saudi Arabian SMEs. The choice of the qualitative research method was informed by the fact that the study aimed to establish the prevalence of the BMC concept in the target market, based on the background that its prevalence in the country was slightly lower compared to that of its global counterparts—a fact attributable to the country's economic setup. Therefore, the quantitative research method was instrumental in the collection and analysis of data required to address the research aim and questions raised in the study.

4.2. Data Collection. Survey questionnaires were passed to 200 firms at the initial stage. All SMEs without an online presence were excluded from this study. As a result, data were collected from 63 Saudi SMEs. Those participating SMEs were selected conveniently from the two largest cities in Saudi Arabia, which are Riyadh (the capital of Saudi Arabia) and Jeddah (the main Saudi seaport on the west coast). In this regard, the sample framework comprised $n = 63$, and the response rate was 31.5% of 200 SMEs. The Saudi Arabian market operates in different lines of business, including phones, computers, footwear, clothes, convenience stores, pharmacy, fuel stations, and restaurants, among many others. The diversity of business fields was instrumental in facilitating the inclusivity of the research data, such that it would not appear that the research focused only on a particular industry or business alone. In the same regard, this boosted the quality and validity of the data collected and used for the study analysis.

5. Results and Discussion

The explored SMEs in the sample were asked to identify their consideration of the BMC factors before and while running the online business to answer the research questions. The following sections reveal the results of the analyzed data.

5.1. Exploring the Utilization of BMC Factors before and While Running the Business. The level of considering the utilization of BMC practices before and while running an online business by Saudi SMEs are the main two questions that this study aims to address. Table 1 shows the average of considering the BMC's nine practices.

Table 1 shows some kind of uncertainty in terms of considering and understanding BMC practices by Saudi SMEs. To visualize the result, the graph in Figure 3 presents the percentage of considering the practices before the online business started and the percentage after the online business had been in operation.

At the initial stage of analyzing the presented data, it is good to understand the three possible situations:

- (1) If the percentage of understanding a specific BMC practice is similar before and while running the online business, this would indicate that the business had accurate plans before establishing its online activities. Surprisingly, Figure 3 does not show any stable percentage before and while running online businesses. This result would negatively affect the ratio of achieving complete satisfaction among business stakeholders.
- (2) If the percentage of understanding a specific BMC practice has increased after launching the online activities, this would indicate that the business might start with some thoughts and learned to correct its direction upon understanding the reality of the online business environment. Five practices fit into this situation: key partners, value propositions, customer relationships, customer segments, and cost structures. The practices in this group would improve the satisfaction level of running the online business.
- (3) If the percentage of understanding of a specific BMC practice has decreased after the online business had been in operation, the indication is that the business would have had some understanding, adaptation, and adoption while the firm is planning the adoption of e-business, but that the reality of the business situation mixed up those plans and led to this reduction. Stakeholders in this group could be more likely to be less satisfied with their business outcomes. The graph shows four practices in this category: key activities, key resources, channels, and revenue streams.

The next stage of this research explored the average satisfaction level among the studied sample.

5.2. Satisfaction with Business Success from 1 to 10. The graph in Figure 4 shows the extent to which the Saudi Arabian SMEs were satisfied with the success of their businesses, on a scale of 1–10, taking into consideration their respective application of the BMC framework for strategic planning and management. The results indicate that most of the businesses were satisfied with the success of their business, as they reported a score between 4 and 10, with levels 7 and 8 being the highest. This could be evidence that the SMEs that

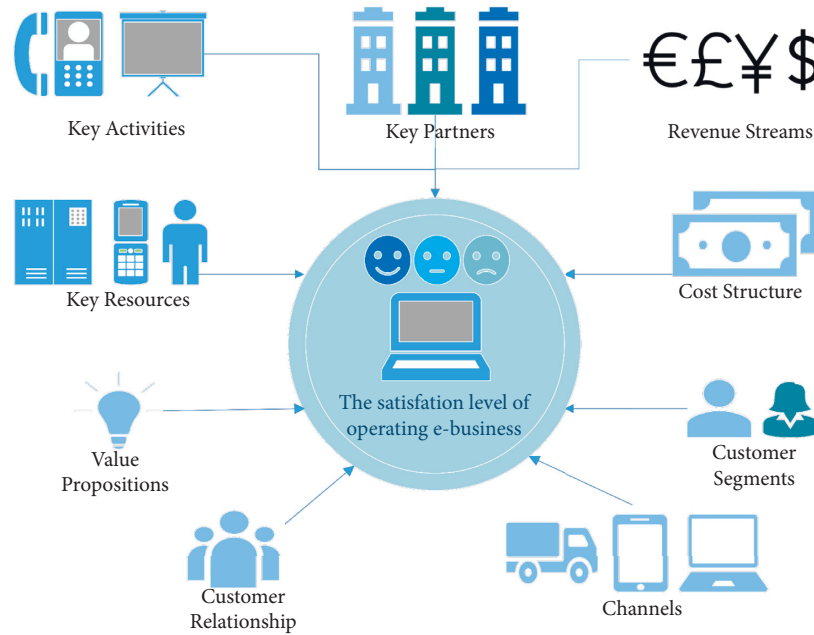


FIGURE 2: Exploring the statistically significant relationship between nine BMC factors and the satisfaction of the business owners.

TABLE 1: Considering BMC practices before and during the running of the online business.

BMC practice	N = 63	Before operating the business			While operating the business		
		Yes	Not sure	No	Yes	Not sure	No
Key partners	<i>n</i> 32 (%) 50.8	18 28.6	9 14.3	39 61.9	0 0.0	2 3.2	
Key activities	<i>n</i> 46 (%) 73.0	10 15.9	1 1.6	39 61.9	1 1.6	0 0.0	
Key resources	<i>n</i> 45 (%) 71.4	11 17.5	2 3.2	38 60.3	3 4.8	0 0.0	
Value proposition	<i>n</i> 21 (%) 33.3	31 49.2	1 1.6	41 65.1	6 9.5	0 0.0	
Customer relationship	<i>n</i> 23 (%) 36.5	16 25.4	10 15.9	36 57.1	7 11.1	3 4.8	
Channels	<i>n</i> 49 (%) 77.8	7 11.1	1 1.6	40 63.5	2 3.2	0 0.0	
Customer segments	<i>n</i> 17 (%) 27.0	17 27.0	18 28.6	28 44.4	7 11.1	8 12.7	
Cost structure	<i>n</i> 31 (%) 49.2	18 28.6	5 7.9	41 65.1	4 6.3	2 3.2	
Revenue streams	<i>n</i> 40 (%) 63.5	14 22.2	1 1.6	37 58.7	5 7.9	1 1.6	

were aware of the BMC components and that practiced the framework reported a higher level of success as compared to those that did not.

5.3. Regression Analysis. This study employed the stepwise regression forward selection procedure to build the model and examine the importance of survey variables

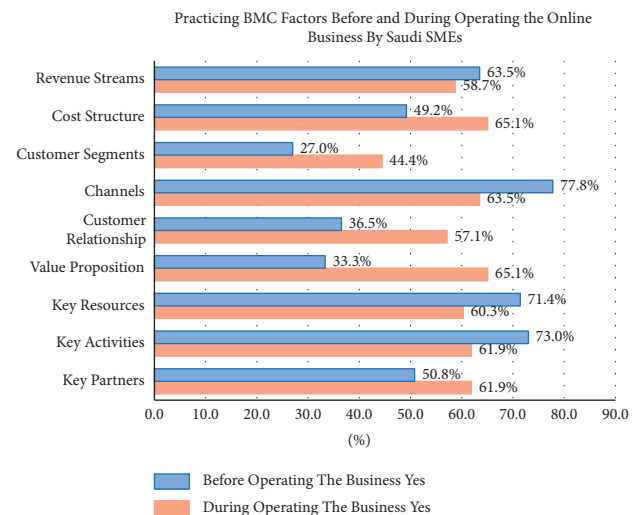


FIGURE 3: Practicing BMC factors before and while operating an online business by Saudi SMEs.

entered into the model for testing the relationship between the independent variables and the satisfaction of the business owners or the number of employees. Stepwise regression is a statistical method that is considered in multiple regression to enter variables into the model based on a statistical criterion [47]. Also, stepwise regression is used to mitigate over-fitting and multicollinearity in a model containing numerous predictors with traces of linear combinations [48]. The forward selection procedure is particularly relevant when the predictor variables are observed to correlate with one another, as it will add the predictors to the model in the

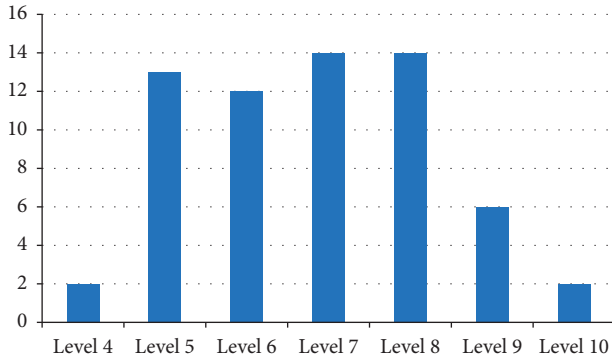


FIGURE 4: The satisfaction levels to business success.

order of relevance and will discard variables that can be dropped without seriously impairing the overall goodness of fit.

This study used F-statistic to compute all potential variables related to the satisfaction of the business owners or the number of employees and added the variable whose p value is highest as the first variable; any variable entering the model will not be removed. The study iterated the process until all the significant variables were completely added to the model. This was done to mitigate multicollinearity within the estimated model and excluded all the potential collinear variables in the model. Multicollinearity occurs when two or more independent variables are closely and linearly related [47]. The forward selection procedure includes only variables that are capable of uniquely establishing a significant relationship.

To form research hypotheses to establish a relationship between the survey variables and the satisfaction of the business owners or the number of employees by using the quantitative correlational nonexperimental study design, the study estimated a linear regression model to establish a relationship between the survey variables and the satisfaction of the business owners or the number of employees, using the computed mean score from the construct listed in the methodology section of this report and setting the satisfaction of the business owners or the number of employees, which was computed on a 10-point scale with 10 indicating best satisfaction experience as the dependent variable. The determined statistical significance of the research model was 0.05. The study presented the estimated result of the linear regression model by using Table 2, computing the R-Square statistics. Because the study considered the forward selection procedure, the first variable added to the model is key partners, where the model computed an R-Square of 0.665 and $F_{(1,61)} = (23.471, p < .001)$. The procedure added the remaining variables, which increased the R-Squared statistics to 0.974 and $F_{(8,54)} = (10.416, p < .001)$. The indication is that the r final model improved on the first model when estimated with fewer variables.

Regarding the overall significance of the research model, the study observed that the linear regression model was statistically significant, $F_{(8,54)} = 10.416, p < 0.0001$, overall $R^2 = 0.974$. This is an indication that a significant relationship exists between the survey variables and the satisfaction

TABLE 2: Linear regression model.

Satisfaction	B	SE (β)	t value	p
Key partners	3.330	0.105	3.153	0.002
Key activities	2.285	0.093	3.079	0.003
Key resources	5.228	0.228	2.882	0.005
Value proposition	1.415	0.477	2.966	0.071
Customer relationship	4.036	0.837	4.822	0.003
Channels	2.022	0.748	2.703	0.045
Customer segments	2.275	0.512	3.942	0.024
Cost structure	-2.002	0.545	-4.002	0.048
Revenue streams	-0.344	0.148	-0.085	0.323

$N=63$. The test of the hypotheses of $\beta=0$ is based on t -values, $df=62$, $R^2=0.974$, $Adj. R^2=.0971$, and $*p < 0.05$.

of the business owners or the number of employees. Moreover, 97.4% of the satisfaction of the business owners or the number of employees is explainable by the survey variables.

To estimate the relationship between the survey variables and the satisfaction of the business owners or the number of employees, a regression model was estimated. The significant raw or unstandardized regression coefficients correspond to the hypothesis and model path. The result provides information that can help to evaluate how much controlling for key partners, key activities, key resources, value proposition, customer relationships, channels, customer segments, cost structure, and revenue streams increases the strength of the association between the satisfaction of the business owners or the number of employees.

5.4. Discussion and Analysis of the Results and Findings.

The results presented above were used to examine the significance of the model coefficients and to test the research hypotheses, providing informed responses sufficient to answer the research questions. Table 2 indicates whether there is a statistically significant relationship between each of the BMC factors and the satisfaction of businesses. The result shows that practicing most of the BMC factors would affect the satisfaction level of operating business activities online. The findings are described as follows.

H_0 : There is no statistically significant relationship between the following factors and the satisfaction of the business owners. The factors are as follows:

- (i) Value proposition
- (ii) Revenue streams

Although those two factors play a significant role in leading the business to success, Saudi SMEs seemed to not consider them as they should. Not considering the value proposition and the complete understanding of the revenue stream might mean that they use the online platforms to run their internal processes but not to sell or contact the customer. Also, they might use them to provide the same products or services as their competitors in the market, and not for the sake of being distinct.

H_1 : There is a statistically significant relationship between the following factors and the satisfaction of the business owners. The factors are as follows:

- (i) Key partners
- (ii) Key activities
- (iii) Key resources
- (iv) Customer relationship
- (v) Channels
- (vi) Customer segment
- (vii) Cost structure

5.5. Recommendation of an Appropriate Framework to Incorporate IT Solutions into the Business Model. The theory of organizational creativity is an appropriate framework that SMEs in Saudi Arabia can apply in incorporating IT solutions into the Business Model Canvas, thereby further improving the degree of effectiveness and efficiency derived from integrating the concept into their operations [49]. As discussed earlier, the theory of organizational creativity focuses on promoting the differentiation of a company's brand by facilitating the development of unique products and services through continuous Research and Development (R&D) programs that inspire creativity and innovation within these firms [13]. The BMC framework encourages firms to be the best in their respective markets by providing them with an effective strategic management and planning framework for use in pursuing their respective goal and objectives. Therefore, by using the theory of organizational creativity, Saudi SMEs can easily incorporate IT solutions into their respective business models, including the BMC framework, to improve the level of business success [40].

6. Conclusions

The Business Model Canvas (BMC) is one of the common strategic models to help businesses plan and foresee their progress and status from the early stages. The BMC can benefit all businesses of all sizes, from micro to small, medium, or even large enterprises. Thus, it is one of the models recommended by the industry to increase the likelihood of business success.

The market offers several versions of business models. The common BMC consists of nine main factors or practices to be identified. Large enterprises would have wide experience in adapting the BMC to their firms, while the practice of BMC by SMEs was uncovered. Therefore, this study focused on exploring the practice of BMC among SMEs in Saudi Arabia.

The study included 63 SMEs from different industry sectors to answer two main questions. Those questions explored the practicing and understanding level of SMEs to practice the BMC factors. The organizations were asked whether they practiced and identified each factor before and while running the business.

The results of this study revealed the instability of SMEs in Saudi Arabia when practicing BMC factors. Their understanding and awareness of some factors increased after they started their online businesses. This would indicate that those SMEs might not plan their start-ups well before running the online business, and they learned to correct

their direction after running the online channel. On the other hand, the realization level of some factors decreased after the launch of the online business. This would be the result of an optimistic plan for some SMEs that found themselves lost when they went online.

It is recommended that companies, especially SMEs, adopt and integrate the BMC framework into their operations, as this framework facilitates the achievement of their value propositions. The value that companies offer their customers is integral to ensure customer loyalty to the company's brand, as well as the continuous consumption of the firm's products and services. As such, with an elaborate BMC framework, these firms know how to work with each component of the framework to successfully achieve and deliver on their respective value propositions.

6.1. Study Limitations. The main limitation experienced during the research study involved reaching out to all the SMEs in the country, to ensure a comprehensive analysis of the entire nation, such that the results and findings obtained would reflect the real situation on the ground regarding the awareness and practice of BMC by Saudi Arabian SMEs. To overcome this challenge and ensure that sampling and data collection represented the entire study population, the study used online platforms to select the participants and administer the survey questionnaires. This not only introduced efficiencies in the administration and monitoring of the survey process but also reduced the research costs.

Abbreviations

B2B:	Business to Business
BMC:	Business Model Canvas
FDI:	Foreign Direct Investment
R&D:	Research and Development
ROI:	Return on Investment
SEM:	Search Engine Marketing
SMEs:	Small and Medium-Sized Enterprises.

Data Availability

The data are not publicly available due to privacy reasons and are available from the corresponding author upon request.

Consent

Informed consent was obtained from all subjects involved in the study.

Conflicts of Interest

The authors declare that they have no conflicts of interest.

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