

**Impact of COVID-19 Pandemic on Startups Business:
Evidence form the UAE**

دلائل من دولة الإمارات : ١٩ على الأعمال التجارية الناشئة-تأثير جائحة كوفيد
العربية المتحدة

by

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ABSTRACT

Manuscript type: Empirical

Research questions/Issue: How much did the COVID-19 pandemic had an effect on sales? What was the impact on small & medium businesses? Were there different results for small businesses than medium sized businesses?

Purpose: There is a plethora of research papers that have been written for the COVID-19 and most research touches on many countries and regions globally, but for the case of the United Arab Emirates there is limited field research studies that have been done for small & medium businesses. The aim and goal for this research paper is the make a thorough examination on the effect of the COVID-19 on sales for SMEs in the UAE.

Research Methodology: In this research 170 questions have been asked to decision makers in the SMEs in the UAE by 10 participants and with more than 200 minutes spent interviewing the participants. This research has used a questionnaire in the scope of sales to measure the effect and risks of the pandemic on sales. The data collection method that was used is qualitative study based on semi structured interview.

Research Findings/Insights: A positive relationship has been found between the onset of the COVID-19 pandemic and SME sales. After the interviews, the findings have unveiled an anomaly for certain industries where their results were the complete opposite of what the majority has experienced.

Theoretical/Academic Implications: these findings provide insight for governments procedure toward the crisis and the effect of those procedures on overall businesses and SMEs.

Keywords: UAE, SMEs sustainability, COVID-19 lockdown implications, measurability of SME sales in the UAE

نبذة مختصرة

نوع الموضوع: تجريبي

بحثي عن: كيف أثرت جائحة كورونا على المبيعات؟ كيف كان تأثيرها على المشاريع الصغيرة والمتوسطة؟ هل كان نتائج الجائحة مختلفة على الشركات الصغيرة عن الشركات المتوسطة؟

الهدف من البحث: هناك العديد من الأوراق البحثية التي تخص جائحة كورونا فهي تكثر في العديد من الدول وبعض المناطق عالميا ولكن في حالة الإمارات العربية المتحدة يوجد عدد محدود من الأبحاث على المشاريع الصغيرة والمتوسطة .

الغرض من هذه الورقة البحثية: توضيح مدى تأثير جائحة كورونا على المشاريع الصغيرة والمتوسطة في الامارات العربية المتحدة.

طرق البحث والاستقصاء

لقد قمنا بإلقاء مئة وسبعين سؤالاً على أصحاب القرارات بالمشاريع الصغيرة والمتوسطة وعن طريق عشرة مشتركين في مقابلة مدتها مائتا دقيقة.

لقد تم استخدام هذا البحث للدراسة أكثر في مجال المبيعات لمعرفة تأثير ومخاطر الجائحة على المبيعات. تعتمد طرق تجميع البيانات المستخدمة في الدراسة الكيفية على مقابلة شبه منظمة.

نتائج البحث الفعلية

وجدنا علاقة فعلية بين جائحة كورونا ومبيعات المشاريع الصغيرة والمتوسطة.

بعد المقابلات أثبتت النتائج عن وجود حالات مختلفة في بعض الصناعات والتي كانت عكس غالبية النتائج.

النتائج الأكاديمية للبحث

توفر النتائج معلومات حول الإجراءات الحكومية اتجاه الأزمة وتأثيرها على المشاريع الصغيرة والمتوسطة بشكل عام .

الكلمات الرئيسية

الإمارات العربية المتحدة، استدامة الشركات الصغيرة والمتوسطة، إغلاق جائحة كورونا، قابلية قياس مبيعات الشركات الصغيرة والمتوسطة في الإمارات العربية المتحدة .

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LIST OF ACRONYMS:

SMEs - Small and medium enterprises

UAE - United Arab Emirates

CRM - Customer Relationship Management Software

WFH - Work From Home

AED - United Arab Emirates dirham

NCEMA - supreme Council of National security

SAAS - Software as a Service

WHO - World Health Organization

SC - Supply Chain

FINTECH - Financial Technology

ROAS - Return on ad spent

CHAPTER 1

INTRODUCTION

1.1 Background of the Study

To put forth the COVID-19 pandemic had had its first case in December 2019, it has been one of the biggest threats affecting the economy since the 2008 recession. Kumar et al. (2021) as for the developing countries affected by the crisis such developing countries experience a higher effect due to having insufficient health facilities and high demand.

Fitriasari (2020) to prevent the spread the COVID-19 cases from surging, there has been a government enforcement restricting the movements of pedestrians and vehicles during specific hours. Including the lockdown that was implemented in the beginning of the pandemic across the country.

Kumar et al. (2021) long duration lockdowns are especially harmful for the local and global economy. Strict policies such as the lockdown and shutdown of business activities create harm that is long lasting after the lockdown is lifted.

Moreover, Kumar et al. (2021) the healthcare industry workforce were on their maximum output to amend the spread of the COVID-19 virus, with the level of performance of the workforce at maximum still there were many difficulties to contain the spread of the disease.

Fitriasari (2020) the COVID-19 caused emergencies globally and has slowed down economic transactions, investments. Also, employment was affected heavily as SMEs were forced to reduce expenses by laying off their employees. Health, education, tourism and trade were the most affected verticals during the pandemic that suffered tremendously.

Fitriasari (2020) when the economy is available to all active SMEs with resources available for them to grow, leverage and utilize it is more efficient for SMEs to push through the beginning 2phases and produce a profitable unit case that they can duplicate to create their growth and

sales in a competitive market. The onset of the COVID-19 pandemic lockdown has created a depression in the economy where there was a high number of unemployment, bankruptcy and immense difficulty in making transactions & transporting goods, rendering a majority of SMEs into losses and bankruptcy.

Fitriasari (2020) SMEs have been performing steadily and positively before the onset of the COVID-19 pandemic, there has been prolixities that were rolled out by the government to influence the success of SMEs and help the economy stabilize.

Khan et al. (2021) the Gulf Cooperation Council countries have slowly started the push for the sustainability of their economies by implementing recovery policies to their countries and reforms to ease the operations of businesses. Also, the GCC government entities are adjusting to the digital age and amend the regulations to drive innovative and disruptive SMEs to operate in the region.

Khan et al. (2021) to take into consideration, the Saudi Arabia SMEs take up 99% of the number of enterprises in the country, and to add on those numbers the UAE SMEs it has been estimated by the Ministry Of Economy to 98% of the total of the UAE businesses. Those SMEs have helped employee citizens and nationals and promote a healthy economy in the UAE.

Khan et al. (2021) SMEs and startups have been soaring in business registrations and are booming in recovering economies in the GCC regions.

Nuseir et al. (2021) Business intelligence or market intelligence is one of the major decision making process that enable decision makers in businesses to make decisions on current time period of the market and the intelligence gathered for the decision.

Marketing Intelligence has gain popularity with the new digital age startups that leverage powerful tools that automate and provide concrete tracking of customers for firms products and services.

Nuseir et al. (2021) Argued that the UAE government body response to the COVID-19 pandemic was to become digital slowly, and gradually offering governmental services for businesses and SMEs without physical appearance. Globally few countries have given then COVID-19 denial and has lacked with the implementation of preventative policies. While, the government of the UAE have proactively valued its citizens and took preventative measures offering government exempt healthcare services such as free COVID-19 vaccines to nationals and citizens living in the country.

The UAE has also has adopted measures that WHO have suggested globally for countries in the effect of managing the pandemic and lessening its effect. Till the 18th of April, the UAE government has imposed constant lockdown and there were disinfection that was done in the evening to reduce the spread of the virus. After the lockdown there were policies that were implemented for citizens to wear gloves and masks while leaving their homes whether indoor or outdoor. During the lockdown the UAE government has innovated a pre approved system that allowed its residents to leave for various reasons, this system was used by residents to purchase necessities.

During the pandemic in the UAE many people whom live with their families in the UAE have been laid off and were unable to pay for their children school tuition fees. Owners of those education institutions have become aware of the issue and have offered pandemic discounts unto 30% of the annual tuition fee.

Sulistyowati (2021) has reviewed convoluted problems that can be felt on an international level down to the domestic and individual level that happened in the beginning of 2020 due to the COVID-19 pandemic, has hit hard on the world economy since the depression in 2008. The effect of the pandemic has caused lay offs for many employees across the globe due to many restrictions that were imposed by the pandemic. The result of companies laying off their

employees has had many entrepreneurs striving to start their own small local businesses and do freelance work due to difficult hiring due to a falling economy.

Trawnih et al. (2021) stated that social media startups have disrupted the traditional flow of startup operations, SMEs leverage social media to build a brand and initiate engagement and word of mouth to generate their sales. SMEs decision makers are aware of social media and utilize the value that is gained from increasing engagement with the target audience of those SMEs.

SMEs working in conjunction with the target audience popular influencers has a positive effect for the business customer engagement, SMEs work directly with influencers in the same targeted audience by the SMEs to engage and convert prospects generated from the influencers collaborating with the SMEs to sell a product or a service.

Trawnih et al. (2021) argued that the positives of the COVID-19 pandemic had been that it has made businesses explore the digital channels as well as the physical channels, if businesses don't compete in both physical and digital channels they will struggle, since most traditional businesses that had only physical channels has suffered and many of them went out of business due to not making their digital presence.

Baral et al. (2021) content that 94% of the global companies have been affect by the COVID-19 pandemic, in countries with large populations SMEs are a major part of the economy and in essence SMEs have lean structures that are flexible and have more resilience and adaptation to changes in the economy and external variables. The disruption that has happened in the global supply chain management has been affected majorly by the COVID-19 pandemic, the disturbance that arose from the pandemic has shaped and influence much of the living conditions of individuals globally.

The supply chain sector has been reshaped by the COVID-19 pandemic, the economies that operate in this sector have been influenced to comply with the new variables and lowering the sustainability of SC SMEs and large firms. The traditional pre-covid pandemic demand and supply list of items have been changed extremely where the supply of goods and services have changed based on the new demands of the world economy. Data scientists have been recommending that SMEs and large firms to use data technologies such as analytics, management of information and digital tools to adopt the changes and forecast more easily the influence of the pandemic, adopting said technologies can elevate SMEs and large firms sustainability while the pandemic is active and could also help SMEs catch up with the dramatic transformation that have been noticed in firms and companies because of the COVID-19 pandemic. Baral et al. (2021) Isolation and flexibility has been the most popular work culture influences due to the pandemic making individuals more productive. Pandemic essential items have been on high demand since the onset of the pandemic, large firms and SMEs have not met the immense demand required. The SC SMEs and large firms have to quickly comply with the ever changing clients preferences, changing regulations and timings restrictions variables that is imposed globally on SMEs and large firms, for companies to continue their business operations after the pandemic they would have to undergo transformations that will enable them to compete in the future. Moreover, data analytics and forecasting plays a big role for enabling SMEs to forecast future demands of their customers, SC sector can attain high accuracy forecasting if there was a cooperation between SC SMEs and their suppliers, in contrast large firms have experienced low impact during the pandemic but SMEs have been the most affected companies collective during the COVID-19 pandemic. Low business communication with client, scarce resources and already fragile SMEs structure all are inflows for SMEs in SC sector. SMEs have to put an effort into research and development to increase their chances of being resilient during volatile environment of the COVID-19 pandemic.

Šehić & Peštek (2020) point out that media buying, advertising field has unlocked a new digital channel that many popular social media platforms has enabled advertisers to leverage their platforms to run campaigns for their target audiences on these popular platforms, as the pandemic has imposed and lessened the exposure of individuals for the offline advertisements boards outdoors digital advertising channels have gotten more popular as there was an increase in online users compared to pre-pandemic.

1.2 What is the risk associated

The active businesses in the UAE have used a plethora of strategies to amend the effect of on sales for businesses in the UAE during the lockdown, some firms has imposed decisive strategies to keep the momentum of their companies or to lessen the general declining of sales, while some businesses took drastic measures for their companies to survive the pandemic.

The majority of businesses have reduced their employees salaries by 20% unto 50% during the pandemic, some firms asked their employees to take paid leaves and WFH, unfortunately some firms gave their employees unpaid leaves leaving their employees unable to pay their debts and the most drastic measures taken by firms is to layoff their employees in the amidst of the crisis, but a certain number of firms have rehire their laid off employees.

Some companies have experienced an anomaly where their sales have increased unto 30% and remained high through the pandemic, this anomaly was experienced by mostly e-commerce business operating in the UAE that offered pandemic related products and disinfectants and preventative products, only business that did home deliveries have had a stable increase in sales.

Individuals after the onset of the pandemic and the lockdown have become more health conscious according to Shamim et al. (2021) where the majority of shoppers in groceries and mini marts changed their eating habits toward a healthier alternative that could become the new norm in an effort to gain high immunity toward the COVID-19 virus; more consumers have

made the switch since the onset of the lockdown to use e-commerce channels to purchase items instead of visiting and doing the shopping personally.

Sulistyowati (2021) also has stated that digital literacy is a major risk for SMEs planning to develop an application to drive in sales or growth of their company, building for young generations who are literate in the use of applications but it would be difficult to use the same for generation X to use the application or website. Most SMEs create simplified user experiences for their consumer to have a simple and short journey from opening the application unto making an order and receiving it, or purchasing digital products or investing through the application.

SMEs can risk its application to have a small amount of users due to inefficient application installs advertising campaigns or due to issues that the consumer will face when using the company service through the application.

Sulistyowati (2021) explained that entrepreneurs get their digital literacy from people close to them, their communities and experience. Businessmen whom consumer knowledge through digital means such as video content that is provided for free on platforms such as Youtube and also paid video and text education content that can be purchased from digital marketers that provide their knowledge and share their results and blueprints, for entrepreneurs to get into digital marketing their brand, product or services can be highly inefficient if the entrepreneur has no prior knowledge on setting up advertising campaigns to target specific target audiences instead of targeting broadly and the outcome is a minimal conversion rate.

Funnels and processes also play a big role after the prospect obtained from the advertising campaign, adding no value for the consumer or not solving their most urgent problem will only outcome a low to none conversion rate and not enough sales.

Gordon et al. (2020) argued that there are four major inefficient digital advertising campaigns, effect measurement is the outcome or uneducated ad effects that can happen due to advertisers incorrect adjustments, budgets are set for the digital campaigns.

The blocking of digital advertisements on a browser level up to blocking advertisements on a home network level, tech savvy individuals can harm publishers and affect inefficiently the advertising budgets.

Fraud of advertisements is a minor issue that is limited to medium and small advertising platform where they purposely misrepresent inaccurate statistics of the ad campaigns in order to receive more revenues from advertisers.

Inefficiencies in organizations happen and are limited to advertising agencies and firms where decisions are inefficiently made.

Furthermore, Trawnih et al. (2021) stated that the risk of social distancing has limited brick and mortar shops to a maximum number of consumers in the shop at one time; such implications has driven out consumers to seek other channels to purchase their requirements leaving traditional that has not innovated and made their presence digital suffer and their sales decreasing.

Trawnih et al. (2021) stated that there is a complexity to the application of technologies in businesses and SMEs for them to adopt the technology. Therefore, SMEs with experience in the social media and technology would easily grow leveraging these technologies available and used by the masses globally.

Trawnih et al. (2021) argued that from their research it was revealed that a high percentage of SMEs will implement social media than the past. Since businesses now have a different way of approaching their target audience and the use of social media has made it easier to reach the audience that SMEs sell to.

Large companies and SMEs have been renovating their strategies to comply with the advances in the economy due to the pandemic. Baral et al. (2021) affirms that for achieving some sort of high global sustainability in harsh periods where concerns of environmental, social and economic would impose more collaboration with suppliers, with this type of collaboration the suppliers will assist suppliers and SC companies in their survivability. With the addition of variables to the existing guidelines and limitations, SMEs and firms have to come up with solutions to lessen the pandemic effect on their resilience. Since the onset of the pandemic SMEs and large firms goals has been to not reach bankruptcy despite many challenges being thrown on the SC sector.

Founders of SMEs that are looking into expanding their digital presence post-covid have to understand the risks of actively having a strong digital presence Patrutiu-Baltes (2016) confirms that inbound marketing methods that are popular such as search engine optimization has running costs and could be lost due to a change in search engines algorithms that changes from time to time. As well as the email campaigns that are a big factor for digital business where if the business exploits or sends emails more than the limit set by the email hosting provider could get all their emails flagged and no longer converting due to emails falling directly into the junk folder.

Unpersonalized bulk emails sent to huge sums of individuals usually leads to minuscule response rate Mohammadi et al. (2013) confirms that in order for SME founders, co-founders and heads of sale to obtain a high response rate using cold email, personalized line must be included in every email that is sent to schedule a meeting with a SME in hopes to close them as a customer. As technology advances there are tools that SME decision makers can utilize that will take in input personalized lines from an excel sheet and import them into the email before being send such as each email sent to a decision maker is personalized in a similar

template; this method has been crafted by cold email enthusiast into making it a viable and highly converting outbound prospecting tool to book meetings with clients and close deals.

1.3 Challenges faced by businesses

The UAE government has launched a virtual platform during the onset of the pandemic for the residents of the UAE that have a valid visa; the purpose of the virtual platform is to link employers and job seekers that are looking for opportunities including job seekers that have been laid off because of the pandemic. This virtual platform is called the Virtual Labour Market that was developed by the Ministry of Human Resources & Emiratization.

Cepel et al. (2020) the most dramatic negative effect on SMEs is the drop of demand for SME products and services, but SMEs are resilient due to lenient policies toward small companies. Also in many countries small businesses will find it very costly to file for bankruptcy that many stop them from exploring bankruptcy or seeking this option.

A review by Cepel et al. (2020) SMEs have much exposure to the risks associated with the COVID-19 pandemic than large enterprise, and for them to continue their operations and not file for bankruptcy SMEs can use tax stimuli and direct financing to sustain their firm operations in the future.

Countries that have approached the COVID-19 pandemic in a negative manner and have not taken preventative approaches have early on will burden businesses operating in the country with longer lockdown restrictions and slower government approval processes; expenses have been an issue for SMEs and business general in the pandemic due to a large hit on company sales and restrictions on companies operating in each country. Countries that have implemented digital strategies and started with preventative measures and policies and offered stimulus have made it easier for SMEs and businesses operating under the governmental control to be easier and business will in turn do less in expenses.

The behavior and habits of people after the pandemic has been reshaped by the pandemic lifestyle and the ways that people used to approach shopping, business operations; when things become normal after the pandemic the previous habits will change and the disruption is already happening for the shift of companies to the digital presence Cepel et al. (2020).

Kim (2020) argued that the pandemic has forced brick and mortar businesses into making the switch and creating the digital presence using traditional websites and social media applications to drive sales.

Kysh (2020) Internet users have increasingly surged with the world governments imposing lockdown and restricting movement of citizens; retailers with no digital presence have suffered tremendously with no consumers being able to visit their stores to purchase supplies and also unable to visit their digital stores for the businesses that haven't had an online presence or a digital store into place.

Morgan et al (2020) SMEs decision makers should be wary of pivoting to realize arbitrage opportunities that become present during the shock of the COVID-19 pandemic as they will only be able to leverage these opportunities for a period of time till the economy stabilize.

Thompson et al argued that SMEs and businesses who do not have a sound business continuously plan are bound to suffer losses due to the risk that has been imposed with the onset of the COVID-19 pandemic.

Gregurec et al. (2021) discussed that businesses have been exposed to a plethora of challenges during and after the global pandemic, and the response to these challenges from the decision makers and the owners of the companies has impacted their sustainability and the firms chances of survival as the pandemic lessen its effects on a global scale. Moreover, service based verticals has had been affected by the implications set by responses of governments to the pandemic.

The COVID-19 pandemic has forced SMEs to redesign their core business model and look for new opportunities stated Gregurec et al (2021). Moreover, by giving focus on these aforementioned pointers SMEs will cause a disruption in their verticals and will be able to adopt new technologies and will be able to offer more value than their competition.

Digital presence is for the tech-savvy individuals, Duncan and Elkan (2015) expresses that the challenges that have presented themselves to firms and SMEs globally is the ability to scale up and downsize company operations based on the consumers churn rate, companies whom had a large percentage of their employees as remote freelancers and remote commission based sales representatives have experienced less disruptions when high churn rates have been experience due to the pandemic, companies that have difficulty or slow layoff times have suffered with fixed salaries in the period of the pandemic only.

1.4 Adaptive preventative measures

The UAE government helped businesses in great effect to support them by offering a stimulus for business entities that will reduce the costs of issuing, renewing and business setup related services of unto 98% discount. The AED 315 million stimulus was announced by H.H. Shiekh Hamdan Bin Mohammed to help businesses in import, export, investment, trade and production for the firms to mitigate the effects of the COVID-19 pandemic effect on the global and domestic economy.

Al Hosany et al. (2021) the UAE have achieved high response to the COVID-19 pandemic and is reenabling businesses and announcing a recovery plan to help replenish the economy. Major two economies in the UAE are Dubai and Abu Dhabi, in order for the UAE to revive the economy after the pandemic result imposed lockdown in the country businesses have their administrative fines waived with the AED 315 million stimulus in order to speed up the economy recovery; the NCEMA have worked on providing guidelines for active SMEs and firms in the country for the continuity of organization in the country.

As there is a direct connection between the success of SMEs and the response that the UAE government take toward the recovery of COVID-19 cases in the country, the UAE had a 89% virus recovery rate with a facility rate of 0.3% Al Hosany et al. (2021).

The UAE plans for the future by successfully reforming policies into reopening the business and replenishing the economy and being preventative toward new variant cases affected by mutations of the COVID-19 virus.

Kim (2020) retailers and e-commerce digital stores have had their web traffic increase up by 16% since the pandemic started in late 2020, the digital infrastructure was already there before the COVID-19 pandemic hit and there were sales and for some stores high amount of sales but the onset of the pandemic has converted more traditional consumers into online grocery shopping.

Kysh (2020) COVID-19 has disrupted the world economy, new starters are being carved to cater for the pandemic risks such as social distancing, this distancing offers B2C business owners to receive more traffic since traditional groceries have social distancing rules set into place; the no queue online shopping experience offers convince in the amidst of the pandemic.

Rogerson et al. (2021) majority of businesses in the tourism industry have had similar adaptive measures whereby businesses have downsized, reducing prices for consumers and applying retrenchments to workers wages. International tourism has been heavily hit the last pandemic hit prior to COVID was the H1N1 but it was considered to be much lower on its effect on world economies than COVID has affected the world economy.

Morgan et al. (2020) SMEs during the pandemic some have pivoted their business model extremely to leverage on the existing opportunities that have become present in the onset of the COVID-19 pandemic, although that not every SME would qualify to have an efficient pivot if they are still facing difficulties in terms of sales or growth. For SME decision makers to

successfully pivot their business when there's an opportunity to leverage during the pandemic would require certain external factors and correct decisions taken by the decision makers, not all SMEs that pivoted after the onset of the COVID-19 pandemic has succeeded or experience growth.

The external shock that happened during the onset of the pandemic has unveiled opportunities for entrepreneurs and SME owners, logistics supply chain has suffered, raw materials shortage in many industries and marketing, product price and inflation during the pandemic.

Thompson et al stated that SMEs who have low ticket prices should consider using software as a service since they can utilize volume sales as a subscription with zero cost for duplication the service for one more customer, to put this in simpler form; SMEs that offer online services such as digital tools, content and mostly anything digital can use SAAS model.

SAAS models for SMEs has been very successful since SAAS can be sold with no limits to borders. SAAS companies has consumers paying monthly and annual subscription models all across the globe; there is only infrastructure upkeep costs other than that the SMEs can sell to an unlimited number of consumers since duplicating the service for another consumer has no cost, unlike factories that has raw materials cost for each unit made.

Direct persuasion in written form has been used in fixed media advertisements usually in images Mustafa et al. (2012) assures that having a sales letter that is implement in a website landing page of a firm that is used to sell a service or a product is a persuasive measure that will try to remove all doubts from the prospect mind and offering viewers value in terms of information in hopes of converting them from viewers to customers have been successful for entrepreneurs that sell consultation, membership and information products. Online direct response sales letters and video sales letters speak directly into the interested viewer warming them up from a cold prospect into giving in and purchasing the product sold to receive its value.

The COVID pandemic harshly affected firms that have difficulty to scale down during the restrictive period of the pandemic Radović-Marković et al. (2021) believes that SMEs and one man startups have freelance employees that are working with the SME on hourly basis when needed only that lower their costs to absolute minimum. Freelancers doing complicated programming tasks such as IT developers, sales representatives to virtual assistants are duly available can can be remotely hired and start delivering required tasks on the same day.

CHAPTER 2

2. LITERATURE REVIEW

2.1 Introduction

Since the onset of the pandemic large numbers of studies have been published in the area of small and medium enterprises and their performance and sustainability during the limitation of the COVID pandemic. As the SMEs face difficulties they innovate new mechanisms and transformation vehicles that enable firms to survive and also thrive in some business activities during the limitations of the pandemic as noted by Morgan et al. (2020).

The direction of this literature review is to provide a general overview of the available research studies that are in conjunction to the topic. The aforementioned literature review will illuminate on five subsections that are the most affecting factors during the pandemic. First will touch on research in regard to the protective measurements taken by the governments internationally to impose lockdown procedures and their effect on SMEs. Second will discuss the research and development done by businesses to innovate and strive in the pandemic. Third several studies will be discussed in regards to the most affected business activities that suffered great losses and the most profitable activities that thrived in the pandemic environment. Fourth the transition of traditional businesses to a full digital presence. Fifth point will discuss studies in terms of the scarcity of supplies. Sixth research about the trust issues that risen during the pandemic and commitments were not fulfilled.

Rodrigues and Eurico (2021) has also argued the same points, that companies that experiences anomalies or were seen as unicorns during the pandemic where firms that had powerful logistics processes, marketing ability to attract investments, they have a strong following in digital domain, offer financing payments solutions, and having a strong partnership network.

Furthermore, companies with a strong standing in the digital domain, they were able to transform and innovate during the pandemic since there has been a dramatic growth in internet users during the pandemic and the lockdown period as noted by Rodrigues and Eurico (2021). These techniques used by those so called unicorns or companies that have experienced anomalies during the pandemic should be seen as figures for SMEs and entrepreneurs to follow in their path and develop the skills and abilities to obtain such results and the highest leveraging factor is digitization of those firms.

Rodrigues and Eurico (2021) highlighted that SMEs and entrepreneurs should consider that those unicorns and anomalies be seen as a guide to follow and learn from the insight gained from analyzing them on how SMEs and entrepreneurs can overcome and achieve sustainability during and after the crisis. The SMEs have to consider adopting of digital payment services, digitization of their communications and interactions with their consumers and adopt inside sales.

Gregurec et al. (2021) agrees that the external factors that COVID-19 pandemic has implied on SMEs is to force them to reevaluate their business models and core competencies of their businesses, seeking new opportunities whether it was expanding the audience scope outside the operational borders and selling to international customers to achieve sustainability, and to rethink the business sustainability according to the new way of operations during and after the pandemic.

Camara et al. (2020) categorize the pandemic as a surprise challenge to the world with rewards for SMEs to overcoming and becoming sustainable to its implications, companies have hastily worked on their core competencies to comply with the new restrictions of the COVID-19 pandemic. SMEs that have started during the pandemic will gain valuable insight by looking into studies of companies that are facing the pandemic and the uncertainties that are faced by it, will give an advantage into SMEs against their competition in the market.

Camara et al. (2020) highlighted that agile methods that have been developed by software companies to sustain themselves during and after the pandemic can also be used and applied in different verticals, utilizing its potential and methods to their advantage.

Camara et al. (2020) suggested that many methodologies and vehicles can be used by companies, regular feedback for WFH teams is sent to team leaders that address the hurdle that is faced by the employee and amend by creating brain storming sessions that has an end goal to solve the issues faced by team members.

Grondys et al. (2021) confirms as above mentioned that SMEs face and still face challenges and risks that occur are the most prominent risk that those SMEs face are the external factors that SMEs cannot accurately calculate, the difficulty of repaying obligations for SMEs has been high with their suppliers.

Grondys et al. (2021) maintains his opinion on SMEs and elaborates that such small companies are able to pick up on the signal amplified by the market and attain greater opportunities. Subsequently, for large enterprises the risk management is carried out all year round while for the SMEs to divide the risk, they attain and keep customers with different industries to facilitate risk.

Grondys et al. (2021) expound that risk management is common in large-sized enterprises and is an essential part to them. While, SMEs foundations are more dependent on their capital that is not strong enough to avert in case there was bankruptcy or financial loss during the extreme pandemic economic period.

Nair et al. (2021) reasons that fintech SMEs and firms have their core workings based on technology infrastructure, fintech is essentially a digital transformative way of enabling payments transactions to be automated through software. In another words, financial

technology is a developed software that link financial services with automation that is majorly used in the e-commerce and internet domain.

Lester et al. (2021) agrees that e-commerce is a popular starting point for SMEs that penetrate markets without having to have generated funding to access their preferred market, e-commerce enable SMEs to penetrate their industry of choice by targeting niche audiences and solving individual problems then going further by expanding their niche and product and services lines. E-commerce has become easier to access for SMEs more ever than before; with the readily available free and paid tools SMEs can launch their digital infrastructure to run paid promotions and receive traffic to their electronic stores and generate sales in a very short period with very low overhead cost.

De et al (2010) states that online sales have a large role in the digital product sales and is leading compared to the traditional brick and mortar shopping, large brands have leveraged the advantages of global digital stores on making their products shippable across the globe serving all countries and expanding their reach and not limiting themselves to one country or region, with this ability small and large e-commerce companies create platforms and run campaigns to global markets and tapping into untapped markets. Consumers from many countries will have difficulty into obtaining certain brand products that make their availability online only, including small business owners that can leverage global e-commerce into reaching their niche audiences.

Duncan and Elkan (2015) presents firms that have been actively running profitable annual run rate in offline sales and marketing pre-covid pandemic their sales funnel is a different than post-covid digital sales, metrics and key performance indicators have different indicating variables with online sales.

Patruti-Baltes (2016) affirms that non intrusive inbound paid promotions that is high quality content for the users is highly converting for firms with a digital presence including SMEs. Companies that succeed in their search engine optimization generate high amounts of organic traffic with no cost and if they have quality content and articles that has call to action their conversion rates were drastically high.

2.2 Overview of the COVID-19 pandemic

In the Middle East lies the United Arab Emirates freight transport and air transport hubs, a central connection spot for freights and air cargo. According to Akhavan (2017) locations such as the United Arab Emirates with large port hubs are an attracting spot for the Eastern and Western trade as a connection point, specifically Dubai. A review by Grant et al (2007) states that the United Arab Emirates is setting itself on the world stage that offers multicultural lifestyle for its residents and expatriates living in the country.

Grant et al. (2007) the United Arab Emirates has created an attractive environment for expatriates to work and live in as a tax free or lightly taxed living environment. Moreover, Grant et al (2007) states that the United Arab Emirates government has put in place such as economic stimulus put in place to help businesses grow and flourish in the country also to encourage new firms for making Dubai its head office location.

According to AlSharji et al. (2018) the United Arab Emirates economy comprises of roughly 59% SME actively operating in the country. Moreover, a majority of SMEs employees consist of expats. Thus it's a critical role to consider and a lucrative startup environment for foreign investors.

Multiple hurdles SMEs in the United Arab Emirates face when actively operating in the United Arab Emirates, AlSharji et al. (2018) the transition of brick and mortar SMEs are transitioning into digital SMEs with adopting social media technologies to reach its audience.

Grondys et al. (2021) point out that SMEs are the most endangered group of entities due to the lack of sustainability assets to keep them afloat during the extreme pandemic period.

Camara et al. (2020) contend that companies that does not comply with how the pandemic has been and still is reshaping the international economy mechanisms and how companies work with also many upcoming changes that will be unveiled later on in the years ahead. Virtual work, WFH and personnel indoor limit are many of the recently embraced factors that have been imposed by the pandemic, also these changes are here to stay.

Camara et al. (2020) extols working from a office remotely or a coffee shop, individuals have started working from the comfort of their sofas at home, in their bedrooms and on kitchen tables while having distractions from pets, family.

Sulistiyowati (2021) remarks that heterogeneous problems that affects all household sizes across borders is linked to the pandemic implications that halted many industries and bankrupted a large sum of companies internationally. As unemployment increases, income allotment decreases and poverty rate increases entrepreneurs become the leaders in the economies due to them hiring and creating opportunities lowering unemployment rate and overall improving the economy.

Lester et al. (2021) express that a large portion of international organizations and SMEs have been limited their business activity due to scarce materials due to supply chain management limitations during the pandemic. Additionally, SMEs have had difficulties on the onset of the COVID-19 pandemic where there were hurdles and limitations with the output of products and services due to lack of liquidity and vanishing demands.

2.3 Challenges for SMEs from the COVID-19 pandemic & government imposed restrictions

Al-Fadly A. (2020) argued that government closure of businesses during the pandemic made firms unable to operate during the lockdown. Moreover, 45% of business owners stated that they have been halted or suspended by the government in GCC countries.

Moreover, Al-Fadly A. (2020) also mentioned that although the measures taken to prevent the spread of the COVID-19 has resulted in actions that limit the normal functions of a business environment, due to social distancing and limiting persons in physical stores and the stay at home campaigns and the lockdown in most cities inhibiting all movement.

Furthermore, Al-Fadly A. (2020) stated industries that are linked together such as hospitality, like restaurants and hotels and accommodation related services and travel demand remained high and peaked in some cases. Those establishments that require customer physical presence have been affected severely due to the relationship between the industries.

A review by Ximei et al. (2021) that the COVID-19 pandemic affects on the economy has been far greater than the effects on the economy in the financial crisis of 2008, male dominated sectors have been affected harshly but recovered faster than women dominated sectors.

Abuhussein et al. (2021) the pandemic racked up a stream of losses for active businesses and most of the firms interviewed have reported that there was a significant loss of revenue, sales and almost non-existent demand while manufacturing costs have risen significantly causing lack of access to liquidity and cash due to the negative effects on imports and rising costs due to lockdown measures by the government.

Wilke et al. (2021) asserts that when the WHO announced that the COVID-19 outbreak is considered a global pandemic with the increase rates of the disease spread, many governments resorted to pushing policies to immediately stop the operations of active businesses in the country.

Moreover, many governments has announced the ban of gatherings for all type of events and different level of lockdowns has been imposed in my countries across the globe.

Additionally, with the restrictions that were announced and enforced by the governments there has been temporary shutdown for sport facilities, gyms, recreational areas for physical activity and public parks. As well to the aforementioned, the result of the restrictions from many governments will promote a sedentary lifestyle as in-house gyms are not very popular and is costly.

Zutshi et al. (2021) simplify that sustainability and sales have been severely impaled in an unmatched point previously where new external factors that were not considered previously has become an external force on SMEs in the global economy. To sustain themselves SMEs have to become agile and dynamic in a way to not hit with difficulties in financing & liquidity while increasing productivity output to perform highly in difficult times.

Zutshi et al. (2021) calculates that for SMEs to survive and also to become disruptive SMEs should look into a change or an improvement in strategy to align to the new implications caused by the pandemic. Also, SMEs are being challenges by recurring expenses for operations costs such as utilities, insurance, interest payments.

Zutshi et al. (2021) affirms that countries have different challenges, China challenges for SMEs were no more inventory stock for raw materials and access to obtain the materials, market demand has reached an all time low. Moreover, one man startups & one man SMEs have had it easier to survive the COVID-19 pandemic implications due to them not having operational costs such as SMES with more than one employee. On average, all SMEs that have one employee or more should have the capacity the sustain itself and operate normally with the restrictions for a period of 2-5 months easily without generating sales or with a very low sales.

Zutshi et al. (2021) SMEs performance in Zimbabwe, Malaysia have experienced a harsh layoff of employees during the lockdown and many SMEs were out of business in a short period. Subsequently, the major affect areas that businesses have received a critical hit were in the chain of supply and financial management, some SMEs have turned to the government for help and waiving of fees to sustain the pandemic difficult period.

Zutshi et al. (2021) extols SMEs whom are offering and creating tons of value for their clients when there are general and financial related challenges arising from the COVID-19 pandemic, these SMEs have proven to have offered special pandemic discounted pricing to maintain a very low customers turn-over rate during difficult time of the pandemic for sustainability reasons.

Effendi et al. (2020) implies SMEs have been strongly sustaining themselves during difficult periods in the past, 1998 the asian financial market crisis and the 2008 global financial crisis. However, during the COVID-19 pandemic SMEs that were able to sustain themselves have gone out of business during the COVID-19 pandemic due to the severity of the pandemic and its compounded effect on SMEs.

Effendi et al. (2020) remarks digital social media has made SMEs decision makers more involved with these platforms due to the COVID-19 pandemic; and and SMEs started increasingly using social media platforms for advertising. SMEs C-level executives has been noticing that social media drastically improves SMEs sustainability in the long and short term, SMEs have experienced and seen the results that were generated using social media during the COVID-19 pandemic. In comparison to the traditional offline marketing, SMEs now can use social media to market their themselves leveraging social media platform paid marketing.

Effendi et al. (2020) claim that SMEs managers work in conjunction with their company employees to create their company digital presence on social media platform, also C-level

executives have become hyper aware of the implications and results that can be obtained from social media, and is seeking more tools and knowledge to surpass in their digital presence using organic and paid traffic.

Effendi et al. (2020) confirm that many SMEs have experienced a drastic fall in their sales during the COVID-19 pandemic and the traditional sales environment that SMEs were used to has been changed to comply with the COVID-19 restrictions. One way SMEs can increase their advantage against their competitors is to use social media marketing platforms which allow SMEs to target audiences outside their countries and target and market for their target audience in a global scale.

Effendi et al. (2020) believes that if SMEs have experienced a dramatic increase in demand it would be difficult to satisfy the demand due to the importing raw materials in the COVID-19 pandemic, scarcity of the materials and price fluctuations.

Effendi et al. (2020) affirms SMEs should seek new channels to selling their products, the traditional way of selling has been depreciated with the new societal behaviors imposed by COVID-19 restrictions, seeking new channels and leveraging digital social media advertising platforms.

Nair et al. (2021) point out financial technology sector has experienced a lot of up and downs with the influx of fintech users increasing dramatically since the beginning of the onset of the COVID-19 pandemic, as a result SMEs and firms in the financial technology sector to become more stable in having a dramatic influx of customers onboard have to create digital infrastructure to handle the large disruptions.

Lester et al. (2021) affirms that the variables imposed during the pandemic has restricted social networking and imposed isolation and the outcome of this event resulted in low communication and demand; social media on the other hand has received substantial upward trend that was not

seen before in historical data where individuals that felt isolated resorted to social media applications to feel surrounded and connected to people around them.

Outbreak of the COVID-19 pandemic put a dent into the traditional corporate culture and also research suggests that unto 88% of corporations in Japan has implement WFH during the lockdown Radović-Marković et al. (2021) certain countries Asian countries have experienced strong demand from firms across the globe utilizing freelancers that are popular for their low rates in Asian countries to fill in temporary due to the laying off that happened during the COVID-19 pandemic.

2.4 SMEs forced to innovate and access digital channels to thrive

Additionally, Al-Fadly A. (2020) argued firms during the pandemic have been spending time researching and developing methods to stay afloat and achieve high turnover and sales even during the pandemic, this is especially for small and medium enterprises. Although that the pandemic have been limiting society in terms of logistics and physical movement of goods, businesses have been juggling surviving to stay afloat to what's happening globally.

To add on the above statement, Guillet and Chu (2021) elaborate on the importance of implementing revenue management during low demand periods differs during the period of COVID-19. Firstly, the fast ever changing business environment with the government imposing and lifting restrictions. After that, in the hotel industry there seem to be a shift from demand based pricing to value based pricing as different strategies to attract customers during low times and in the recovery phase of the pandemic. Next, historical data cannot be used as a forecasting measure because of its inaccuracy during the pandemic environment thus making revenue management not an essential part to the hotel industry. Moreover, marketing isn't attracting much more clients during the pandemic and more efforts are being put into digital marketing to targeted audience segments.

Moreover, Mustafa et al. (2021) added that many entrepreneurs who built micro firms were liquidated during the pandemic, as for other entrepreneurs to not fall into liquidation they should consider strategies that will drive them sales; social media marketing can be a strong booster to sales in comparison with the traditional marketing. In addition, firms have to put more efforts into retaining customers and reselling to them making customers loyal buyers for the business. Next, micro firm owners and managers are recommended to put more time into entrepreneurship courses to improve their practical skills in managing their firms.

Subsequently, Pelikanova R M. (2021) also touched on that digitalization has become a corner stone in all business conducts and is essential for businesses to survive and operate in the COVID-19 pandemic limitations. Business corruption is still an issue even though the pandemic happened and business entrepreneurial planing, behavioral strategies and readiness has helped firms survival during the pandemic but application has been not what is expected and is behind expectation.

Fath et al. (2021) also touches on how that globalization has increasingly opened up cross-border communication and how communication has played a vital role in helping SMEs become resilient and make the switch to digital channels.

Also Abuhussein et al. (2021) touched on how many brick and mortar businesses have been forced to make the switch to making their business available online, to sustain their continuity businesses have been adjusting their business models inline with the limitations imposed by the government to lessen the effect of the COVID-19 pandemic.

Fitriasari (2020) describe digital channels can be used for marketing to result in transformations for SMEs during and after the COVID-19 pandemic, many SMEs sell offline to consumers through traditional channels such as brick and mortar retail stores, physical advertisements flyers and newspaper and cold calling.

Patruti-Baltes (2016) cold outbound online marketing methods are greatly popular with SMEs and solopreneurs due to their low economic impact on liquidity and its high conversion rate, digital channels paid promotions have high cost per impression rate depending on the keyword, niche and audience targeted; cost per click keyword based paid promotions and media paid promotions will be out of reach for SMEs with small annual advertising budget, but the beauty of online paid promotions that individuals and firms can choose their daily spendings, thus giving a chance and exposure for SMEs with small budgets.

Leverage activities of organic search traffic such as search engine optimization is a difficult task to achieve for novice founder and decision makers in businesses whom aren't tech savvy Patruti-Baltes (2016) confirms that once activities that bring leverage for business such as organic traffic are utilized firms leveraging those tools will notice a sudden increase in their sales efforts.

Video sales letters and landing pages with written sales letter that have persuasion copywriting techniques instilled in them convert cold leads that have slight interest into hot leads that convert Mustafa et al. (2012) affirms that using direct response persuasion skills into copywriting, cold calling and cold emails generates positive replies and warms cold audience into buying the offered service or product.

2.5 Greatly impacted activities

Pelikanova R M. (2021) states that the danger that affects small and medium enterprises during the COVID-19 pandemic is how governments applies its protective measures on the SMEs.

Moreover, Pelikanova R M. (2021) states that the protective measures taken by the governments have strong effects on the accommodation, tourism and catering industries were affected more than others.

Mustafa et al. (2021) explored a list of hurdles that were uncovered during the pandemic that affected businesses in the COVID-19 pandemic. First, customers no longer have the same purchasing power in the midst of the pandemic and the limitation imposed by the government on the economy. Second, the threats to firms survival in the long term and new regulations or lockdown being imposed that could directly affect the firm income sources. Third, struggle in paying expenses of households and children due to the effect and losses resulting from the lockdown. Fourth, when the basic needs are not being met and the standards of living are causing mental stress and feelings of hopelessness.

Abuhussein et al. (2021) stated the COVID-19 crisis had a large impact on the economy in Jordan and businesses small and medium have been struggling to ensure their continuity after the crisis while some firms took an exit strategy to safeguard them against unforeseen losses.

Moreover, Aftab R. (2021) also mentioned that even when there are supplies most businesses have faced trouble when trying to move physical items from one location to another due to mandated limitation of movement imposed by the lockdown.

Fath et al. (2021) stated in their study that there is in the midst of the COVID-19 pandemic the relationships between businesses have become weak and in some cases have been broken down completely, businesses also have been venturing on the look for new business partners.

Aftab R. (2021) reported that the most urgent problem for small and medium enterprises during the pandemic was the the scarcity of supplies or inputs due to the government preventative procedures on the pandemic, while after that the government lockdown and closure of businesses was the second leading problem that forced many small and medium business out of their business.

Overall, Fath et al. (2021) SMEs during the pandemic should create new ties utilizing their existing partners to look for new partners whom they had no prior relationship with.

Fath et al. (2021) elaborates on how risk arises from the uncertainty that the business has on their potential business partner in terms of their trustworthiness and their capabilities.

Fitriasari (2020) stipulate that all industries can access digital channels to obtain potential customers through organic and paid means, SMEs c-level executives and founders should consider transforming their organizations to have a digital presence.

Šehić & Peštek (2020) confirms that media buying is a viable solution for retailers to sell their products on a regional or a global scale leveraging media buying. The e-commerce media buying niche for many products is saturated and the cost per impression rises and falls based on the competitors running campaigns for the same target audience.

Traditional persuasion arguments used in physical areas and banners have lost their effect on converting interested prospects due to the lockdowns and the fear of going out due to the COVID virus spreadings easily from close contact Mustafa et al. (2012) predict that tradition banner ads still have conversion value but is not a viable option for SMEs to pursue. SMEs receive higher conversion rates utilizing sales emailing and online sales letters.

2.6 Activities that flourished temporarily & continuously during the pandemic

Zaazou and Abdou (2020) added to the study the most profitable trading activities during the COVID-19 pandemic medical equipment activities related to selling sanitizers, hand protection and immunity and vitamin supplements.

Zaazou and Abdou (2020) also added that when interviewing their participants of top management decision makers is that clients and exports have reached a halt and the commitments weren't fulfilled.

A review in the hotel industry by Guillet and Chu (2021) states that revenue management during the COVID-19 pandemic for this industry to flourish in the limitations of the pandemic revenue-

generating sources have to be introduced in the industry such as food and beverage, spa, and event management.

Furthermore, Fath et al. (2021) reviewed that SME firms and businesses who has strong ties with other businesses pre crises have experienced a positive outlook in the pandemic and were resilient during the limitations of the pandemic.

Also Ximei et al. (2021) the COVID-19 has a plethora of multiple effects on the women entrepreneurs in Pakistan, although the pandemic limited many businesses from operating with high performance the cosmetics and apparel businesses have been flourishing during the pandemic. However, food stuff industries were hit drastically and have suffered significantly, but those niches that suffered had selling channels that were still doing sales and even higher sales than pre COVID-19 and those were the digital selling channels such as digital groceries and small e-commerce stores; these digital selling channels have only had been affected where there was restriction of movement for logistics deliveries such as cars and motorcycles.

Duncan and Elkan (2015) confirms service based offers that are used to solve niche specific problems have began to pick up since the onset of the pandemic and the lessening of activity in the traditional brick and mortar market places and businesses, internet firms are able to execute deliverables in shorter time due to not being limited by transportation and the majority of the work is done remotely.

The short period of increased digital users due to the pandemic lockdowns have specifically greatly nourished Mohammadi et al. (2013) consulting services and software companies and all businesses that offer solutions for transferring to from traditional business to a business with a strong digital presence. Nevertheless, the techniques that tech-savvy startups utilize to use automations in maxing out their inbound and outbound marketing reach.

CHAPTER 3

3. DATA AND QUALITATIVE METHODOLOGY

3.1 Data Collection

The goal of this research is to explore and determine the major factors that impacted SME directly and indirectly by collecting data of the factors and variables that affected the performance of the SMEs through interviews with affected parties using a strategic questionnaire to figure out and list discover that variables that have differentiated a company success and another company losses and the reasons behind those affecting factors. In order to do so, this research implements a qualitative methodology based on semi-structured interview, each interview averaged around 20 minutes where most participants still were facing difficulties in pin pointing the issues that they have faced; with the interview in place decision makers by talking about the variables that affected them have begin to make findings that could help them grow within the limitation of the pandemic. In this part of the research we begin by listing the questions that will unveil the impacting factors and variables to those SMEs to reveal their each individual affecting factors, more precisely most of the SMEs have had similar affecting factors and has all boiled to one factor is the lessening of the demand and the fall of their sales that made this change to their firm environment. After that, in sequential order we will present the steps required to go onward with the data collection process.

Most of the data that was collected in the interviews with decision makers have been done through virtual meetings for the ease of meeting. According to Lester et al. (2021) statistical data have been applied to show the information based on the sample that was collected and presenting the data in a numeric way in a simple easy to understand that will provide insights and actionable data. Moreover, the goal of this applying the methodology is to obtain data whether there is a difference in overall performance between SMEs that have embraced e-commerce and SMEs that preferred other channels of selling including offline channels.

3.2 Research Design

A qualitative data analysis that is based on the primary model has been used to evaluate the participating SMEs overall performance. Primary data is information collected from first-hand data collection, interviews, questionnaires. As for this study, the data extracted is obtained from the participants responses, as for the external factors were obtained from sources that are related to this study topic including detailed verbal information that was obtain during the interview with decision makers in SMEs. The aim of this study is to shed a light on the external and internal factors that have an effect on the overall performance and success factors of SMEs in the United Arab Emirates. Also, the data transverses to 20 operating and active SMEs. As to also consider that those aforementioned 20 small firms are SMEs or have started as SMEs in recent years. The data for the SMEs derives from a 17 question questionnaire. Abuhussein et al. (2021) the depth for this qualitative research on SMEs and entrepreneurs has a lack of information in regards to the core strategies and understanding of the firms; for enterprises scientific research is required for the commitment to staying away from. For upcoming scientific papers researchers should put more efforts into stating the basics of how SMEs can achieve their success with similar external factors that were imposed during and after the pandemic, instead of focusing on what can be done during the pandemic. Proposal to add to this research a literature based on evidence from decision makers participants in business firms.

As for the interviews that were done one to one with the participants to gain insights and actionable information and systems of SMEs and their reactions to the COVID-19 pandemic, as for the organizational processes it is recommended that to look into these processes as qualitative approaches for SMEs. To elaborate on the aforementioned, the qualitative research is a way of simplifying the COVID-19 implications as a phenomena from the responses obtained from the interview participants by providing accurate answers to the questions with in-depth answers that add value to upcoming SMEs and entrepreneurs.

3.3 Data Collection Methods and interview questions

In this section the methods that have been used will be explained to attain the objective of the research. For us to evaluate the overall performance of the SMEs in the United Arab Emirates, the techniques that were used to collect the data were arranged to apprehend the affecting factors of success for SMEs in the UAE. Data that was attained through the interviews by 20 decision making across 20 SMEs between December 2021 and August 2021. Is a period in which SMEs have already delved into the effects of the COVID crisis that have been documented and recorded. In contrast with the measures taken to alleviate the contraction of COVID and the quarantine measures implemented in many firms that had employees contracting COVID. The interviews have been conducted and recorded virtually using most popular meeting platforms and softwares. The consent of the concerned companies was taken before the conduction of the interview with a signature and date of the key decision makers in the company who were present during the crisis and were actively employed or owned the SME affected firm. With audio recorded for all the interviews that were saved into encrypted hard drives with interviews conducted lasted between 15 to 40 minutes depending on the availability of the concerned participant. The interview questions were designed to be all open-ended to collect as much beneficial data to the study as the participant willingness to share. A similar design to Kebede et al. (2020) the questionnaire was applied as the same concept with open ended questions, and this concept is divided into four parts. First part is to collect all information based on the overall view of the participating firms, while this part addresses and collects the interviewees education level, gender, and all primary information of the interviewees for the study to include an overall view on the participating firms performance before the COVID government imposed lockdown. The second part of the interview questions will collect information on the interviewees government response to the pandemic on their firms. The third part of the interview questions is targeted to collect information on whether if the affected firm

has resorted to grants offered by their governments and how the firms sustained itself during the pandemic. As for the fourth part of the interview questions this is where the interviewees can provide additional information in the scope of the questions asked previously as to offering additional recommendations for businesses in the same vertical or region.

3.4 Sample, procedure and ethics

As for this research the technique that was used for the sampling is purposive, as Patton (2002, p.230) states that to achieve purposeful sampling there will have to be implementation of power and logic in selecting cases for the study to be in depth and that are rich in information. To elaborate more, rich in information is where there are real scenarios that have a lot of beneficial outcome from studying them in detail and are purposeful. Studying those type of resourceful aforementioned scenarios will outcome in rich insights in understanding empirical information.

Interview questions:

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| Section 1: Sales level indicator | 1. How your sales in your business affected by the COVID-19 lockdown? | Al-Fady, A. (2020). IMPACT OF COVID-19 ON SMES AND EMPLOYMENT. ENTREPRENEURSHIP AND SUSTAINABILITY ISSUES, vol. 8 (2), pp.629-648 |
| | 2. Was there a Shortage of supplies or inputs during the COVID-19 lockdown? And did it affect your sales? | Abuhussein, T., Barham, H., & Al-Jaghoub, S. (2021). The effects of COVID-19 on small and medium-sized enterprises: empirical evidence from Jordan, <i>Journal of Enterprising Communities: People and Places in the Global Economy</i> , vol. 1 (1) |
| | 3. Was there Decrease or increase in demand for products or services? | Abuhussein, T., Barham, H., & Al-Jaghoub, S. (2021). The effects of COVID-19 on small and medium-sized enterprises: empirical evidence from Jordan, <i>Journal of Enterprising Communities: People and Places in the Global Economy</i> , vol. 1 (1) |
| Section 2: Enterprise impact and implication | 4. Was there Government-mandated closure of this business location? And did it affect your sales? | Abuhussein, T., Barham, H., & Al-Jaghoub, S. (2021). The effects of COVID-19 on small and medium-sized enterprises: empirical evidence from Jordan, <i>Journal of Enterprising Communities: People and Places in the Global Economy</i> , vol. 1 (1) |
| | 5. Have you had to ask your employees not to work, with or without pay (for example, laid off) | Aftab, R., Naveed, M., & Hamid, S. (2021). An analysis of Covid-19 implications for SMEs in Pakistan, <i>Journal of Chinese Economic and Foreign Trade Studies</i> , vol. 14 (1), pp. 74-88 |
| | 6. Have you Increased or decreased salaries and wages? | Aftab, R., Naveed, M., & Hamid, S. (2021). An analysis of Covid-19 implications for SMEs in Pakistan, <i>Journal of Chinese Economic and Foreign Trade Studies</i> , vol. 14 (1), pp. 74-88 |
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| | 9. Have you experienced an increase or decrease in sales turnover? | Al-Fady, A. (2020). IMPACT OF COVID-19 ON SMES AND EMPLOYMENT. ENTREPRENEURSHIP AND SUSTAINABILITY ISSUES, vol. 8 (2), pp.629-648 |

| | | |
|---|---|--|
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| | 11. Did you change or introduce new products/services? | Pelikanova, R.M., Cvik, E.D., & MacGregor, R.K. (2021). Addressing the COVID-19 challenges by SMEs in the hotel industry – a Czech sustainability message for emerging economies. <i>Journal of Entrepreneurship in Emerging Economies</i> , vol. 13 (4), pp. 525-546 |
| | 12. Did you implement changes in business activities? What kind of changes? (Work remotely, online operations and web/ app platforms campaigns) | Pelikanova, R.M., Cvik, E.D., & MacGregor, R.K. (2021). Addressing the COVID-19 challenges by SMEs in the hotel industry – a Czech sustainability message for emerging economies. <i>Journal of Entrepreneurship in Emerging Economies</i> , vol. 13 (4), pp. 525-546 |
| | 13. Was offline and online sales affected for your enterprise, has there been a significant change between offline and online sales? | Ximei, K., Muhammad, S., Ali, I., Ul-Haq, Z. & Beutell, N. (2021). COVID-19 pandemic, a blessing or a curse for sales? A study of women entrepreneurs from Khyber Pakhtunkhwa community. <i>Journal of Enterprising Communities: People and Places in the Global Economy</i> , vol. 15 (1) |
| | 14. What type of enterprise support would be most needed to cope with during the COVID-19 pandemic? | |
| | 15. So far and since the onset of the COVID-19 crisis in the country, what has been the economic impact on your enterprise? | Abuhussein, T., Barham, H., & Al-Jaghoub, S. (2021). The effects of COVID-19 on small and medium-sized enterprises: empirical evidence from Jordan, <i>Journal of Enterprising Communities: People and Places in the Global Economy</i> , vol. 1 (1) |
| | 16. How confident are you that the enterprise is economically robust enough to come through the crisis and resume profitable business after the crisis is over? | Mustafa, F., Khurshood, A., Fatima, M. & Rao, M. (2021). Exploring the impact of COVID-19 pandemic on women entrepreneurs in Pakistan. <i>International Journal of Gender and Entrepreneurship</i> , vol. 13 (2), pp. 187-203 |
| 17. Has your enterprise developed a business continuity plan following the COVID-19 crisis? | | |

Table 1: Interview and open-ended questionnaire list of questions

The secondary data composed from 45 journal studies that were collected from sources that are recent and relevant to the current study. For SMEs to succeed they will have to follow evidence based decisions and practice models they are attaining high priority in the domain of innovation and entrepreneurship.

CHAPTER 4

4. RESULTS AND DISCUSSION

4.1 Summary of descriptive statistics

The participants involved in this study are from different industries, such as e-commerce, interior decor, construction, business setup, retail, technical services, carpentry and textile trading sectors. The participants compose of 10 people with different educational backgrounds, from medium and small businesses within the UAE. These businesses are located across the United Arab Emirates and with some having branches across more than one & two cities in the UAE.

The majority of the responses from the interview show that businesses in the UAE prior and during the beginning of the pandemic were using direct sales as their strategy to selling with a minority of the using e-commerce and social channels. Their marketing strategies were majorly referral from previous customers, word of mouth and location based marketing.

The respondents from the interviews in the above mentioned industries have experienced a loss except the e-commerce industry where their sales experienced an uptrend even up to 20% increase in sales during the lockdown. Respondents from the interview also mentioned that during the lockdown their businesses has just started to develop and implement making the switch to online channels to increase sales online.

Interviewees have also touched on the development of switching to digital strategy when the lockdown started, small and medium companies c-level personnel crafted the mechanisms for switching to the digital domain. Moreover, companies started making accounts in relevant social media platforms in order to receive engagement and sales from making posts or doing paid promotions for their products and services.

Experienced c-level executives did not stop at helping their companies make the switch from brick and mortar shops to digital presence, they have also implement mechanisms for sales

representatives in the company to follow up with prospective customers through engagement with their promotions using customer relationship management (CRM) software to keep up and retarget the prospective customers converting them into recurring customers.

Respondents in the interview have conveyed back on their experience working during the initial lockdown, operations halted for the companies for a period of around three months here in the UAE; almost all respondents have stated that when the lockdown began they started selling online, before the lockdown has started they had dormant social media accounts that had no active posting till the lockdown began.

Merchants that require physical delivery of products had stubborn difficulty in making deliveries for purchased products due to the limiting of transportation and movement within the cities. However, once there was allowance for businesses to operate delivering products there was an abnormal increase in sales respondents stated. Delivery of goods was becoming difficult for SMEs due to the new implications that are imposed by new policies on SMEs and firms operations in the country, a solution to that in the United Arab Emirates is to obtain a permit to be able to do deliveries.

Adopters of digital infrastructure have been able to maintain a sales channel open to their audiences when the lockdown was imposed and their offline sales channel was restricted, adopters of e-commerce has been actively more looking for paid channels to generate more engagement and sales for their products and services during the lockdown and after the lockdown period. SMEs that ran had an active paid campaigns on social media platforms and search engines have noticed a decrease in demand during the period of the lockdown except the e-commerce industry experienced an anomaly in sales and dramatic stable growth. Digital service based SMEs have also experienced a growth and increase in sales as their services were still in demand and then social and online channels has experienced exponential growth; SMEs decision makers that have been running paid online promotions before the pandemic has noticed

an increase of price in cost per impression after the onset of the pandemic due to an increase on companies making the switch to advertise online since offline adverting has not been effective due to the pandemic.

| Gender | Educational Level | Position | Year in operation |
|--------------------------------|-------------------------------------|--|-------------------|
| SME: Ecommerce | | | |
| Male | Masters in Business | Purchases manager | 2-3 years |
| Male | Bachelors in Science in mathematics | Operations manager | 1-2 years |
| SME: Construction | | | |
| Male | Bachelors in Business Admin | Operations manager | 3-4 years |
| Female | Masters in Education | Quality surveyor/Project coordinator manager | 2-3 years |
| SME: Admin& technical services | | | |
| Male | Masters in Business | Assistant manager | 5-6 years |
| Male | MBA in HR | Accounts and admin manager | 6-7 years |
| Male | High school diploma | Founder | 1-2 years |
| Female | Bachelors of science in psychology | Operations assistant manager | 2-3 years |
| SME: Retail | | | |
| Female | Bachelors degree in geography | Assistant manager | 3-4 years |
| Male | Bachelors in marketing | Partner | 1-2 years |

Table 2: Participant's demographics

Results for decrease in income for SMEs

| Description | Status of digital transformation | Industry | Digital Infrastructure |
|--------------------|---------------------------------------|----------------------------|----------------------------|
| Decrease in income | Adopter of digital transformation | E-commerce | Available |
| | Adopter of digital transformation | E-commerce | Available |
| | Non-adopter of digital transformation | Construction | Basic company website page |
| | Non-adopter of digital transformation | Construction | Basic company website page |
| | Adopter of digital transformation | Admin & technical services | Landing Page |
| | Adopter of digital transformation | Admin & technical services | Landing Page |
| | Adopter of digital transformation | Admin & technical services | Landing Page |
| | Adopter of digital transformation | Admin & technical services | Landing Page |
| | Adopter of digital transformation | Retail | Available |
| | Adopter of digital transformation | Retail | Available |

Table 3: Results for decrease in income for SMEs

Decrease in income due to COVID-19 pandemic

| Industry | Is the COVID-19 pandemic reducing income? | Digital Infrastructure | | |
|----------------------------|---|------------------------|-----|-------|
| | | Yes | No | Total |
| E-commerce | Yes | 2 | 8 | 10 |
| E-commerce | | | | |
| Construction | | | | |
| Construction | | | | |
| Admin & technical services | No | 20% | 80% | 20% |
| Admin & technical services | | | | |
| Admin & technical services | | | | |
| Admin & technical services | | | | |
| Retail | | | | |
| Retail | | | | |
| | | | | 80% |

Table 3: Decrease in income due to COVID-19 pandemic

Retail businesses rely on a certain demographic that are dependent on the shop for supplies were affected heavily during the lockdown, the audience of those retail shops had a limited audience from where sales are made. Moreover, the retail shops are individual shops that

doesn't have access to different branches or haven't developed a robust online shopping presence.

Since the beginning of the pandemic there has been a noticeable decline in sales for most b2b and b2c industries, while e-commerce b2c have experienced an anomaly where they experienced a surge and an increase in sales and engagement from their audience.

SMEs that have reported losses in sales have started to lower their costs by laying off their employees and reducing the wages to 25% and up to 50%. In order for businesses to align with their new lower sales and revenues costs had to be aligned as such, while many of the SMEs interviewees have stated that their companies have developed and started their online presence only after the lockdown was implemented, and most probably accessing a new sales channel that the company is unfamiliar with will cost the company time till they have a profitable sales channel online.

Moreover, the interviewees claimed that their companies did not resort for help from sales consultants and advisors but developed their own sales mechanism from scratch and implement what is common.

Interviewees that have difficulty in making the digital transformation whether it was due to the company target audience is not found on social media platforms such as construction industry noted that they were lowering their costs during the lockdown and maintaining all their active projects on minimum till the restrictions are relived or loosen. The digital transformation that is necessary for SMEs to compete requires them to have a robust digital transformation to achieve growth resulting from their digital channels paid and organic marketing, for digital websites and social media accounts for SMEs to receive traffic and engagement organizations have to put in the effort to generate continuous content or run continuous paid campaigns that

will generate interest and sales for products and services offered, as social media and web does not generate traffic such as physical locations would from pedestrians.

With the new opportunities that became visible for internet business activities, digital firms were able to scale their cold outreach efforts tremendously, Duncan and Elkan (2015) confirms that with the majority of business dealings heading for the digital transactions and presence the more opportunities that are spring up for SMEs to use cold outreach methods using cold calling, email and messaging using various platforms. By using the sales funnel to qualify and setting value for each outreach activity and prospect, businesses are able to set an approximate value based on their offers for each business activity that is taken by their sales representatives and setting up value for each opportunity for their leads.

CHAPTER 5

5 CONCLUSIONS AND RECOMMENDATIONS

This research has attempted to investigate the effect of the COVID-19 pandemic on startups in the UAE, during the COVID-19 onset and the recovery phase. This research has used a sample of 10 decision makers located in the UAE from the period of 2019 till 2022 of operations in this industries. The idea of social media being leveraged to generate engagement and brand recognitions amongst prospective audience has become competitive with founders who are digitally literate. For example, according to Fath et al. (2021) businesses and firms that have loose ties to financial organizations and a low audience connection in social media platforms operate more poorly than their firms with strong social media following and connection with their audience. According to Abuhussein et al. (2021) SMEs and entrepreneurs that have a headcount of 10 unto 50 employees in specific sectors has experienced some kind of growth; the growth for some firms has not been in terms of gaining clients but in the sudden increase in sales. As for the industries that depend on factors that have been heavily affected by the COVID-19 pandemic these sectors have experienced huge losses up to bankruptcy for many of the operating firms in the sectors of food and hospitality, manufactures and travel. All the firms that were interviewed has been operating before the pandemic began and has continued to operate after the pandemic has lessened with the majority experiencing losses and laying off their employees.

Subsequently, for SMEs experiencing hardship as the phenomena of the COVID-19 pandemic there are many aspects that can be followed such as internal communication, developing of strategies, planning scenarios; with this in place SMEs will be able to bring out their business model. Fitriasari (2020) traditional SMEs will experience that during the COVID-19 pandemic the traditional methods that were used to generate sales and growth has been depreciated and no long outputting positive results, that is why SMEs are encouraged to seek the transformation

of those traditional processes into digital methods that can be applied to generate growth. Fitriasari (2020) For SMEs to become quick to bounce back is by having its core sturdy through striving to attain a reliable business process, superior product and influence people behavior. As new skills appear it become useful as a result of the COVID-19 pandemic implications and to be able to strive in a digital market, SMEs should look into applying new digital skills and adoption of the skills and tools to attain digital transformation. Aggressive strategy is interconnected with collective motivation, plurality and variety. An accurate digitization strategy is a requirement to attain firms goal and evolve products and services into their final form where quality is superior, value is relatively high and competitive advantage is gained for the same. The underlying technologies that is chosen for firms to carry out their transformation into the digital domain has to be robust enough to withstand testing, by choosing the correct underlying technology firms can experience high resilience to their digital platform averaging 100% server uptime, with this setup the firm can proceed with its digital transformation utilizing the underlying technologies and become adaptable digitally.

The digital literacy for firm decision makers attains entrepreneurial skillset and an innovative spirit toward achievement. Sulistyowati (2021) The entrepreneurial skillset is considered to be the utmost valuable prowess for generating growth, resilience and competitive behavior in SMEs. The entrepreneurial skillset is a mold for individuals to structure the goals, performance and responsiveness to become digitally literate and this is the first step into making business owners more aware of the technologies that can be leveraged to automate their work processes and achieve high output. Sustainability strategies during the COVID-19 pandemic were mostly ways of reducing the costs to level out with the decreasing growth and sales experienced by the pandemic implications. The technology field is an ever-changing industry that evolves quickly due to many individuals across the globe continuous improvements. With this advancement in technology promotional platforms can be established and used such as social media advertising

platforms where popular social media platforms leverage their large amount of users and allow business owners to create promotions reaching their target audiences with platform promotions to generate leads and sales, essentially growth for firms.

If the factors that have been affecting the global economies and SMEs be pinned down as variables, we will notice that the variables such as the pedestrian movement restrictions, lockdown and closure of business activities is a measure for SMEs during this pandemic. Bularafa and Adamu (2021) states the mentioned variables play a role into the effect of the COVID-19 pandemic.

With the sudden external force being applied to SMEs and businesses to the capacity where a large portion of active businesses have disappeared since the beginning of the COVID-19 pandemic, governments have started a trend of offering policies to lessen the negative effect of the pandemic on SMEs. Nair et al. (2021) states that relief policy is where policy regulators push for initiatives and stimulus packages that will help the financial technology and related industries to sustain themselves during the pandemic.

Disruption for all headcount sizes of SMEs have be impaled most severely with restricted resources, without proper planning to handle the uncertain terrain variables that emerge due to the pandemic resilience has become a goal for SMEs. Baral et al. (2021) clarify that on all headcount sizes for SMEs and large companies have experienced dramatic volatility, SMEs have received the hardest hit amongst other company sizes due to their limitations. Additionally, without a planned strategy to tackle the new variables imposed by the pandemic it would be very difficult for SMEs to navigate uncharted waters. Moreover, factors that have generated positive effects for organizations during tough times were result based forecasting, accurate tracking of historical data and increasing networking.

5.1 Implications and Recommendations

The coronavirus pandemic has turned out of the blue to the surprise of the unequipped global economy, a predictive measurement tool is countries that offer free health care such as the UAE has been one of the leading countries in combating the external effects that the coronavirus has caused as repercussions to individuals globally. The UAE business sector compromise of many foreign investors and companies including SMEs operating in the UAE and are involved in mostly all business verticals. Fitriasisari (2020) claims to achieve resilience in business for SMEs their main objective is toward digital transformation, and only this transformation will occur when the tools that are available freely be adopted by those SMEs and develop customer solutions that are competitive. In order to succeed SMEs will have to make sure that their firm has a strong digital infrastructure.

The COVID-19 pandemic affecting factors are causing more harm than benefiting SMEs and firms in the scale of governments, enterprises and individuals. Bularafa and Adamu (2021) states that policy makers on a federal governments level should take measures to stimulate and ease the pandemic implications for SMEs and businesses in terms of COVID-19 relief bundles to help these businesses and SMEs. Bularafa and Adamu (2021) recommends that firstly, SMEs consider to go on a hiatus when there is a difficult period such as the COVID-19 pandemic, firms may not be able to completely pause due to their employees need for wages but to lower and minimize the firm activity for the pandemic to pass or lessen its effect. Next, for the firms that have more than one employee needs to have effective and transparent communication with their employees stating what new changes are being made and how the firm might be laying off or releasing portion of the employees for the firm to avoid bankruptcy, also to effectively communicate the reduction of wages or financial benefits of their employees. After that, for countries that have competitive and flourishing markets should look into giving benefits for the SMEs and businesses operating within the region to sustain the companies

during the pandemic and after the pandemic without losing firms operating in that region by offering lower trade license registration fees, lower employees related onboarding and visa fees and in general making firms get a higher chance in sustaining the pandemic for the economy to flourish. Subsequently, digital literacy is where eyeballs are and have been during the beginning of the pandemic, there has been a dramatic increase in internet traffic due to the lockdowns imposed by governments across the globe and this is where firms and SMEs have to advertise to gain growth leveraging the virtual domain. After, federal governments have to look into updating their fiscal policies and prepare a policy to comply with the new implications that COVID-19 has imposed during the and after the pandemic to ease the hardship that affected businesses during these times. Finally, firms and companies that have a diverse growth strategy has the highest chance of sustaining periods such as the COVID-19 pandemic, diverse strategy for SMEs and firms enable them to sell on multiple channels for audiences in many regions; for example, the lockdown has demolished traditional retail sales but dramatically improved e-commerce selling channels, companies with multiple selling channels will still have a flow of growth even in difficult times unlike SMEs and firms that bet all their growth on one specific growth channel.

SMEs that did not fully commit to the digital transformation has not reaped the maximum benefits from the exponential growth that was perceived during the onset of the pandemic. Lestari et al. (2021) adopters of the digital transformation have created brand awareness, generated sales and depend on the digital channel as an inflow of prospective customers and leads in conjunction with the traditional sales channels.

SMEs that head toward subscription cloud based solutions have experienced easier access to resources Duncan and Elkan (2015) present an advance in sales cloud applications that are recommended for SME decision makers based on the advancement of these technologies and the results that can be generated from utilizing these softwares that are offered for a competitive

price and their scalability for SMEs and one man operations or solopreneurs. The authors recommend that users of this sales and marketing software be taken advantage of because of the competitive edge that they can offer to their users.

Small business owner founders if were actively working on a competitive market will notice their competitors copying their campaign media Patrutiu-Baltes (2016) with social media campaigns there are tools that show each firm active campaigns to the public. Competitive firms with technology savvy individuals are able to extract the exact media used on social media campaigns from all their competitors and undeniably use similar offers and digital campaign posters that are already converting.

5.2 Limitations of this research

The limitations of this research is the unavailability and lack of access to relevant regional literature, as it is known that one of the effects of the COVID-19 virus pandemic were different. In addition, the earlier research that was done by SME owners was limited. Also the limitations do provide the scope for the other researchers to extend the findings and methodology. The research that will be done post-pandemic with the participants will illuminate on the strategies that were implemented by the firms, also on the respondents evidence toward the business survival. The usefulness of this research will become in where an event similar to COVID-19 or a global event with a similar crisis occur in the future. The findings that were discovered in this research will open doors of opportunities for future researchers. The coping strategy is effective and can be evaluated by future researchers and the long and short term responses of businesses to the crisis can be assessed and evaluated. Abuhussein et al. (2021) affirms that there is no concrete mechanism that SMEs can follow at the time of this writing that can be followed step by step and produce significant positive results; SMEs with high response rate to

external events and future sustainability can create transformations in external conditions similar to the COVID-19 pandemic.

A common trait in the majority of research study are the limitations to certain scopes of the research. This research paper focuses its study in the region of the United Arab Emirates on SMEs specifically. Subsequently, the data sample collected does not give justice to all industries and verticals as an average since not all industries has participated in this study nor there was an equal amount of all industries. Bularafa and Adamu (2021) justifies that the participating SMEs decision makers have yet to understand all the affecting internal and external factors of the the COVID-19 pandemic due to the short period that has passed since the onset of the pandemic. Different variables that were not included in this study should be magnified and its results collected to scale the variables affect on the SMEs and firms. With research to be done on a greater extent new discoveries and findings will appear forward that can have substantial growth and resilience to companies and SMEs.

The research that has been done is limited for a certain region that cannot be used as a blanket or resource for all regions. Baral et al. (2021) future research that the discoveries that is found should be divided and filtered based on the industry; discoveries that are results of the research and findings should be validated.

An affecting factor for privacy when running campaigns De et al (2010) stipulates that not all data collected with running digital campaigns can be tracked due to concerns of privacy imposed by advertising platforms.

5.3 Future Research

For future research can use more key performance index indicators like cost per impression, cost per conversion, average cost of shipping raw materials to grasp accurate data on the appreciation of prices due to the COVID-19 pandemic in the global economy. Subsequently, future researchers can use the design of this research paper to extend it to their research. In

addition, researchers can implement statistical methods. Based on the results from the interviews, 20% of the respondents experienced increase in revenue and sales during the difficult times of the pandemic. However, the remaining 80% of respondents that did not experience growth were also illiterate in digital literacy or had very little practical information to implement to experience growth. Hence, digital literacy has made founders whom have it experience high returns on their investments mostly for e-commerce in the UAE. Abuhussein et al. (2021) stipulate that similar research papers will offer value and will be useful in case there was another global crisis that will hit the globe in the future. The findings that are made in this research will open up opportunities for research done in the future.

It is recommending for future researchers to delve into the e-commerce platforms and review their features, pricing and viability for SMEs that want to make the switch into digital transformation. Lestari et al. (2021) confirms e-commerce has very little upfront cost and is quickly deployable with much effort because of the availability of the technology infrastructure with many providers of e-commerce solutions that can be leveraged.

Digital transformation is difficult to scale if it was handled individually or by subscribing to with many online services providers, the cloud has been developing for many years. Gokarna (2021) affirms that SMEs who depend on various digital services will notice that it is difficult to scale their businesses due to incompatibility between different subscriptions, but with the cloud all the solutions that are obtained from different providers for SMEs can be found in one solution that is the cloud; with the cloud SMEs will notice that it enables them to scale very efficiently due to all the services in the cloud compatible with each other, leaving little or no risk at all for SMEs using the cloud. Scaling is not limited only to fixed solutions, active scaling provides bandwidth with increased usage and decreases with decreased usage, researchers should consider evaluating the SMEs results that buys from different suppliers and SMEs that leverage cloud solutions.

To increase online exposure Šehić & Peštek (2020) express that media buying through social media platforms have been gaining popularity over the years and have experienced a dramatic increase in users during the prominent phase of the pandemic forcing business owners to make the switch and convert spending into mostly online advertisements instead of the traditional offline advertisements. However, the increase in the general cost of media buying is not fixed and constantly changing on many bases, newer more popular social media platforms allow for a general lower cost in media buying price.

SMEs should follow De et al (2010) that the exposure to online advertisements generate sales for services and products and products are popular to the degree of 1 of every 3 households has purchased at least once a product online or used only grocery shopping. Online sales for products is most converting in first world countries where products that are not necessities high return on ad spend by a factor of above 1.X where X is the multiple that is in returned revenue from the ad spent, where products with 2 ROAS generate 100% margin on the advertisement spending. With this information merchant are able to generate high ROAS in untapped markets with e-commerce is not saturated in a certain country market.

To take advantage of the digital transformation that is happening post-covid Duncan and Elkan (2015) present information and recommendations for self-employed and SMEs to follow to evaluate and qualify their sales pipeline in a step by step sales funnel that can be implemented easily by using the tools that has the feature of the sales pipeline most probably would be using CRM software to qualify prospects for service based industries or high ticket offers.

With the high influx of digital traffic that is obtained through inbound marketing techniques Patrutiu-Baltes (2016) states that one of the major affecting factors for digital businesses success is highly dependent on their inbound and outbound marketing strategy. The highest attraction that can be obtain using inbound marketing is for firms operating post-covid should look into search engine optimization, social media paid campaigns and email campaigns. As

the latter provide high number of daily traffic sessions to websites whether they are an e-commerce store or high end consulting services.

Expert freelancers that work with high hourly rates such as consultants and low hourly rate freelancers such as virtual assistants, in general freelancers did not feel an impact during the COVID-19 impact Radović-Marković et al. (2021) confirms that the pandemic only increased the demand for freelance work due to its hourly based nature instead of the traditional fixed salary wages, freelancer work is more efficient due to its payment on delivery of the task.

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