E-commerce and financial performance during the COVID-19 period: the case of SMEs in Lebanon[1]

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Abstract:
The purpose of this paper is to study the impact of e-commerce on the financial performance of SMEs during COVID-19. Covid-19 has been the source of changes in the global business environment since the beginning of 2020.
It is a question of identifying, first, the dimensions and the measures that companies have taken, to ensure their continuity during the various crises in Lebanon, notably during the pandemic of covid-19, then their reflection on the financial performance of SMEs.
We studied the current situation related to the Coronavirus that exists in Lebanon and the world as reflected on most existing sectors.Then we prepared a questionnaire and filled it out by SMEs, and analyzed it through SPSS. This questionnaire covered the following questions:What are the initiatives, which have taken by the SMEs to move their operations forward using the Internet? What is the impact of E-commerce on sales and how SMEs benefit from it as a growth lever in the face of a falling market?Does the online sales strategy will continue once the crisis is over?
After analyzing the current circumstances and verifying the SMEs feedbacks, it turns out that because of their satisfaction, the number of loyal consumers increased, which improved the financial performance of SMEs and will be allowing them to continue selling online long after the crisis is over.
As a conclusion, the findings have proven that E-commerce is an excellent approach for coping with the current crisis, as well as supporting the E-commerce business once customers (likely) return to their previous purchasing habits.
Key Word: SME, E-commerce, Social media, COVID-19, Financial Performance, Lebanon

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I. Introduction

Despite the global economic uncertainties, E-commerce continues to develop at a quick pace, representing 14.1% of the retail sales worldwide in 2020, and this figure will continue to grow with time[1].

E-commerce refers to the purchase and sale of goods and services on a worldwide scale, 24 hours a day, without spending additional charges on the purchased product itself, using Mobile Applications and Web browsing which serve as electronic intermediaries[2].

Retail and online purchases, as well as electronic transactions, are all part of E-commerce, which became more popular now lately and to some extent defies tradition[3].

Many theorists have focused their attention on the theory of E-commerce, such as Chirouze (2002), who stated that the internet and new information and communication technologies are at the root of a true theory of the commercial revolution[4] , and Kessous (2001), who believes that the development of E-commerce is mostly dependent on the mastery of logistical skills, which minimizes cost/productivity limits[5] . There is still an Ajzen (1991) theory of planned behavior (TPB) that aims to explain and anticipate the process of buyers' adoption of E-commerce, and Internet users' behaviors and notions of utilizing the internet have been researched within the context of Fishbein's theoretical formulations of the theory of reasoned action (1980)[6]. The link between attitudes and future intentions to engage in such activities was studied using Reasoned Action Theory. The hypothesis reveals that the theory of reasoned action's attitudinal and directive components are predictive of the behavioral concept for each of the activities[7].

People working in E-commerce have not been unemployed since the spread of COVID-19. E-commerce is viewed as a genuine key to sales growth for most businesses, and it is even more active now in a challenging economic situation[8]. This is especially pertinent during COVID-19, which affected a number of nations throughout the world, including Lebanon. It is so necessary to examine how SMEs have been impacted

and whether or not they can endure economic challenges. Therefore, coronaviruses are a viral type. There are several types, some of which cause sickness. COVID-19 is a pandemic of respiratory sickness caused by SARS-CoV-2, a coronavirus discovered in 2019[9].

In a study, many approaches can be employed to collect data. It might be challenging to figure out the ideal strategy to respond to a research question at times[10]. Quantitative research is needed for this project. It can rely on measuring variables in the quantitative technique, such as a survey of pre-COVID-19 online SMEs and SMEs that have purposefully shifted to selling online after the COVID-19 pandemic or not. This information must then be utilized to do statistical analysis using SPSS to provide a result that offers a qualitative summary of the study topic. However, SPSS, a statistical analysis program, can be applied to any project model, regardless of size or difficulty, and may help businesses in identifying current possibilities and increasing productivity and reducing the hazards[11]. Finally, the empirical study must be reinforced with a wide range of reading materials on the subject. As a result, the goal of this research is to conduct a statistical analysis that will show how COVID-19 has affected SMEs in Lebanon, as well as how they have taken advantage of the crisis to shift their work from conventional to contemporary. Finally, to determine whether or not this strategy is beneficial in terms of development and continuity, and whether or not these methods are relevant in Lebanon.

II. LiteratureReview

The aim of information and communication technology is to qualify digital data and transfer it. It is known by NTIC or ICT.The term "NTIC" refers to a link between information and telecommunications that is made possible by the Internet and multimedia networks[12]. Electronic trading, according to Bertrand (2008), is now one of the most important economic uses of the Internet[13].

While poor countries that are already praised for the classic problems of underdevelopment are led to ask themselves whether they can technically commit to identifying in this form of trade and whether they should do so.

The reason for this section is to highlight some theoretical aspects of trade related to new information and communication technologies, in particular to the market movements using the Internet as a favored exchange location, i.e. electronic commerce especially during the COVID-19 pandemic, which is known as a perfect and frictionless market.

In his book "L'agora de la cybermercatique," Chirouze (2002) described E-commerce as beginning with the Internet and emerging technology of information and communication, as they are at birth a genuine merchant mutation. E-commerce was used as the key form of delivery during the launching of the minitel in the United States in the 1970s and in France in the early 1980s[14]. According to Macnair and May (1978), the mechanism of income growth shows signs of mutation, and one of these signs of mutation has piqued the interest of experts, who venture to say that throughout the twenty-first century, the process of income development would show signs of mutation. The bulk of large corporations' food and household products must be purchased from remote computer networks installed at the consumer's disposal[15]. Chirouze (1982) published a scathing post titled "Cable television for the Future." According to this report, emerging innovations are projected to have a significant effect on how businesses distribute their goods. Simultaneously, he saw a new classification of roles between partners in delivery systems, as well as a shift in business relationships[14]. He went on to say that the evolution of emerging technology in the retail economy are opposed to the wholesale trade. Nonetheless, with technical advancements and, in particular, the Internet, the planet will see segregation once more[14].

As for Kessous, E-commerce is a tool that allows for the creation of value by modified marketing, as seen by experts in the "digital economy," due to a clear connection between the customer and the positive function of databases[16]. According to the findings of Lorenz (1998), the evolution of E-commerce, first, presents mastery of the logistic test of which the cost / efficiency restriction is located, and secondly, sufficiently that it is less vulnerable, of Relationship Marketing[17]. The online economy does not make a fundamental distinction between conventional online purchases and micro tours, where the internet continues to provide significant discounts on traditional networks.

The evolution of Internet has led to the presence of new young companies whose business model is based on the exploitation of a characterization of the customer relationship. The economic objective was not to expand the objective of conventional consumers to consume more products with the diversity of firms by a conventional route. It suffered from withdrawing the use of new techniques to create a favorable relationship with consumers and to explore the good that makes it possible to satisfy them. In order for sites to accept an astonishing need and to search for a mix of providers, the Internet should therefore first be a vehicle for innovation. Websites supported a distinctive skill admitting a swift and narrow suitability of an offer to a demand. Their added value was based on the share of the service (price comparison, research...)[18].

Certainly, economists were perfectly aware of the boundaries proposed by the modern media which include multitudes limitations to the arrival of the admirable market such as the limits of distance selling,

cognitive skills to master the process... However, in their opinion, the qualitative ambiguity maintained on the safety of the agreements, whether it considers the guarantee of use or the loyalty of the trader, and not at all on the property[19].

Today, one of the services of creativity is the understanding of the ultimate customer. There will be no creativity if this is not the case. When a company's perspective on service shifts, so does the quality of service, which can create additional benefit to what was already available[5].

In his theory of planned action (TPB), Ajzen (1991) discusses and discovers the mechanism of customers selecting E-commerce. The Theory of Reasoned Action (TRA) is aggravated by TPB[19]. TPB has been shown to forecast a wide variety of attitudes and is one of the most successful tools for deploying and uncovering attitudes[20]. E-commerce is becoming more and more common as a main source of revenue for enterprises. However, little is known about online shopper activity. The Theory of Reasoned Action looks at nine different Internet habits that span five different customer behavioral stages[22]:

- – Data analysis
- – Choices estimation
- – The decision to buy and the purchase
- – The end product of the transaction
- – Motivation and knowledge of requirements

Under the analytical constructs of the philosophy of rational action, the actions of Internet users and their plans to use the Internet with any of the activities were investigated. To investigate the association between beliefs and possible intentions to engage in such habits, the Reasoned Action Theory[7] was used. The attitudinal and normative components of the theory of rational intervention is hypothesized to be descriptive of behavioral representation on each of the nine behaviors.

Furthermore, according to rational action theory, will and motivation predict actions. According to TRA, if individuals have a good outlook about the recommended action (attitude) and believe that others expect them to do it (subjective norm), they would have a higher desire (motivation) and are more likely to do it. Numerous studies have shown a close connection between expectations and evaluative norms and behavioral management and actions[21].

A successful and sustainable business is focused on considering the full customer experience. Further study of online consumer behavior may suggest across the broad spectrum of consumer decision-making, using traditional social theories, could be a fruitful area to identify the essential factors to the success of Internet companies[7].

III. Research Methodology

The methodology is part of the research instructions that follow the initial guidelines and that make possible the methodology of the methods and techniques necessary to achieve them. It is an exemplary step that derives from a theoretical and epistemological position, from a variety of concrete research techniques. Therefore, the methodology makes assumptions that the researcher considers correct, since the systematic procedure will be his tool for analyzing ordered reality[10].

There are several methods to gather data; moreover, the questionnaire is the most comprehensive form of data collection for scientific or technological purposes, as it is purely collective.

A questionnaire, is a method of collecting measurable data that is expressed as a series of questions in a certain order[23].

Our research adopts the Hypothetical-deductive approach, which consists of starting from the literature review to make research assumptions, to test them later on in the field. The purpose is to test and evaluate the relevance and adequacy of the formulated assumptions: a conclusion that may be subject to confirmation or denial at the end of the search.

Three assumptions were formulated as follows:
- – H1: there is a significant and statistically significant impact between the sales process and the financial performance of online SMEs during COVID-19 pandemic period.
- – H2: there is a significant and statistically significant impact between the mode of delivery and the financial performance of online SMEs during COVID-19 pandemic period.
- – H3: there is a significant and statistically significant impact between the method of payment and the financial performance of SMEs online during COVID-19 pandemic period.

Shops that were forced to close during the lockdown, have immediately rated the electronic marketplace as the bestselling option possible[24].

Purchases in Lebanon are characterized by a lack of confidence between buyers and sellers, due to high price disparities between traders, the proliferation of counterfeit goods, and the relative deficiency of security management of customers. Political unrest, the refugee crisis, and economic downturn have eroded Lebanese buyers' confidence in the country's economy[25].

E-commerce may have historically been slow in Lebanon, owing to the high cost of setting up an online store, Lebanese consumers' lack of trust in Internet purchases, high shipping prices, and widespread misunderstanding of the internet and its capabilities. Just recently a legal structure for E-commerce has been developed, with the aim of promoting its growth in Lebanon[26].

At Spinneys, the country's largest supermarket chain, deliveries have increased fourfold since the lockdown in Lebanon to about 1% of total sales, according to its CEO, Hassan Ezzeldine. The number one retailer is planning to launch a new application in the near future[24].

« Lebanese people are reluctant to go shopping for groceries in physical stores, fearing the risk of » contamination, says Dany Kharrat, CEO and founder of the fledgling My Trolley app. « We didn't expect the beginnings to be this fast. In one month, we reached a level we had not hoped to reach for another six months»" he continues[24].

To achieve our goal and to obtain concrete results, a questionnaire was prepared covering all dependents and independents variables, in order to measure, explain and understand these variables and highlight the correlation between them. We were interested by surveying pre-COVID-19 online SMEs as well as SMEs that, whether deliberately or not, turned to selling online after the COVID-19 pandemic.

Sample size is calculated by the following formula:
Necessary Sample Size = (Z-score)2 * StdDev*(1-StdDev) / (margin of error)2; With 90% Trust level and 10% margin of error, the ideal sample size is68. Our sample size is 72 SMEs from different regions and fields.

It was necessaryto define the Marketing strategies to the targeted consumer, and to assess SMEs' recognition of the evolution of online markets in terms of future profits at any moment, fair borrowing costs, a decent way to produce sales if a physical store closes, the potential for exponential growth of online business, and the possibility to enter the international market. In addition, we were interested to determine if SMEs have the will to continue selling online after the lockdown by gauging respondents' satisfaction with the overall sale of their companies.

In terms of a better query design, the questionnaire was designed purely by focusing on the specific issues recognized in our study, centered on three key dimensions: the sales mechanism, type of delivery, and mode of payment, as well as their relationship with the SME's financial performance.This is one of the financial efficiency metrics used to assess an institution's financial progress. The performance measure is a financial assessment of the profitability of a project or of different assets taking into account the risks taken by the investor (individual, institutional or enterprise). The performance measurement therefore takes into account different indicators depending on the investment made[27].

- The sales process: we asked SMEs if they were selling their products through specific channels such as social networks, websites, e-mail applications, search engines and online stores.
  In addition, we highlighted the actions taken by SMEs in response to the COVID-19 epidemic, such as a change in employee policies, a creation of a team specifically to deal with the consequences of the coronavirus, a change in marketing strategies and customer and supplier policies.
- The delivery method: to find out if the SME has a contract with an official delivery company, if the company accepts delivery to all regions in Lebanon, and if the company takes delivery fees, if the goods are delivered in full condition and at the agreed time, and whether the delivery has been smooth and on the agreed terms.
- The payment method: to find out if the SME provides guarantees that the customer will feel comfortable with their online purchase (i.e., refund of money in case of errors or other compensation), or provides a refund service if the customer wants to return the product, if the SME accepts the customer's payment through several methods (cash, bank card, check), and in different currencies (LBP, USD, Euro...)
- Financial performance: it is asked whether the available cach currently covers most of the SME business operations, whether the SME's digital sales have improved as a result of the COVID-19, whether the SME is satisfied with the profits currently resulting from the online sales, which is a temporary solution during the presence of the Coronavirus, and financial indicators related to the rate of return and monthly income, and whether the SME has plans to continue selling online even after the crisis is over.

There is a debate about business strategy during the lockdown, and it includes claims about whether the lockdown has raised the importance of digital transition, whether quality has been steady during the lockdown, if the SME has a strong theory of how the market can work after foreclosure, and whether the foreclosure era was the most creative period the SME has ever seen, resulting in a rise in online sales.

In thisresearch, we presented a quantitative data for analysis using the SPSS tools. SPSS is a curriculum designed specifically for mathematical analysis in the social sciences. It refers to the social sciences' mathematical ensemble. This is a computational data analysis software for professionals[11].In this study, we used several tests, which are: descriptive statistic test, likert test, pearson correlation test and multiple linear regression test (one-way anova).

IV. Analysis and ResultsDiscussion

During the empirical analysis, 72 questionnaires were collected, which were addressed to random SMEs' managers, from all over Lebanon. After discussing the preliminary results that can be drawn from the questionnaire analysis, we will examine the data to see whether the three formulated assumptions are valid.

Since the questionnaire has three different dimensions,we analyzed each one of them, their relationships, and the SMEs' financial performance as follows.

Likert Scale:
Table no1 shows the distribution when the variables for the options are ordinal and the official number represents the weights (strongly agree: 1 - Agree: 2 - Neutral: 3 - disagree: 4 - Stronglydisagree: 5), we measure an average of 0.8 (4/5) where 4 is the number of distances (from 1 to 2 - from 2 to 3 - from 3 to 4 - from 4 to 5) and 5 is the range of methods (Strongly Agree - Neutral - Strongly Disagree - Strongly Disagree).

Table no1: The average between variables according to Likert

Average	Range
[1.0 – 1.80 [	Strongly Disagree
[1.8 – 2.59 [	Disagree
[2.6 – 3.39 [	Neutral
[3.4 – 4.19 [	Agree
[4.2 – 5.00 [	Strongly Agree

Table no2 shows the selling process: Most of the SMEs in our sample use social media, websites, messaging apps, and search engines to attract customers to buy online. Likewise, the analysis presents, which have followed certain policies to facilitate this sales process, such as, changing employee policies, creating a special team, modifying marketing strategies and modifying supplier policies, which changes their sales in line after locking.
Selling methods are more in agreement with an average of 4.24 and standard deviation of 0.366

Table no2: SellingProcess

Variables	Average	Deviation	Answers
Social Channels	4.88	0.421	Strongly Agree
Website	4.78	0.553	Strongly Agree
Mobile Apps	4.91	0.53	Strongly Agree
Search engine	4.69	0.738	Strongly Agree
Digital Transformation	4.75	0.672	Strongly Agree
Growing after lockdown	4.75	0.568	Strongly Agree
Lockdown period	2.88	1.289	Neutral
Online shops	2.28	0.991	Disagree
Selling process	4.24	0.366	Strongly Agree

Table no3 shows how SMEs are responding to the COVID-19 epidemic: -   Rather   agree   to change employee policies.
- Okay to build a team specifically.
- Rather agree to change marketing strategies.
- No agreement to change customer policies.
- Rather agree to change vendor policies.

Therefore, the agreement of measures in response to the COVID-19 epidemic.

Table no3: Measures in response to the COVID-19 epidemic

Variables	Average	Deviation	Answers
Amendingemployeespolicies	4.84	0.448	Strongly Agree
Building specific teams	3.81	1.306	Agree

Amending marketing strategies	4.72	0.523	Strongly Agree
Amending customers policies	2.56	1.703	Disagree
Amendingsupplierspolicies	4.53	0.983	Strongly Agree
Measures in response to the COVID-19 epidemic	4.09	0.525	Agree

Table no4 shows the Mode of delivery: A large number of SMEs have contracts with official delivery companies, they agree to deliver to all regions in Lebanon, with goods delivered in perfect condition and on the agreed terms.In short, the delivery method is somewhat agree.

Table no4: Delivery Mode

Variables	Average	Deviation	Answers
An official delivery company	4.47	0.983	Strongly Agree
The SME accepts deliveries to all regions in Lebanon	4.47	1.047	Strongly Agree
The SME takes delivery charges	3.56	1.105	Agree
Products are delivered in perfect condition and at the agreed time	4.81	0.535	Strongly Agree
The delivery went smoothly and on the agreed terms	4.84	0.448	Strongly Agree
Delivery Mode	4.43	0.428	Strongly Agree

Table no5 shows the Method of payment: the majority of SMEs offer guarantees so that the customer feels comfortable with their purchase online, accept payment via several methods and in several currencies, and even SMEs give detailed invoices for all costs associated with the purchase so that everything is included.Therefore, the payment method is somewhat agree.

Table no5: Method of Payment

Variables	Average	Deviation	Answers
Guarantees to make the customer feel comfortable when buying online	4.69	0.738	Strongly Agree
Pay through multiple methods	4.72	0.457	Strongly Agree
Refund service if customer wanted to return product	3.84	1.221	Agree
Pay in multiple currencies (L.L., $, Euro..)	4.59	0.756	Strongly Agree
Detailed invoice for all costs associated with the purchase	4.81	0.738	Strongly Agree
Method of Payment	4.53	0.537	Strongly Agree

Table no6 shows that the lockdown period increased the focus of digital transformation, and helped SMEs increase their online sales during this period, while developing plans for their continuity after opening.Therefore, the lockdown is okay.

Table no6: Lockdown period

Variables	Average	Deviation	Answers
Lockdown has increased the priority of digital transformation	4.75	0.672	Strongly Agree
Productivity was stable during lockdown	3.56	1.268	Agree
Having a clear theory on how the business sector will evolve after lockdown	4.75	0.568	Strongly Agree
The lockdown period was the most innovative one you've seen in the company	2.88	1.289	Neutral
The closing period increased the company's online sales	4.69	0.644	Strongly Agree
Lockdown period	4.13	0.254	Agree

Table no7 shows the financial performance: The available liquidity in SMEs covers most of their business operations, moreover the degree of sale, rate of return and monthly income of SMEs have been increased due to the online sales, and finally SMEs have plans to continue selling online even after the end of this crisis.

Table no7: Financial performance

Variables	Average	Deviation	Answers
Available liquidity	4.31	1.03	Strongly Agree
Online Sales	4.5	0.803	Strongly Agree
Satisfaction of the resulting profits	4.16	0.954	Agree
Sales increase	4.56	0.801	Strongly Agree
Stable productivity	3.56	1.268	Agree
Closing period	4.69	0.644	Strongly Agree
Online sales after lockdown	4.69	0.644	Strongly Agree
Financial Performance	4.35	0.376	Strongly Agree

Pearson analysis correlation

New assumptions are formulated as follow to check the relationship between each of the variables with the financial performance:
- Ha0: There is no relationship between Delivery Mode and Financial Performance.
- Hb0: There is no relationship between Payment Method and Financial Performance.

- Hc0: There is no relationship between the Sales Process and Financial Performance.
- Ha1: There is a relationship between Delivery Mode and Financial Performance.
- Hb1: There is a relationship between Payment Method and Financial Performance.
- Hc1: There is a relationship between Sales Process and Financial Performance.

Table no8 shows the degree of correlation between the variables.
The analysis reveals that each of the measurements has an alpha of 0.05, so we have:
- For the Delivery Mode: alpha (sig) = 0.001 <0.05 which accepts Ha1 and rejects Ha0.
- For the Payment Method: alpha (sig) = 0.042 <0.05 which accepts Hb1 and rejects Hb0.
- For the Sales Process: alpha (sig) = 0.003 <0.05 which accepts Hc1 and rejects Hc0.
Definitely, the degree of correlation between these variables is medium, since it is between 0.33 and 0.66.

Table no8: Degree of correlation between the variables

		Delivery Mode	Payment Method	Sales process	Financial Performance
Financial Performance	Pearson Correlation	.564**	.362*	.514**	1
	Sig. (2-tailed)	.001	.042	.003	
	N	32	32	32	32

Regression Test
In order to better understand the relationship between Financial Performance (dependent variable) and the Sales Process, Delivery Mode, Payment Method together (independent variables), we performed the regression test. This test shows the impact of each of them on the financial performance of SMEs[11].
The following are the key principles behind this relationship:
- H0: There is no relationship between delivery method, payment method and sales process and between financial performances.
- H1: There is a relationship between delivery method, payment method and sales process and between financial performances.

Table no9 represents the regression test, where R is 0.736, indicating a strong association between the independent variables and the dependent variable, implying that these variables have an effect on the financial performance, and the value R2 is 0.542, implying that while there is E-commerce, there is a financial performance of 0.542.

Table no9: Regression Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.736a	.542	.493	.284
a. Predictors: (Constant), Sales Process, Delivery Mode, Payment Method				

One Way Anova Test
The One-Way Anova test indicates whether there is a regression or not. We accept the regression when the sig is 0.000, which is less than 0.05.
Table no10 shows the Anova test, for the model to be satisfactory, the change made with the independent variable must be substantial and the residual values between the observed values and the regression line must be lower. To try this, SPSS performs a test of the value F.

In our case, the value of F is 11.041 and is significant at $p < 0.05$. This implies that the probability of having an F value of this magnitude per chance is less than 0.05. There is a significant relationship between Delivery Mode, Payment Method and Sales Process with Financial Performance (we reject H0 and accept H1).

Table no 10: One WayAnova Test

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2.676	3	.892	11.041	.000b
	Residual	2.262	28	.081		
	Total	4.938	31			
a. Dependent Variable: Financial Performance						
b. Predictors: (Constant), Sales Process, Delivery Mode, Payment Method						

Coefficients

Table no11 shows how the financial performance is impacted by each of these variables through the sig.

The sig for the DeliveryMode and the Sales Process is 0.001>0.05, indicating that these two factors have an impact on SMEs' financial performance, while the sig for the payment method is equal to 0.769> 0.05, indicating that it has no impact on SMEs' financial performance.

The lack of a connection between Payment Method and Financial Performance can be explained by the current banking crisis, that is, the inability for the public to recover money confiscated in banks as a result of the economic crisis and capital control that have been in place since the end of 2019 and is related to the fluctuations of the Lebanese pound exchange rate.

Therefore, the financial performance equals -0.035 x payment method + 0.516 x delivery mode + 0.515 x sales process - 0.073.

Table no 11: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.073	.755		.097	.923
	Delivery Mode	.516	.145	.553	3.550	.001
	Payment Method	-.035	.118	-.047	-.297	.769
	Sales Process	.515	.140	.480	3.677	.001
a. Dependent Variable: Financial Performance						

V. Conclusion

COVID-19 had a positive impact on the online sales, especially during the lockdown time when stores were closed and there was no other way for people to get the goods and resources, they wanted except via E-commerce. As a result, several retailers have shifted their operations to the internet in order to take advantage of this opportunity.

This finding supports our first hypothesis: during COVID-19, the sales mechanism has a substantial and statistically significant effect on the financial success of online SMEs.

Well, after the Corona virus arose worldwide until it started spreading in Lebanon, the small country suffered from a severe economic and financial crisis, a refugee crisis, and continuing widespread demonstrations against the regime. SMEs needed to find ways to keep going with as little hassle as possible, but the majority of them turned to E-commerce.

Companies started to extend their operations by using social media and developing websites to promote their products and services, after striking a bargain, of course, with several distribution companies, whose delivery drivers tended to do their jobs in secrecy, particularly during a tough time, and they had a much greater social and economic effect than is usually recognized. As a result, the second hypothesis is confirmed: the distribution system has a substantial and statistically significant effect on the financial success of online SMEs during COVID-19.

In addition, E-commerce had been growing prior to the outbreak of the Corona pandemic, the pandemic provided an unexpected boost and acceleration, with online sales rising at a steady pace and gaining a greater market share than conventional retail stores. The causes are obvious, and they are due to the Corona virus's controls on user and social activity.

This rise in revenues can persuade these businesses to turn the resources and experiences they have gained into long-term properties, even after the virus has vanished, owing to the ease with which payment methods can be made, particularly given the banking sector's crisis. As a result, the third hypothesis is also confirmed: the mode of payment has a substantial and statistically significant effect on the financial success of online SMEs during COVID-19.

E-commerce encompasses all of the procedures involved in making and processing an order, in addition to the orders themselves. The online store is transforming into a single distribution portal where prospective customers can not only explore the product scale with precision, but also place orders and pay using a dedicated digital system. The electronic inventory tracking system records sales and updates inventories.

A minimum of online presence is instantly essential for small businesses. Today, no major corporation will exist without a website dedicated to the greatness and used to promote its products[28].

"Distance sale is not new as such, Isaac (2011) writes, "As it was one of the major methods of trade, especially in the United States and Canada, for some types of goods that were not readily accessible in village areas. The client, on the other hand, travels to buy a service in contemporary trade, which is fueled by urbanization. However, E-commerce is altering the essence of the movement: products are sent to the consumer, resulting in a significant shift in the distribution circles of certain product groups that formerly got away with distance selling"[29].

SMEs have expanded their online networks by making their own blogs or by expanding and becoming more prominent on social media accounts.

In reality, to face the financial crisis that we are living, we have deals with distribution firms and make payment methods more accessible to the public.

Consequently, E-commerce has an effect on SMEs during the Covid-19 pandemic. SMEs' financial success is inevitably assured by the principles and characteristics of online trading. It is undeniable that creativity is critical to the advancement of the online experience. Buyers will also take advantage of technical advances that make the buying process fun and smooth, whether it is a user-friendly smartphone app or a safe online payment mechanism.

At the end, some limitations affected our research study and could be an opportunity for researchers to work on. Sample was selected with a 90% confidence level and 10% margin of error. Adjusting these percentages (best result goes for a higher confidence level and for a lower margin of risk) could enhance the quality of the research results.

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