Is this the biggest technology acquisition the Middle East has seen yet?" was the question posed in a tweet posted by Dubai-based entrepreneur Paul Kenny.

The acquisition in question was the $170m deal by German e-commerce group Rocket Internet to acquire Kuwait-based Talabat.com, a food takeaway platform that operates across the GCC.

The deal surpassed the $165m Yahoo! paid in 2009 for Maktoob, and although the valuation would be considerably higher if the first Arabic/English email service provider was sold today, the Talabat deal is yet another endorsement for a sector was said to be worth $95bn in 2013 in the MENA region.

A recent Frost and Sullivan report entitled 'New Mega Trends' estimates that the value of the 'internet economy' in the MENA region will double to $200bn by 2020, which is expected to be 5 percent of the region's GDP (currently 2 percent).

Sarwant Singh, senior partner and practice director at Frost & Sullivan, speaking a conference recently in Dubai, said the GCC e-commerce market — half of which will be the UAE — is expected to grow by 40 percent by 2020.

"The potential of e-commerce in the Gulf is very high and by 2020 e-commerce sales across GCC countries are expected to touch $41.5bn (AED152.42bn), which will be one of the highest growth areas across this industry worldwide," he said.

Paul Kenny, the founder of the daily deals voucher site Cobone.com, says the Talabat deal has the potential to encourage more investors to look at the region.

"I don't know much about the dynamics of the commercial model of Talabat, but I think from a valuation perspective, it's incredibly positive for the region that there is that size of exit for companies here," he says.

"I think it just shows that you could build businesses here that can scale very quickly and exit at a huge valuation. I think it's a lot of validation because you know the market of venture capital or start-up here isn't as developed as, say, other markets, but the more of these things that happen like the Maktoobs or the Talabats, it's going to give a lot of confidence to entrepreneurs and investors," he adds.

Ronaldo Mouchawar, founder of the Middle East's largest e-commerce site Souq.com, says it's a strong sign that the market is beginning to mature.

"I think clearly that you see the online marketplaces are now starting to form good critical mass in terms of their growth rates," he says.

“Clearly if you come into the region and you’re trying to establish operations, sometimes many companies will see this — Maktoob also came into the region — that it might be easier to set up through acquisition or some kind of a partnership, versus just building. I think from that point of view it’s good for the industry and it shows that online and mobile penetration rates have grown, and while there’s still a lot to do, it’s starting to mature and develop. And we are seeing a lot more investments coming in the region, which is a good thing all round,” Mouchawar adds.

The acquisitions and investments (Souq.com managed to secure $150m in funding last year) are built on impressive growth figures in recent years.

“The industry is growing at 45 to 60 percent year-on-year and you can see also that there is quite a growth in the industry and this is across multiple categories. I think it's positive and we're gaining critical mass,” says Mouchawar.

“We did a big event called White Friday in November and we saw ten times the traffic come in one day. Consumers are being activated mainly by better choice, our services have improved and the online economics of pricing are just so much better, and users see value in what they buy online. They’re aware of the value.”

Although very much lagging behind the more developed markets in Europe and US, the MENA region has plenty of room for growth, according to Kenny.

“The opportunity [in] the Middle East is [in] pretty much any vertical of e-commerce. Let’s say there’s 100 verticals in e-commerce, there’s only a few that are dominant number ones. It means that there’s a lot of opportunity across all the other verticals.

“I think you're going to see a lot of interesting stuff; there’s a company in the UK called Money Supermarket, a credit card and loan comparison site, I think you're going to see a lot of interesting stuff in that sector.”

Khaldoon Tabaza, founder and managing director of iMENA Group, which invests in and builds consumer online businesses in the MENA region, agrees, and says classifieds is another area where he sees potential in e-commerce.

“I think this [classifieds] is an industry that has already moved from print to online. It has amazing growth, consumer to consumer as well as specialised verticals like autos and jobs,” he says.

Tabaza says the verticals and business models being built at iMena have the potential to turn firms into not just $170m, but billion-dollar companies.

“In a few years, you look at these $170m deals, and you will see the value of these companies already becoming multiple that number. The internet in the MENA region still has tremendous growth potential, especially as the new generation who have been totally raised and brought up being online as they get their own credit cards, and get to control their own households and start doing everything online," he says.

The development of online payments has been somewhat slower in the region, with most business models necessitating a cash-on-delivery option, but it's beginning to change.

"I think when we started Cobone [in 2010], 80 percent of our business was cash on delivery," Kenny recalls.

"By the time the business had matured, up until last year, about 90 percent of our business was by credit card. I think you're looking at a market that is evolving with the time and with technology.

"It depends on the vertical. An e-commerce business, where you're actually trading physical goods, still to this day, you would see the big companies like Souq and MarkaVIP — the majority of their revenue is still cash on delivery. But then there's other businesses where it would be predominantly credit cards. It really depends on the vertical," he adds.

Changes are coming, he says. In Saudi Arabia, where online payments have been restricted somewhat, the government is about to open up its SADAD Payment System to commercial ventures.

"I think you're going to see more interesting stuff in payments, particularly because the largest market in the Middle East, Saudi Arabia, they have a payment product called SADAD, which was historically used for government agencies like water, electricity and the government airline," Kenny says.

"They're opening up a product that can be engaged with any business like Cobone, or Souq. I think you're going to see a lot of innovation in payments," he adds.

The most exciting aspect, in terms of growth figures, when it comes to e-commerce, has been mobile. A little over a year ago, in September 2013, a PayPal report on e-commerce said mobile transactions represented 10 percent of e-commerce, and predicted that it would reach 20 percent by this year.

Mouchawar tells a different story. He says Souq.com has in the region of 30 million visits per month, and half of those come from mobile — a growth of 170 percent on the previous year. In 2014, 45 percent of the company's sales came from mobile devices. He expects similarly positive figures in 2015, which he describes as "the year of mobile".

Kenny says if you examine the modern-day customer, it might go some way towards explaining the recent explosion of mobile users.

"The way I grew up, the first thing I had was a desktop computer, and then I moved to a laptop, and then I moved to a smartphone or tablet. In the Middle East, if you look at a customer journey, a lot of people never had a desktop computer, never had a laptop and have gone straight to tablet or mobile. So their first experience of consuming stuff on the internet is actually through a mobile phone or a tablet. So they're skipping the whole web from a desktop or laptop perspective, and with that you're seeing huge growth in mobile traffic here and that's quite exciting," he says.

Tabaza says most of the e-commerce models, particularly, in iMENA, are driven primarily by smartphone penetration.

"Online food ordering, and restaurant reservations — more than 80 percent of it is happening through smartphones," he says.

"The GCC has the highest smartphone penetration rate in the world, almost at 80 percent. It has surpassed South Korea, which was for a very long time the country with the highest penetration rate in the world. The key to winning in the internet business in the MENA region is putting the Arabic language first, and mobile first, and having a true focus and true mobile strategy," he adds.

Clearly, there's a lot of confidence about the future growth potential of e-commerce in the region, as the recent acquisitions and investment show. Kenny, who sold Cobone.com in 2013, says he expects more to come in the near future.

"I think you're going to see a few more major investments in tech companies here, which will be very positive, and they will be done by global investors, not just locals. It will be further validation that e-commerce has definitely arrived in the Middle East and it's time to look at companies that are based here. I don't know if we'll see a few more exits, but I think it will great to see a few more companies being purchased here," Kenny says.

"If you look at it, four years ago when I started Cobone, there really weren't many internet companies around, like start-ups or entrepreneurs. Four years later, look at how many entrepreneurs are starting businesses. It's a complete shift in mindset, and every year it's going to go faster," he adds.

The e-commerce industry in the GCC will only benefit from the ever-changing technology and new ways of marketing products. In 12 months' time, the impressive $170m deal for Talabat might look like money well spent if the industry continues on its remarkable progression.