

Geert Hofstade cultural dimension of qatar



**ASSIGN
BUSTER**

State of Qatar

General information :

Known as the State of Qatar or locally Dawlat Qatar, is an Arab country, known officially as an emirate, in the Middle East, it is bordered by Saudi Arabia to the south; otherwise, the Persian Gulf surrounds the state. A strait of the Persian Gulf separates Qatar from the nearby island nation of Bahrain. Qatar has been ruled as an absolute monarchy by the Al-Thani family since the mid-19th century.

Currency: Riyal.. 1 riyal = 100 qat

Climate over the year of 2010 : 33.5 C

Cultural and social Analysis:

Language : Arabic serves as the official language. However, English is widely spoken in Qatar.

Religion : Islam (80% of the population are muslim).

Culture: Qatari culture is similar to other Arabic Gulf region or country, and very close to UAE. Culture.

Food and drinking : Also similar to most Gulf region Rice is number one food and put what you like on it, the important issue for as that in Ramadan they like to eat too much Dates, which is a familiar kind of food in their culture. , Therefore we think it will be a good opportunity for us to start our promotion campaign at this month.

High Context Culture : as many of the nearby countries Qatar still stuck to their habits and follow their religious attitudes.

Geert hofstade cultural dimension:

Large Power Distance (PDI) (80) and Uncertainty Avoidance (UAI) (68) are predominant Hofstede Dimension characteristics for the countries in the arab region (Qatar). Furthermore arabic societies are following a caste system , which reduces the adjusted in power and wealth and even the opportunities for the citizens between each other within a single country. In general, Qatar laws, and regulations set up by the authority or the ruling family which actually provide more strength to their leadership, as well as their control over society, which will create major unfairness in power and wealth within society . However these countries are far away , from exercising the democracy and not switching regime only during the coup military and not by democratic change.

The high Power Distance (PDI) ranking is shown that there is a high level of inequality in power, as well as inequality in the distribution of wealth within society. People in Qatar know and understand that leadership will be separated from them, and institutions of their own and will be followed by the people and follow the system that put for them because this is the Heritage of the Bedouin community and this dependency is part of the cultural heritage.

The high Uncertainty Avoidance Index (UAI) ranking of 68, indicates the society's low level of tolerance for uncertainty. And an attempt for the government to reduce this level of uncertainty by setting strict rules,

laws and policies have been implemented. The objective of the population of that region is to control everything in order to minimize or avoid the unexpected. As a result of uncertainty, the community is not open to change.

The Masculinity index (MAS), the third highest Hofstede Dimension is 52, which means higher than all other countries. This indicates that women in Qatar do not have their full rights, this issue happens maybe because of Muslim religion rather than a cultural pattern.

Color : the color Auburn is the most famous in Qatar or you can say it's the national color.

Music : The music of Qatar is based on Bedouin poetry, song and dance.

Traditional dances in Doha are performed on Friday afternoons; al-ras (a large drum whose leather is heated by an open fire) tambourine and cymbals, along with small drums. Other instruments played in Qatar include the oud and rebaba, both string instruments, as well as the Arabian flute.

Economic Analysis

Population : Besides ethnic Arabs, much of the population is made up of expatriates, whom improved and increased the economic sectors of Qatar.

Year Population

2010 1,696,563 (approximately 350,000 were believed to be citizens.)

Density : 123.2/km² 319.1/sq

GDP : Total = \$110.844 billion

Per capita = \$81, 96

* In 2010, Qatar had the world's highest GDP per capita,

* Qatar economy grew by 19. 40%, which was the fastest in the world.

* Qatar has the world's largest per capita production and proven reserves of both oil and natural gas.

* With USA In 2009 the trade volumes growing by more than 340%, from \$738 million to \$3. 2 billion. And exports increased to more than 58 percent to \$2. 7 billion, which make the United States is the main import partner for Qatar .

Inflation rate (consumer prices): 1. 1% (2010 est.)

-4. 9% (2009 est.)

Year	Inflation rate (consumer prices)	Rank	Percent Change	Date of Information
2011	1. 10 %	24	-122. 45 %	2010 est.

Taxes on international trade over the year of 2008 : (in local curency)

Year Value

2008 3, 540, 753,
000. 00

These taxes include import duties, export duties, profits of export or import monopolies, exchange profits, and exchange taxes.

Trade Restrictions:

Trade Barriers: import policies in Qatar

Tax :, Qatar applies the GCC common external tax of 5 percent for most products, (As a member of the Gulf Cooperation Council (GCC)).

Import Licensin :

Like all GCC Qatar requires all importers to have a license for most products, and only local agents can import foreign production and goods.

Agent and Distributor Rules :

Qatari laws state that only Qatari nationals can act as local agents, distributors or sponsors.

Foreign ownership :

Corporate Tax Policies: Qatar levies corporate income taxes on foreign firms at rates from 5 percent to 35 percent of net profits, including profits from foreign majority-owned Qatari joint ventures exceeding 100, 000 Qatari riyals (\$27, 000).

Political and Legal Analysis:

Political ideology:

Qatar is ruled by Al Thani family since it independence.

Legal system : Qatar has a flexible system of law and regulated by the emir, even though civil codes are being applied; Islamic law(Sharia) is major in personal matters.

Foreign relationships:

1. Qatar always keep and practice a good relationship with all foreign and Arabic countries..
2. Qatar is member of ABEDA, AFESD, AL, AMF, ESCWA, FAO, G-77, GCC, IAEA, IBRD, ICAO, ICRM, IDB, IFAD, IFRC, IHO(pending member), ILO, IMF, International Maritime Organization, Intelsat, Interpol, IOC, ISO(correspondent), ITU, NAM, OAPEC, OIC, OPCW, OPEC, UN, UNCTAD, UNESCO, UNIDO, UPU, WCO, WHO, WIPO, WMO, and WTO.
3. On 2005, Qatar was elected on the UN Security Council for 2006-2007.

Market Entry strategy:**Introduction :****Alfoah Company:**

is a national company based in the United Arab Emirates, and its main production is dates. The company has two Dates factory and many shops for retail sale.

First factory is Alssad Dates factory, which was founded in 1998, and production capacity is 50000 tons of dates annually. The production plant is in accordance with the measurements and production features meet the international quality and international ISO, and has the membership of the American Institute of Food Technology.

Second Factory is Almerfa, which Founded in 1994, with production capacity of 25000 tons of dates annually, as well as Alssad, the factory production features is identical to the international quality standards.

Finally the company has opened several shops for retail sale in the various shopping areas in all main cities in the country.

Swat analysis:

It is important to recognize the strength, weakness, opportunities and threats of a company, if a company knows what it has, it will be successful, it will know its limits and where it can reach. The SWOT analysis of a company is very important especially for new and developing companies.

The strength of our company is that it is located in an area where people love dates and make it its priority food. As we know in gulf areas, people love to eat dates. Another thing is that we do not have any competitor in the market, and that is something which can benefit us in a good way. Of Course people love to eat chocolate, so imagine one product that has chocolate and dates, people will really love it.

The weaknesses of our company is that this product may not be really successful in outside countries, people might not like the product itself and will go to purchase either chocolate or dates alone.

Regarding the opportunities, this product will be successful because people like to try new products in the market. As we will try to add some kind of design for the packaging so people will be attracted by the product and it can get people's attention, another opportunity is that people visit Carrefour in large numbers and in that we will have more chance of selling our product.

Finally threats, actually we don't have many threats, one of the threats is that people might not waste their money to try to get a new product which

they really do not need for, and another threat is that people who don't like to eat food that has fats will probably not try this kind of products.

The company has several departments, such as supply management, relationship section of Foreign Affairs, financial management, human resources management and management of sales and marketing.

The company owns a number of receiving points and dates store in the emirate of Abu Dhabi, which in turn comes from several areas of the country.

However the company also extends globally

By having Alfoah Company India, which are totally owned by alfoah and has reached and served up to 3 million consumers in all over India, and working hardly to increase its customer to reach up to 5 million by the end of the year 2010.

The company Objectives:

1. Create a brand
2. conducting research and studies in Japan, the Netherlands and Britain in order to develop new products.
3. Activating the role of the private sector in dates palm cultivation and production of dates.

Targeting and positioning :

We segmented the market by A priori segmentation it is An approach we as marketing managers decided on the appropriate basis to segment the market in advance of doing any research on a market.

Targeting : as a target we are sure of our decision by targeting the local citizens of Qatar as well as the high middle class foreigners, as they are the most 2 powerful segments which purchase dates here in the UAE, so due to that information and history we have about our targets we decided to go on and make them our targeted segments.

Positioning: we need to pick a great strategy for our brand image in the consumers mind, so in this basis we shall use a strategy that in a way it gives our chocolate dates are royal and luxury snacks, by the way of the boxes are wrapped and as well from the luxurious stand that we will be having, and also we want our customers to have this image that we are the only ones in the market who serves this kind of stuffed or coated dates, by writing under our brand (we are the only ones).

Marketing Mix

Product: the product will succeed for these reasons :

1. Qatar has the highest Income among its' GCC neighbors.
2. Has the high purchasing power parity (ppp).
3. They have same culture as UAE. (They like to eat Dates and used as give for many occasion)
4. The people there has very good attitude towards foreign products.
5. Not so far from the company's factory almrfa. (About 300 to 400) kilometer away.
6. Qatar is an island and less agriculture there.
7. Management thinks that consumer there will like the company product like Dates with chocolate, and many other special products. As we can

see in the next page of the description of all special products, that company is willing to sale in the potential market.

The products are :

Dates sweet

honey

Dates candy

Chocolate

Dates almond

nuts

Hazelnut

Dates, candy

candy

Pyramids of

Dates Altarthlt

cashew

Dates candy

dates

Noga dates

Dates candy nuts

caramel

Dates

Mocha Dates

Dates, pistachio

Salvation

Pistachios

Dates Nuts

candy

Boumaan

Dates orange

Impose

Dates Albaijli

Dates Coconut

Price :

We will have as what it is called market development strategy as our product already exists in our host country UAE and we are trying to find a new market for it in Qatar. Our decision on pricing our products in Qatar will be after considering these objectives :

1. Maximize long-run profit
2. Increase sales quantity
3. Increase market share

4. Company growth globally

5. Target rate of return & cash flow

Our pricing strategy that will be used known as the term market penetration, as we will use a technique that we shall put a low relatively entry price on our products in the first period, and then we can put the products on their real price that we shall decide later on. This strategy shall give us many advantages, as we are not seeking for long-run profit, so profits will be low at the beginning but it can cast fast diffusion and adaption through consumers, as also it will create discourages to anyone or any company thinking to enter the market any time soon as the low prices act like a barrier to any other investments, including all of these it will create a high stock turnover throughout the distribution channel, which is no problem to us as shipping from UAE to Qatar is relatively cheap and not expensive.

Environmental factors:

- A good thing about our products that shall give us an extra boost that we are the only ones in the market which I don't know if we shall call it an innovation because its already in our market here in UAE but maybe in Qatar it is, this shall give us the total freedom of choosing the price as the consumers will have no other resource or brand to compare our prices with.
- As it is still controversial that Qatar contain the highest per capita income in the world with Luxembourg, but what is sure that it is one of the highest in per capita income countries in the world which gives us another boost, this information is basically telling us raising the price

more will not have its effectiveness on the decision making of the consumers mind.

The price will be : the box here in UAE of 24 pieces is in a price of 60 DHs, due for the previous reasons we have mentioned we decided to sell the price in Qatar to what is equal of 80 DHs which is equal to 80 Qatari riyal.

Total revenue expected: we would expect in the first year to sell over than 5000 unit of boxes of dates in the average of 13.5 box a day with the revenue of 400000 DHs in the first year, we are not setting our expectations too high although we are quite sure we can sell more than what is stated and gain more revenue but it's quite hard to guess the expected revenue.

Place (distribution) :

Our product as we discussed before if the dates filled in chocolate, as we decided, we will sell our product in Qatar, our product was successful in UAE and that's why we wanted to move to another country, we chose Qatar because people in it has the same tastes as people of the UAE. We will place or distribute our product in the Carrefour. We signed a contract with Carrefour to place our products in it. We will place it in a stand so people will be able to view it; we wanted to distribute it in a large place like Carrefour because many people come to shop in it and by that it will be viewed by a large number of people. Carrefour is the right place for such a product because as we said it's new and we need it to be viewed by a large number of people in Qatar. We chose to sell or place our product in Carrefour because it will cost us less money instead of going and opening a shop which also needs licensing and could waste our time in such a move. So instead of placing our product in a shop where people will not usually visit and will not

waste their time in going to such small shops for getting a product, people will visit Carrefour in large amounts and we know that every day thousands of people visit such places to shop for their home and food and many other products, so that's why we wanted to place our product in Carrefour and not in any other place. As we know, products that are placed in Carrefour and such places are the most viewed products by people and are successful. In the gulf countries, we know that people shop for their needs in such places and they don't like to go to small shops, unlike in other countries. We will place the product in a stand where it will be clear to people to see it and purchase it.

Promotion : our target audience will be mainly the local citizens as it is known that the dates are the most favorite as it is almost part of their culture. Everyone loves chocolate, as this will be our strength which will give us the complete advantage all over other selling dates brand, and we are pretty sure that the chocolate with the dates will give a good impact to the targeted mind.

Our promotion objectives shall be studied accurately and carefully, as we have to make sure that our objectives are covered by our strategies those are our promotion objectives :

1. Create awareness: as we are a considered a new product to the Qatar market awareness is considered one of the most objectives we should concentrate on, so we should build strategy that focus on effectively reaching the targeted consumers.

2. Provide information: we should design an promotional campaign that will give the consumers the information we want them to know about our brand and products and where we are distributed
3. Create loyalty: once the purchase is made, we can ask to have any way to communicate the consumer (email, phone number etc) to send him our new flavors or our news.

Our only difficulty will be making awareness for the product in the consumers mind, as well all know the first step of purchasing in a consumer is awareness of the brand, to get in the minds and eyes of the consumers we have made number of promotional strategies to get their attention more:

1. Free samples will be distributed around the Carrefour of various kinds of our dates this will be a great idea because usually when our targeted consumers (the locals) are used to eat in daily basis on an average of 2 to 3 dates, this strategy will encourage them after tasting it and wanting more to come and purchase our products.
2. Making an agreement with Carrefour that we shall have an mind blowing shelves and in front o gain more attention to the consumers eyes and so that it can be seen from all the different angels of the retailer shop.
3. When Carrefour distributes its catalogs, we make another agreement with them that they stick with it a small catalog about our products in their shop and information about them so the consumers will gain interest about them or we can make them put our products in the first page of the Carrefour catalog and write information about them.

4. The last strategy is in the beginning we shall sell in relatively lower prices to gain more market share and to give a better chance for consumers to try our products, after a while we shall raise the price gradually.
5. After purchasing our products in the counter, the consumers shall be asked for an email or a contact number to send them our latest updates about our products to create loyalties.

Conclusion