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**problems facing and difficulties Challenges and
Marketing local products and proposed solutions and
recommendations in the State of Kuwait**

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Abstract:

This study aims to identify the reasons behind the failure of local Kuwaiti products in the local market. And why the majority of the population in Kuwait prefers foreign products over Kuwaiti products. A survey was distributed to a large group of citizens and residents in the State of Kuwait from different provinces and different ages. We found several reasons for the failure of the Kuwaiti product and its failure to obtain the best market share. The study also proposed some solutions that can help solve the problem of marketing the local product. In addition, the study reached a set of recommendations that, if implemented, will enable the local product to compete strongly with the foreign product, and it is necessary for the local producers to conduct the necessary studies to examine the purchasing trends of consumers from other nationalities, determine their priorities and needs within the income level of those categories, and introduce products that align with those characteristics through effective advertising. It is essential to focus on printed advertisements that are at the forefront of the most accessible advertising media to consumers in promoting national products from the perspective of the study sample of consumers. Therefore, it is seen as necessary for all local producers to concentrate on this advertising medium. Local producers must also intensify and repeat the display of their products in advertising media in different ways, emphasizing the maximization of the advantages of the local product such as quality, ease of transportation, proximity to markets, and consumers.

We hope that the study will be useful for researchers, students, traders and industrialists. Also, we hope that the study will contribute to the development of methods and techniques for marketing the local product to compete with other foreign products in the Kuwaiti market.

1-Introduction:

Marketing has become one of the most important and sensitive sciences in economically developed countries, that is due to the need to understand the needs and desires of consumers and to try to satisfy them. The success of commercial establishments is no longer limited to engineering and inventions, as these aspects have reached a high level in developed countries.

Rather, the success of these projects depends on solving marketing and distribution problems and satisfying the desires of consumers. The same is true for developing countries by realizing the importance of studying and applying different marketing concepts. As for developed countries, their growth depends on the ability of those countries to develop manufactured systems or finished goods, and effective distribution to market their resources of raw materials and semi-finished goods in their local or foreign markets. Even in the public sector, there is now an interest in applying different marketing concepts and ideas to support the national economy.

2-Research Problem:

The local Kuwaiti product does not find good marketing in the local market. Consequently, it loses competition with the foreign product in the local market. So, the foreign product has the preference in the Kuwaiti market.

3-Research Objectives:

3/1- To identify the reasons for the failure of marketing products in the local market.

3/2- To identify the reasons why the consumer prefers the foreign product over the local product.

3/3- To find the appropriate solutions that make the local product the preferred product in the Kuwaiti market.

4/3- To find recommendations that will benefit local companies in the future when marketing their products.



4- Study Population:

The study will focus on the consumer in the State of Kuwait, both citizens and residents.

The second target sample will be from local companies in the State of Kuwait, especially the businessmen who own those companies.

5- Research Hypotheses:

The study aims to answer the following main question: What are the problems of marketing the local product in the State of Kuwait and what are the reasons for its failure? This will be done by answering the following questions:

5/1- What are the problems of marketing the local product in Kuwait?

5/2- What are the reasons for the failure of local products in Kuwait?

We will also test the following hypothesis:

- There is a statistically significant relationship between the marketing of the local product and the reasons for the failure of those products.

6- Previous Studies:

We were unable to find any studies that dealt with the research topic in the same way as ours. However, some studies have addressed the topic from different angles, each with its own area of interest.

6-1- Ehab Salah Hassan Barai, "The Impact of Applying Total Quality Management on the Effectiveness of Marketing Activities in Textile Companies", Thesis submitted in partial fulfillment of the requirements for the Master's degree, Faculty of Commerce, Ain Shams University, 2003.

The study indicated that total quality and marketing are complementary philosophies, as they both put customer satisfaction at the core of their operations. Marketing involves listening to the customer and collecting and analyzing data about customer needs and desires. Total quality, on the other hand, focuses on quality performance and continuous improvement, and it makes marketing strive for excellence and integration in an effective and regular manner.

The most important findings of this study are:

* The cooperative performance of both marketing and total quality leads to the achievement of marketing quality.

* Total quality and marketing each support the other in their own way in order to achieve customer satisfaction.

6-2- Study of (Muhammad Akram, 2008), entitled "How Perceived Online Risks Affect Consumer Purchase Intention"

This research focused on exploring and identifying the perceived fears and risks of consumers about online marketing. It shows that perceived risk is a major aspect in the field of e-commerce, and the expected and potential risk factors are: financial risk, performance risk, risk of losing time, and psychological risk. These risks have a strong impact on the consumer's purchase decision online. The aim of this study is to identify the main factors affecting the purchase intention of consumers on the internet. It also explores the direct effects of the different dimensions of perceived risk on purchase intention, leading to a better understanding of consumer thinking in the internet environment. A model has been proposed to study the relationship between perceived risk and purchase intentions. This model was tested experimentally to identify the perceived risk factors that affect customers' willingness to buy online, and do perceived risks have an impact on consumers' purchase online environment? Is there any direct relationship intentions in the between the dimensions of perceived risk and customers' willingness to ?transact online

6-3- A study entitled: "Internet Risks and What the Consumer Wants", conducted by several specialized entities and funded by major American auditing firms (Ernst & Young, AICPA) and supervised academically by (Dr. Alam F. Weslin, Prof. of Public Law & Government Emeritus, Columbia University). The study aimed to:

A- Examine and measure the feeling and attitude of consumers over the Internet towards the companies' methods of preserving the privacy of their customers' information over the Internet after the September 11 (9/11/2001) events.

- To know what the consumer wants from the company he deals with online regarding the privacy of information related to him and how to protect it from leakage.

- To propose some appropriate solutions those companies can adopt in order to gain the trust of the consumer who deals with them over the Internet.

- Assisting auditing firms and auditors in increasing their clients' (e-commerce companies) awareness of the importance of consumer anxiety



and need to protect their privacy, and how this anxiety and need affect their purchasing behavior.

6-4-Strengthening auditors and giving them a competitive advantage in relation to businesses that rely on privacy protection.

The study concluded with the following results:

- There is a great deal of interest and concern among consumers about the mechanisms and methods that companies use to protect their privacy when transacting over the Internet.
- There is a growing conviction and feeling among consumers that the laws currently in place and the practices of companies regarding the privacy of online transactions do not meet their requirements, and as a result, their fears are increasing and limiting their online transactions.

The results of the study stated that companies that want to increase consumer trust in them must adopt several basic practices, as follows:

Companies must know how to manage and maintain their internal and external information, and better understand the risks associated with the privacy of information received over the internet.

Develop policies that enhance consumer confidence in them and not be satisfied with the minimum standards, and these policies must be disclosed in practical ways that can convince the consumer of their practical effectiveness.

Apply these policies to the company's infrastructure by investing in specialized human resources and appropriate information technology and convincing stakeholders of the need for these policies in order to convince the consumer that the company is actually implementing what it discloses for fear of losing it.

Create a mechanism and communication channels to review its policies and the extent to which they meet the needs of the consumer and their satisfaction with them.

Cooperate with a specialized periodic funder (technology services company), which can confirm the correctness of the policies and procedures taken by the company in protecting privacy through electronic commerce transactions over the internet, in order to increase consumer confidence in the company.

Enhance consumer confidence in the company's e-commerce transactions over the internet by adopting an independent external auditor to evaluate its policies and implementation mechanisms, such as adopting an independent external auditor specialized in this subject.

6-4- Study (Makhol and Qattan, 2006):

This study aimed to research and analyze the handicrafts industries in the Palestinian territories in terms of their reality and prospects. These industries face many problems and difficulties related to production, marketing, and financing aspects. The study concluded to many results and recommendations, the most important of which are:

- From a production point of view, these industries face a set of difficulties related to obtaining the raw materials necessary for production, especially imported materials. The machines and equipment used in production are still primitive and do not achieve production efficiency. There is also a shortage of skilled and trained labor, especially in the current circumstances after the outbreak of the Al-Aqsa Intifada.

- From a marketing point of view, these industries rely mainly on the demand of foreign tourists for their products in addition to orders from countries around the world. Both sources have been affected in recent years by the prevailing conditions in the Palestinian territories and the accompanying procedures and practices that have led to a sharp decline in demand for handicrafts products. In addition, there is limited use of advertising and promotion tools such as international exhibitions by the owners of these industries, and a lack of effective marketing plans and strategies to face competition.

- From a financial point of view, the handicrafts sector lacks specialized financial institutions or easy financing terms. Borrowing requires many large guarantees, which in turn limits the ability of these establishments to expand or develop their performance.

In terms of recommendations, the study recommended a number of recommendations, the most important of which are:

1- Work on creating a coordinating body (entity) to coordinate efforts and direct resources in a way that serves the goals of community development and achieves the interests of workers in these industries.



2- There is a need to provide organic linkage between higher education institutions and the requirements of developing the handicrafts sector and its needs for qualified and trained cadres.

3- Develop the performance of supporting institutions (banks, unions, association) and activate their role in promoting handicrafts and contributing to overcoming the difficulties and obstacles they face.

4- Focus on marketing aspects by creating specialized marketing institutions to provide new marketing outlets and improve the terms of trade in current markets.

5-Pay attention to holding exhibitions to introduce citizens to these industries on the one hand and to attract demand for them on the other hand.

6-6- A study by Safar bin Hussain Al-Qahtani, Mohammed bin Hamad Al-Qunaibet, Sabhi Mohammed Ismail, and Hussein Abdul Moneim Habesha on agricultural marketing in the Kingdom of Saudi Arabia, "Reality, Difficulties, and Solutions". The final report of the study presented includes the literature review, research methodology, questionnaire forms, and a presentation on the reality of agricultural marketing for some vegetable and fruit products in various regions of the Kingdom, outlining the general features of vegetable and fruit markets in the Kingdom. It also describes the general characteristics of the field study samples from various marketing system parties under study, addressing marketing problems from the perspective of these parties and in different regions, analyzing the efficiency of marketing systems for vegetable and fruit products under study, which are tomatoes, cucumbers, potatoes, onions, watermelons, cantaloupes, grapes, oranges, and some other fruits, as well as Khalas, Barhi, and Sukkaridates. The study focused on several aspects related to the efficiency of these systems, such as price levels, marketing margins, evaluating market integration and balance in their temporal and spatial dimensions, then analyzing the formal marketing dimension, marketing risks, and marketing information. Based on the study results, proposals were made to improve the efficiency of vegetable and fruit marketing systems by organizing production in regions and displaying in markets to achieve spatial, temporal, and price balance among different markets, emphasizing the preparation and marketing of vegetables and fruits in production fields through sorting, grading, packaging, initial cooling, storage, and shipping to markets, enhancing the infrastructure of

central vegetable and fruit markets or establishing new markets to regulate transactions in those markets, activating the role of municipalities, monitoring auctions, providing data and marketing information through an integrated and accurate database and information system that serves all parties to the marketing system. Organizing the Saudization of agricultural production and marketing labor, along with the qualification and training of national cadres. Supporting agricultural cooperative societies and activating their role in raising the efficiency of agricultural marketing through marketing coordination, achieving market balance and integration, and benefiting from economies of scale in marketing services. Benefiting from the provisions of the World Trade Organization and the Kingdom's obligations in joining this organization to raise the efficiency of vegetable and fruit marketing.

6-7 Comments on Previous Studies:

It is worth noting that our current research (Problems of Local Product Marketing: Causes and Solutions) is completely different from most previous studies. To the best of our knowledge, this research is the first of its kind to address in detail and clearly the reasons for the failure of local product marketing in the Kuwaiti market. It also mentions the reasons for preferring foreign products over Kuwaiti ones, and identifies recommendations that will contribute significantly to making the Kuwaiti product compete with foreign products. It also identifies important recommendations that will contribute significantly to making the local product compete with the foreign product in the Kuwaiti market. We hope that our research has made an important addition to all those interested in studies that address the marketing of local products in the Kuwaiti market.

7- Study Population, Sample, and Data Collection Tool:

The study population consists of consumers of goods and products of different nationalities in the Kuwaiti society. The data and information for the study were collected using a questionnaire designed to identify consumer preferences for foreign or local products when purchasing, as well as their views on the obstacles to marketing the national product in the Kuwaiti society.

The questionnaire consisted of two parts:



7-1- Part One: Aimed to identify the personal information of the sample members.

7-2- Part Two: Aimed to identify the sample members' purchasing behavior of goods and products, as well as their opinions on some related matters.

The data collection tool was applied to a random sample of consumers in the Kuwaiti society, with a sample size of (373) consumers from different governorates of the State of Kuwait.

8-Statistical Analysis:

Statistical Methods Used:

To achieve the objectives of the current study, it was necessary to select statistical analysis methods that are appropriate for the study variables and to use statistical programs to extract the results. Therefore, the study relied on the Statistical Package FOR Social Sciences (SPSS) to process the data and used the following statistical methods:

8-1- Using some data summarization methods such as graphical representation and some descriptive statistics, to describe the determinants of consumer preference for products (foreign/local) and the reasons for this preference, as well as the reasons that hinder the marketing of local products in the Kuwaiti market.

8-2- Using Logistic Regression Analysis as one of the statistical analysis methods for multivariate variables, with the aim of:

8-3- Evaluating the extent to which the set of determinants proposed by the study can predict or explain the consumer preference index for foreign products, and identifying the relative importance of each determinant.

8-4- Examining the effect of the reasons indicated by the consumer sample as reasons leading to the preference for foreign products, in order to determine the contribution or importance of each of these reasons.

Reasons for Consumer Preference for Foreign Products:

To understand the reasons that drive consumers to buy foreign products instead of local products, the study sample of consumers who had previously tried local products were asked about a number of reasons that lead to the preference for foreign products and whether any of these reasons were responsible in some way for their tendency to buy foreign products instead of local products – Table (3), Figure (1).

The responses given by the study sample of consumers showed that nearly three-quarters of the sample (69.8%) attributed their tendency to prefer foreign products when buying to the high quality of the foreign product and its low price together (more than 3 out of 5 individuals). In addition, nearly half of the sample (46.3%) acknowledged that the trust that the foreign product enjoys is one of the reasons that drives them to buy it (almost 2 out of every 4 individuals).

The table of numbers related to the reasons that can lead consumers in general to and abandon local products. prefer foreign products a

Number	Reason
247	High quality of the foreign product and low price
164	Consumers have confidence in foreign product
57	High quality of the foreign product
55	Weak promotion and advertising for local products
47	The non-achievement of local product for consumer satisfaction
30	Lack of consumer awareness of the existence of a local product for the item they wish to purchase
25	The preconceived idea formed about the foreign product by the surrounding opinions.
24	Low price of the foreign product
12	Unavailability of local product availability in nearby markets
Number of members	354



9-Conclusions:

- 9-1- The results of the logistic tendency model for the determinants of foreign products preference showed the following: there are 4 significant variables that are considered the basic determinants that affect the consumer's preference to buy foreign products in Kuwaiti society, namely: nationality; level of education; responsibility for purchasing family's required goods and products; and the product experience attributed to the of the frequent broadcast of its advertisements.**
- 9-2- Consumers of non -Kuwaiti nationalities other than Kuwaiti nationality preferring to buy foreign products approximately 24 times higher than Kuwaiti consumers who prefer to buy foreign products.**
- 9-3- preferring to buy foreign products among consumers whose level of education is secondary education or less, is one and a half times higher than the consumers who have a level of education higher than secondary and less than university (diploma).**
- 9-4- Preferring of purchasing foreign products significantly decreases among consumers who have a university education level or higher compared to both consumers who hold a diploma and consumers whose education level of the secondary education or less level.**
- 9-5- Preference of buying foreign products among consumers who are sometimes, responsible for purchasing the required goods and products for their family is close to consumers who do not responsible for buying of their family's needs.**
- 9-6- The opportunity to prefer purchasing the foreign product among consumers induced to try the product, by the frequent advertising of some products is about 28 times higher than the same opportunity among the consumers who did not get influenced by the frequent advertising, and they didn't have the desire to try such products.**
- 9-7- The opportunity to prefer purchasing the foreign product among consumers who are sometimes induced to try the product, by the frequent advertising of some products is about 7 times higher than the same opportunity among the consumers who did not get influenced by the frequent advertising, and they didn't have the desire to try such products**
- 9-8- The opportunity to prefer purchasing the foreign product among consumers who are induced to try the product, by the frequent advertising of some products is about 28 times higher than the same**

opportunity among the consumers who did not get influenced by the frequent advertising, and they didn't have the desire to try such products.

9-9- About $\frac{3}{4}$ of the sample (69.8%) attributed their tendency to prefer the foreign products over the national one to the high quality and less cost (more than 3 of every 5 persons).

9-10- About half of the sample (46.3%) attributed their tendency to prefer the foreign products over the national one to the trust enjoyed by the foreign products which induce them to buy it (about 2 of every 4 persons).

9-11- Result of Logistic Tendency Model of reasons for preferring the foreign products showing: there are 2 moral variables as the main determinants affecting the consumer preference to buy foreign products in Kuwait's Society, namely "High quality & less Cost, and Consumers' trust in the foreign products.

9-12- The consumers who preparing themselves to leave the local product for sake of the foreign one because of the latter high quality and less price, the opportunity of their preferring to buy the foreign products is about 4 times higher than those consumers who believe that the price and quality of the foreign product is enough reason not to by the local product and buying the foreign one.

9-13- The consumer who prefer to buy the foreign products instead of the local ones, because of they trust in the foreign product, their opportunity to prefer the foreign product is about 4 times higher that those who don't see the trust in the foreign products is not enough to make them leave the local product and go for the foreign ones.

9-14- The insufficient study about the competitive goods by the producer, to provide the market with higher quality product comes as the top various reasons that may restrain the good marketing of the local goods in Kuwait's market with approximately 69% from the total 373 study sample, meaning that more than 3 of each 5 consumers in the sample think that the local products don't have a wide field of marketing because on insufficient study of the competitive goods.

9-15- About half of the consumers in the study sample (46.4 %) are attributing marketing issues of the local products to the nonreliability of the information labeled in the local products (about 2 of each 4 consumers).

9-16- About quarter of the consumer (one of each 4 consumers) think that "the insufficient advertising of the local product and its



descriptions, characteristics, and where you can find them and making sure that such details accessed by maximize various consumer in Kuwait Society (22.5 %) and failing to care more about its merchandizing fairs and shows (22.3) are among the reasons lead to the marketing issues of local products in Kuwait's Markets.

9-17- Insufficient study of the prices of the product which will be launched to the market, and how it may be fit for all categories in Kuwait's society is one of the reason the restrain marketing of local products in Kuwait's market .non-diversity of the advertising manner did not exceed 12%.

9-18- The published advertising come in first place of the advertising channels with 45%, of the total ways of advertising for the local product (about half of the consumers, the study sample), and in the second place comes the broadcasting advertising with 29.4% (more than quarter of the consumer, the study sample) then Internet advertising at the third palace with 13%, and then through the Mobile adverteng at the fourth place 8.9% , and lastly the roads advertisings with 4% as advertising way and lest access to the consumers of the study sample, in Kuwait markets.

10-Recommendations:

10-1- Local producers must perform sufficient study about the consumers' tendency to purchase from the other nationalities and their priorities and needs in light of income of these categories and launching products that meet their needs and fit their financial abilities and pay attention to for good advertising for them, with the manner to attract such categories of consumers in Kuwait's Society. As the result of present study proved that non-Kuwaiti national preference of foreign products are 24 times higher than Kuwaiti consumers.

10-2- Working to change the mental prospective of the tradional purchase tendency of the responsible consumers who buy their family needs from goods and products by following a planned scientific method to attract them to the local product of high quality and less cost in the same time, with distributing free samples as applicable or making special offers, or discounts or adding more advantage such as free delivering and installing as applicable. Working to develop attracted advertising speech targeting these categories of consumers, making them trust the local product and make higher opportunity to buy it in the next shopping time.

10-3- The printed advertisings take the first place in accessing to the consumers about the national products from the study sample prospective, so that all local producers shall focus in such advertising method. All local producers shall find a way to coordinate between themselves to jointly bear the cost of the printed advertisings in both English and Arabic, which to be distributed for free at houses of both citizens and expatriates , making sure that copies is properly delivered to the targeted categories. These advertising shall contain goods listed in categories such as: Technological Goods, Agricultural goods.....etc. all detailed information about the products shall be contained in these advertisings including the producer, prices, place of selling, terms and places of shows of these products.

10-4- Broadcasting advertising (Audible and visual advertisings) comes in the second place in term of local products accessing to the consumers, the matter which is copping with the reality, as most local producer choose broadcasting advertisings , audible and visual advertisings through the national channel , not being aware that almost all of audience of such channels are citizens, not the expatriates who consider the most of the consumers in Kuwait's Society. This issue shall be reconsidered by the local producers, and design and develop their broadcasting advertising to market their products among more consumers in Kuwait's Society.

10-5- The result show that the persons who tend to try a product because of its frequent advertising, they prefer to buy the foreign product, more than ones who didn't influence by the frequent of advertisings, so that the local producer shall repeat and intense showing of their products through different advertising media to maximize utilizing of the product advantages of local products, such as high quality, easy to move, and being near to shops and consumers.



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