M3-Mktg Database Descripton\_10Nov20

1. M3\_mktg stands for manuscript #3 which deals with the behavior of the Iranian market for importing personal hygiene products. 3 items of toothpaste, soap, and shampoo are selected because these items are widely used by almost all Iranians. Consumer behavior towards these three items can be representative of consumer behavior for many other consumer goods in Iran.
2. Suppliers to these markets are made by Iranian manufacturers of domestic (local) brands, and the importers/exporters of global brands. There has been growing competition between the two groups.
3. Personal care products are used daily by virtually all Iranians. They have been considered as “essentials” by the Iranian government. They have received favorable treatment by the Iranian government in terms of the allocation of foreign currency for their import at a much lower rate than the rate established daily in the free market.
4. Raw materials and some component parts for production of 3 selected products are often imported as well to the benefits of the local manufactures. They also receive preferred currency rates as well as lower custom fees than the foreign-made imported brands.
5. In 2018 the government which was financially stressed by the provision of the US sanctions removed the personal health care products from the status of the Essential products and did not provide the importers with low currency rates. As the results, the cost of the import spiked to three fold and the volume of import and consumption of global brands fell sharply. Partly because of these abnormalities, I have excluded the data for the year 2018 and 2019 from the analysis.
6. Import data for international brands are compiled annually by the Iranian customs organization. They are recorded on three different scales: 1. The weight of imported items in kilograms (kg), 2. The market CIF value of the item in Iranian Rial as it was assessed by the customs examiner, 3. The dollar value of the imported unit, also at their CIF delivery point.
7. While the customs department maintains a long list of all imported items, we have noted that the data appears to be somehow reliable since the year 1990, and more reliable since the year 2000.
8. Data for domestic production has been compiled by the Iranian Ministry of Industry, Mines, and Commerce. The earliest data that they have recorded for the three items pertain to the year 2009.
9. Since our study deals with a comparative strategies of global vs. domestic brands, we had to use data for imported brands also from the year 2009 to provide the possibility of a paired means analysis.
10. The ultimate objective is to provide global businesses, particularly international markets who wish to engage in trade with Iran, with a market profile for imported consumer goods. We have found similarities between the rate of growth in the three personal hygiene items and the total imports of goods to Iran for the past 30 years. This finding leads us to believe that the factors which cover the import of these three products to Iran are representative of those factors which impact the export of other types of consumer goods.
11. Please refer to the data set M3\_Mtkg (attached). The dataset is made up of 8 sections and separated by yellow and green column.
12. Section 1 contains data for the local production and import of the three items from the year 2009 until the year 2019. Time series are indicated in Iranian calendar years (column A), and the international calendar (column B). Each product item is colored to facilitate its attention. Toothpaste is presented in blue columns while soap is in green and shampoo is in pink. The first column of each product contains data from local producers on a scale of 1000kg or tons (column C for toothpaste). Column D provides data for the import of toothpaste for the past ten years. Data for the 11th year (2019) are also collected by the Iranian Customs Organization but are not authorized to be published by the decision of the Iranian government. I did try my hardest to obtain a copy for my research but was not successful. The remainder of the blue section data (column E-H) provides basic processing of the two datasets for decision making purposes.
13. Similar explanation can be provided for the green dataset. While data has been supplied for local production in the year 2019, by the Ministry of Industry, comparative data for 2019 could not be obtained from the customs organization.
14. The above explanation is also relevant to shampoo which is colored in pink.
15. Section 2 pertains to membership in the Iranian Chamber of Commerce. The chapter had recorded its membership from the first year of its operation. However, it digitalized its data only from the year 2010. I have repeatedly contacted them to obtain membership data for the year 2009 in order to have a complete set of the rate of growth (ROG) of the membership for second decade of 21st century (2010-2019). I was not able to do so until today, however, I am still hoping to encourage people in the archive to search for my data for the year 2009.
16. Membership data are provided by male and female members. I asked for male and female sectors to examine the magnitude of the commercial inputs, which are done by the female population of Iran, compared to the males.
17. The third segment (columns AC-AF) supplies data for those members of the Iranian Chamber of Commerce, who in addition to their membership, were engaged in international trade. They needed to obtain a special card for import and export transactions. Not all the members sought or received Ex-Im card. Only those who received them could have been lawfully engaged in international trade. Smugglers, surprisingly, did not need any membership or Ex-Im card!
18. Membership and Ex-Im cards were valid for only one year. The renewal may have required new qualifications and it could have cost considerably. It is for this reason that we have noted a high velocity in the number of members and card holders during the ten-year period. Explanation of the factors that contributed to the annual changes will be provided in the paper. Moreover, possible correlation between the number of merchants of the three products and the volume of imports would be sought.
19. Sections 4a and 4b contain similar data but for only Tehran’s (the capital city) Chamber of Commerce. Explanations provided for the Iranian chamber are also relevant to these two sections. It should be noted that data for the members and cardholders in Tehran are included in datasets for the Iranian Chamber of Commerce.
20. Data for sections 5A and 5B provide computations of the percentages of the membership and cardholders in the Iran Chamber and Tehran Chamber of Commerce. By the same token, data on section 6A and 6B provide the ROG for the membership and cardholders in the Iran Chambers.
21. Data in section 7A and 7B provides similar data for the Tehran Chamber of Commerce.
22. Several relevant datasets have been gathered but need to be incorporated in this dataset to provide basis for determining conditions which have contributed to the current environment for business in Iran. The idea is to provide global business executives with a correct understanding of the Iranian business system and environment currently when the Iranian economy is struggling to break the stranglehold of relatively long sanctions and rejoin the international business community. Considering the fact that Iranians enjoy massive deposits of natural resources, including top reserves in fossil oil energy, it would be once again a prime market for exporters.