Determinants of Competitive Advantages of Dates Exporting: An Applied Study on Saudi Arabia

Gaber Mohamed M. Abdel Gawad¹, Tarek Tawfik Alkhteeb^{1,2} & Mohammad Tariq Intezar¹

Correspondence: Gaber Mohamed M. Abdel Gawad, Associate Professor of Economics Seconded From Economics and Foreign Trade Department, Faculty of Commerce and Business Administration, Helwan University; Egypt to College of Business Administration in Hotat Bani Tamim, Salman Bin Abdulaziz University, P.O. Box, 13 Hotat Bani Tamim 11941, Kingdom of Saudi Arabia. E-mail: gabergagm@yahoo.com

Received: December 31, 2013 Accepted: January 28, 2014 Online Published: March 25, 2014

Abstract

The study focus on testing the determinants of competitive advantage of dates marketing from Saudi Arabia through multi- regression model based on Porter's diamond, which is determined the factor that affecting on competitiveness of nations in international marketing, such as factor conditions, demand conditions, related and supporting industries, and company strategy; structure; and rivalry. Our study selected the most competitive countries for Saudi Arabia in marketing dates in its markets (like Egypt, Iraq, and Tunisia). The results of study showed that the four determinants are significant and R square is high more than 95% in all equations this is agree with our assumptions, but the signs parameters of these determinants are different from our expectations specially with the quantity of production in Saudi Arabia which appear negative with the value of export of dates from KSA, that is because the consumption of dates in domestic market is high and it absorbs the high quality kind of dates, which is needed for external market. We tested also the same determinants for the competitive countries (Egypt, Iraq, and Tunisia); we found the same results, except Egypt, which have huge domestic demand that is effect on demand conditions in this country. Our study suggested more studies are needed for related and supporting industries of dates with this crop, to save data base in this field, and give more attention for quality of dates, packaging and prices for Saudi exporting of dates.

Keywords: competitive advantage, dates marketing, Saudi Arabia

1. Introduction

Saudi Arabia is blessed with vast production of dates and have potential to contribute to export earning to a large extend. The date has an important place in the structure of Saudi Economy on both national level generally and on the level of agricultural sector particularly because of its active contribution in the economic activity, increasing the Saudi exports and fulfilling the needs of local market. The Kingdom of Saudi Arabia is at the forefront of the countries which produce and export the date at the same time and in the tradition of today's international trade, The Kingdom has many comparative and competitive advantages in both production and export process. In spite of advantages Saudi dates are not getting due recognition despite their superior quality, their presence in the global market is very limited and not all right to their volume of production.

1.1 Research Objectives

To study the production and marketing dates in local market, and study the general trends form dates exporting to the world markets, with analysis the geographic distribution of dates exporting in the world market and determinants of competitive advantage in the world market, and determine the determinants of competitive advantage of dates according to Porter approach and Vallroth approach, and it aims to estimate the parameters of competitive advantage determinants for exporting dates from Saudi Arabia and its competitive position with competitors in rest of the world.

1.2 The Research Problem

KSA is enjoying many natural resources but production and marketing both internally and externally dates do not commensurate with their potential and capabilities to take position in the world market in terms of

¹ College of Business Administration, Salman Bin Abdulaziz University, Kingdom of Saudi Arabia

² Agricultural Economics Department, Faculty of Agriculture, Kafr Alcheikh University, Egypt

competitive pricing, production and efficiency. This is the thing which indicates to existence of a problem faced by production and export sectors for the marketing of dates internally and externally.

1.3 The Current Study

Aims at knowing the current situation of dates production in KSA which effect in local and world market. Consequently problems faced by producers and marketers in the Kingdom. Also, it aims to study the existing marketing situation in order to know the different aspects related to production and marketing internally and externally with competitive advantages.

2. Method

The Study relies on many researches descriptive and quantitative methods such as regression analysis, rates of economic growth, and coefficients of commodity concentration as well as indicators of market share based on secondary data which will be collected from its different local and international resources depending upon the availability of data. It is expected that the study will show very important results which will have its economic return. Also, it will help to create a database which will be useful for decision makers in taking appropriate decisions with respect to production and marketing of dates internally and externally from the kingdom.

With this introduction, the paper is organized as follows. Section two presents a review of literature pertaining to determinants of the competitive advantage of marketing dates internally and externally and the choice of variables. Section three indicates the research methodology including data collection and model specification, and list of variables. Section four presents results and discussion. Section five concludes by pointing to a future research direction.

3. Literature Review

Abdoulhadi (2011) examines the study to assess the fruit characteristics to standardize quality norms in date cultivars of Saudi Arabia and he also studied four texture parameters *viz*, hardness, springiness, cohesiveness and resilience of Khalas, Sheshi and Reziz date cultivars. From the finding of this investigation will strengthen the data base of fruit quality norms in major Saudi Arabian date cultivars and boost export of dates from the Kingdom, besides protecting the identity of the cultivars studied.

Kahtani (2007) examines the study the expected demand of dates will increase when the population increases. Study estimated the production of dates has increased in the last five years and opened avenues for domestic and foreign marketing channels. Study focused the comparison between specific outlets and varieties of dates in Riyadh region. Variance analysis revealed the study about prices and varieties of dates except AlSukkari but significant differences in marketing margin of dates such as AlHulawa, AlSukkari and AlSufari only.

Liu (2003) analysed the study of marketing potentials of date palm fruits in the European market including non-traditional dates in the EU markets. The study found that there was room for increased imports of *deglet nour* dates (or other varieties with similar taste and texture) provided high standards of quality (including low infestation rate), packaging and traceability could be met. Prices were not expected to increase substantially from their present level. *Mejool* has attracted major interest in the UK and France and fetched high prices. It appeared to have good market prospects but some logistical constraints due to the low supply volume and retailer hesitations still needed to be solved. Conversely, the potential for *hayani* and *bahri* seemed limited to a small ethnic market.

Marshudi (2002) conducted the study of Oman traditional date palms with reference to production and improvement of date palms in Oman. This study presented date palm crop in terms of its traditional practice and economic development in Oman. The results showed that the quality of dates produced has not yet met approved standards and, therefore, the return to producers is not maximized.

Mehmoudi (2008) examined the enhancement of date palm processing marketing through organic culture. He found that some challenges have been paid for production of dates. Date usually all over the world with a high value confectionery, but still a fresh fruit remain an important subsistence crop in most of the desert areas.

Mikki (1998) Conducted the study on the present status and future prospects of dates and dates palm industries in Saudi Arabia and highlighted the present status of the-dates business in terms of industry structure and its attractiveness. The study finally illustrated the importance of cooperation and coordination of the existing date processing plants with research centres and universities involved in conducting research on various aspects of dates processing and date palm residues.

Rashidi (2013) explored the study the motivation to export perceived by small and medium sized business considering within KSA. He examined and perceived export motivations differences and influence of such

motivations on export related decision within manufacturing settings. In the findings of the study shows that KSA SMEs motivated more by external exporting motivations and the lower risk perceived and higher commitment to export resulted.

Shreed, Jamel and Abbed (2012) conducted the study and calculated the average price of dates for each of the groups of importing and exporting countries and found in there and study the status of Saudi Arabian dates in the global markets and their suitability for exports. Five potential strengths of Saudi Arabian dates were identified that may be used either individually or collectively to strengthen the exports of dates from the Kingdom in each of the five date importing groups of countries where we also determined the potential market opportunities.

Aljanobi (2009) analysed in the study the date industry still limited mainly in cleaning and packing with a few new products or by-products. The goal of this project was to evaluate the current date factories, improve and develop the date industry in the areas of adding value to date processing new products and by-products from low quality or wasted date. It is possible only when by evaluating the current local date factories in the areas of economical, administrational and technical aspects and by applying and developing selected conversion operations such as extrusion and fermentation to utilize low grade and wasted. The challenge ahead for any researcher in the product and/or process development area is to produce unique, innovative products based on current feasible market demands and availability of enormous amounts of raw materials.

Khushk (2009) conducted the study about date producing and consuming areas of the Sindh city. Efforts were made to describe and analyse the structure and operations of date marketing channels and quantify marketing margins of producers and other market agencies. Survey results showed that eighty percent of date producers sold the harvesting rights of date orchard to pre-harvest contractors. The producer's share in retail price was estimated on per forty kg basis. The results revealed that maximum share of producer were thirty seven percent in fresh dates and twenty four percent in hydrated dates.

Mahmoudi (2008) examined the organic farming is being promoted as an environmentally-friendly approach in most developed countries, there has been little consideration for developing countries, which are the main producers of dates. This article examined the potential benefits, and processing, marketing and pest control challenges, associated with organic date palm production.

4. Determinants of Competitive Advantage

According Porter approach the Determinants of competitive advantage of nation are factor conditions, demand conditions, related and support industries, and company strategy, structure and rivalry. He also proposes two other factors, namely government policy and chance (exogenous shocks) this is called porter s diamond. Porter approach looks at cluster in which a number of small industries. But we develop this approach to explain how we can use this diamond in explaining the determinants of the competitive advantage of exporting date from Saudi Arabia, we will introduce some discussions about this diamond.

4.1 Factor Conditions

All classical trade theories take land, labour, and capital as factors of production; put Porter (1990a) distinguishes between the following categories: human resources, physical resources, knowledge resources, capital resources and infrastructure. Factor conditions are further subdivided into basic and advanced factors that can be either general or specialised. Basic factors such as unskilled labour, raw materials, climatic conditions and water resources are inherited and require little or no new investment to be utilised in the production process. Advanced factors are created and upgraded through reinvestment and innovation to specialised factors, which according to Porter form the basis for the sustainable competitive advantage of a country.

Porter analysed the competitive advantage of nation and applied his theory on same industries and sectors like tourism, but with date exports as agricultural product, we will depend on natural resources like land, weather, and water, which need for palm tree, with unskilled labour. These factors already exist in Saudi Arabia. So we will take Saudi area harvest and Saudi production of dates as quantitative variables of factor conditions.

4.2 Demand Conditions

In the local market can help companies create a competitive advantage, when sophisticated home market buyers pressure firms to innovate faster and to create more advanced products than those of competitors, but in the world market the demand conditions can be expressed in the form of a quantitative world imports of dates.

4.3 Related and Supporting Industry

It can produce inputs which are important for innovation and internationalization. These industries provide cost-effective inputs, but they also participate in the upgrading process, thus stimulating other companies in the

chain to innovate. But in our study we use related and supported industries such as:

- -Dates Packaging Industry (Packaging companies and individual packaging);
- -Dates Processing Industry;
- -Logistics Industry;
- -Cellulosic Industries of the Date Palm: for handicraft, organic fertilizers and fermentation industries from date palm residues.

4.4 Company Strategy, Structure, and Rivalry

It constitutes the fourth determinant of competitiveness. The way in which companies are created, set goals and are managed is important for success. But the presence of intense rivalry in the home base is also important; it creates pressure to innovate in order to upgrade competitiveness. But in this study we use competitive countries as a proxy variable for this element applying on export of dates from Egypt, Iraq, and Tunisia, these three countries are the main competitor for dates export from Saudi Arabia.

We will exclude the impact of the government and the chance of a quantitative model to be applied. As a theoretical assumption for the model, and the Period of study from 1991 to 2011 in Saudi Arabia,

5. Model Formulation

Dates exports from Saudi = f {Factor Condition (production + Harvest area) + Demand Condition (world imports) + Related and Supporting Industries (dates industries) + Company Strategy, Structure, and Rivalry (export of competitive countries like Egypt, Iraq, and Tunisia)}

$$DX_i = f(FC_i + DC_w + RI_i + CS_k) \tag{1}$$

$$FC_i = f(AH_i + QP_i) \tag{2}$$

$$CS_k = f(VX_E + VX_I + VX_T) (3)$$

We can formulate the model in econometric form as follow:

$$DX_{S} = \alpha_{0S} + \beta_{1S}AH_{S} + \beta_{2S}QP_{S} + \beta_{3S}DC_{w} + \beta_{4S}RI_{S} + \beta_{5S}VX_{E} + \beta_{6S}VX_{I} + \beta_{7S}VX_{T} + \varepsilon$$
(4)

$$DX_E = \alpha_{0E} + \beta_{1E}AH_E + \beta_{2E}OP_E + \beta_{3E}DC_w + \beta_{4E}RI_E + \beta_{5E}VX_S + \beta_{6E}VX_I + \beta_{7E}VX_T + \varepsilon$$
 (5)

$$DX_{I} = \alpha_{0I} + \beta_{II}AH_{I} + \beta_{2I}QP_{I} + \beta_{3I}DC_{w} + \beta_{4I}RI_{S} + \beta_{5I}VX_{E} + \beta_{6I}VX_{S} + \beta_{7I}VX_{T} + \varepsilon$$
 (6)

$$DX_{T} = \alpha_{0T} + \beta_{1T}AH_{T} + \beta_{2T}OP_{T} + \beta_{3T}DC_{w} + \beta_{4T}RI_{T} + \beta_{5T}VX_{E} + \beta_{6T}VX_{I} + \beta_{7T}VX_{T} + \varepsilon$$
(7)

Where:

 DX_i = Dates Exports from Country j (Value of Country j Exports of dates);

 FC_i = Factors Conditions in Country i;

 AH_S = Area Harvested in Saudi;

 AH_F = Area Harvested in Egypt;

 AH_I = Area Harvested in Iraq;

 AH_T = Area Harvested in Tunisia;

 QP_S = Quantity of Production in Saudi;

 QP_E = Quantity of Production in Egypt;

 QP_I = Quantity of Production in Iraq;

 QP_T = Quantity of Production in Tunisia;

 DC_w = Demand Conditions (Value of World Imports of Dates);

 RI_S = Related Industries in Saudi {we will use Quantity of Saudi Exports (tons) as a proxy variable to measure RI};

 RI_E = Related Industries in Egypt {we will use Quantity of Egypt Exports (tons) as a proxy variable to measure RI};

 RI_I = Related Industries in Iraq {we will use Quantity of Iraq Exports (tons) as a proxy variable to measure RI};

 RI_T = Related Industries in Tunisia {we will use Quantity of Tunisia Exports (tons) as a proxy variable to measure RI};

Vol. 6, No. 4; 2014

 CS_k = Company Strategy, Structural, and Rivalry (Competitive Countries k);

 VX_E = Value of Exports from Egypt;

 VX_S = Value of Exports from Saudi;

 VX_I = Value of Exports from Iraq;

 VX_T = Value of Exports from Tunisia;

 α_0 Is intercept for the country j in the equations (4), (5), (6), and (7?);

 $\beta_{1,\dots,7}$ Are parameters of independent variables for the country j in the equations (4), (5), (6), and (7?);

 ε Is random variable or error term for the country j in the equations (4), (5), (6), and (7?).

6. Data and Variables

We collected data depending on database of FAO, which available on FAOSTAT website, in Tables 1, 2, 3 and 4, and processing it's on SPSS to make regressions for equations (4), (5), (6), and (7) to estimate parameters of the equations and determine R Square, T test, and Significant of estimation for Saudi Arabia and three competitive countries (Egypt, Iraq, and Tunisia).

To test the main four variables for Porter's Diamond {Factors Conditions (FC), Demand Conditions (DC), Related and Supporting Industries (RI), and Company Strategy, Structure, and Rivalry (CS)}, we use available quantitative data about Area Harvested (AH) and Quantity of Production (QP) to measure (FC), and use world imports of dates to measure (DC), but we did not find data about related and supporting industries(RI) so we take quantity of export as a proxy variable to measure this factor where all exports allows include industrial dates (like packaging dates, and dates processing industry), and we use alue of Dates Exports(VX) from competitive countries (like Egypt, Iraq, and Tunisia) in case of Saudi, and change Saudi with three countries in case of every country of them respectively, as a proxy variable to measure Country Strategy and Rivalry (CS).

The previse four variables used as independent variables, and Value of Dates Exports (DX) used as dependent variables for Saudi Arabia, and the three competitive countries in four equations (4), (5), (6), and (7) respectively.

7. Results

From Table 5 the results of estimation show all equations are significant and R square high more than 95%, that is means all changes in dependent variables are explain by independent variables, these results agree with F value and T test, but signs of parameters give us different explanations than we assume, especially (β_3) in case of Egypt and Iraq, where we assume Demand Conditions (DC) have a positive relationship with value of export (DX) as Porter assumed, this may be explain in case of Egypt by huge size of domestic demand compared with world demand on Egyptian dates and in Iraq quality of dates are different from quality of dates in both Saudi and Tunisia.

In Tunisia the signs of $(\beta_1 \text{ and } \beta_2)$ are also negative, that is because Area Harvested (AH) Quantity of Production (QP) of dates are small compared with other countries, and relative weight of Tunisia's exports. The sings of $(\beta_5,$ β_6 , and β_7) with Egypt in equation (5), Iraq in equation (6), and Tunisia in equations (7), and (4) respectively are also negative, that is agree with our assumption, where exports from these countries are compete with exports from Saudi Arabia in the world market of dates. The Kingdom enjoys many natural resources with production both internally and externally with their potential and capabilities to take position in the world market with reference to Egypt, Iraq and Tunisia in terms of competitive pricing, production and efficiency with the competitive advantages. In our study we determined Porter comprises factor conditions, demand conditions, related and supported industries was formulated the model in econometric form. In Egypt, date production was produced in large quantity but it was little progress in mid-nineties while value of exports was increased in large quantity. Demand condition and value of exports were found impressive due to market demand. In Iraq demand conditions have positive relationship with value of export while qualities of dates are quite different compare with both Saudi and Tunisia. In Tunisia area harvested with quality of production of dates are less progressive with other countries, finally our study emphasises to determine competitive advantages for the dates marketing in terms of quantity of exports and imports with the selected countries as discussed above with the neighbouring countries. Though these countries have enough potentials to compete largely exporting of dates from Saudi Arabia in the world market with regard to marketing of dates in the world market from the Kingdom.

Table 1. Kingdom of Saud Arabia: data of dates production and trade through period (from 1990 to 2011) for equation (4)

Year	Saudi Area Harvested Ha (AH _s)	Saudi Production (tons) <i>QP</i> _s	Quantity of Saudi Exports (tons) <i>RI_s</i>	Value of Saudi Exports (\$1000) DX _s	Value of World Imports (\$1000) DC _w	Value of Egypt Exports (\$1000) VX _E	Value of Iraq Exports (\$1000) VX _I	Value of Tunisia Exports (\$1000) VX _T
1990	72379	527881	20299	13959	244743	904	37000	51131
1991	75757	528074	18272	10671	228242	1511	5500	52928
1992	79575	552493	18428	14876	265302	1606	6500	49380
1993	83703	563008	18181	25223	275159	2473	2200	47531
1994	85790	567762	16622	13604	300872	2662	6000	56218
1995	93825	589261	34323	21785	279028	1061	6000	61663
1996	100858	616908	30846	21095	304985	784	8500	47914
1997	106137	649239	25310	21133	281298	1277	16000	47099
1998	106460	648000	24852	19073	289234	487	20000	61457
1999	141750	712000	7100	5300	270503	1958	5000	47175
2000	142450	734844	28248	18320	265941	1767	6000	38590
2001	139099	817887	31881	18694	270730	600	1400	73412
2002	139979	829540	33925	24248	273424	2115	2000	68621
2003	141421	884088	34875	24585	309038	633	993	73921
2004	148801	941293	47535	31739	368771	1370	4392	84382
2005	150744	970488	51098	32456	425675	2463	20085	100771
2006	152402	977036	44087	36183	492652	3153	9136	91563
2007	155734	982546	48762	40529	591340	3014	9532	164759
2008	157074	986409	50891	56514	663066	7301	59484	170388
2009	161975	991660	1593	1650	691528	17535	46886	176280
2010	171975	1089350	73362	78126	733340	18529	35913	200091
2011	172297	1122820	77795	86293	796501	28211	46851	211451

 $Source: FAOSTAT \mid @\ FAO\ Statistics\ Division\ 2013.\ 23\ September\ 2013.\ http://faostat3.fao.org/faostat-gateway/go/to/download/Q/QC/E.$

Table 2. Egypt: data of dates production and trade through period (from 1990 to 2011) for equation (5)

	Egypt		Quantity of	Value of	Value of	Value of	Value of	Value of
	Area	Egypt		Egypt	World	Saudi	Iraq	Tunisia
Year	Harvested	Production	Egypt	Exports	Imports	Exports	Exports	Exports
	На	(tons) QP_E	Exports (tons)	(\$1000)	(\$1000)	(\$1000)	(\$1000)	(\$1000)
	(AH_E)		RI_E	DX_E	DC_w	VX_S	VX_I	VX_T
1990	21,816.00	541,963.00	1,686.00	904	244743	13959	37000	51131
1991	27,000.00	603,490.00	3,011.00	1511	228242	10671	5500	52928
1992	27,450.00	603,652.00	3,049.00	1606	265302	14876	6500	49380
1993	22,269.00	631,290.00	5,407.00	2473	275159	25223	2200	47531
1994	25,652.00	646,039.00	5,653.00	2662	300872	13604	6000	56218
1995	25,652.00	677,934.00	2,513.00	1061	279028	21785	6000	61663
1996	27,296.00	738,147.00	2,201.00	784	304985	21095	8500	47914
1997	28,000.00	740,838.00	1,916.00	1277	281298	21133	16000	47099
1998	29,000.00	839,805.00	674.00	487	289234	19073	20000	61457
1999	28,195.00	905,953.00	3,588.00	1958	270503	5300	5000	47175
2000	28,982.00	1,006,710.00	2,669.00	1767	265941	18320	6000	38590
2001	29,461.00	1,113,270.00	1,190.00	600	270730	18694	1400	73412
2002	29,632.00	1,090,004.00	4,545.00	2115	273424	24248	2000	68621
2003	32,864.00	1,121,890.00	1,839.00	633	309038	24585	993	73921
2004	34,528.00	1,166,182.00	2,861.00	1370	368771	31739	4392	84382
2005	36,150.00	1,159,690.00	4,076.00	2463	425675	32456	20085	100771
2006	35,780.00	1,328,720.00	5,090.00	3153	492652	36183	9136	91563
2007	36,450.00	1,313,696.00	4,704.00	3014	591340	40529	9532	164759

2008	36,828.00	1,326,133.00	8,995.00	7301	663066	56514	59484	170388
2009	36,924.00	1,270,478.00	14,659.00	17535	691528	1650	46886	176280
2010	41,945.00	1,352,954.00	19,562.00	18529	733340	78126	35913	200091
2011	41,652.00	1,373,570.00	23,792.00	28211	796501	86293	46851	211451

 $Source: FAOSTAT \mid @ FAO \ Statistics \ Division \ 2013 \mid 23 \ September \ 2013. \ http://faostat3.fao.org/faostat-gateway/go/to/download/Q/QC/E \ and \ http://faostat3.fao.org/faostat-gateway/go/to/download/T/TP/E.$

Table 3. Iraq: data of dates production & trade through period (from 1990 to 2011) for equation (6)

	T	T		Value of	Value of	Value of	Value of	Value of
	Iraq	Iraq	Quantity of Iraq	Iraq	World	Egypt	Saudi	Tunisia
Year	Area Harvested	Production	Exports (tons)	Exports	Imports	Exports	Exports	Exports
	Ha	(tons)	RI_I	(\$1000)	(\$1000)	(\$1000)	(\$1000)	(\$1000
	(AH_I)	QP_I		DX_{I}	DC_w	VX_E	VX_S	VX_T
1990	123,510.00	544,930.00	190,000.00	37000	244743	904	13959	51131
1991	115,670.00	566,220.00	20,000.00	5500	228242	1511	10671	52928
1992	116,000.00	447,840.00	22,000.00	6500	265302	1606	14876	49380
1993	136,000.00	612,580.00	10,000.00	2200	275159	2473	25223	47531
1994	165,000.00	675,820.00	30,000.00	6000	300872	2662	13604	56218
1995	168,000.0	881,020.00	40,000.00	6000	279028	1061	21785	61663
1996	176,000.00	797,450.00	50,000.00	8500	304985	784	21095	47914
1997	156,000.00	750,000.00	90,000.00	16000	281298	1277	21133	47099
1998	144,000.00	913,000.00	100,000.00	20000	289234	487	19073	61457
1999	90,000.00	764,000.00	30,000.00	5000	270503	1958	5300	47175
2000	110,000.00	932,000.00	30,000.00	6000	265941	1767	18320	38590
2001	101,500.00	907,000.00	4,000.00	1400	270730	600	18694	73412
2002	101,500.00	866,000.00	8,000.00	2000	273424	2115	24248	68621
2003	101,500.00	868,000.00	5,016.00	993	309038	633	24585	73921
2004	89,053.00	448,380.00	23,485.00	4392	368771	1370	31739	84382
2005	50,000.00	404,030.00	146,995.00	20085	425675	2463	32456	100771
2006	101,500.00	432,360.00	42,358.00	9136	492652	3153	36183	91563
2007	105,000.00	430,861.00	37,063.00	9532	591340	3014	40529	164759
2008	101,500.00	476,318.00	264,640.00	59484	663066	7301	56514	170388
2009	110,000.00	507,002.00	183,701.00	46886	691528	17535	1650	176280
2010	123,000.00	567,668.00	120,123.00	35913	733340	18529	78126	200091
2011	123,230.00	619,182.00	138,437.00	46851	796501	28211	86293	211451
۰ -	LOCKLE I & ELO	a	2012 22 0	2012 1	//6 / /2 6	10	1 1 11	1 1/0/07

 $Source: FAOSTAT \mid @ FAO \ Statistics \ Division \ 2013 \mid 23 \ September \ 2013. \ http://faostat3.fao.org/faostat-gateway/go/to/download/Q/QC/E \ and \ http://faostat3.fao.org/faostat-gateway/go/to/download/T/TP/E.$

Table 4. Tunisia: data of dates production and trade through period (from 1990 to 2011) for equation (7)

	Tunisia Area	Tunisia	Quantity of	Value of					
	Harvested	Production	Tunisia	Tunisia	World	Egypt	Iraq	Saudi	
Year			Exports	Exports	Imports	Exports	Exports	Exports	
	Ha	(tons)	(tons)	(\$1000)	(\$1000)	(\$1000)	(\$1000)	(\$1000	
	(AH_T)	QP_T	RI_T	DX_T	DC_w	VX_E	VX_I	VX_S	
1990	21,000.00	81,200.00	18,031.00	51131	244743	904	37000	13959	
1991	22,000.00	75,000.00	19,453.00	52928	228242	1511	5500	10671	
1992	22,400.00	75,500.00	17,120.00	49380	265302	1606	6500	14876	
1993	26,150.00	86,000.00	18,510.0	47531	275159	2473	2200	25223	
1994	28,000.00	74,000.00	20,781.00	56218	300872	2662	6000	13604	
1995	29,460.00	69,000.00	20,872.00	61663	279028	1061	6000	21785	
1996	29,480.00	74,000.00	18,216.00	47914	304985	784	8500	21095	
1997	27,000.00	95,000.00	21,310.00	47099	281298	1277	16000	21133	
1998	30,000.00	103,000.00	27,299.00	61457	289234	487	20000	19073	
1999	31,000.00	103,000.00	23,099.00	47175	270503	1958	5000	5300	

2000	31,610.00	105,000.0	22,411.00	38590	265941	1767	6000	18320	
2001	39,980.00	112,620.00	47,043.00	73412	270730	600	1400	18694	
2002	40,000.00	120,810.00	41,890.00	68621	273424	2115	2000	24248	
2003	40,000.00	116,970.00	37,079.00	73921	309038	633	993	24585	
2004	40,000.00	122,000.00	40,432.00	84382	368771	1370	4392	31739	
2005	39,970.00	113,000.00	50,163.00	100771	425675	2463	20085	32456	
2006	40,740.00	125,000.00	42,764.00	91563	492652	3153	9136	36183	
2007	39,830.00	124,000.00	68,856.00	164759	591340	3014	9532	40529	
2008	39,300.00	145,000.00	69,485.00	170388	663066	7301	59484	56514	
2009	45,900.00	162,000.00	77,254.00	176280	691528	17535	46886	1650	
2010	49,300.00	174,000.00	84,282.00	200091	733340	18529	35913	78126	
2011	51,000.00	180,000.00	86,910.00	211451	796501	28211	46851	86293	

Source: FAOSTAT | © FAO Statistics Division 2013 | 23 September 2013. http://faostat3.fao.org/faostat-gateway/go/to/download/Q/QC/E and http://faostat3.fao.org/faostat-gateway/go/to/download/T/TP/E.

Table 5. Result of estimation the effects of determinants of the competitive advantage on dates exports

Country	$DX_{j} =$	α_{0j} +	$\beta_{1j}AH$	$_{j}+\beta_{2j}$	$QP_j + p$	$\theta_{3j}DC$	$_{v} + \beta_{4j}$	$RI_{j} + \beta$	1 _{5 j} VX _E -	+ $\beta_{6j}VX$	$I + \beta_{7j}V$	X_T +	ε
j	α_0	β_I	β_2	β_3	eta_4	β_5	eta_6	β_7	R Square	F Value	T Test	Sig.	Eq. No.
Saudi	3691.63	0.109	-0.052	0,048	0.998	0.488	0.017	-0.040	0.959	46.967	0,516	.000	(4)
Egypt	-4509.9	0.161	6.337	-0.008	1.230	-0.034	0,045	0,006	0.976	82.725	-1.427	.000	(5)
Iraq	-5020.3	0.030	0.000	-0.011	0.191	0.659	-0.003	0,055	0.985	127.51	1.014	.000	(6)
Tunisia	29577.4	-1.184	-0.266	0.121	1.971	0.508	-0.026	0.124	0.994	328.572	2.930	.000	(7)

Source: Estimated by SPSS package depending on data in previous tables from (1) to (4).

8. Discussion

Saudi Arabia is one of the top ten producing dates countries in the world, and among the exporting countries of dates (Egypt, Iraq, and Tunisia). The kingdom produces high quality premium dates that could potentially exported between time periods from 1990 to 2011, while these three countries are the main competitors for dates export from Saudi Arabia. The Kingdom of Saudi Arabia has vast production of dates and enough potential to contribute to export earning to a large extend especially with the neighboring countries, the dates has an important place in the structure of Saudi Economy of competitive advantages for the marketing of dates internally and externally from Saudi Arabia. Indeed the country is at the forefront with the countries Egypt, Iraq and Tunisia which produce and export the date at the same time and in the tradition of today's international trade. Porter diamond model used to test the variables factors conditions, demand conditions, related industries. While we assumed that Value of Dates Exports from competitive countries (like Egypt, Iraq, and Tunisia) in case of Saudi, as a proxy variable to measure Country Strategy and Rivalry. The study used quantitative data about area harvested and quantity production to measure factors conditions in Saudi Arabia and use world imports of dates to measure demand conditions. The estimated result was assumed demand conditions have a positive relationship with value of export as Porter assumed, this may clear that in case of Egypt by huge size of domestic demand compared with world demand on Egyptian dates and in Iraq quality of dates are different from quality of dates in both Saudi and Tunisia. Further study is needed to determine and to laid special emphasis for further investigation on determinants of competitive advantages for marketing with related and supporting industries for packaging and processing and logistics industries. This investigation will strengthen the data base for compete with Egypt, Iraq and Tunisia, marketing aspects and will support by the government of Saudi Arabia for facilitating proper market for dates growers and exporters. There is an urgent need to develop an export strategy for Saudi dates that would assure to compete in the world markets and increase sales of surplus dates from the Kingdom with proper marketing strategy in order to know related aspects of assured quality of production and marketing of dates from Saudi Arabia.

Acknowledgements

Researchers go all thanks to the Deanship of Scientific Research at Salman bin Abdul Aziz University for providing technical and financial support to facilitate the task of the researchers in the completion of this research, which is taken from project No. 181/A/33.

References

- Abdoulhadi et al. (2011). Assessing fruit characteristics to standardize quality norms in date cultivars of Saudi Arabia. *Indian Journal of Science and Technology*, 4(10).
- Al Shreed et al. (2012). A study on the export of Saudi Arabian dates in the global markets. *Journal of Development and Agricultural Economics*, 4(9), 268–274. http://dx.doi.org/ 10.5897/JDAE12.068
- Aljanobi et al. (2009). Evaluation and development of date industry in Saudi Arabia by using extrusion and fermentation techniques: Technical, managerial and economic studies. Funded project by King Abdul Aziz City for Science and Technology. A. T. 21–35.
- Anonymous. (2006). *The famous date varieties in the Kingdom of Saudi Arabia*. Ed. Ministry of Agriculture, Kingdom of Saudi Arabia and Food and Agriculture Organization of the United Nations.
- Dates Marketing Strategy. (2008). Pakistan horticulture development & export board.
- FAO. (2006). Date palm products. Retrieved from http://www.fao.org/docrep/t0681E/t0681e12.htm
- Kahtani. (2007). *Economic analysis of world demand for dates export in Saudi Arabia*. Study by faculty member of College of Food Science and Agriculture, King Saud University.
- Khushk et al. (2009). Marketing channels and margins of dates in Sindh, Pakistan. *Journal of Agriculture Research*, 47(3), 224–227.
- Liu, P. (2002). *The marketing potential of date palm fruits in the European market*. Retrieved from http://www.fao.org/ES/ESC/en/41470/41522/highlight 102777en.html
- Liu, P. (2003). *The marketing potential of date palm fruits in the European market*. FAO commodity and trade policy research working paper.
- Mahmoudi et al. (2008). Enhancing date palm processing, marketing and pest control through organic culture. Journal of Organic Systems, 3(2).
- Marshudi. (2002). Oman traditional date palms: Production and improvement of date palms in oman. *Tropicultura*, 20(4).
- Mikki, M. (1998). Present status and future prospects of dates and dates palm industries in Saudi Arabia Proceedings. The first international conference on dates pal Al-In ,UAE March 8–10,1998.
- Porter, M. E. (1990). The competitive advantage of nations. *Harvard Business Review*. Retrieved from http://kkozak.wz.cz/Porter.pdf
- Rashidi, Y. A. (2013). *Exporting motivations and saudi SMEs: An exploratory study*. Proceedings of 8th Asian Business Research Conference 1–2 April 2013, Bangkok, Thailand.
- Shuaidi, A. (2011). The eco metrics of investment in dates production in Saudi Arabia. *The International Journal of Applied Economics and Finance*, *5*(3), 177–184. http://dx.doi.org/10.3923/IJAEF.2011.177.184
- Smit, A. J. (2010). The competitive advantage of nations: Is porter's diamond framework a new theory that explains the international competitiveness of countries? *Southern African Business Review*, 14(1), 21–34.
- Wikipedia. (2006). Date palm. Retrieved from http://en.wikipedia.org/wiki/Date_palm

Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (http://creativecommons.org/licenses/by/3.0/).