

## **Marketing Approach in Non-Manufactured Somali Product**

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### **Abstract**

This study intends to create and assess market-driven value chain management solutions by using a comprehensive marketing strategy to identify the primary bottlenecks and opportunities in the cattle value chain. The effectiveness of these measures will be determined. Additionally, ideas for changing the non-manufactured stock value chain and strengthening quality control are reviewed in order to enhance the cluster's overall performance. Infrastructure development for non-manufactured commodities has a variety of objectives, including enhancing post-harvest processing facilities, meeting quality criteria, and boosting the non-manufactured stock trading system's competitiveness.

**Keywords:** Non-manufactured Product, Marketing, Approach

### **Introduction**

Non-manufactured stock has historically been the principal source of revenue for pastoralist tribes to ensure their survival. With the ability to exchange it for requirements like healthcare and education, as well as meat and milk, they are able to meet their monetary needs for the basics of life. Because of this, pastoralists and rural communities have long depended on non-manufactured livestock to satisfy their daily food needs and to offer essential services to their neighbors and neighbors' communities across the world. Non-manufactured stock trading and private-sector-led exports have helped the Somali community preserve economic sustainability, particularly throughout the long period of civil strife. According to the United Nations Food and Agriculture Organization, non-manufactured stock from pastoral production systems supplies around 90 percent of Somalis' total food consumption and fulfills the country's requirement for red meat.

Non-manufactured stock in Somalia is based on nomadic pastoralism because of the country's pastoral economy. A growing private sector has led to export industries and the non-manufactured stock sub-sector taking the lead in economic clusters, generating approximately 40 percent of national GDP and providing 60 percent of job opportunities (equivalent to approximately 75 percent of the agricultural workforce), as well as approximately 80 percent of foreign currency earnings. Around 90% of rural Indian households' overall income comes from this industry. For decades, civil war and political instability in Somalia have severely undermined several of the country's production sectors, which were already underdeveloped. In part, this is owing to the fact that Somalia's non-manufactured stock sector has always been the country's most productive. It has also done successfully due of its lack of ties to the state. In 2014, Somalia exported more non-manufactured stock than it had in the previous two decades, with an estimated five million head sent to the Gulf states.

Exports of non-manufactured stock, which operates in an unregulated environment, under an unconventional system, and without the participation of formal state institutions in decision-making processes, replace imports of various basic and production goods required for the

country's economy to run smoothly. Because of this, exports of non-manufactured stock have a substantial impact on food security in Somalia as a whole as well as economic growth in other sectors. Inefficiencies in the non-manufactured stock value chain led to high transaction costs, unstable markets and prices, as well as a weak competitive position on international markets due to the collapse of relevant public institutions and the absence of national government-controlled non-manufactured stock marketing policies and strategies, but various non-manufactured stock development studies conducted in Somalia, encompassing manufacturing, processing, and marketing activities, identified uncertainties and potential.

This study's goal is to look at the current situation of Somali non-manufactured stock and provide suggestions for the country's non-manufactured stock marketing, both fundamental and competitive. Accordingly, this study's goals are as follows: (1) examine and identify barriers and opportunities for the marketing of non-manufactured stock on local and international markets; (2) develop and implement marketing strategies through value chain management processes; and (3) make recommendations for improving the competitiveness of non-manufactured stock marketing strategies.

### **Non-manufactured Stock Production & Population**

Non-manufactured stock production and productivity in Somali agropastoral and pastoral systems are hampered by a variety of issues, including environmental change and climatic unpredictability, which results in periodic droughts and floods, as well as pasturing and water shortages. Pests and illnesses may also have a detrimental influence on the production of non-manufactured stock. Non-manufactured stock production has declined as a result of a lack of access to extension services, restricted access to financial services, conventional institutions, poor processes in non-manufactured stock production, and the loss of common resources. Limited private sector investment in nonmanufactured stock sector due to limited financial facilities; economic trends like inflation and exchange rate; a lack of adequate capital; and a lack of effective production policies are some of the major concerns regarding post-harvesting in the nonmanufactured stock sector. Non-manufactured stock developers are concerned about the ineffectiveness of consultants and the absence of government incentives.

In Somalia, the non-manufactured stock market is dominated by small-scale businesses. Because of this, stakeholders, including private investors, should be included in the creation, support, and facilitation of agricultural policy-compliant cluster development plans. Somali non-manufactured stock has not been officially counted since 1989. An extensive field research was carried out by the United Nations Development Programme (UNDP) in partnership with the Food and Agriculture Organization (FAO) and the United States Agency for International Development (USAID). According to the findings, Somalia's non-manufactured livestock population is estimated to be 42 million head.

The Food Security Assessment Unit (FSAU) estimated Somalia's population in 1999 to be 38.9 million people. Various characteristics were found to make it possible for non-manufactured goods in Somalia to be interchangeable across five distinct geographic regions. In addition, camels were found to be the most important domestic animal in terms of biomass, and they were found in all zones. Cattle, on the other hand, were found in the two southern zones in the greatest numbers; sheep were found in the north in far greater numbers than they were in the south; and goats were found in large numbers throughout the north and substantial numbers throughout the south, but only a few were found in the center.

### **Non-manufactured Stock Marketing**

A part of the production, promotion, and price of goods, marketing is more than just the act of selling (Dean & Pacheco, 2014). In truth, marketing involves a lot more than just selling.

Currently, marketing is a process through which people and organizations acquire what they want and want by creating, selling, and exchanging value-added goods and services with others (Puschmann & Alt, 2016).

Diversifying sources of income is a vital approach for protecting pastoral livelihoods, and market access is essential in making this diversification possible (Wu et al., 2014). A large body of studies has shown the importance of diversifying pastoralists' sources of income and investment in helping them retain their traditional, stock-based economies in the face of drought and other shocks.

The International Organization for Standardization (ISO) recommends that local stakeholders adopt non-manufactured stock regulations, enforce quality standards, and strengthen the capacity of existing institutions responsible for managing the full non-manufactured stock value chain process (ISO). Because of the recent decline in the intelligence and weight of the live animal on worldwide marketplaces due to inadequate processing of non-manufactured stock supply chain value, these procedures are very necessary. As a result, the quality of meat produced in the Gulf States, Yemen, and Egypt is negatively impacted by the long distances and obsolete equipment used to transport non-manufactured animals to these markets.

### **Non-manufactured Stock Marketing**

Many different forms of non-manufactured stock markets exist, but they always have some characteristics: they are small, provide a wide selection of animals to choose from, and are usually seasonal markets near big cities. The commercial system of distribution and services is thus essential for local markets, since all parties involved should have comprehensive market knowledge; intermediates (gedislay) serve both batchers (slaughterhouses) and exporters; and, There are a lot of things to keep in mind while looking into non-manufactured stock markets: Sheep herders' reluctance to slaughter animals to the point when their herd size becomes insufficient for family food security is referred to as pastoralist willingness.

Governments in Somalia have supported non-manufactured stock marketing efforts since independence in 1960, and the country's first five-year economic development strategy plan (1963-1967) put a particular focus on the country's agricultural sector. The idea behind the strategy was to boost non-manufactured stock export profits and promote domestic agricultural planting by improving transportation, transportation, ports, and irrigation infrastructure. The Non-Manufactured Stock Development Agency was created in 1965. Veterinarian services, water and holding places, animal immunizations, and transportation all improved as a result. Pastoralists were excited at the prospect of making more money by selling their cattle and livestock products to international markets. According to the World Bank, non-manufactured stock surpassed bananas as Somalia's primary export in the early 1960s when the stock value surged by approximately twofold.

The Non-Manufactured Stock Development Agency was tasked with securing competitive pricing for Somali non-manufactured stock and its goods on international markets (Hasnat, 2006). While non-manufactured animals were undergoing vaccination and transportation to their eventual destination, the group emphasized the need of providing veterinary care and water and grass in holding areas. An animal health care system and the protection of grassland zones were among the many services provided by the agency to the pastoralist community So that political, economic, and cultural freedoms could be achieved, the newly constituted Somali state sought to increase local knowledge of domestic production, self-reliance, and economic sufficiency.

With the growth of non-manufactured stocks, local production and global output were both bolstered. The government's help and the usage of Somali currency bolstered the local economy

(shilling) (Little, 2021). The Somali government placed a high priority on the development of non-manufactured stock since it is the country's most significant economic resource. The government's incapacity to rule and the long-term effects of droughts that lasted from 1963 to 1967 were the major difficulties.

Somali government continues to assist non-manufactured stock sectors after military takeover in 1969 by creating non-manufactured stock agency and development plans among other steps. Non-Manufactured Stock Marketing, Hides and Skins, National Grazing, and Rural Development Agencies were all established in the same year as Ministry of Non-Manufactured Stock. In spite of the fact that most economic sectors had been nationalized, until recently, the non-manufactured stock market was controlled by the private sector.

Arab nations such as Yemen, the Gulf States, and Egypt followed Saudi Arabia and Egypt as the top buyers of Somalia's non-manufactured commodities. The rinderpest virus was discovered in Somali non-manufactured stock in June 1983, and Saudi Arabia's government issued a ban on the country's non-manufactured stock in response. At a time when Saudi Arabia was seeking a market for its newly found oil, Saudi merchants took a different approach, investing in Australian ranches as an alternative strategy. This resulted in Somalia's national budget going into deficit, a severe effect on non-manufactured stock producers, and a considerable loss to the country's export trade, which was made up of 70 percent of the country's entire export earnings at the time of the ban.

Non-manufactured stock exports are hampered by a severe drought in 1974, the war between Somalia and Ethiopia in 1977 and 1978, and the rising violent conflicts in the northern areas, which account for 80% of all non-manufactured stock exports. A lack of banking and financial services, as well as inadequate communication infrastructure, hampered exports of non-manufactured goods..

An example of how international pressure and doctored policies headed by the IMF and USAID allowed private banks to operate in Somalia is shown in Somalia's five-year development plan, which was issued in 1987-1991. There are certain excellent clusters in public sector, agricultural, and non-manufactured stock projects that USAID recommends increasing funds for. In 1989 and 1990, the economy suffered greatly as a result of the civil war that was raging throughout the nation. When Somalia's economy collapsed in 1989, non-manufactured stock exports from the north, which had previously provided around 80% of total foreign currency profits, came to a near halt. Food, fuel, medicines and water were among the many commodities that were in limited supply when the regime was toppled in late January 1991.

Non-manufactured Somali stock is highly sought for on both the local and international markets. Saudi Arabia is the largest significant market for Somali non-manufactured stock items on the Arab Peninsula, notably the Gulf States, where they have always found traditional customers.

Due to improved health conditions and enhanced importer trust in the quarantine facilities in Berbera and Bosso (the most active ports for non-manufactured stock export) and Mogadishu, the capital of Somalia, the price of non-manufactured stock in these markets has more than quadrupled since 2000.

### **Non-manufactured Stock Marketing Support Projects**

Although a number of organizations throughout the globe funded various initiatives, they lacked sufficient baseline data to provide a quantitative evaluation of their impact. It is not possible to precisely, responsibly, or quickly document ongoing activities and expenses

associated with them. In order to assess the precise impact of any project, it is difficult to undertake cost-benefit analyses after it has been finished.

For example, the United Arab Emirates enabled the Kingdom of Saudi Arabia to import Somali non-manufactured animals after formal restrictions were imposed in 1999 and 2000, and before any genuine animal health inspection or certification was put into place. It is possible to see an example of this in 2000, when Saudi Arabia was granted permission to import Somali non-manufactured products after the formal ban was issued in 1999. Imported Somali meat before export slaughter factories met international operating criteria or established effective quality assurance procedures, for example.

Somalia's non-manufactured stock sector has been improved by the construction of four modern slaughterhouses, four meat markets, and three non-manufactured stock markets, and the FAO has established a non-manufactured stock certification system to help ensure product quality.

EC-funded activities have been praised by veterinary officials from the UAE, Yemen, Oman, and the Kingdom of Saudi Arabia, as shown by favorable words made at official events. When it comes to entering the Saudi Arabian market, large Somali non-manufactured stock merchants have agreed to use a quarantine station at Berbera or Bohra, respectively, since February 2009. Enabling the private sector was facilitated by activities aimed at increasing the public sector's capacity to support development policies and legal frameworks.

Since 2010, Somalia's non-manufactured stock goods marketing and export chain has worked tirelessly to improve the international market's compliance and acceptability of the country's exports. Somalia's non-manufactured stock trade and marketing activities expanded and diversified under the European Commission's leadership between 2004 and 2008. The project supported the development of capacity (physical and human) in government and private sector organizations to support trade transaction promotion efforts. Marketing information systems and export grading systems for non-manufactured products have both been addressed in the creation of this system.

Continued efforts are needed to eliminate current hurdles and consolidate improvements that will enable non-manufactured stock in Somalia to grow over the majority of the country and to widen marketing activities to include the sale of meat, hides and other items.

### **Management of Marketing**

In the contemporary era of marketing devotion, the holistic approach is applied for management of marketing. An array of marketing tactics that include identifying and targeting the right consumers, delivering better products and services that keep them coming back, and conveying that value to them are all part of integrated marketing management.

Based on the constraints and possibilities found within the value chains, a strategic strategy should be devised. It needs to address the limitations and make it simpler to take advantage of the opportunities.

Consequently, Somali non-manufactured stock industry in agro-pastoral and pastoral systems has devised a market-oriented strategic plan to increase productivity and competitiveness. Using these strategies, non-manufactured stock value chain development may be improved in order to increase the overall performance of the component.

Non-manufactured stock business dangers may be better understood by focusing on marketing tactics in private sector. The production and marketing processes will be affected by any substantial change in the corporate environment.

## **Marketing and Market Access Strategies**

Inadequate political and economic infrastructure, such as weak security, foreign relations, national economic policies, physical structures such as roads, holding grounds, water sources, dipping facilities, and animal veterinary services, make it difficult for agropastoral and pastoral systems to access the market and take advantage of opportunities.

Andrew et al. (2007) assume that a lack of market information, high production costs, numerous levies, a lack of public incentives, and poor product quality are some of the challenges that prohibit enterprises from reaping the benefits of market access. This means that a successful marketing plan must be built on a national vision that includes significant revenue growth from exports of non-manufactured items. There should be an emphasis on regional markets rather than national ones as the principal destinations for non-made stock and items that are not produced, and that initiatives by regional economic groups might considerably improve regional trade (associations).

Non-manufactured stock marketing institutions and agencies, as well as institutes and faculties that give certificates and degrees in non-manufactured stock specialities, must be formed in order to enhance the marketing system. Non-manufactured stock markets, competition, demand, and price, market accessibility and distribution techniques and systems, alternative goods, and substitute services are all provided by these institutions and colleges. Higher education institutions may help to the growth of the marketing system by educating professional marketing forces capable of promoting non-manufactured stock commerce and export, as well as making students aware of the competition and marketing strategies in the marketplace.

All of these things are necessary for functional marketing, from high input prices to various tax burdens, from weak incentives to ineffective enforcement mechanisms. Functional marketing requires options that enhance the sector's ability to participate in effective marketing training on price-quality relationships or the collective action of establishing the market facilities, which includes everything from investing in basic infrastructure to creating grading systems that reward investors for producing quality products (Wilson et al., 2016).

In the post-harvest processing step, which begins shortly after harvest, operations such as cleaning, sorting and packing are included. Non-manufactured stock items, such as milk and meat, begin to decay as soon as they are removed from the animal or the animal is killed. Post-harvest treatment, therefore, has a substantial influence on the final quality of the product, whether it is sold fresh or used in a processed food product.

Non-manufactured stock items are becoming more popular in underdeveloped countries, such as Somalia, because to a growing understanding of the value of product quality. Because of this demand for non-manufactured stock products in Somalia, the country's economy and marketing mechanisms are under pressure to change. This need may be supplied at a fair cost by utilising indigenous resources. While urban industrial nonmanufactured stock production has been expanding at a steady pace as a supply response, this development has often prompted environmental concerns due to its negative influence on the environment.

## **Competitive Trading System**

Develop adequate grazing space for non-manufactured stock movement, establish competitive pricing and expand investment in non-manufactured stock services while focusing on the quality of outputs to address the trading system's deficiencies. Competitive advantage is all about being different from the competitors in terms of product qualities, application of talents and knowledge, price, quality, delivery schedules, and after-sale assistance (Porter2001;

Porter2011). A number of new trends have evolved as a consequence of technology developments and advancements. Among these themes are product/service innovations, collaboration arrangements, agency arrangements, franchise arrangements, economies of scale for the product, and the accessibility of specific market segments and specialized markets.

### **Conclusion**

It is clear from the preceding description that infrastructure development and capacity-building initiatives should take precedence over dispute resolution on resource utilization, marketing system cost-effectiveness and processing marketing techniques including all stakeholders. Priority should also be given to creating an environment that is conducive to legal and policy framework growth, as well as conducting development assistance programs that focus on achieving quality standards and enhancing competitiveness in the trading system. The strategy review process should guarantee that the product satisfies all quality standards, including cost, time, price, and customer satisfaction. This includes developing strategies to overcome both internal and external marketing obstacles; improving distribution channels and transportation infrastructure; enhancing the forestry management system; providing training and continuing education programs; and strengthening diplomatic ties with imported countries and regional states that may have an impact on non-manufactured stock trade strategies for the long-term development of Somalia's economy.

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