

Limitations and Problems of Polyethylene Products Export in National Iranian Petrochemical Company

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ABSTRACT

Petrochemical industry as one of the most important supplier of industries raw material in the world enjoys a special situation. The purpose of this researcher is to detect the limitations and problems of exporting in National Iranian Petrochemical Company.

The understudy population is the experts and technicians of exportation in National Iranian Petrochemical Company that their numbers reaches 50 people. Regarding this research is a means for collecting information it has been used of questionnaire to test assumptions and t-student and Friedman test for data analysis that after being approved by respected masters has been distributed among exemplified members. The research results found consequently the exportation limitation in shortage of promotion factor, price factor and product factor and it is suggested that each one of these factors be paid attention with more reflection.

KEYWORDS: Exports; Petrochemical; polyethylene product.

INTRODUCTION

As we know one of the most important commercial sections is export section, and economical development depends on export growth and development and, prosperity results in economic self management and, supplement of financial needs from internal resources bring about national economy system, specifically that it maintain political and economical and also cultural independency of each country. Inspecting the enhancement ways of country export level to supply currency needs of country and release of petroleum incomes dependence and single product exportation are some of main issues which our country with relation to them is on the beginning of the way and in order to reach this level of economical growth should leave behind so much constrains (Ghasemi Behnaz, 2007).

Petrochemical industry as one of most important resources of industries raw material supplier has a particular position in the world. Iran due to having high hydrocarbon resources is one of the most important countries in the world that have high capability to produce and offer these products in the global market (Moazami, 1999).

Today one of outstanding Industries in development and progress of world different area is Petrochemical industry. The most important effective factors in the increase of Petrochemical material demand, economical growth and greatness of consumption market is because of population growth. In recent years the purpose of every country was that through Petrochemical products exports in addition to raise national cash to create certain market for selling these products. Now, the situation is completely different and the state of market completion, price fluctuations, ascending trend of products price, new sellers and the products quality have made the conditions for activity more difficult (Ghasemi Behnaz, 2007).

The determination of certain and purposeful vision to reach acceptable production was at the beginning of National Iranian Petrochemical Company task list. During this vision achieving the production of 12 million ton ethylene, 10 million ton different polymers, 8.5 million ton urea, 7.5 million ton methanol and 4 million ton different kinds of aromatic until 2000 year was planned which such production amount to 20 Billion Rials is estimated to equal petroleum sale of Iran. Therefore no longer petroleum can be the most important in Iran and world and in other words be determinant. Petrochemical Industry as Iran development axis also can make Iran a gift of glorified independence from petroleum. With a glance to statics and figures of produced products we observe that in 1986 only 25 thousand ton ethylene and 36 thousand ton PVC was produced while at the end of third program (2004-2007) annually 4 million

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and 660 thousand ton ethylene, 2 million and 676 thousand ton poly ethylene, 700 thousand ton polypropylene, 1 million and 374 thousand ton parazyline, 950 thousand ton benzene, 991 thousand ton ethylene glycols, 3 million and 390 thousand ton methanol and 800 thousand ton different Petrochemical products will be produced (Ghasemi, 2007).

According to the researcher's opinion regarding following reasons including high volume of polyethylene production in the near future, competitiveness of product, qualified product and etc should find problems and restrictions of polyethylene exportation.

Maybe exportation in first stage as internal marketing development which acts in greater size seems an easy issue and this is one of essential causes of most failures which until now have occurred in exportation business. Exportation has been built on the base of systems and principles of a dynamic environment and even in some cases on an unstable environment. In a different system with its special dynamism, the buyer has a personality completely different from seller. Each one of sales that is done concerning exportation should be adopted with features of considered market. The exporter should be aware and sensitive against foreign market changes and in other words be gifted with the necessary ability for promote encountering with such changes. Exports should be a continuous process which is along with the increase of production lines, making various the quantity needed for market, and services development and never be considered as the concept of getting ride from excessive stuffs. In the case that exportation affairs according to long term programs was not performed with perfect obligations and fulfillment, success will be very little (Goharian, 2000).

Iran to get ahead of its rivals in the Petrochemical products arena needs to apply developed methods, and strategies and tactics in industrial marketing and this issue requires recognition and study of future restrictions and problems in the process of successful exportation of Petrochemical products. In the initial studies was observed that polyethylene products exportation in National Iranian Petrochemical company along the time has not had relative stability which some of this drawback has been related to internal factors and some also to the external environment of company and the influential factors outside the organization are global markets situation and rivals. Therefore this research intend to study the restrictions and problems of polyethylene products exportation in National Iranian Petrochemical company by classifying inside and outside problems of organization set the scene for elimination of these problems.

Research Question

What are constrains and problems of polyethylene successful exportation in National Iranian Petrochemical company?

Research Hypothesis

The most important problem of polyethylene successful exportation in National Iranian Petrochemical Company is shortage in marketing knowledge.

RESEARCH METHODOLOGY

The current purpose-based research has been applicable and it has been used of field method for collecting data. Field method is said to some methods that in which the researcher inevitably should go to the outside environment to collect data, and by reference to individuals of environment and also making direct contact with analysis unit namely individuals, organizations and groups collects needed information (Hafez Nia , 2005).

Descriptive method has been used for research. The researcher intends to study and investigate about polyethylene exportation constrains and problems in Petrochemical Industries National Company of Iran. As a whole, descriptive research is done for exact and systematic distribution of desired society events and specifications or interested subject. Such researches are used for the collection of descriptive data. Descriptive research includes data collection to test a hypothesis or to answer questions about the current state of understudy subject. A descriptive research identifies and reports the manner of current state (Khaki, 2003).

Also it is a case research. In this method, it is attempted that by the observation of all aspects of an objective phenomena and the study of its process with respect to other phenomenon that have encompassed it, to offer comprehensive understanding of those phenomenon. Some people consider case studies a research plan that can be used for systematic study of a phenomenon (Khaki, 2003).

Statistical Population

In this research statistical population is the experts and technicians of exportation in National Iranian Petrochemical Company. It is necessary to note that the mentioned company has located in Sheikh Baha'i Street, Vanak Square, Tehran.

Conclusion

The researcher views marketing knowledge from 4p attitude and attempts to study constrains and problems that exist in marketing polyethylene products in National Iranian Petrochemical Company. From Petrochemical industry connoisseur's viewpoint the results of statistical tests showed that one of main factors of marketing knowledge which is considered as the most important constrain to export polyethylene product in National Iranian Petrochemical Company are factors such as product, price and place. While distribution knowledge effect is not one of constrain factors. Because the results of t-test showed that with 95 percent reliability can say that the most important constrain of polyethylene product exportation in National Iranian Petrochemical Company is weakness in marketing knowledge variables of product, price, and promotion.

The results of Freidman sequential test were inspected. From 50 people accountant, the most important constrain of polyethylene product exportation in National Iranian Petrochemical Company according their importance are:

- 1- Promotion with average rate 1.03
- 2- Price with average rate 2.38
- 3- Product with average rate 2.73

Suggestions

- 1- Paying attention to polyethylene products packaging
- 2- More care about the increase of polyethylene products packaging quality
- 3- Paying more attention to produce more variant Petrochemical products
- 4- Paying attention to the effect of quality guarantees of polyethylene products
- 5- The assignation of sale representative to foreign company
- 6- Paying attention to the effect of using pricing discrimination method in offering Petrochemical products
- 7- The consideration of different discounts
- 8- The consideration the payment period of products price as installments
- 9- To use more common commercial marks and common names with some exporters
- 10- Iran active cooperation in international commercial exhibitions
- 11- To use of propaganda through commercial advertisement in professional magazines
- 12- Internet advertisements
- 13- The increase of active public relations
- 14- Increase of in advance services in global market

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