

# Technical University of Liberec

*Faculty of Economy*



## **MARKETING AND BUSINESS STUDY** **IN KINGDOM OF BAHRAIN**

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- [www.bahrain.gov.bh](http://www.bahrain.gov.bh)
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- Bahrain Telecommunication
- O'Shaughnessy, J.: Competitive Marketing. Unwin Hyman, 1988

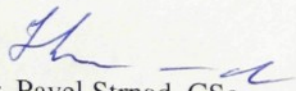
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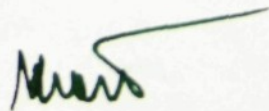
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*I declare that this Bachelor work has been done independent with using some literatures and Knowledge of Supervisor and Consultation.*

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## **Summary**

**In this work we will explore the Marketing & Business position of Kingdom of Bahrain and the problem related to them.**

**For easier orientation this essay has been divided into four major sections. In the first section we will concentrate General information of Bahrain. The second section we will explore the Bahrain Economy. Third section we will introduce the Marketing problem in Bahrain. The fourth section we will discuss business rules and regulation in Bahrain and some of the problems in business.**

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*Chapter1. INTRODUCTION TO KINGDOM  
OF BAHRAIN*



## **1. Introduction to Bahrain**

### **1.1 History of Bahrain**



Bahrain has not always been an island. Up until around 6000 BC, Bahrain was part of the Arabian Peninsula before it began drifting away, drawn by the forces of nature. It would not be until 1986 that modern technology would rejoin the island with the mainland by way of the 25-kilometre King Fahad Causeway link to Saudi Arabia but that, as they say, is another story.

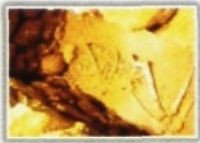
#### **Dilmun:**

The earliest recorded reference to Bahrain dates back to the third millennium BC, when it was known as Dilmun.

The significance of the Dilmun era is not yet to fully known on us, but ongoing excavation work continues to reveal breathtaking secrets of the period.

Recent digs have proved the existence of a very organized lifestyle, with well ordered roads, proper houses, workshops and a central marketplace.

Equally significant is the discovery of thousands of burial mounds, each covering a stone built chamber which formed the grave. It is believed that at one time there were more than 150,000 burial mounds, but most of these were destroyed with the development of the modern road network. The elaborate nature of burials however throws light on what was evidently an extremely well developed society for its time.



The era has also been chronicled in the Epic of Gilgamesh, who called Dilmun the land of immortality when he visited it in his quest for eternal life. With its lush vegetation and abundant fresh water springs, not to speak of its ideal location between Mesopotamia and the Indian subcontinent, Dilmun became a popular haven on the sea trade route. As trade between Mesopotamia and the Indus Valley civilizations in the subcontinent continued to flourish, Dilmun also grew in prosperity. A city, Qalat Al Bahrain, began to spring up at the site where the Bahrain Fort now exists.





The good times were not to last; between 1800 and 1600 BC, Aryan forces invaded and destroyed the cities of the Indus Valley civilization, bringing trade to a halt. For a long period thereafter Bahrain remained isolated, forced to depend on its own resources. It would not be until the early first millennium that Bahrain would flourish again, as part of the Assyrian Empire. Bahrain became an important pearling and fishing port, but the high quality and abundance of pearls in its waters attracted some unwelcome attention.



#### **Tylos:**

By 600 BC, Bahrain was drawn into the expanding Babylonian empire. The Greeks, who called the island Tylos, soon began settling in Bahrain.

Trade began to play an important part with the fall of Babylonia to the Persians - who now controlled much of the region between India and the Mediterranean - and by 323 BC, Bahrain regained its independence.

There followed a period of relative calm, up until the 15th century when the Europeans began exploring new sea trade routes.

#### **Awal:**

Bahrain was also known as Awal during that pre-Islamic era. The name is associated with a pagan idol worshipped by the Wael tribe.

#### **Bahrain:**

The islands first became known as Bahrain in the early Islamic era, when the name was used for the entire region stretching from Basra (Iraq) in the north to Oman in the south. By the early 1500's, the Portuguese saw Bahrain as a key point to protect their trade routes between India, Africa and Europe.

They invaded the island and set up military base at the Bahrain Fort. The fort, which ironically had been used by the people of Bahrain to defend themselves against the Portuguese, was strengthened and new stone towers erected. Right up until today, the Bahrain Fort is widely known as the Portuguese Fort.



The Portuguese were however unable to protect the islands, which fell to the Persians in 1603. Then came a long period of turmoil, with Bahrain changing hands between the warring Persians and Arabs until it was finally conquered in 1783 by Shaikh Ahmed bin Mohammed Al Khalifa. Better known as Ahmed bin Mohamed Al Fateh, the conqueror, he was to usher in a start of a new and important area.



Bahrain is an archipelago of 36 Islands in the Persian Gulf midway between the tip of the Qatar Peninsula and the Saudi Arabian mainland.

The island group includes six primary islands which are Bahrain, Muharraq, Sitrah, Umm al Nassan, Jidda and Nabi Salih which they are connected by causeway's .

In the interior the land rises gradually towards a central range of hills. Most of the other islands are flat and sandy. A number of fresh water springs or artesian wells are located along the northern coast of the Bahrain. In general, the soil is poor and saline, supporting little or no vegetation. Major Cities (pop. est.); Al Manama 140,400, Al Riff 46,000, Al Muharraq 45,300, Madinat Isa 34,500 (1991). Land Use; pastures 6%, agricultural-cultivated 3%, other including deserts and marshes 91% (1993).

Now Bahrain is linked with mainland Saudi Arabia by the most expensive bridging link in the world. The total cost of this causeway which stretches 25 kms between the two countries is Bahrain Dinars (BD) 212 Million (\$564 Million). Manama is the capital of the country where one third of the population lives. Bab Al Bahrain is the heart of the capital where the commercial market is located.





## 1.2 Climate:



From October to May the weather is generally pleasant with temperatures ranging between 13.4 C and 26.7 C. Strong winds and some rainfall are normally experienced during the winter months (December to March), although rainfall average less than 100 millimeters per annum. During the summer months, from June to September, high temperatures often exceeding 40 C are accompanied by high humidity, approaching 100 per cent. Fortunately, the use of air conditioning in homes, office, shops and cars makes life comfortable. (See table 1)

**1998 METEOROLOGICAL DATA Table (1)**

Month	Temperature		Humidity		Rainfall Actual mm	Sunshine Average hours/day
	Daily Max.	Daily Min.	Mean Max.	Mean Min.		
January	19.0	13.4	91	63	68.8	7.0
February	22.3	15.4	88	53	11.1	9.1
March	25.0	17.6	84	50	13.8	7.8
April	30.6	21.9	76	36	2.0	9.1
May	36.4	26.7	75	31	0	11.3
June	39.4	30.2	75	34	0	11.9
July	40.4	31.3	75	36	0	11.5
August	31.0	32.4	81	43	1.0	11.1
September	38.5	30.2	82	45	0	10.6
October	34.3	25.7	81	44	0	10.5
November	29.6	21.4	87	51	0	9.7
December	25.9	18.1	91	56	0	8.5

Source: Central Statistics Organization





### 1.3 LOCATION ::

Bahrain is a group of islands in the Persian Gulf midway between the tip of the Qatar Peninsula and the Saudi Arabian mainland.

The Kingdom of Bahrain is an island group located off the central southern shores of the Arabian Gulf between latitude 25° 32" and 26° 20" North and longitude 050° 20" and 050° 50" East.

The Kingdom comprises some 36 islands, with a total land area of about 706 square km.



### 1.4 Population and Language:

Of Bahrain's estimated total population, around 402,404 are Bahrainis. The expatriate population, some 264,038, consists mainly of Arabs, Asians and Europeans.

According to the latest (2001) census report published by the Central Statistics Organization, the population growth rate between 1991 and 2001 stood at 2.7 per cent, lower than 3.6 per cent growth rate in the previous ten-year period.



Manama, the capital, is the most highly populated area, with 23.6 per cent of the population living in the city. This is followed by Muharraq, at 14.1%, and Riffa at 12.3%. Arabic is the national language, though most people also speak English.

### 1.5 Religion:

Islam is the Kingdom religion of Bahrain. However, other religions enjoy freedom of worship.

And the Muslim people in Bahrain are divided to two groups first group they are Shiite which they are the greater numbers of population and the second group they are Sunni. (See Chart 1)

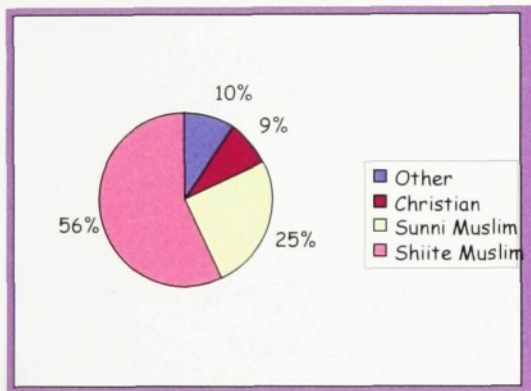


Chart (1)

### 1.6 Government and Political System:

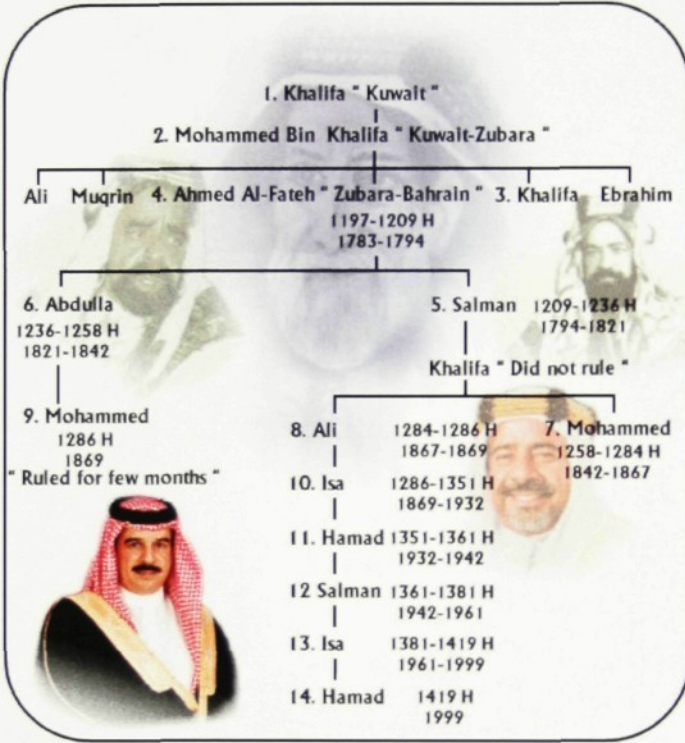
Bahrain is an independent sovereign kingdom ruled by the King, His Highness Shaikh Hamad bin Isa Al Khalifa, assisted by a cabinet of ministers, under the premiership of His Highness Shaikh Khalifa bin Salman Al Khalifa and the Crown Prince and commander in chief of the Bahrain Defence Force is His Highness Shaikh Salman bin Hamad Al Khalifa, and a Shura ( Consultative ) Council, comprising appointed representatives of community.

In 14<sup>th</sup> of February 2002 an National Charter were introduced which was agreed by all the Bahraini's in 2001. The Charter was prepared by the highly qualified people in several sectors in the country. Which they are sets of rule and regulations for the country.





### 1.7 Al Khalifa Family Tree



Source: [www.bahrain.bh.gov](http://www.bahrain.bh.gov)

### 1.8 Currency:

Bahrain Dinars (BD), constituted of 1000 fils, Fixed against the US dollar at 1 US\$ = BD 0.3768

### 1.9 Water:

Tap water is clean and free from contamination. However for drinking purposes "sweet water" is recommended. This is widely sold by shops in bottles, or can be delivered to homes in large containers.





### **1.10 Medical Facilities:**

Bahrain has good quality modern medical facilities. Treatment by the Kingdom medical services is available to citizens and residents free, or at a nominal cost. There are also several private hospitals. Well stock pharmacies exist all over the Kingdom.

### **1.11 Visas:**

Required by all except nationals of GCC states. 72 hours or seven day visa's are available at the airport immigration desk and King Fahd Causeway. Visas are available at all Bahrain Embassies and Consulates. Extensions are available from Department of Immigration, Manama.



## *Chapter 2. BAHRAIN ECONOMY*



## **2. Bahrain Economy:**

Since the discovery of oil in 1932, the economy has diversified into a wide range of industries and services. Today the economy consists of oil refining.

Petrochemicals, aluminum and downstream industrial, ship-repairing and small to medium-scale industry. Manufacturing activities coexist with sophisticated financial, commercial and service concerns including outstanding venues for international conferences and exhibitions. Tourism is a rapidly growing sector of Bahrain's economy and the associated infrastructure is among the region's best.

Product and service sectors in Bahrain include:

- Financial service,
- Distribution,
- Insurance,
- Tourism,
- Exhibitions and conferences,
- Petrochemicals,
- Aluminum and associated downstream industries,
- Engineering projects,
- Pharmaceuticals,
- Food processing,
- Plastics,
- Information technology.

The country has a reputation as a home for clean, high technology, high value-added manufacturing and service industries, and Bahrain's vision for the 21<sup>st</sup> century includes active promotion of the nation as a centre for distribution, financial services, 100 per cent foreign direct investment and joint ventures, conferences and exhibitions, training and Human Resource Development.

### **2.1 OIL**

The first oil to be discovered in the southern Arabian Gulf was found in Bahrain in 1932, heralding a turning point in the country's economy with the establishment of the Bahrain Petroleum Company (Bapco) in 1936. Since then the refinery has grown into a world class unit with a capacity to process 255,000 barrels of crude oil per day.





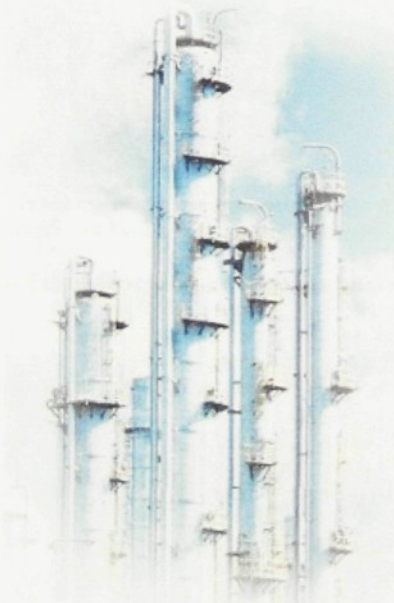
**Bapco was the first refining company in the region to be awarded ISO 9002 Certification in 1994. In April 1997 Bapco became a 100 per cent Bahraini company when the Bahrain government acquired Caltex's 40 per cent equity in Bapco.**

**On 1<sup>st</sup> of January 2000, the Supreme Oil Council approved a merger between Bapco and Bahrain National Oil Company (Banoco), which undertakes upstream operations of exploration, drilling and production, and marketing.**

**Gas-dependent petrochemical industries were born following the discovery of oil and subsequent establishment of the petroleum industry and these have led, in turn, to the establishment of numerous light industries.**

**Bahrain's oil industry incorporates several state and joint-venture concerns. These include:**

- **The Bahrain National Gas Company (Banagas )**



**It was found in 17<sup>th</sup> of December 1979. Primarily processing Associated Gas into propane, butane and naphtha for export, in addition to supplying residue gas to local industry.**



- **Gulf Petrochemical Industries Corporation (GPIC)**

Established in 1979 to utilize the natural gas reserves in Bahrain to establish petrochemical project, and produces 1,200 tones per day each of Ammonia and Methanol for international markets.

GPIC's US\$ 180m Urea Plant was inaugurated in 1998 with a daily capacity of 1,700 metric tones, allowing the company to enter the international fertilizer market.



- **The Bahrain Aviation Fuelling Company (Bafco)**

On 16<sup>th</sup> of May 1985, The Bahrain Aviation Fuelling Company BSC (Closed) was formed to replace the old Joint Hydrant Operation and a Technical Service Agreement was entered into with Air BP. During October 1985, BAFCO took over the Sitra / Arad pipeline supply system, Arad Depot storage and the hydrant operation at the airport.



It's providing aviation refueling services for Bahrain International Airport.

## **2.2 INDUSTRY**

The diversification of industry in Bahrain from its dependence on oil began with the pioneering move in 1968 to establish the Gulf's first aluminum smelter. Today, with a capacity in excess of 500,000 tones per annum, Aluminum Bahrain (Alba) is one of the largest single site smelters in the world with its products being exported to more than 30 countries around the globe.

Alba: won the inaugural Shaikh Khalifa bin Salman Al Khalifa Award for excellence in industry in 1999 has ISO certification and also operates a strict environmental protection program. The smelter employs more than 2,300 employees and its Bahrainisation level is 87 per cent.





### **Industrial Areas**

They are the home which manufacturing, assemble, processing, maintenance, repair, warehousing, distribution, fabricating and heavy industrial engineering.

There are five industrial areas in Bahrain and the main they are:

1. Sitra Industrial Area,
2. Arad Industrial Area,
3. Salmabad Industrial Area,
4. Al Dafnah Industrial Area,
5. Mameer Industrial Area.

### **2.3 Financial Services**

The Bahrain Monetary Agency (BMA) is an independent judicial organization and the central monetary institution of the nation.

Thoroughly regulated by the BMA, banks benefit from the country's financial integrity.

Around 180 financial institutions are present in Bahrain including:

- 19 commercial banks,
- 48 offshore banking units,
- 34 investment banks,
- 37 representative office,
- 2 specialized banks,
- 13 investment advisory and other financial services,
- 6 foreign exchange and money brokers,
- 19 money changers and dealers in precious metal.

The Bahrain Stock Exchange was established as an independent body in 1989.

Bahrain owes its reputation as the recognized financial services centre of the Middle East because of the following:

- Bahrain Monetary Agency (BMA), a rigid and strong regulating body,





- Nil taxation,
- Free foreign exchange movement,
- Stable currency pegged to the US dollar,
- Suitable time zone,
- Regional deposit taking and leading opportunities,
- Well developed offshore facilities,
- Trained and efficient banking workforce,
- Advanced telecommunication,
- Well establish insurance sector,
- Well developed support services.

As with banking, Bahrain has also become the Middle East centre for the insurance industry with:

- 10 local insurance companies,
- 10 branches of foreign insurance companies,
- 68 exempt (offshore) companies,
- 8 representative offices,
- 22 insurance brokers,
- 8 loss adjusters,
- 3 consultants,
- 4 actuaries.

#### **2.4 Economic Potential of the Region:**

- Free cross border flows of locally produced products, services and finance among member states of the GCC,
- Supportive environment for private sector enterprise,
- High credit rating and excellent debt servicing record,
- Medium projection for GCC population in the year 2000 is 29.05 million, and medium projection population growth rate for 2000 – 2005 of 13.22 per cent,
- GCC oil reserves in 1996 amounted to 460 billion barrels/year end,
- GCC gross Domestic Product in 1997 was US \$ 244.795 billion (at market price),
- GCC revenues in 1997 were US \$ 92.23 billion,
- GCC expenditures in 1997 were US \$ 103.50 billion,
- Value of imports from GCC countries totaled BD. 123.05 million in 1998,
- Value of export to GCC countries totaled BD. 183.08 million in 1998.

Those were for GCC countries (Gulf countries including Bahrain).(Table 2&Chart 2) shows the Bahrain economic potential.



These table is belong to Bahrain as independent Table (2)

(BD million)

Indicator/Year	1997	1998	1999	2000
Nominal GDP	2,387	2,325	2,489	2,997
GDP Growth (%)	4.1	-2.6	7.1	20.4
Real GDP	2,261	2,370	2,472	2,603
Trade Balance	134.5	-111.2	166.6	409.9
Current Account	-11.7	-292.3	-128.1	42.5
Foreign exchange reserves (USD million)	1,290	1,290	1,369	1,564

Source: Bahrain investor Guide (2000)

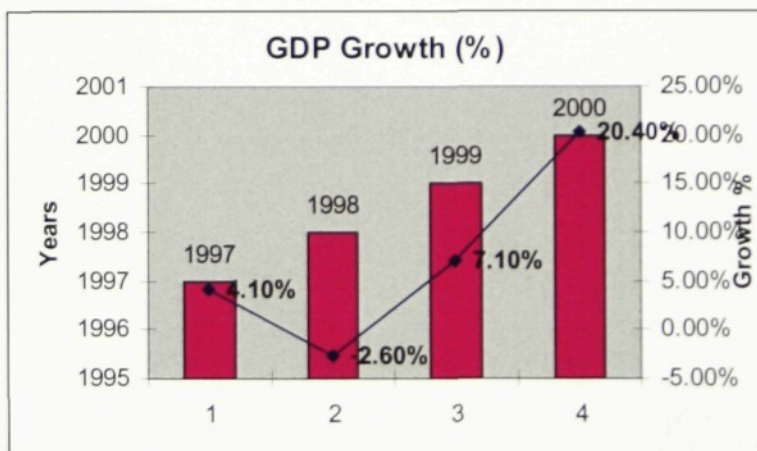


Chart (2)



**Summary of Money, Banking Statistics, Foreign Trade & Bahrain Stock Exchange Table (3)**

Sectors	Year 2002
1. <b><u>Bahrain Monetary Agency</u></b> (B.D. Million) - Total Assets/Liabilities	776.1
2. <b><u>Money Supply</u></b> (B.D. Million)	2,535.0
3. <b><u>Banking System</u></b> (US\$ Million) - Total Assets/Liabilities	105,460.6
4. <b><u>Commercial Banks</u></b> (B.D. Million) - Total Assets/Liabilities - Private Deposits - Loans & Advances - Foreign Assets - Foreign Liabilities	3,942.2 2,291.0 1,504.5 1,229.6 547.8
5. <b><u>Offshore Banking Units</u></b> (US\$ Million) - Total Assets/Liabilities	90,590.2
6. <b><u>Investment Banks</u></b> (US\$ Million) - Total Assets/Liabilities	4,385.9
7. <b><u>Islamic Banks</u></b> (US\$ Million) - Total Assets/Liabilities	2,623.0
8. <b><u>Foreign Trade</u></b> (B.D. Million) - Total Exports - Total Imports	481.1 412.3
9. <b><u>Bahrain Stock Exchange</u></b> - Bahrain Index (Point)	1,800.1

Source: Bahrain Monetary Agency news





## **2.5 Balance of Payments**

Bahrain's overall balance of payments in 1999 showed a surplus of BD9.6 million compared with a deficit of BD6.3 million in 1998 as a result of a fall in oil income. The current account deficit narrowed to BD158 million from BD292 million. This reflected a significant improvement in the trade balance from a deficit of BD11 million in 1998 to a surplus of BD270 million in 1999.

Service earnings from tourism and banking also improved, from BD27.4 million in 1998 to BD48.6 million in 1999.

## **2.6 Trade**

Bahrain's trade is dependent on hydrocarbons and therefore affected by fluctuations in world oil prices. The recovery in oil prices in the second quarter of 1999 show the value of Bahrain's exports grow by 25% to BD1.54 billion, while imports fell marginally to BD1.32 billion.

Despite diversification efforts, export earnings from petroleum products still account for two-thirds of Bahrain's total exports. Revenue from oil and gas exports totaled some BD1.02 billion in 1999, a 53% increase over 1998, reflecting the significant recovery in oil prices.

Aluminium, the largest non-oil product, comprised around 20% of total exports and registered an 18% decline to BD298 million in 1999. This was due to weakened demand from Japanese car makers, with Japan being a leading destination for Bahrain's(aluminium).

The competitiveness of Bahrain's non-oil exports in regional markets has been enhanced by the inexpensive road transport offered by the causeway link with Saudi Arabia

Bahrain depends on imports for most of its needs, but is striving towards replacing 30% of its imports with domestic production. Oil output is insufficient to feed the Sitra refinery, and crude supplies mainly from Saudi Arabia are the country's primary import accounting for some 40% of total import value. Oil imports to Bahrain dropped by 42% in value to BD335 million in 1998 following the decline in world oil prices and then increased to BD525 million in 1999 when prices recovered.



## **2.7 External debts**

**Bahrain's external debt was estimated to be US\$2.328 billion in 2000, down from US\$2.7 billion in 1999 and US\$2.8 billion in 1998.**



*Chapter 3. MARKETING IN KINGDOM OF  
BAHRAIN*





### 3.1 Introduction to Marketing in Bahrain

As known along the previous centuries Bahrain has a strategic position in the Arabian Gulf even in the Middle East, advanced business communication, human resources... etc., which lead it to be one of the biggest financial center in the Middle East, so Bahrain has high strategic planning degree in marketing in the region. For this reason this report is going to investigate some areas of **Marketing** in Bahrain and the problems which have related to it. Therefore, this part focuses on one of the most widespread part of the Marketing that is sales, and from the sales there are two parts that known by every body even if he didn't study Marketing which are showrooms and sales representative which are related together and doing the same job and their purpose is to introduce the products.

To get an insight idea of the major problems related to marketing in Bahrain we have to introduce some definitions and some concepts correlated to the Marketing specialization to have a clear idea about this without have confusion or misunderstanding of some concepts related to marketing's science & art. First, when we come to talk about showrooms we found different kinds of showrooms from the point of shape, place, size, and time, est.

It starts from large and expensive –for example car showrooms- product and ended up with small size of showrooms like small cold stores. This report has identified its problems and mistakes in dealing with customers. Second, we come to talk about the sales representative who is working there (in the showrooms) and explain how they should be, how to deal with customers and what the best is or the favorable personality they should have and so on Which we are going to talk about later. Also before we study any problem from what has mentioned above we should know what is customer's need in order to extract or to express the problems of marketing from these needs of customers.

Therefore, we have introduced the following: the human has hierarchy of needs must be satisfied in order to survive, when satisfy the basic needs directly he will tend to, secondary needs, its less important than the previous needs.







Three Steps to Measure Customer Satisfaction



As a result of these several needs, the existence of demand and supply will appear then Customers will demand goods and suppliers will supply and the place will be the market then will face competition, from competition Marketing should start to attract the customers because there are more than one producer and he should compete other producer and show the best for the product, producer alone can't work in the market without need for marketing which is advertising and promotion because what he will produce will be sold in the market, always the case there are more than one producer for the product which means competition so he must strive to give the best to attract the customer. Who will offer better than others he will dominate the market. In order to achieve the purpose of the report, we did some research about contemporary Marketing in

Bahrain that related to sales in general e.g. deficiencies related to sales representative's (sale-man) knowledge about products description, state of origin (country which product made in), treatment with customer which most important impact on customer to continue purchasing the product. There are serious problems, there are some of sales representative especially women, they feel shying when they describe the features or characteristics of product or service to customer.

Most of them are not qualified, for example from real life when you enter to any shop, the sales representative does not have an etiquette to deal with the customers and does not smile or try to ignore the customers when he is helpful. There are so many problems in customer service, the services must be provided to customer at proper time, flexibility form & with good quality which is critical point should take into consideration when provide services to any customer because it gives the company good reputation as a result, the customer will be encouraged to continue purchasing the product. In addition, the deficiencies related to where the product display i.e. showroom, it must be located in excellent position, the building should have special characteristics & feature e.g. lighting, distance & color, other showroom problems related to display of product or services themselves or by marketer. In advertising field, there are some ads, which include sexy picture to induce the customer. Also, it is not ethical in regard of business environment & their responsibilities toward the society it has not subjectively. The timing of advertisings must become when the audience watching the T.V or listen to radio. Follow up after selling product or services provided; the vendor (seller) should trace the customer opinion after the selling achieves the advantages & disadvantages of the product & service provided.

The picture was collected from ([www. bpmb.com](http://www.bpmb.com))





Wrong information will make serious problems because the following decision will be built on wrong base, so the marketer should collect & verify from data & information. Marketers have & use new media of technologies (The marketing research should properly conduct). Finally, the location description should be clear & easy to reach it & also, it should have sufficient space for parking. From all of the a above mentioned we aim to focus on monopoly and its dangerous on the marketing in Bahrain then on the economy of Bahrain in general.

### **3.2 Bahrain Promotions and Marketing Board (BPMB)**

As we know traditionally a very tolerant society which welcomes visitors. Bahrain is a favorite weekend destination for both nationals and foreigners living in Saudi Arabia and Kuwait. It offers an eclectic lifestyle -- a unique blend of traditional Arab culture and antiquities interspersed with western entertainment and night life.

Many foreigners come here to work and voluntarily extend their stay. It is this resident foreign community that is one of our biggest supporters."

In 1993 the Prime Minister of Bahrain, Sheikh Khalifa bin Sulman Al-Khalifa directed that a national marketing and promotions organization for the State of Bahrain be formed. Its name became Bahrain Promotions and Marketing Board and it is usually abbreviated BPMB. The chairman of the organization is the Minister of Commerce & Agriculture, His Excellency Habib Ahmed Kassim.

BPMB is an autonomous government-funded enterprise. Policy is determined by representatives from both government and the private sector and an executive arm is responsible for the implementation of policy.

The responsibility of BPMB is to provide a national focus for all public and private sector marketing and promotional initiatives. It aims to attract foreign investment by promoting the country's national resources, facilities and government incentives. It supports and encourages Bahraini exporters in the identification and development of export market opportunities.

Since its formation, BPMB has assisted in heightening awareness of Bahrain in the global market place as a premier Middle Eastern investment location, as the financial services capital of the region, as a hub of regional aviation and a pioneer of global economic development.

Accelerating regional economic growth, pragmatic government legislation allowing 100% foreign ownership of companies, an equitable agency law, unique investment incentives and a buoyant regional market all provide the background against which BPMB's strategies for attracting investment are planned.





The continuing philosophy behind BPMB's marketing programme is to maintain Bahrain's reputation as a home for clean, high technology, high value added manufacturing and service industries. It is also able to promote the twin attractions of a mature industrial infrastructure as well as easy access to some 100 million consumers.

BPMB's sectoral priorities in products include aluminum, food processing, plastics and petrochemicals, pharmaceuticals and engineering. In the service industry, it is focusing on financial services, insurance, information technology, distribution, tourism, communications and engineering maintenance and training. Its selection strategy favours a mix of multinational corporations, medium sized companies with already identified markets in the region and small companies demonstrating high growth potential.

BPMB has taken a very aggressive approach to marketing and promoting Bahrain. A dynamic advertising campaign was launched and it seems to be paying off. Since the beginning of the campaign, over 4600 requests for information have been received and acted upon. And most importantly, 136 companies have chosen Bahrain as their Middle East corporate base. Among them are AT&T International, Kimberley-Clarke, Silicon Graphics, Digital Equipment and Sprint Communications. A vital part of BPMB's marketing campaign is strategically located representation in Europe, the US, the Gulf States themselves, Asia and the Pacific Rim. This will obviously assist in rapid responses to requests for investment information and also help in identifying companies likely to benefit from a presence in the Gulf.

In attracting foreign investment, BPMB has introduced an innovative procedure for new companies wishing to register in Bahrain. It is unlike any other offered in the region and allows registration of companies within seven days upon submission of the minimum of paper work. A company registration number is issued and the company may begin mobilization at once. At the same time, the more formal registration procedures can be completed. Says the Chairman of the BPMB, "Simplicity is the key. As part of the service, formalities for company registration have been simplified, previously inhibiting red tape has been eradicated and the whole process has been streamlined."



Despite of the helps and facilities that provided by the Bahrain Promotions and Marketing Board, There is still some missing parts that create a problem in the marketing in Bahrain.

Therefore we will introduce that parts or problems and after that we will try to recommend some solution for them.

To go over the problems on this part of the project, we will introduce the following:

- a. investigate the deficiencies (problems) of the contemporary Marketing in Bahrain;
- b. problems related to showrooms in Bahrain and its characteristics and features;
- c. deficiencies face sales representative, his personality, qualification, treatment ...etc.;
- d. identify the main Marketing problem in Bahrain;

To get an insight of the above-mentioned problem, the following methods were carried out:

1. 38 number of questionnaires were distributed to the people from college degree;(See appendix 2)
2. Meetings with some professors in University of Bahrain & and some marketing managers from different majors;

### **3.3 People Questionnaire:**

#### **3.3.1 Showrooms:**

##### **Personal questions:**

The questionnaires were distributed among equal sample of students & doctors from Bahrain University. Different age groups were conducted in order to have different opinions depending on their age & way of thinking. Moreover, 40% of respondents were in Doctor degree or B.Sc. and the remaining were in diploma degree from both sex. We chose the respondents from different major in order to surround the problem from different directions or sides, from financial, management & marketing side in order to find out how this affect the economic environment in Bahrain. (See chart 3)



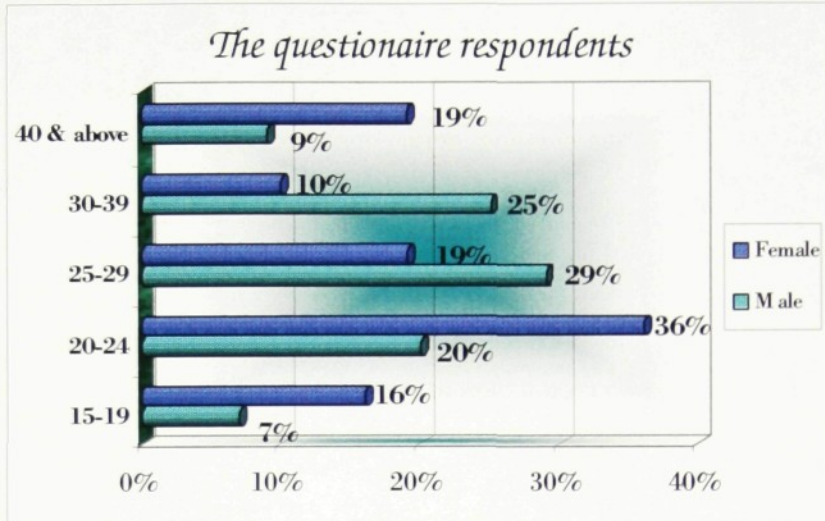


Chart 3

a. Comparing shopping in Bahrain with other countries:

The questionnaires were distributed among equal sample of students & doctors from Bahrain University. Different age groups were conducted in order to have different opinion depending on their age & way of thinking. The first question in the questionnaires is to compare the shopping in Bahrain with other countries, the majority of the sample agreed that, there are good shopping, it was unexpected that equal sample of majority chose excellent & bad for shopping there, the rest emphasized that the shopping is lower than required, this is related to traditional & ineffective technique they use. (see chart 4)

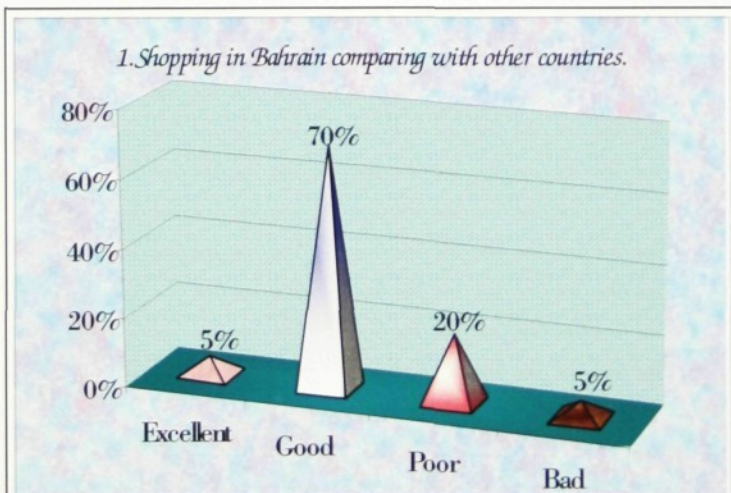


Chart 4





**b. Opinions of shopping in Bahrain:**

When the respondents were asked about comfortable shopping in Bahrain, the 85% of sample feel comfortable when they shopping there, when the respondents were asked about the reason, most of them refer to reasonable price & excellent services that Bahrain’s market provides.

However, 15% don’t feel comfortable, they refer to high price & low purchasing power of the customer (see chart 5).

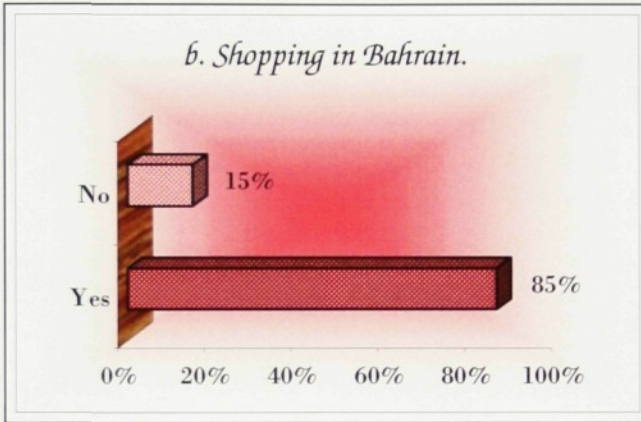
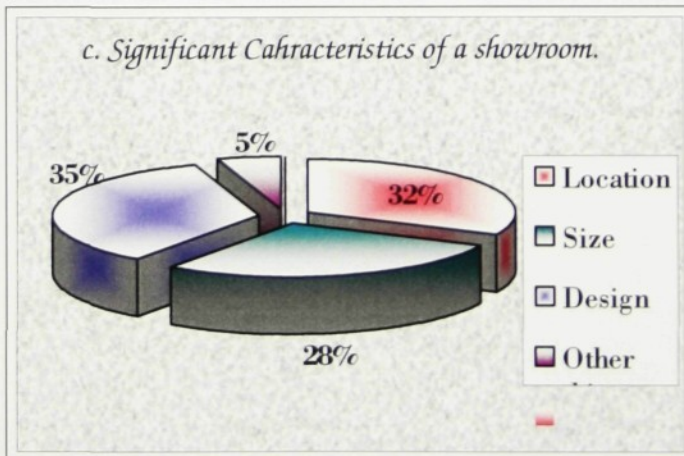


Chart 5

**c. Significant characteristics of Showroom:**

Question related to significant characteristic of a showroom: The majority of the sample selected designed as main characteristic of showroom because it attracts the customers and takes their attention. On the other hand, 32% of them choose location, while the others emphasized that the size is also an important characteristic to showroom the rest choose other things such as management of the showroom, parking, entertainments activities. etc. (see chart 6)

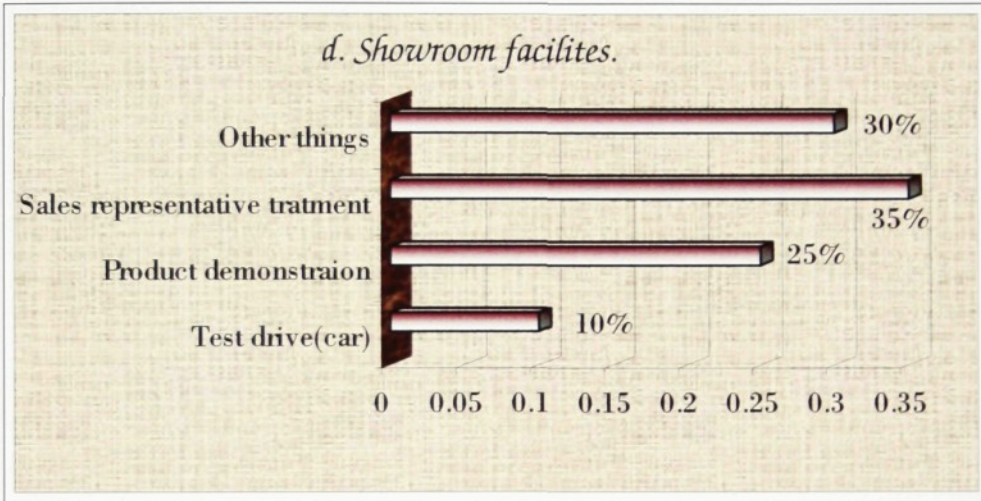




**d. Showroom facilities:**

Question related to preference facilities in the showroom: about 10% of the sample especially young prefer test drive (car), but 25% of the sample prefer product. In addition, 60% of the sample prefer product demonstration with the sales representative treatments, which reveal a deep details about the car i.e. capacity of engine, the design of the external body, presence of airbag, etc. The rest choose 'other things' such as entertainment activities, decoration of showroom, ... etc. (see chart 7)

Chart 7



**e. Problems of showroom:**

Question related to the mismanagement with physically problems in the showroom is the common problem that the majority of 80% of sample face during their shopping in the showroom. Moreover, lack of experience with low qualification, which related to the sales representative, considered a problem that affects the sales as 20% of samples' opinion. (See chart 8)

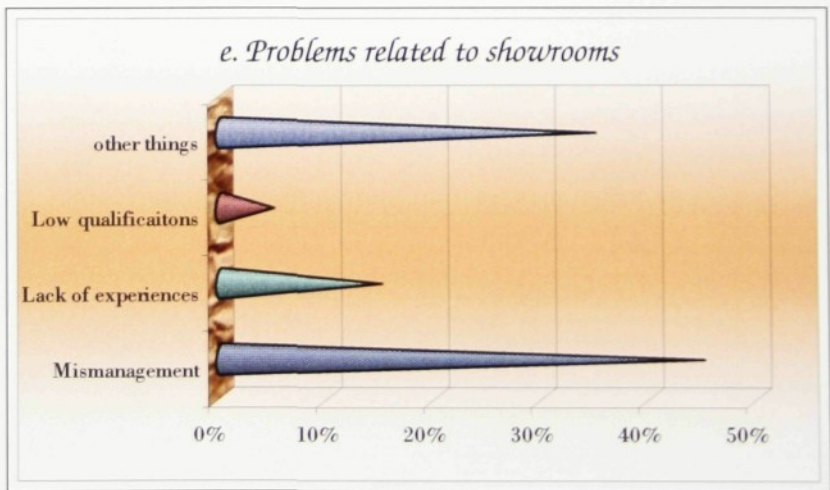


Chart 8





**f. Problems facing the customer when he by a product:**

Question related to problems that faces customers: the distance of the place is important obstacle that prevent customers to go to showroom, but this problem shapes the 10% of sample. Although price is an important character to the customer, 12% of sample select it to be an obstacle facing them. One third of Sample chooses product services with sales person treatment to be the main problems. The quality of product is considering the most vital element, which attracts the client to purchase. (See chart 9)

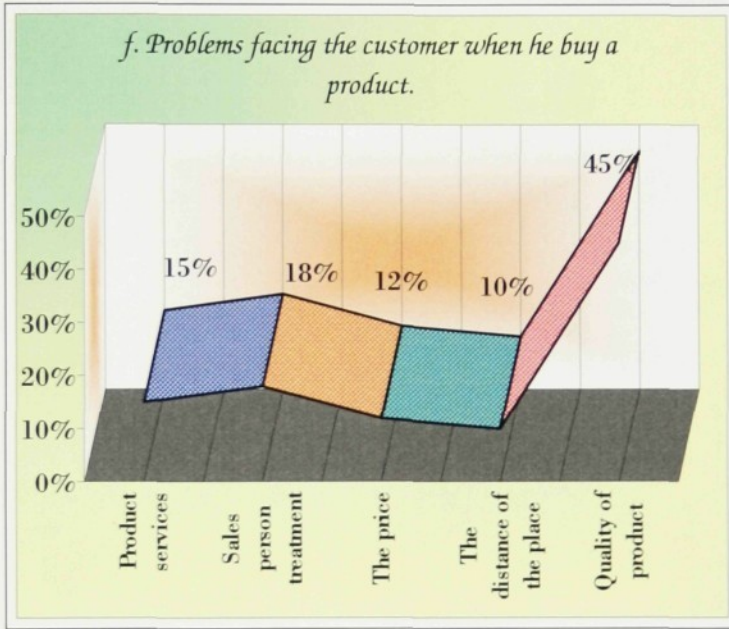
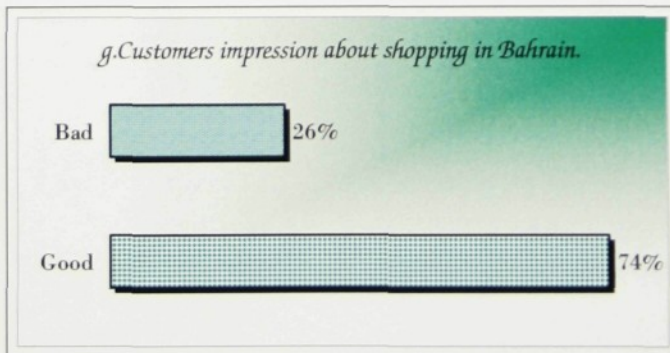


Chart 9

**g. Customer impression about shopping in Bahrain:**

This question related to the nationality of sales representative: Some people shy when they talk with Bahraini sales representative, according to the statically abstract for about 80% of the sample elect them. This reveals that ethics of Bahraini sales representative are the superiority to the customers. (See chart 10)







**h. Degree of using sales technique in business firms in Bahrain:**

Question related to the degree of using sales techniques in business firm in Bahrain:

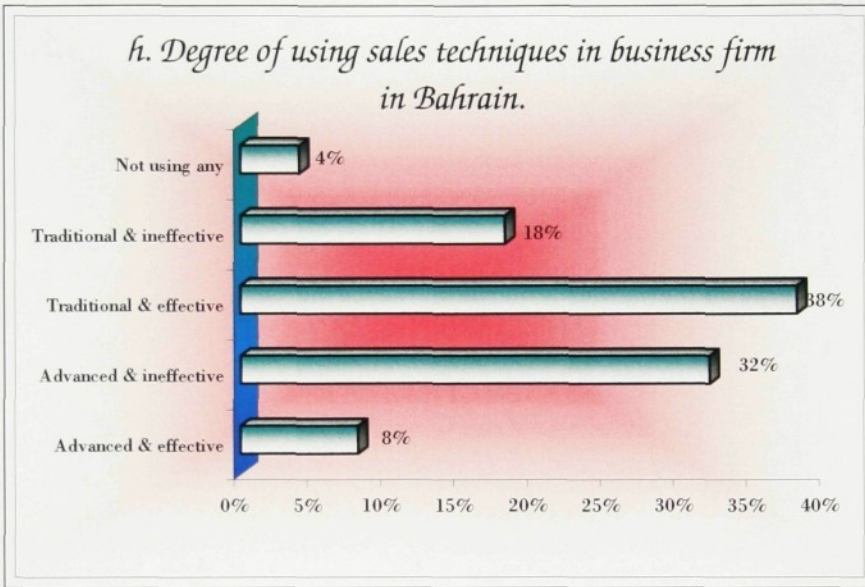


Chart 11

The firms in Bahrain are traditional and effective', this is the opinion of 38% of sample. Only 18% say that it is traditional but ineffective. However, the firms in Bahrain are advanced as 40% of samples' opinion. Only little of them think it is effective. 'The firms in Bahrain are not using any techniques', as opinion of only 4% of the sample. (See chart 11)



### 3.3.2 Sales representative:

- The questionnaire were distributed randomly, among different category of people the responds for the female's was higher which was 60%, therefore the male's was 40%. . (See chart 12)

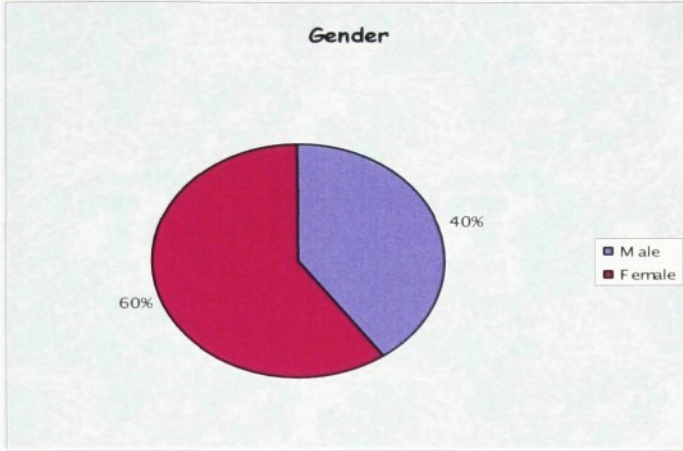


Chart 12

- The responds age was figured out as follows:

The majority was the ages between 20 and 24, because most of the questionnaires were distributed in University, which was 35%. Therefore the chart will show the responds age. (See chart 13)

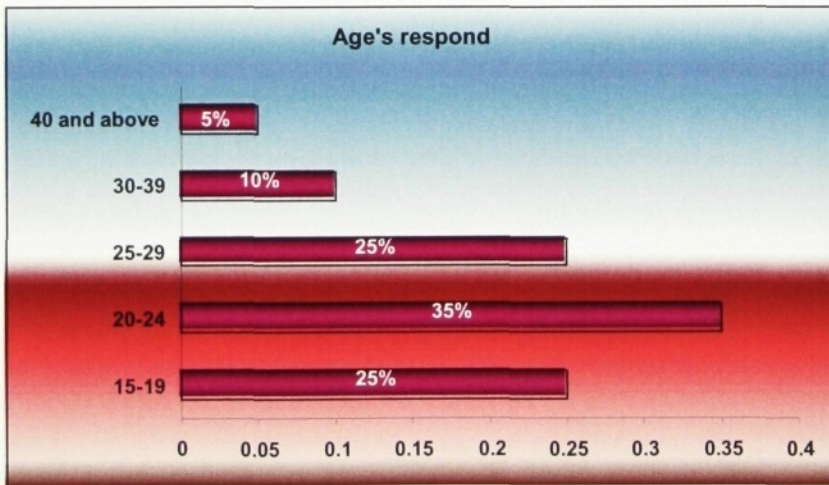


Chart 13





a. Question about sales representative personality:

The majority of the respondents agreed that sales representative should have a good personality i.e. his treatment with customers should be tactful, in other word, should be diplomatic in order to attract and deal with the customer. 37% of respondents chose sales representative should be normal, He should not be too much shy also should not be proud and remaining chose funny personality.

On the other hand, 37% preferred strong personality of the sales representative, the remaining 26% of the respondent's preferred funny personality and no body chose weak personality, As a result of various human behavior i.e. customers have no objectivity in choosing the personality of sales representative (it is subjective). (See chart 14)

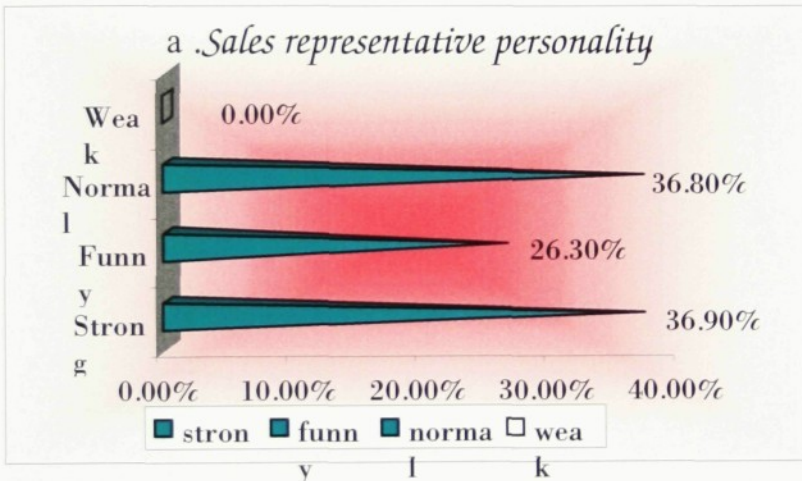


Chart 14



**b. Question of sales representative speed in dealing with customers:**

Most of the respondent agreed that, it is very important for sales representative to be very fast in dealing with customer which means no delay for the customer or being always ready when the customer attend and do their service as quickly as possible this was 68% of the respondents, The remaining par say” it is not too important”. In Business, time is vital thing that must take in to consideration in all situations. (See chart 15)

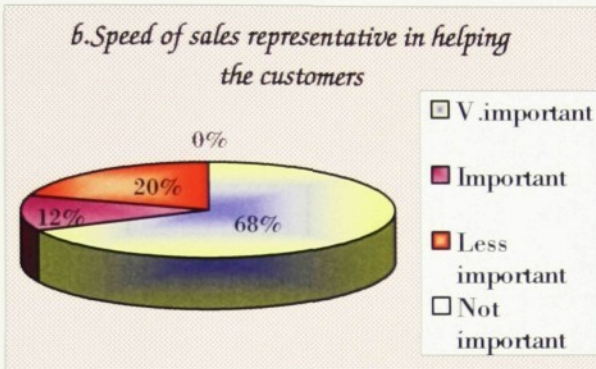


Chart 15

**c. Sales representative's knowledge about the product:**

Sales representative's knowledge about his product, this is one of the most widespread problems of the Bold in Bahrain. This is a big problem, which the customer dislikes it to happen because the customer doesn't like to purchase a product without knowing any thing about it. They also don't know how to use it. Therefore, when we have distributed this questionnaire among the respondents, they said “always sales representative should know about his product and know how to use it”. (See chart 16)

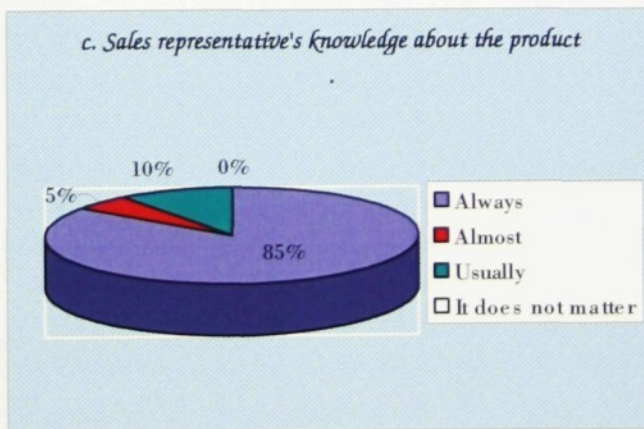


Chart 16





**d. Qualification degree:**

One of the most important question is sales representative's qualification degree, 70% the majority of respondents preferred sale representative to have college degree especially from B.S.c degree because he or she will be in a high level of language Also, he will have sufficient experience e.g. how to deal with customers in different cases under any circumstance. In his real life, it is fact that the qualification is an important thing. However in the small shops we don't need a high degree of sales representative's qualification, but it is increasing in large shopping center. (See chart 17)

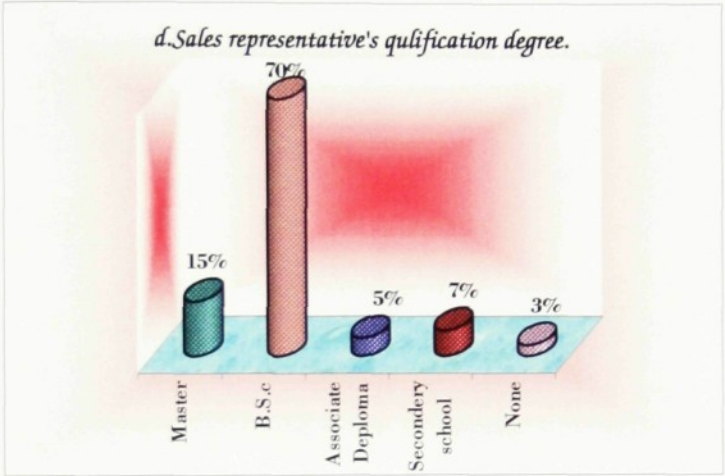


Chart 17

**e. Outlook of sales representative:**

Around 39% prefer sales representative with uniform dress, 30% agreed that he should have normal dress, 17% said he should be in modern dress, and only 13% prefer classical dress, and the problem in Bahrain they don't care about all of this. (See chart 18)

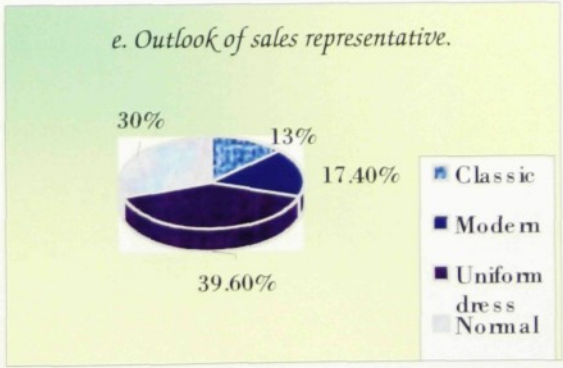


Chart 18



**f. The last question about nationality of sales representative:**

The majority preferred sales representative to be Bahraini; others preferred sales representative to be non-Bahraini, we think this is sensitive question to non-Bahraini respondents. (See chart 19)

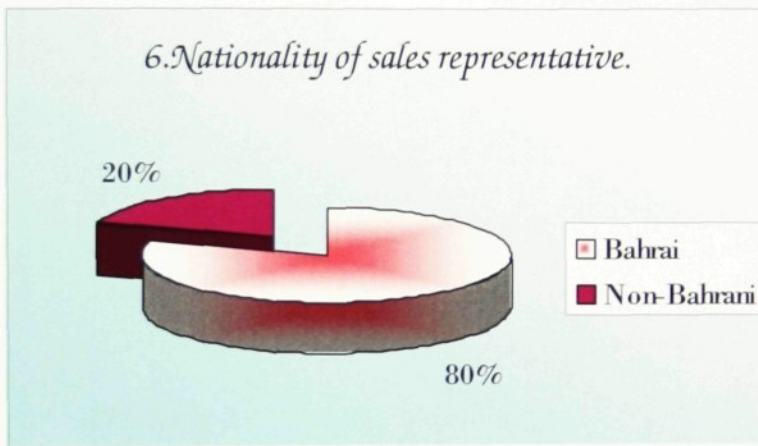


Chart 19





### 3.4 Meetings:

We have done meetings with more than one professional or experts' persons in Bahrain; most of them were doctor levels from University of Bahrain from different majors. Some of them are expert or doctor in Management like Dr. Ameen Al-Agha and some of them are expert in Marketing, which are related to our report material like Dr. Ahmed Al-Jawahiry. Also some of them are expert in finance like Dr. Nathem Al-Saleh and Dr. Jassim Abdulla and some others. We have generate these meetings with different doctor majors in order to get different concepts about Marketing, and to express or extract the primer causes of the problem and find the solution for it-from different views – from Economic, Political, Marketing direction and from different science expertise.

We have done the following meetings with these persons:

Name	Position
Dr. Ameen Al-Agha	Head of Management & Marketing Department (UOB)
Dr. Ahmed Al-Jawahiry	Instructor of Marketing (UOB)
Dr. Jassim Abdullah	Finance & Accounting Instructor (UOB)
Dr. Nathem Al-Saleh	Finance Instructor (UOB)

The meetings that have been achieved with the respondent have considered three questions:

- ⊗ Do you have suitable definition for the showroom?
- ⊗ Could you compare Marketing in Bahrain with other countries in the Middle East and the Gulf region?
- ⊗ What do you suggest to improve marketing in Bahrain?

✚ Dr. Ameen Al-Agha, Head of Management and Marketing Department in University of Bahrain said to respond the questions:

- “Showroom is a wide place where merchandise are displayed to customers. It is one of the marketing channels through which products are exhibited to customers. It should be bigger and wider than a shop so that customers can move around easily, without congestion or obstruction and at their leisure to inspect the displayed items in a convenient manner.

University of Bahrain (UOB)



- The display of products in a showroom is an art in itself. Products should be displayed in an easy, comfortable and attractive way.

The decoration, lighting, color harmony and arrangement of products are major aspects of a showroom. Above all, a showroom should have qualified experienced, friendly, polite, and considerate salesman to work their to receive customers, show them around, explain about the characteristics of different items exhibited and to answer questions knowledgeably.

A showroom like this could persuade customers to buy and increase the desire of others for buying.”

✦ “Marketing in Bahrain is easy and comfortable because of the relatively small size and population of Bahrain. The smallness of Bahrain! Market is an advantage on one hand and a disadvantage on the other.

An advantage, because transportation of products, promotion and advertising, nearer of the market to almost all population make marketing and shopping in Bahrain is a simple task. A disadvantage, because of the relatively small market of customers and businesses, and their low purchasing power. However, in other countries, either in Europe or U.S.A, or even in other Gulf region like Saudi Arabia and the Emirates the market is bigger, the purchasing power is greater, the varieties and more, and competition is heavier”

**Dr. Ahmed Al-Jawahiry**, Instructor of Marketing in University of Bahrain, he responded the questions by saying:

✦ “Showroom is a place of displaying and communicated the product to customer.”

✦ “Bahrain cannot consider as a market however, we can consider it as financial center. Also marketing in Bahrain can consider as advanced country in the region, but the best market in the Middle East is Israel which leads Middle East if consider it as a state, then Lebanon. “

✦ “Educated people in Bahrain Market, we have sales representative rather than Marketers do the job from A to Z. Marketing research should be used to improve showing and selling products in Bahrain.”





- **Dr. Jassim Abdullah**, finance instructor in University of Bahrain, has responded our questions as follow:
- ✦ “Any showroom provide opportunities to owner to present the product in the way to help the customer to decide weather the product suitable or not and show the quality and features and should has more attraction features.”
- ✦ “I guess it is difficult to compare between Bahrain and others. In selling, Marketing is a wider topic private sector in Bahrain stupid, they are thinking in the short-term rather than long-term. Bahrain in average normal.”
- ✦ “Open competition is the future.”

✦ **Dr. Nathem Al-Saleh**, instructor of finance in University of Bahrain, has responded our questions as follow:

- ✦ “Showroom is a place where display the product to attract the customer.”
- ✦ “Bahrain is financial center in the Middle East and Bahrain has strong competition and open door economy, for example Bahrain University introduces and recognize marketing program in its studies, Bahrain tries to use modern technology from my previous experience marketing take place in Bahrain at the begging of eighties.”
- ✦ “Marketing consider as line blood to any business. Small businesses also applying Internet and marketing strategies within their capability, 10 year ago Marketing has started in Bahrain. Marketing know has strong shape a competitive, Bahrain use advance and Marketing strategies in buying and selling while we didn't see this in another Gulf States. Bahrain's government encourages improving marketing here and considering the marketing as tools to attract the companies.”
- ✦ “All companies and small firms also have to recognize the marketing in their activities because they can survive without it and to project their economy to improve it.”





**In the meetings with the business and Marketing experts, the experts Indicated that Bahrain has from the nature, its location as a country the best or the higher level of Marketing at least among Gulf region, in case of showrooms and sales services and skills of sales representatives, Bahrain should have advanced techniques in all of these, most of the experts have agreed on that Bahrain Marketing problem is Monopoly which is the main barrier in improving Marketing in Bahrain's especially in the two sectors that we have focused on them (Showroom - Sales representative) because any market can not be improve without competition.**





*Chapter 4. BUSINESS RULES AND  
REGULATION  
IN  
KINGDOM OF BAHRAIN*



## 4.1 Introduction to Business in Bahrain

Business is organized effort of individuals to produce and sell, for profit, the goods and services that satisfy society's needs. All of us prefer to have a business or even to work in a private company, because the returns from them is higher than any other work.

In this part of the project we will focus on the Business rules and regulation in Kingdom of Bahrain. And we will discuss some of the problems which are faced in Bahrain business, then the most type of the businesses preferred by the people.



In order to go through the mentioned points, we will first introduce the rules and regulation of starting a business in Kingdom of Bahrain, and then we will discuss the problems.

Bahrain's formal legal system is the oldest in the Gulf, dating back to the 1920s. Acknowledging the importance of a sound and comprehensive legal framework that facilitates business, Bahrain has established several laws that cover different aspects of

business, and ensure that the rights of the international investor are protected. Perhaps the most important laws to investors are a new Commercial Companies Law that came into effect in January 2002, and the various Intellectual Property laws. The Bahrain Commercial Companies laws were applied on an Amiri Decree no. 28 of 1975, on that law some changes were made on the rules and added some new rules.

Seemingly, the first company commencing its operations according to the modern concept was Bahrain Petroleum Company (BAPCO), which started with discovery of oil in 1932.

Over the past decade, globalization and technology have combined to create an increasingly smaller marketplace, generating several new challenges to entrepreneurs. In this dynamic economic scenario, domestic consumption is often below-capacity and policies related to trade, manufacturing, labor and export define the perimeters of business expansion.





In striving to accelerate the pace of enterprise, corporations need to consider positioning themselves in new locations that promise intellectual, political, social and technological global compatibility. For those who desire to pioneer progress in the new millennium, the Kingdom of Bahrain is one such emerging platform that offers unlimited potential for progress through partnership.



With the vision, ability and commitment to absorb new initiatives for enterprise, Bahrain is prepared by assets and attitude to embrace the possibilities of tomorrow.

With a global vision for a better world, Bahrain is confident that it can successfully evolve into a center of excellence, a sound platform that offers technical compatibility and commercial

viability.

Ideally located in a highly-populated region in close proximity to countries representing large potential markets, and backed by fast liberalizing economic policies, Bahrain is a nation that can count among its achievements a modern infrastructure, a cosmopolitan outlook and quality human resources. It also offers a partner-facilitator that makes investor objectives integrate swiftly into the evolving economic strategy of the nation... the Economic Development Board of Bahrain.

The Intellectual Property laws cover trademarks, patents, designs and copyrights. Patent and Design Regulations were introduced in 1955 and amended in 1977, with new legislation expected to be introduced by 2002. Modifications were made to both the Trademark Law and the Copyright Law in 1993. Bahrain has been a member of both the Paris Convention and the Berne Convention since 1996.

A new anti-money laundering law, in line with the Financial Action Task Force's Forty Recommendations on Money Laundering, came into effect in 2001.

Laws governing electronic transactions and the opening of the telecommunications market are currently being drafted.



The GCC Commercial Arbitration Center, which was established in 1995, provides the private sectors in the GCC countries with a quick mechanism by which commercial disputes can be resolved. The services offered by the Center include conduct of commercial arbitration in accordance with the Center's rules and regulations. Ad hoc arbitration or arbitration under the rules and regulations of other arbitrage institutions is also administered by the Center.

In addition, the Bahrain Chamber of Commerce and Industry (BCCI) can assist in the settlement of trade disputes in the private sector. BCCI also provides services including attestation of documents, assisting trade delegations to Bahrain, supporting national products and organizing exhibitions.

Bahrain has seven industrial zones, housing some 500 companies, with a combined area of more than 500 hectares. Industrial estates along the coast are near the main port of Mina Sulman, and mainly accommodate manufacturing industries needing access to port facilities.

The port also provides a free trade zone to facilitate the duty-free importation of equipment and machinery and for the temporary importation of goods for re-export. Another free zone is located in the North Sitra Industrial Estate. Specialist industries tend to be located in the smaller inland areas of Sitra, Ah Hafira, and Arad.



The development of a new port at Hidd, which will eventually replace commercial operations at Mina Sulman, will offer 650 hectares of new industrial land when it is completed in 2002. Site leases currently run for 25 years and rentals are subject to review every five years. All new industrial areas will be state-owned and then leased to tenants for 50 years, with the possibility for renewal.





**Kingdom of Bahrain is consists of Nineteen Ministries they are as following:**

1. Ministry of Commerce,
2. Ministry of Oil And Industry,
3. Ministry of Finance And National Economy,
4. Ministry Of Information,
5. Ministry Of Labour And Social Affairs,
6. Ministry Of Transportation,
7. Ministry Of Health,
8. Ministry Of State,
9. Ministry Of Education,
10. Ministry Of Interior,
11. Ministry Of Foreign Affairs,
12. Ministry Of Electricity And Water,
13. Ministry Of Defense,
14. Ministry Of Works,
15. Ministry Of Housing And Agriculture,
16. Ministry Of Justice And Islamic Affairs,
17. Ministry Of Cabinet Affairs,
18. Civil Services Bureau,
19. Advisor of Premier's Court.

Each of those Ministries have got their own responsibility, But on this part of the project we will focus on Ministry Of Commerce, because the Ministry of Commerce is responsible for a diverse range of activities which make up the commercial environment in Bahrain, including the registration of all forms of commercial business, commercial agencies, industrial property, standards and metrology, foreign trade as well as a number of other related activities. In general the Ministry's aim is to ensure the maintenance of an open, transparent and market driven commercial environment so as develop Bahrain's economic competitiveness, and to encourage inward investment, at the same time promoting employment for the local population.



## 4.2 Types of Business

### 4.2.1 Company registration

New businesses in Bahrain must obtain permission from the Ministry of Commerce. Industrial projects must also be licensed by the Ministry of Oil and Industry. Assistance in establishing a manufacturing business is provided by the Ministry of Development and Industry through the Industrial Development Directorate.

### 4.2.2 Limited liability company

This is a privately held company under which the liability of the shareholders is limited to the amount of issued capital. It is established on the basis of a Memorandum of Association, written in Arabic and notarized by a notary public. The company is incorporated under the Commercial Registration Law by being entered into the Commercial Register maintained at the Ministry of Commerce and Industry. A W.L.L. is not permitted to issue shares to the public.(See Table 3)

Minimum capital:	BD20,000
Minimum nominal share value:	BD50
Maximum number of shareholders:	50
Name:	Must be followed by "W.L.L."
Level of foreign ownership:	Up to 100% for allowed activities

### 4.2.3 Sole proprietorship

Introduced in the new Commercial Companies Law, this type of company entails limited liability for the sole owner of the company, provided the owner maintains personal and business assets separately.(See Table 4)

Minimum capital:	BD20,000
Permitted number of shareholders:	1
Name:	Must be followed by "SP"
Level of foreign ownership:	Up to 100% for allowed activities





#### 4.2.4 Public joint-stock company

This is a private company whose shares are offered for public subscription and traded on the Bahrain Stock Exchange.(See Table 5)

Minimum capital:	To be set out in the implementation regulations of the <u>New Commercial Companies Law</u>
Minimum/Maximum nominal share value:	No restriction on nominal value
Minimum promoter subscription:	10 percent
Maximum promoter subscription:	40 percent
Name:	Must be followed by "BSC"
Level of foreign ownership:	Up to 49 percent

In addition to the above, a minimum of 25 percent of the share capital must be paid up. The remaining share capital must be paid up within 4 years of the date of establishment.

#### 4.2.5 Joint-stock company (closed)

This is a private joint stock company whose shares are not available for public subscription and whose partners' liability is limited to the amount of their capital investment. This form of company may be established without Royal Order.(See Table 6)

Minimum capital:	To be set out in the implementation regulations of the <u>New Commercial Companies Law</u>
Minimum/Maximum nominal share value:	No restriction on nominal value
Minimum number of shareholders:	2
Name:	Must be followed by "Bahraini Shareholding Company"
Level of foreign ownership:	Up to 100 percent for industrial and service activities where Bahrain serves as the regional base for the company



#### **4.2.6 Branch**

This legal vehicle allows a foreign company to establish a branch office in Bahrain without directly entering into a Bahraini partnership, provided that its business does not conflict with the Commercial Companies Law.

This arrangement is ideal for an international company that does not wish to form a separate legal entity. The Branch Office is an extension of an existing overseas company, which must be incorporated with a minimum of two shareholders, and has an active business history of one year or more, as evidenced by audited financial statements.

- No minimum capital requirements
- Does not require incorporation, but rather, exists on the guarantee of the parent company,
- Requires a Bahraini sponsor, who may be either an individual or a legal entity. This requirement may be waived if the Bahrain-based branch is to serve as a regional base for the parent company's activities,
- Must be registered in the Commercial Register in compliance with the New Commercial Companies Law,
- Area of activity is limited to Bahrain, unless the office is registered as a regional office.

#### **4.2.5 Regional office**

Like the Branch Office, the Regional Office is a suitable vehicle for international companies that do not wish to form a separate legal entity in Bahrain. The primary difference between the two vehicles is that the Regional Office serves as the regional base for the main company, with business activities that cover a geographical area that comprises, in addition to Bahrain, the Gulf, or Middle East, for example.

- Does not have minimum capital requirements
- Does not require a Bahraini partner or sponsor
- Permits a legal presence to conduct a wide variety of activities





#### 4.2.6 Holding company

This type of company, which was newly introduced by the new Commercial Companies Law, is established for the purpose of holding a controlling equity stake in Bahraini or foreign joint stock or limited liability (W.L.L.) companies, or for the establishment of such companies.

A holding company may take any one of the following legal forms:

- Joint Stock Company
- Limited Liability Company
- Sole Proprietorship

Those was the type of businesses in Kingdom of Bahrain, all that types should be have their Commercial Registration which is called (CR).

### 4.3 Commercial Registration:

The CR section in Ministry of Commerce is a department, which applicant will apply his/her request to open (start) a specific type of business. (See appendix 1)

The pre-request for the new applicant is listed bellow:

1. Must be Bahraini Nationality or GCC national Residing in Bahrain or have a Bahraini partner,
2. At the time of applying, he/she must not be less then 18 years old,
3. Not involved or convicted in any crime affecting his honor or honesty,
4. Efficiently devoted to manage the required activity.

The activates affiliated to the commercial registration with their identification codes are listed below:

1. Applying for new commercial registration certificate (CR)
  - a. Fell an application form,
  - b. The applicant has to come to the commerce registration section in Ministry of Commerce building,
    - a. Photo copy of the applicant passport,
    - c. The applicant must not be less then 18 years old,



2. Applying for a new branch (NB) ,Adding an activity (AA) and Change of activity (CA), Spartan of an activity (SA),Merger of branches (MB)  
Registration of an authorized agent (RA) and providing the directorate with address of new business location (NBL),
  - a. In addition to the part one you must have the approval from the other specific places within 3 month from the day of CR approval.
3. Change of commercial name (CNN),
  - a. We have to sign an application form which the commercial names are written on it,
  - b. Distributed to any public news in Kingdom of Bahrain.
4. Transfer of the ownership (TWO),
  - a. An written letter from the seller,
  - b. Publish In any daily new paper in the Kingdom of Bahrain,
  - c. An agreement stamped from the ministry of Justice And Islamic Affairs.
5. Cancellation of registration (CAR) and Cancellation of activity agent (CAT),
  - a. The owner has to come to the commercial registration department personally.
6. Change of authorized gent (CAG),
  - a. an stamped form from ministry of Justice and Islamic Affairs,

#### **4.4 Application Procedures:**

1. To submit an application form specially designed for a commercial license,
2. A copy of the passport and CPR along with the application form,
3. To submit the fees as for the concerned activities, that does not need prior approval.
4. To attend personally at the directorate of commercial registration located within the premises of the Ministry of Commerce in Diplomatic Area (Manama),
5. Depending on the type of activity, the applicant must duel obtain the consent of concerned authorities with regard to the location where business would be conducted.





6. The applicant must also receive a temporary trade registration certificate from the concerned authorities,
7. The applicant must start the business within three months, from the day receive the CR, rather that the CR will be canceled.

The second part of this project is as we mentioned is investigate the deficiencies (problems) of starting a business in Kingdom of Bahrain, therefore to go through that that problems , we have distributed two types of questionnaires among 30 different people which they are willing to start a business or they have got a businesses.

Also in this part we have prepared a meeting with two managers of a biggest company in Kingdom of Bahrain and with an employee in Ministry of Commerce.

#### 4.5 Questionnaire on starting Business,

Distributed among people willing to start a business and student in a business college in University of Bahrain, the sample people were selected randomly, (See appendix 2)

a. The responds of this questionnaire was evaluated, the people between age 20 and above they were willing to start business, because I think the people which they are below 20 years the not prefer to start business, because they would not like to have responsibilities. (See chart 20) And in Bahrain most of the businesses are being owned and managed by people above 30 years old.

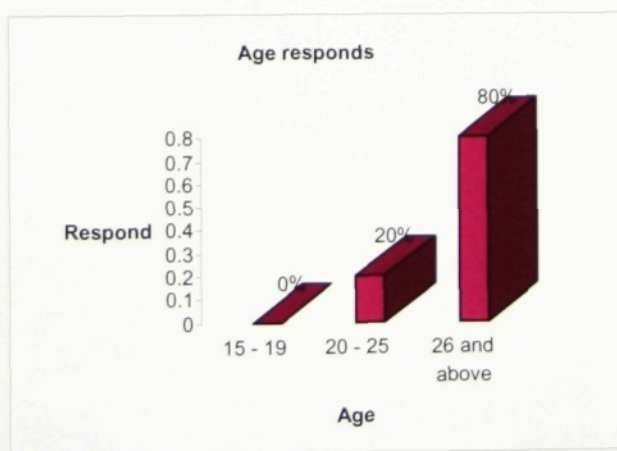


Chart 20



b. Type of businesses, the majority of people preferred to start a servicing business, because it is the easiest business and it doesn't need more money to start it, despite the other businesses need all of money when u want to start it. The servicing business is fast repaid of money. The majority was for servicing which was 40%. Other businesses they are for example as education establishments, which they were not preferred by the people 10%. (See chart 21)

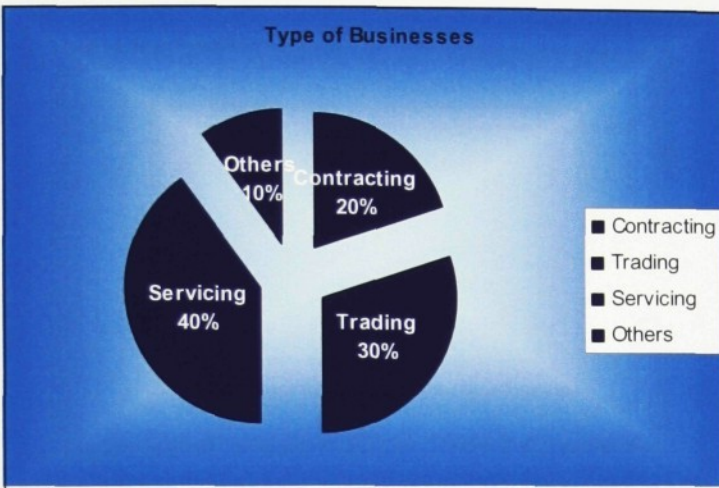


Chart 21

c. The reason to start a business, most of the people prefer to start a specific type of business, because it is profitable and easy to establish. And I think we all agree with them. The others are for example the people which they would like to continue their family traditional. In Bahrain for example fishing and growing. (See chart 22)

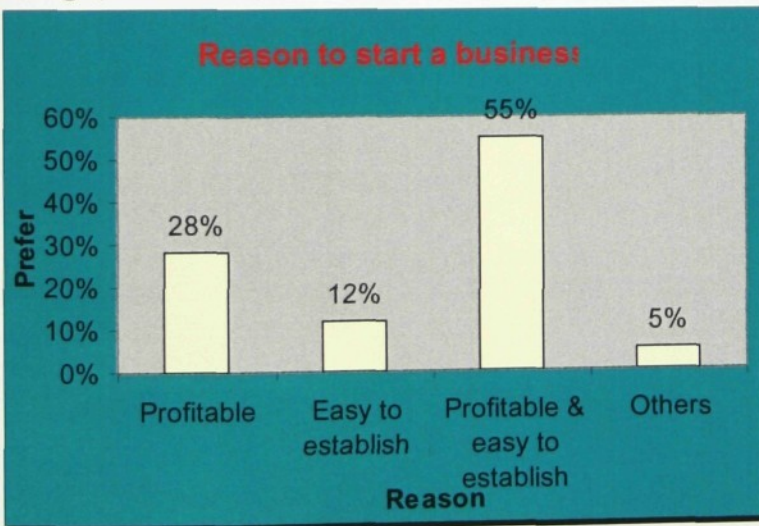


Chart 22





d. Experience related to the type of business, the majority of people were agree that the experience is important which it was 85%, but I think that the qualification is also important as the experience i.e. a person have experience in trading things but he doesn't got qualification to how manage the workers and the financial things. (See chart 23)

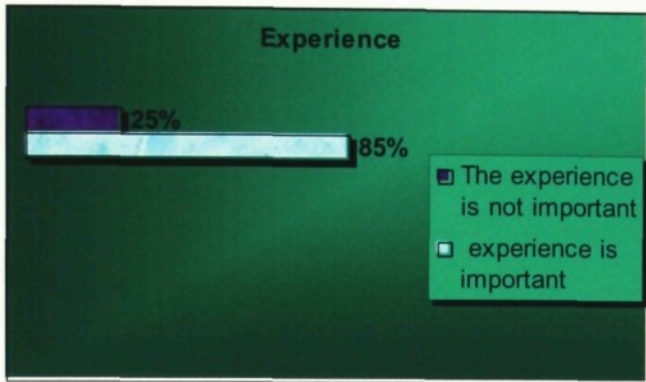


Chart 23

e. The charges (fees) to establish (start) a business, the cost level in Kingdom of Bahrain as the people said is high, which it was for 45%, but we can say that not all of the businesses, it depends in the business type, the place and the target people.(See chart 24)

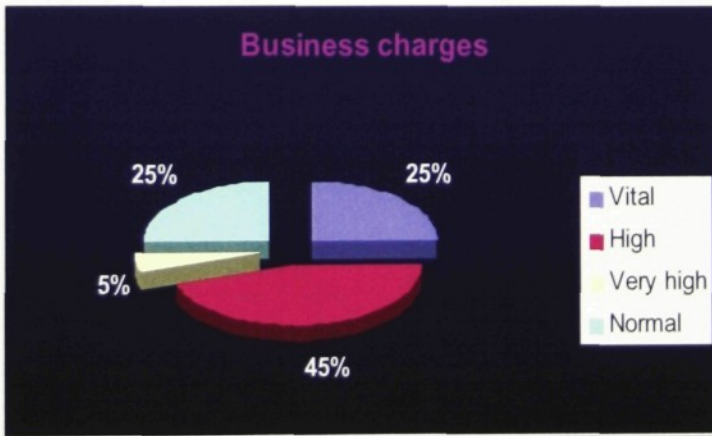


Chart 24



f. The expected problem when we start a business, most of people agreed that we will find problems when we start a business could be financial problem, managing, experience or so many problems. (See chart 25)

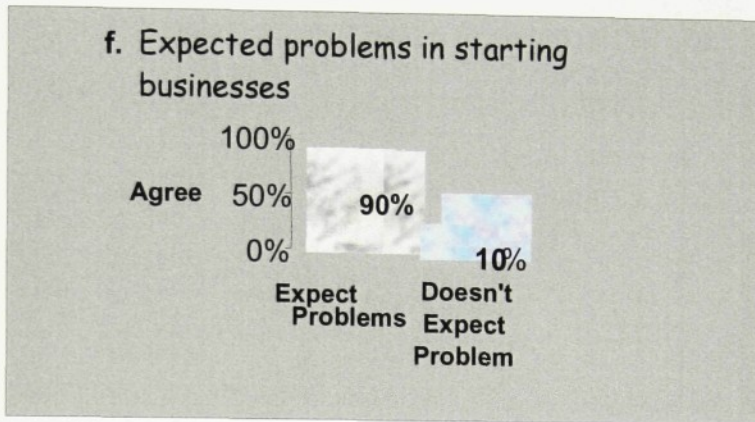


Chart 25

#### 4.6 Questionnaire on Business,

Distributed among people have got business. The questionnaires were distributed to the companies and firms in Kingdom of Bahrain to evaluate the effective business to start and the problem they face on their businesses.(See appendix 2)

a. Business position in Kingdom of Bahrain in recent years, most of people agree that is good which I think is right, but I think with the day that the Iraq war started the business level not in Bahrain but in all Gulf area are going through depression but this will be for few months only.(See chart 26)

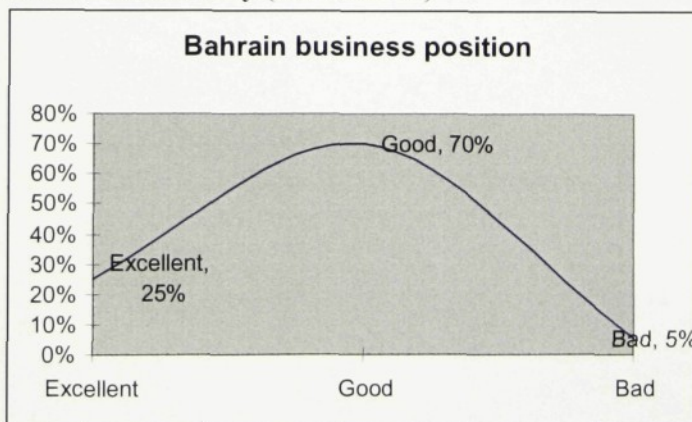


Chart 26





We have to go through the things which was happened in 1990, the Kuwait war. The Kuwait war has made so many changes in the Gulf and Bahrain as a one of the member of Gulf area, it has been effected through the businesses, because some of the biggest companies in Bahrain are braches which their main branch is in Kuwait. Which have effect our Bahrain economy. Bust most of that effects has been covered now through the Bahrain economic development and his new strategy to attract the foreign trade and capital through the facilities which is provided by the Bahrain government we will discus that in the meeting with Mr. Mohammed Sayd in section no. 4.8 . And we have briefly discus the big changes in the Bahrain economy in chapter 2.

b. Business effectuation, for this point this question were asked, as a business man do u think the business work is good, as we know the answer were yes is good. The majority said yes the business is good but I am sure that they faced some problems, which they not talk about them, therefore in the meeting with a manger of Henson Electrical W.L.L Company & Al Tasheed Company we will explain the problems and we will go through them briefly.(See chart 27)

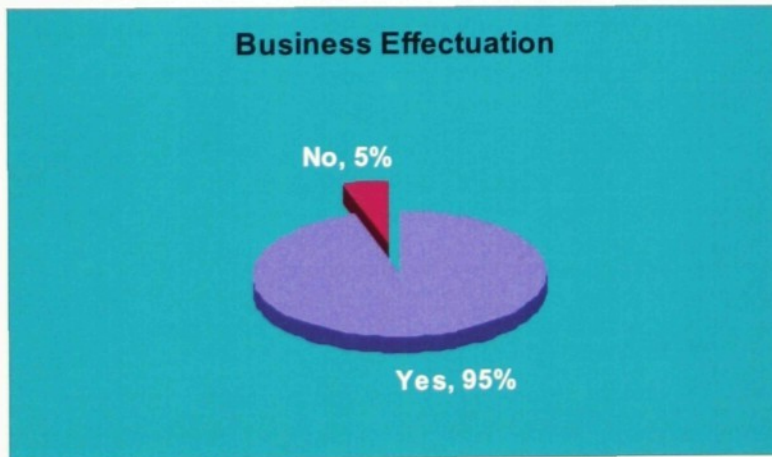


Chart 27



c. Kind of business,

In this part this question were asked "what type of business do they practice at the moment" the majority were for trading, then others for i.e. services business, but this depends on our selected samples, not on the most preferred country businesses type. (See chart 28)

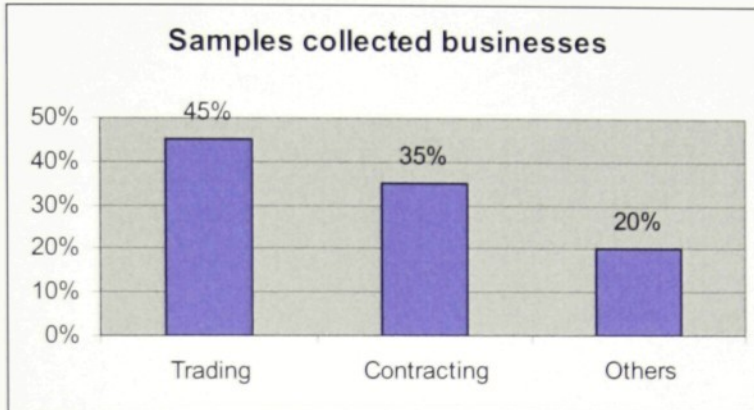


Chart 28

d. The incorporated time of the business. We asked this question in the questionnaire because we want to find out the business life in Bahrain. The majority answers were more then 5 years. As we know that Bahrain is one of the first countries in Gulf that started the business i.e. before the oil they were having business from selling the pearl and doing businesses with the Asian countries (India) by selling them the pearl and buying woods and so many other products.(See chart 29)

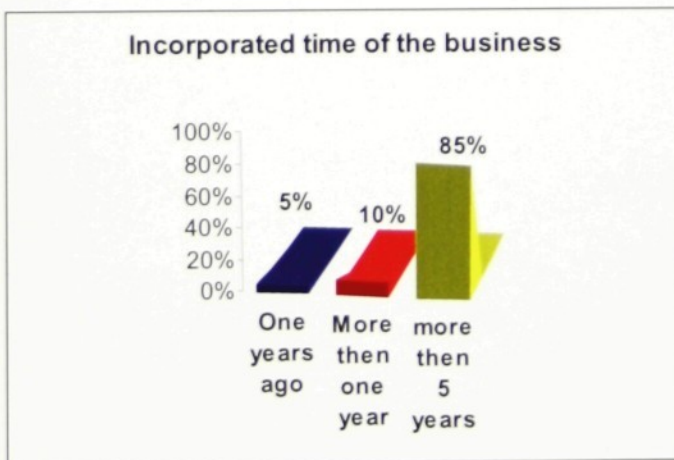


Chart 29





e. The type of problems in the business, we asked this question to find out what type of problems they experience in their businesses . 70% of the answers were having financial problems, 25% lack of experience, 4% low of qualification and 1% they were having different problems i.e. labour. We mean by the labour the experienced labour they are difficult to find.(See chart 30)

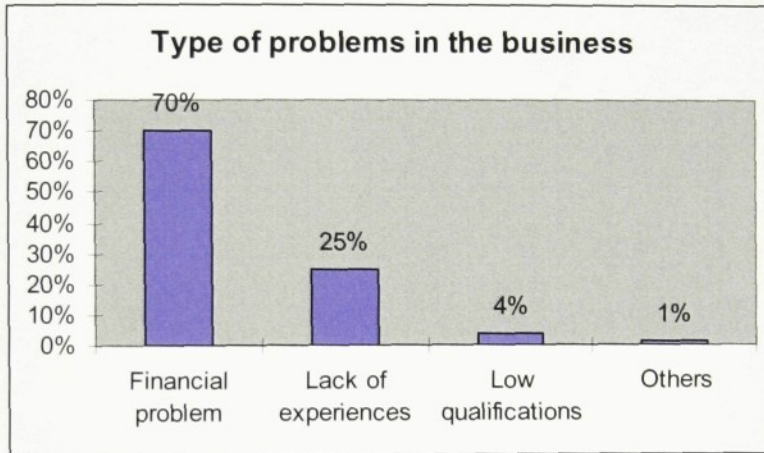


Chart 30

f. The problems do they found on the time that they start their business, the most of the selected sample they were having problems which were i.e. financial problems, and some of them were not having any problems, those were only 20%. (See chart 31)

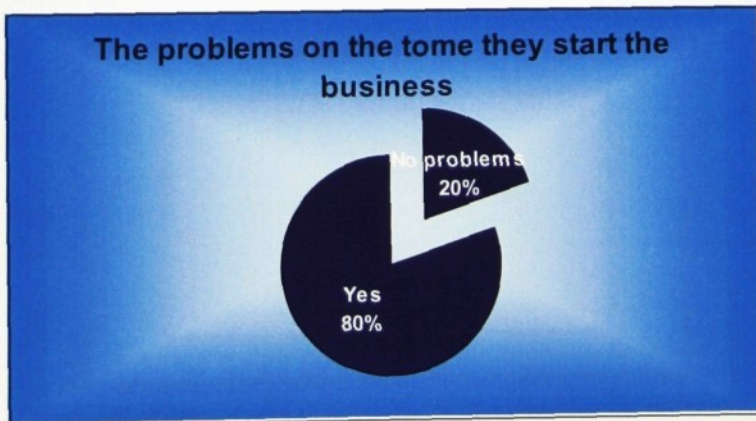


Chart 31



g. The time to start a business, we asked them do they suggest to start a business on this time or on future the majority they prefer to start the business now not in future . We can see that this question is connected to part (a) in this questionnaire and chapter 2, because we is referred to the economic development in the country. (See chart 32)

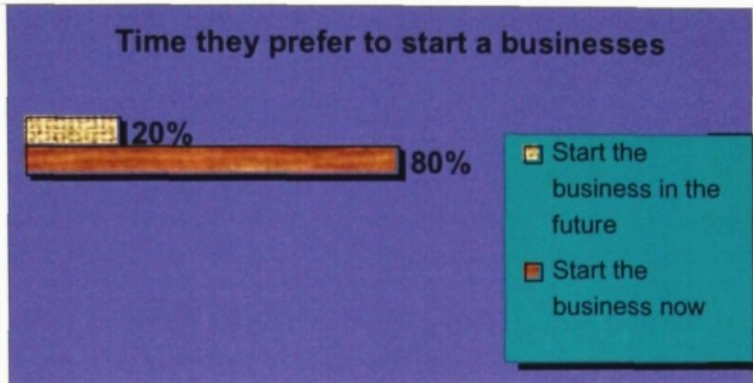


Chart 32

h. The type of businesses they prefer to start now, most of them they agree that the servicing businesses is the best type of business to start now, the second type is trading then the contracting and the lest is other type of businesses. We have to talk about the servicing businesses is for example internet café shops, transport company by all the type of transportation, and more we can't mention all of them now, because if we would like to mention all of them, we have to prepare a special chapter for them.(See chart 34)

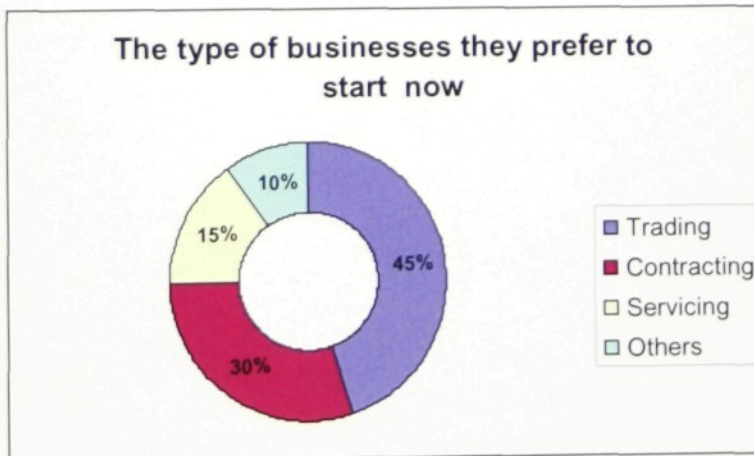


Chart 34





## 4.7 Meetings:

In this section we have done the following meeting;

Name	Position
MR. Mohammed Sayd	Department manager (Ministry of Commerce)
MR. Joseph Mathew	General manager (Henson W.L.L)
MR. Ali Al Ansari	Managing Director (Al Tasheed Company)

- **MR. Mohammed Sayd**, he is an employee in Ministry of Commerce, commercial registration section.

Several questions were asked in the meeting;

- a. What type of business is preferred more in Bahrain?
  - b. Describe the numbers of Commercial registration?
  - c. Why Bahrain government pose the bank guarantee;
  - d. What do you think about the registration charges (fees)?
  - e. Does Bahrain help the international companies to have branches in the country?
- a. As we mentioned in the being of this part (project) in Bahrain there are seven types of company, partnership and simple partnership companies, is the most popular in Bahrain, because it is easy to establish and to control with regards to the other type of companies. And with regards to the more popular or more perfect business in Bahrain is the hotel, because it's doesn't need bank quarantine
  - b. The numbers of Commercial registration in Bahrain is increasing day by day, because of Bahrain new tax system, it's increased by 20%,
  - c. This guarantee were impose because of the big number of commercial registration without any body use them, that meant the owner of the registration he will apply for commercial registration to have a company for one reason, that he will import a labours or workers from Asian countries to work in the country as a free visa people, the owner will collect from this people a part of cash every month. ( the bank guarantee is different from one business to other and it is starting from B.D. 1000.000 to 3000.000)

Refer to that reason the government brought up the bank guarantee idea, because if the applicant for the new commercial registration wants the business for real job he will be sure arrange for the bank guarantee.





The Ministry of Commerce will have list of businesses registered in daily report that they have to visit the businesses registered, which they are selected randomly to make sure that the company or that type of business is exists or not.

If the inspection (visit) were made and they found that the company or the business isn't exist the Ministry of Commerce will cancel the commercial registration of that business, and they will inform the Ministry of Labour to block the labour renewals for that business, and list them in the black list.

- d. The registration charges (fees) to start a business in Bahrain, is actually lower then other countries. Second about the annually charges they are simple it is approximate BD. 76 only which is( \$ 202.000) but it depends on the activity of the company and the class.( see appendix 3 for the charges and fees ).
- e. Bahrain as we know that has got a perfect location that is in the middle of Gulf area and the sea is around it from the four sides.

Bahrain is helping the international companies to have branches in his country from different ways for example;

- **Customs duties**

Customs duties are not applied to imports of raw materials, intermediate goods used for manufacturing, and goods for re-export. Exports qualify for duty-free status if 40% of the content has been added locally. Also exempted are goods originating from other GCC countries. A new import regime has reduced duties from 10% to 7.5% on general luxury goods, as well as on electrical and communications items. A 5% tax on food has been removed. Automobiles attract 20% duty; cigarettes and tobacco products, 50%; and alcohol, 125%. GCC states, including Bahrain, have agreed to unify customs tariffs at 5.5% for basic commodities and at 7.5% for other commodities by 2005.

- **Taxation**

Bahrain has no taxes on personal or corporate income, sales, capital gains, estates, interest, dividends or fees. Indirect taxes include a 10% tax on residential rents, a 12.5% tax on office rents, and a 15% tax on hotel rooms.

- Bahrain is providing more flexible rules for the visitors and business people visas then other countries.





- **MR. Joseph Mathew** (General Manager) of Henson Electrical Co. W.L.L,  
This company actually practices the electrical contracting maintenance job in Bahrain since 1978. It is the third company in the in Bahrain from its size, quality of work and capital.

The following question was introduced in the meeting;

- 1) How many years are you in business?
  - 2) What do you think of the business position in Bahrain?
  - 3) What kind of problem the company faced on the recent years?
- 1) MR. Joseph is in Bahrain since 1985 he is Indian nationality; he started his work as an employee in administration department. In 1994 he becomes the General Manager of the company.
  - 2) The time when he visited Bahrain for the first time in 1985, the shops and the market were very few, may be we can count the big stores by hand, but now he doesn't think so. Bahrain business and market is improving and increasing its size and its quality of business very fast.
  - 3) The problem that the company faced it was financial problems, because of the banks facilities were very restricted and limited, but at the moment they pass this problem.

- **MR. Ali Al Ansari** (Managing Director) of Al Tasheed Contracting Company.

This company it is newly established, we selected this company because we want to see is there any differentiate between the problems which the small and new companies faces and big and old companies. The same questions were introduced.

- 1) Ali Al Ansari, is Bahraini he started the business from two years ago,
- 2) The business position is not so good in this type of businesses, because their is a big number of companies practice the same type of business ,
- 3) They faced several problems;
  - a) The first was the bank guarantee, because the Ministry of Commerce as we know has applied that rule that the company has to block a sum of money in the bank account. That money which was blocked they can use it in their business,
  - b) The rules which was applied by the Ministry of Labour, which it's increase the expense and the cost of the labour in the company,
  - c) Lack of experience in the market and the way to compute.



## **Conclusion:**

**In conclusion marketing & business in Bahrain has so many problems, most of them caused by monopoly; These problems summarized as follow:**

- 1. Bahrain doesn't have enough specialists in the marketing sectors but it has salesmen rather than marketers.**
- 2. Bahrain has problems with customer needs in the showroom –they don't show, as the customer wants it to be.**
- 3. Weakness in sales services. Example of this agencies of car in Bahrain after they sell the car they don't care or provide by easy way the spare parts of the car even if the car are mostly used and widespread like Mazda and so many like them because the trader has been sure their will be no competitor will compete with him in the market.**
- 4. The majority of different income categories in Bahrain are unsatisfied against the market in Bahrain because of the monopoly, in most of the agencies in Bahrain so how the market in Bahrain will to improve.**
- 5. Bahrain hasn't use efficient and advanced techniques in marketing.**
- 6. The personality of sales representative has not taken in into consideration also his or her outlook and the qualification degree in addition to the nationality.**
- 7. Most of people think that to start a business is very easy, and in my project I found out that is not right.**
- 8. The Ministries doesn't help the businesses to produce more, because of the retracted rules as I explain in chapter 4,**
- 9. The cost of starting a business in Bahrain is high,**
- 10. The bank guarantee, which is required by the Ministry of Commerce is actually high for some type of businesses,**
- 11. A new people enter the business without having the required knowledge about their business,**





12. The high qualification is not only the important source for starting the business but the experience is also necessary.

We ended up with that Bahrain has to be reality in dealing with Marketing problems rather than solving the problems outward. The majority of the respondents of the questionnaire approximately the same look toward the problems in Bahrain, also the experts have the same general view about marketing problem. Our observation ended up with that the main problem, which leads any problem, comes from the monopoly. At the end I have suggested some recommendations to improve the marketing & business of Bahrain in order to have better and advanced situation like any other advanced country around the world.



## **Recommendations:**

I suggest to the management in Bahrain to produce and educate more people in marketing sector because, as Dr. Ahmed Al-Jawahiry said “We don’t have marketers in Bahrain but we have sales persons no more” definitely marketer specialist in his major and do his job depending on scientific ways rather than sales person who do follow his own ways in selling the goods, sales person needs some body to guide him and plan in order to know what is customer exactly wants and what is the way of his thinking, and from this he should start setting his job in showing the product and sell it.

I think marketing in Bahrain need some conditions because Bahrain is not like Europeans countries they don’t care about some ethical things in their advertising and they don’t care about the religion, defiantly Bahrain should take the new techniques from the advanced countries but it should take into consideration that any marketer when he come to prepare a marketing plan he should prepare the plan depending on the nature of the nation of the country and any thing other than this is wrong therefore when we come to take the techniques we shouldn’t take unsuitable things with us –example sexual ads – otherwise we will destroy the ethics of the nation and this will give negative results on the long-term rather than the short-term bad results like what happens now.

Also, I recommend for Bahrain to be open market like Emirate because, this will lead the growth in economy to the peak like what we see in Emirate the inflation is down and the liquidity is high and every thing is available by suitable price. We recommend also for Bahrain to try to decrease monopoly as possible because so many sectors in Bahrain cannot be operate properly example of this telecommunication services which are owned by Batelco and no any other company have the authority to operate in this sector so there are no competitor for Batelco. As a result of this, Batelco can control the prices of calls up or down and no body can say this is wrong because he must take his calling services from them.

We can see around the word the Internet are available by cheapest prices than here in Bahrain but as we see in Bahrain, the fees of Internet are too high however the people are needed for this network as a result of this, I think some people are stealing the pass ward because of this monopoly. I think there should be more than one company for this purpose and this will be very useful because if there is more than one company in same sector they will compete each other and in order to do this, they provide new services and offers to attract the customers toward them and also decrease the prices and fees of the services and this will benefit in improving Bahrain in marketing sector and the prices for the population will be very suitable, this is the advantage of the competition.





**On the other hand the Ministries should lower the charges (fees),the bank guarantee, which is required by the Ministry Of Commerce should be adjusted to give more chance to the other type of businesses to come up.**



**Reference:**

1. **Ministry of Commerce (Commercial registration office),  
(Mr. Mohammed Sayd) Bahrain,**
2. **University of Bahrain (UOB),**
3. **Bahrain Investors guide (April 2000),**
4. **[http//www.bpmb.com](http://www.bpmb.com),**
5. **[http//www.bahrain.gov.bh](http://www.bahrain.gov.bh),**
6. **[http//www.bma.bh.gov](http://www.bma.bh.gov),**
7. **[http//www.commerce.gov.bh](http://www.commerce.gov.bh),**
8. **Marketing by Eric N. Berkowitz,**
9. **Bahrain Study Center.**





# **Appendix 1**



استمارة تقديم طلب  
COMMERCIAL REGISTRATION APPLICATION FORM

TRANSACTION TYPE					نوع المعاملة					
PLEASE, TICK THE APPROPRIATE TRANSACTION WITH (✓) MARK					يرجى وضع إشارة (✓) للمعاملة المطلوبة					
NEW	BRANCH	CANCEL	ALTER	INF.	مستخرج	تعديل	شطب	فرع	جديد	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1	2	6	7	12	12	7	6	2	1	
CHANGING ACTIVITIES				7	<input type="checkbox"/>	تغيير نشاط	COMML. NAME ALTERATION	3	<input type="checkbox"/>	تغيير اسم تجاري
CHANGING ACTIVITIES				5	<input type="checkbox"/>	إضافة نشاط	COMML. ADDRESS ALTERATION	3	<input type="checkbox"/>	تغيير عنوان تجاري
DELETING ACTIVITIES				8	<input type="checkbox"/>	شطب نشاط	TRANSFER CO. TO INDIVIDUAL	6	<input type="checkbox"/>	تحويل شركة إلى فرد (إنسحاب شريك)
CHANGING ACTIVITIES				9	<input type="checkbox"/>	فصل نشاط	TRANSFER PROPRIETORSHIP TO CO.	6	<input type="checkbox"/>	تحويل فرد إلى شركة (إضافة شريك)
TRANSFERRING OWNERSHIP				6	<input type="checkbox"/>	نقل الملكية	BRANCH AMALGAMATION	12	<input type="checkbox"/>	دمج فروع
CHANGING AGENT/REPRESENTATIVE				10	<input type="checkbox"/>	إدخال وكيل	DEATH & ADD INHERENCE	10	<input type="checkbox"/>	وفاة وإدخال وريثة
CHANGING AGENT/REPRESENTATIVE				11	<input type="checkbox"/>	تغيير وكيل	OTHERS	13	<input type="checkbox"/>	أخرى

نوع المؤسسة: بحرينية  خليجية  GCC أجنبية  BAHRAINي

**PERSONAL INFORMATION** المعلومات الشخصية

APP. NAME  اسم صاحب الطلب

PR #  رقم الهاتف

MOBILE #  رقم الفاكس

EMAIL #  البريد الإلكتروني

AGENT/DIR. CPR #  اسم الوكيل/المدير

AGENT/DIR. NAME  الرقم السكاني

**COMMERCIAL INFORMATION** المعلومات التجارية

COMML. NAME  الإسم التجاري

C. R. #  رقم السجل التجاري

COMMERCIAL ADDRESS  العنوان التجاري

RD / ST  شارع / طريق BLDG.  مبنى FLAT / OFFICE #  شقة / مكتب

P.O. BOX #  ص. ب. VILLA / TOWN  مدينة / قرية BLOCK #  مجمع

**ACTIVITIES TO BE PRACTICED / CHANGE / ADD / DELETE** نوع النشاط المراد مزاولته / تغييره / إضافته / شطبه

الرمز CODE	م/غير مستورد	ACTIVITIES	وصف النشاط	الرمز CODE	م/غير مستورد	ACTIVITIES	وصف النشاط
<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>		

**OTHER ALTERATION** التعديلات الأخرى

TO  من

FROM  إلى

**APPLICANT'S REMARKS** ملاحظات صاحب الطلب

DATE  توقيع صاحب الطلب

APPLICANT SIGNATURE  التاريخ

**OFFICIAL USE: UNDER STUDY**  للدراسة **REJECTED**  مرفوض **ACCEPTED**  مقبول

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## **Appendix 2**

# Questionnaire of Marketing exhibition in Bahrain (Showrooms)

1. What do you think about shopping in Bahrain comparing with other countries?
  - a. Excellent.
  - b. Good .
  - c. Poor.
  - d. Bad.
  
2. As a customer, do you feel comfortable when you are shopping in Bahrain?  
Yes ☺       No ☹
  
3. What is The significant characteristic of a *showroom*?
  - a. Location .
  - b. Size.
  - c. Design.
  - d. Other things.
  
4. What kind of facilities do you prefer to find in a *show room*?
  - a. Test drive (car)..
  - b. Product demonstration.
  - c. Sales representative treatments.
  - d. Other things.
  
5. From your experience, what type of the following **problems** is relevant to a *showroom*?
  - a. Mismanagement .
  - b. Lack of experience.
  - c. Low qualification .
  - d. Other things.
  
6. What are the **problems** that face you as a customer when you **buy** a product?
  - a. Product services .
  - b. Sales person treatment .
  - c. The price .
  - d. The distance of the place.
  - e. Quality of the product.
  
7. What is your impression about shopping in general in Bahrain?  
Good       Bad
  
8. Through your observation, do you think the sales techniques of the firms in Bahrain are \_\_\_\_ techniques?
  - i. Advanced and effective.
  - ii. Advanced and in effective.
  - iii. Traditional (old) and effective.
  - iv. Traditional and in effective.
  - v. Not using any.

Thank you for helping me





# A Questionnaire Of Sales Representatives

## Gender

Male ♂

Female ♀

## Age

a. 15-19.

b. 20-24.

c. 25-29.

d. 30-39.

e. 40 and above.

1. Do sales representatives need to have \_\_\_\_\_ personality with every body?

i. Strong.

ii. Funny.

iii. Normal.

iv. Weak.

2. What is the level of importance of the speed of sales representative in helping the customers?

i. V.important.

ii. Important.

iii. Less important.

iv. Not important.

3. From your knowledge, do you think sales representatives should have sufficient knowledge about their products?

i. Always.

ii. Almost .

iii. Usually.

iv. It does not matter.

4. Do you think sales representatives should have \_\_\_\_\_ qualification degree?

i. Master .

ii. B.S.c.

iii. Associate Deploma.

iv. Secondary school

v. None.

5. Do you prefer sales representative to be in a \_\_\_\_\_ outlook?

i. Classic.

ii. Modern.

iii. Uniform dress.

iv. Normal.

6. A sales representative should be?

i. A young man.

ii. A young lady.

iii. An old man.

iv. An old lady.

v. Any one.

7. Is it important for sales representative to be \_\_\_\_\_?

Bahraini

Non -Bahraini

Thank you for filling my



QUESTIONNAIRE

# A Questionnaire On Starting Business

## Age

- a. 15-19.
- b. 20-25.
- c. 26-and above.

1. What type of business would you like to start?

- i. Contracting.
- ii. Trading.
- iii. Servicing.
- iv. Others.

2. Why you prefer to start that type of business?

- i. Profitable.
- ii. Easy to establish.
- iii. Profitable and easy to establish.
- iv. Others.

3. Do you think that type of business preffer experince?

- i. The experince is important.
- ii. The experince is not important.

4. What do you think about the charges(fees) to start a new business?

- i. Vital.
- ii. High.
- iii. Very high.
- iv. Normal

5. Do you expact any problem on the time yu start the business?

- i. Expact problem.
- ii. Doesn't expect problem.

Thank you for filling my



QUESTIONNAIRE



# Questionnaire on Business

1. What do you think about the business position on the recent years?

- i. Excellent.
- ii. Good .
- iii. Poor.
- iv. Bad.

2. As a business man, do you think the business is good?

- i. Yes ☺
- ii. NO ☹

3. Which kind of business do you have now?

- i. Contracting.
- ii. Trading.
- iii. Others .....

4. When did you start business?

- i. One year ago.
- ii. More than one year less than five years.
- iii. More than .....

5. From your experience, what type of problems do you have in your business?

- i. Financial problem.
- ii. Lack of experiences.
- iii. Low qualifications .
- iv. Other .....

6. When you started the business, did you have any problem?

- i. No.
- ii. Yes .....

7. In your opinion, is it good time to start business now?

- i. Yes.
- ii. No.

8. If your answer on question seven is yes, which type of businesses you prefer to start?

- Trading.
- Contracting.
- Servicing.
- Others .....

Thank you for filling my



QUESTIONNAIRE