Market – Oriented Strategic Planning For Sudanese Live Sheep and Sheep Meat Export Businesses in Saudi Arabia Markets

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Abstract

The aim of strategic planning is to shape the firm's or company's businesses and products so as to attain target profits and growth. Sudanese exports of live sheep and sheep meat to Saudi Arabia market had got limited studies in marketing strategies. In Saudi Arabia market, there is a large current and prospective market for live sheep as well as are several strategic business units (SBUs) of sheep meat. Sudan had a considerable share in live sheep imports and in only two of the strategic business units of sheep meat, but had also substantial problems. The study used the Boston consulting group model to assess Sudan businesses in live sheep and sheep meat in Saudi Arabia market. In 1996 it was found that Sudan's businesses have been in dog cell, and in 2005 it was found that two of Sudan's businesses have been in problem children cell and one of Sudan's businesses have been in cash cow cell. Using the product market expansion grid, of Ansoff model, the researchers also found that Sudan can develop exports by adopting market penetration strategy and market and product development strategies.

1-Introduction

Sudan enjoys substantial resources and potential in livestock and meat. The livestock sector is a major contributor to the national income and to the foreign exchange revenues. Moreover the livestock sector does not require large amounts of foreign exchange for capital goods and other inputs to generate its income. Although the livestock sector is so large, exports are still low in spite of the substantial and potential market. The potential for further rapid increases in exports is therefore large.

The Arab countries region is a meat deficit area. Few countries in the region can produce only part of their annual meat requirements. Owing to limited local production, the Arab countries are highly dependent on international markets to import and satisfy their meat requirements.

2- The problem of the study

In the late 1980s and 1990s, Sudanese live sheep exports faced high competition in Saudi Arabia's market from Somalia, New Zealand, Australia, Syria, Jordan and Turkey. Due to high competition Sudanese market share decreased from 16.7% in 1980 (Khalifa, 1986) to 3.0% in 1988 (Khalil, 1995). To regain their market share, Sudanese exporters pursued price competition strategy. In general, this strategy led to increase in market share in the 1990s, but this increase was attained at the expense of the continuity of many exporters in the business. The result of price competition strategies was financial losses and the collapse of the majority of exporters despite the great experience they accumulated in the business. Not only that but many of them were taken to jail as defaulters.

A more severe problem than that of live sheep was confronted by exporting sheep meat. Rising prices of sheep meat in the early seventies stimulated exports (Khalifa, 1986). Nevertheless sheep meat exports did not continue. It stopped from 1982 till 1991 as foreign trade statistics show. To regain their position in the market, in 1990s Sudanese exporters followed price competition strategy. The government resorted to contract the exclusive agreement for exporting Sudanese livestock and meat to find solutions for the problems confronting the sector of exports of Sudanese livestock and meat. This agreement was made on 29th September 2002 and it was canceled by the end of September 2004 as a result of its failure to contribute any solutions for the sector (Exclusive agreement, 2002).

The deterioration of exports of Sudanese livestock and meat continued during the years 2000 – 2008. Exports of Sudanese live sheep declined from 1705489 head and 1997775 head in 1998 and 1999 respectively to 846791 head and 575612 head in 2007 and 2008 respectively. Exports of Sudanese meat declined from 13385 ton and 10231 ton in 1998 and 1999 to 1046 ton and 5 ton in 2007 and 2008 respectively (Bank of Sudan Annual report 1998 - 2008).

Sudanese exports of live sheep and sheep meat to Saudi Arabia market had got limited studies in marketing strategies despite the severe export problems. It is also essential for Sudanese exporters to know where their businesses stand in Saudi Arabia market so as to develop effective strategies and proceed with investments.

3- Objectives of the Study and Hypotheses

In view of the problem of the study three objectives are developed. First one is to investigate strategic planning of Sudanese exports of live sheep and sheep meat products in Saudi Arabia market. The second objective is to determine where the portfolio of Sudanese live sheep and sheep meat businesses stand as strategic business units in Saudi Arabia market. Third is to develop appropriate strategies for improving the portfolio of Sudanese live sheep and sheep meat businesses in Saudi Arabia market.

And the main hypotheses to be tested are:

H1: The portfolio of Sudanese live sheep and sheep meat businesses in Saudi Arabia market is weak and non-profitable.

H2: Research and portfolio analysis may identify new strategic business units (SBUs) that can be successfully introduced in the export investment portfolio.

4- Literature on market - oriented strategic planning

The Sudanese exports of live sheep and sheep meat needs study of market strategies. Market oriented strategies aim to shape the company's businesses and products so that they yield target profits and growth. Today, the main goal of strategic planning is to help a company select and organize its businesses in a way that will maintain company survival and continuation by its specific businesses or product lines despite adverse conditions and events. These Successful performances can be achieved as an investment portfolio. Business strength can be assessed by considering the market's growth rate and the company's position in that market. Furthermore, for each of its businesses, the company must develop a plan for achieving its long-run objectives. Each company must determine what makes the most sense in the light of its industry position, objectives, opportunities, skills, and resources.

Top management planning consider the following (Kotler, Keller 2006):- Firstly: Establishing strategic business units (SBUs), secondly: Giving resources to each SBU and thirdly: Planning new businesses, downsizing older businesses.

A business can be defined in terms of three dimensions: Customer groups, customer needs and technology. Large companies normally manage quite different businesses, each needing its own strategy and each business is called strategic business unit (SBU) which has the characteristics of being a single business or collection of related businesses that can be planned separately from the rest of the company, has its own set of competitors and has a manager who is responsible for strategic planning and profit performance and who controls most of the factors affecting profit.

The purpose of identifying the company's strategic business units is to develop separate strategies and assign appropriate funding. Senior management knows that its portfolio of units usually includes a number of past as well as prospective businesses. Yet it cannot rely just on impressions; it needs analytical means for classifying its businesses by profit potential. One of the best-known business portfolio evaluation models is the Boston Consulting Group model (BCG).

The company's plans for its existing businesses allow it to estimate total sales and profits. Often, estimated sales and profit are less than what corporate management wants them to be. If there is a strategic-planning gap between future desired sales and estimated sales, corporate management will have to develop or acquire new businesses to fill it. Three options are available. The first is to identify opportunities to perform further growth within the company's current businesses (intensive growth opportunities). The second is to identify opportunities to build or acquire businesses that are related to the company's current businesses (integrative growth opportunities). The third is to identify opportunities to add attractive businesses that are unrelated to the company's current businesses (diversification growth opportunities) (Kotler, Keller 2006).

Corporate management's first course of action should be a review of whether any opportunities exist for improving its existing businesses performance. Ansoff has proposed a useful framework for finding out new intensive growth opportunities called a product-market expansion grid see Figure (1) and Exhibit (1). The company first considers whether it could gain more market share with its current products in their current markets by market-penetration strategy. Next it considers whether it can find or develop new markets for its current products by market development strategy. Then it considers whether it can develop new products of potential interest to its current markets by product-development strategy. Later it will also review opportunities to develop new products for new markets by diversification strategy. (Proctor, 2002)

Figure I: Ansoff's product Market Expansion Grid

	Existing products	New products
Existing markets	Market Penetration strategy	Product development strategy
New markets	Market development strategy	Diversification Strategy

Source: (Proctor, 2002).

Figure 2: Generic strategies based on Ansoff matrix

Market penetration strategy • Increase purchase use by existing customers. • Win customers from competition • Convert non-users.	**Product Development strategy** • New features. • Different quality level. • New products.
Market development strategy • New market segments • New distribution channels. • New geographic markets	**Diversification strategy** • Through Organic growth. • Through acquisition. • Through joint venture.

Source: (Proctor, 2002).

In case of downsizing Older Business companies must not only develop new businesses but also carefully prune, harvest, or divest tired old businesses in order to release needed resources and reduce costs. Weak businesses need a disproportionate amount of managerial attention. Managers should focus on a company's growth opportunities, not to waste energy and resources.

In this research the study established strategic business units for live sheep and sheep meat in Saudi Arabia market and then identified the strategic business units in which Sudan has a share. Then the study uses the Boston Consulting Group Model to assign Sudanese live sheep and sheep meat businesses in Saudi Arabia market. After that the new businesses are to be phased out.

5- Previous studies

Marketing Policies of Sudanese Livestock and Meat in Foreign Markets: This is an M.Sc thesis by Badawi 1998. There are several objectives of this study. Firstly, the provision of the data and information which may assist in setting marketing policies of the Sudanese livestock and meat. Secondly, to study the marketing mix applied to Saudi Arabia markets, to know the viability of such mix to the requirements of this market and to know the strengths and weakness. Thirdly, to study the taste and behavior of Saudi Arabia consumers and to determine consumers needs so as to satisfy them. All these objectives seek to reveal the major causes of the research problem, which is represented by the small amount of exports compared to available quantities. Badawi has concluded that the following factors contribute to the deterioration of competitive ability for exporters of Sudanese livestock and meat in Saudi Arabia market.

i. The product mix is restricted to livesheep and sheepmeat and not diversified to include other types of meat. Labeling was below the required standard compared with products of other countries. The package did not contain information about the kind of the product and its contents and other useful information for the consumers. There is a small label, which is put with the slain animal or inside the carton but the information in it is not enough and played no role in promotion . There is no special branding or trade marks for Sudanese meat and these enabled some meat merchants to sell other meat of lower quality as Sudanese meat to benefit from high price and high quality of Sudanese meat.

ii. High prices of Sudanese livestock and meat.

iii. Advertising is below the required standard. Regarding personal sale it has become clear that sellers in the meat markets most of whom come from Asia and they have no skills of Arabic language and concentrate on temptation that the meat is a good Sawakni meat. Some sales men paid monthly and they are neither trained nor given incentive. Activating sales of meat in the kingdom is done through good representation and lowering of prices.

iv. Transportation or physical distribution in Sudan suffers from numerous problems.

The Competitive Ability of Sudanese Livestock and Meat Exports: This is MSc. thesis study is by Mohammed, 1999. The main objective of this study was to reveal the defects of finance, foreign currency policy, marketing mix, and export's infrastructure that affect the competitiveness ability of Sudanese livestock and meat exports to Saudi Arabia market. Mohammed has concluded that the following factors contribute to the deterioration of competitive ability of Sudanese livestock and meat in Saudi Arabia market.

i. Sudanese exporters adopt the production orientation for Sudanese livestock and meat exports to Saudi Arabia market instead of market orientation.

ii. High prices of Sudanese livestock and meat.

iii. Some defects in channel of distribution.

iv. Lack of interest in promotion.

v. High cost of financing and its scarcity.

vi. Instability in foreign exchange policies and also the lack of justice in the distribution of export return among exporters.

vii. The week structures of transportation sector and the services of exporting livestock and meat (scientific research, slaughtering houses and quarantine).

6-The BCG Growth-share Matrix Model

Portfolio analysis started in the mid 1960S with the BCG growth-share matrix which was pioneered and used extensively by the Boston consulting group. The concept was to position each business within a firm on the two-dimensional matrix. The market-share dimension (actually the ratio of share to that of the largest competitor) was regarded as pivotal because it reflected cost advantages resulting from scale economies and manufacturing experience. The growth dimension was considered the best single indicator of market strength (Aaker, 2005). The steps in completing the matrix are as follows:-

1- For each product or strategic business unit, determine the annual growth rate in the market. Normally, annual growth rates of 10 percent or more are considered "high" and anything less than this low.

2- Determine the relative market share of each product or strategic business unit by comparing with the share of the largest competitor, and express as a ratio. In order to qualify for the "high "relative market share category, a ratio of 1.0 or above is required. For example, if the market share of the product is 20 percent and the largest competitor has only 10 percent, the ratio is 2:1. Clearly, in order to qualify for the "high "relative market share category, the product or business must be equal to the share leader in the market. We now have all the information we need to position products or businesses in the matrix. We can also point out the relative values of the turnover of each product or business by using a circle, where the area of each circle is proportionate to this turnover. Due to which cell of the matrix the products or businesses are calculated to lie, they are classified as being stars, cash cows, dogs and problem children or question mark (Lancaster and Massingham, 1999).

The star (the high – share, high-growth quadrant) is important to the current businesses and should receive resources if needed. Cash cows (the high-share, low growth quadrant) should be the source of substantial amounts of cash that can be channeled to other business areas. Dogs (Low – growth, low – share quadrant) are potential cash traps because they perpetually absorb cash. Problem children (low-share, high-growth quadrant) are assumed to have heavy cash needs before they can be converted into stars and eventually cash cows (Aaker, 2005).

After plotting its various businesses in the growth share matrix, a company must decide whether its portfolio is healthy. An unbalanced portfolio would have too many dogs or problem children and / or too few stars and cash cows (Kotler, 2000).

The BCG model is based on an implicit assumption that costs fall with experience and that the business that gains the most experience will have the lowest costs. In a young rapidly growing market, experience is rapidly acquired, thus increasing the benefits of cost reduction and making it attractive to have a large market share. However, in low-growth, mature markets the cost benefits acquiring from experience are low and the benefits from increasing market share in order to gain cost advantages are small. The experience curve should not therefore suggest continuous cost reductions, but reductions during the growth phase, with cost increases occurring during the maturity stage (proctor, 2002).

7-Analysis and Discussion

The kingdom of Saudi Arabia is the largest importer of livestock and meat in the Gulf States of the Middle East. It has substantial production deficit in livestock and meat products and attempts to overcome this by imports of live sheep, beef and mutton and lamb. In addition, it is the traditional market for the exported Sudanese sheep and sheep meat and bovine meat. Sudan has very close physical links with Saudi Arabia. Also cultural links between the two countries are strong, and there is a large number of Sudanese working in Saudi Arabia (FAO, 1997). There is a large strategic business unit (SBU) for livesheep in Saudi Arabia and there are eight small SBUs of sheepmeat in Saudi Arabia (Osman, 2007). Sudan has a share in livesheep and in only two of the SBUs of sheepmeat. The SBUs of sheep meat are:

Fresh Meat:

1) Market for carcass of lamb fresh (CLF).

2) Market for carcass of sheep fresh (CSF).

3) Market for cuts with bone in of sheepmeat fresh (BSF).

4) Market for bone less sheepmeat fresh (BLSF).

Frozen Meat:

1) Market for carcass of lamb frozen (CLZ).

2) Market for carcass of sheep frozen (CSZ).

3) Market for cuts with bone in of sheep meat frozen (BSZ).

4) Market for bone less sheep meat frozen (BLSZ).

Sudan share only in CLF and CSF.and in live sheep.

7-1- Analysis and discussion for the period 1992 – 1996

Using the Boston Consulting Group Model the study decided to assess the Sudan's business in live sheep and sheep meat in Saudi Arabia Market, the researchers must know market growth rate (MGR) and relative market share (RMS) for each SBU, for market growth rate see Table(1) and for relative market share see Table (2). Then the matrix diagram was plotted for the three strategic business units in which Sudan has a share. See Figure (2).

Table (1) Market Growth Rate for the 3 SBUs in 1996.

SBUs	quantity in 1992 in ton	quantity in 1996 in ton	Total growth	Total growth in %	annual growth in %
live sheep (Ls)	148284	166878	18594	12.54%	2.51%
carcass of lamb fresh (CLF)	4749	4966	217	4.57%	0.9%
Carcass of sheep fresh (CSF)	9610	13147	3537	36.81%	7.36%

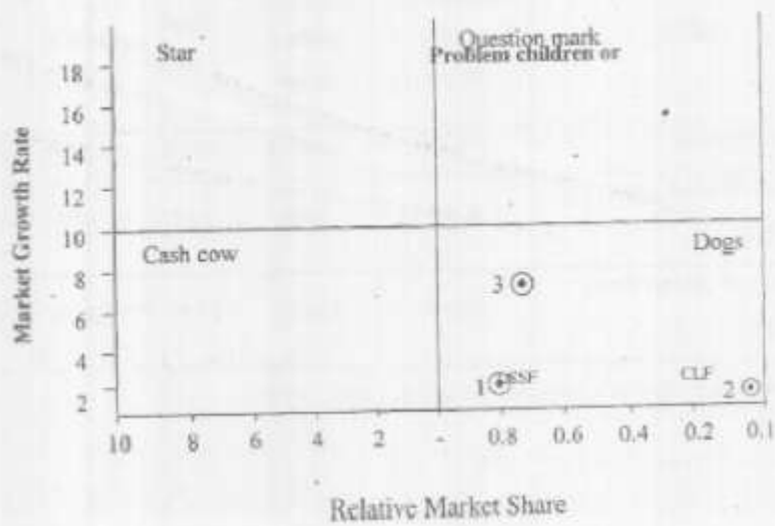
Source: Saudi Arabia's Imports Statistics, 1992- 1996.

Table (2) : Relative Market Share For The Sudan In The 3 SBUs in 1996.

SBUs	Sudan's share	largest competitor's share	relative market share
1-live sheep (LS)	19.47%	24.41%	0.8
Carcass of lamb fresh(CLF)	9.83%	82.16%	0.12
Carcass of sheep fresh (CSF)	28.91%	43.36%	0.67

Source: Saudi Arabia's imports statistics, 1992-1996.

Figure (3): Assessment of Sudanese Strategic Business Units in Livesheep and Sheepmeat in Saudi Arabia Market by the BCG Model for the year 1996:



1- SBU for live sheep MGR = 2.51%

RMS = 0.8 Market size = 166878 ton

Sudan share in ton = 32487.

2- Carcass of lamb fresh (CLF).

MGR=0.9% RMS=0.12

Market size = 4966 ton Sudan share in ton = 488.

3- Carcass of sheep fresh (CSF). MGR = 7.36%

RMS = 0.67 Market size = 13147 ton Sudan share in ton = 3801

Source: Tables (1) and (2).

After plotting its business in growth share matrix, Sudan must determine whether its portfolio is healthy or not. An unbalanced portfolio would have too many dogs or problem children and/or too few stars and cash cows. Sudan's SBUs are in dog cell, so it must divest harvest them. Dogs are businesses that have weak market shares in low rate growth markets. They generate low profits or losses. In these three SBUs the study found that there is strategic planning gap between future desired sales and actual sales. Corporate management will have to develop or acquire new business to fill it. Three options are available in such situation. The first is to identify opportunities to achieve further growth within the company's current businesses (Intensive Growth Opportunities). The second is to identify opportunities to build or acquire business that are related to the company's current businesses (integrative growth opportunities). The third is to identify opportunities to add attractive business that are unrelated to the company current business (diversification growth opportunities).

Here in this study, the option of intensive growth is taken. Corporate management's first course of action should be a review whether any opportunities exist for improving its existing businesses performance. Ansoff has proposed a useful framework for detecting new intensive growth opportunities called a product-market expansion grid. The company first considers whether it could gain more market share with its current products in their current markets (market-penetration strategy). Next it considers whether it can find or develop new markets for its current products (market development strategy). Then it considers whether it can develop new products of potential interest to its current market (product-development strategy). Later it will also review opportunities to develop new products for new markets diversification strategy.

In this study, the options of market penetration, market development and product development strategies were taken. The option of market penetration strategy and the option of market development were made for livesheep SBU and for carcass of sheep fresh (CSF) SBU. The SBU of carcass of lamb fresh (CLF) is to be divested because it has very low market growth rate (0.91%) and very low relative market share (0.12), so no improvement can be made to move it from dog cell into the cash cow cell.

To implement the option of product development strategy, the researchers must scan the other SBUs of sheep meat in Saudi Arabia market. There are six SBUs of sheep meat. Sudan has no share in these six SBUs.

After market and SBUs investigations, the researchers considered market growth rates to determine which SBUs have the best opportunities to improve Sudan's businesses. For the market growth rates of these SBUs see Table (3).

Table (3) : Market Growth Rate for 6 Meat SBUs.

SBUs	quantity in 1992 (ton)	quantity in 1996 (ton)	Total growth	total growth in%	annual growth in%
1-other cuts with bone in of sheep fresh (BSF)	2556	5101	2545	99.57	19.91
2-Boneless sheep meat fresh (BLSF)	2272	2542	270	11.88	2.38
3-carcass of lamb frozen (CLZ)	6416	6180	-236	-3.68	-0.74
4- carcass of sheep frozen (CSZ)	4030	2236	-1794	-44.52	-8.9

5- other cuts with bone in of sheep meat frozen (BSZ)	918	5418	4500	490.2	98.04
6-Boneless sheep meat frozen (BLSZ)	3693	5844	2151	58.25	11.65

Source: Saudi Arabia's imports Statistics 1992 - 1996.

After scanning the market growth rate for these six SBUs, the researchers found that some market growth rates are negative, and this means market size is declining; consequently all the SBUs with declining markets are ignored. Furthermore, the two SBUs of boneless meat (BLSF and BLSZ) are also ignored because Sudan lacks technology to produce such product.

Finally, the study concentrated on only two SBUs with higher market growth rate which are other cuts with bone in of sheep meat fresh BSF (MGR = 19.91) and other cuts with bone in of sheep meat frozen BSZ (MGR = 98.04). Sudan can raise its sales by adopting market penetration strategy and market development strategy for live sheep SBU and for carcass of sheep fresh "CSF" SBU and adopting product development strategy for other cuts with bone in of sheep meat fresh "BSF" SBU and other cuts with bone in of sheep meat frozen "BSZ" SBU. So in Saudi Arabia Sudan must continue to do its business in the previous two SBUs which are live sheep SBU and CSF SBU, and must develop new products to share in the two new SBUs, which are BSF SBU and BSZ SBU.

7-2: Analysis and discussion for the 2004 – 2008 period

To assess the Sudan's business in live sheep and sheep meat in Saudi Arabia market, the study must know market growth rate and relative market share for each SBU for market growth rate see Table (4) and for relative market share see Table (5). The matrix diagram was plotted for the three strategic business units in which Sudan has a share see Figure (3).

Table (4): Market Growth Rate for the 3 SBUs in 2005

SBUs	Quantity in 2004 in ton	Quantity in 2005 in ton	Annual growth	Annual growth in percent
1. Live sheep (Ls)	177819	219011	41192	23%
2. carcass of Lamb fresh(CLF)	5045	6761	1716	34%
3. Carcass of sheep (CSF)	5717	6151	434	7.6%

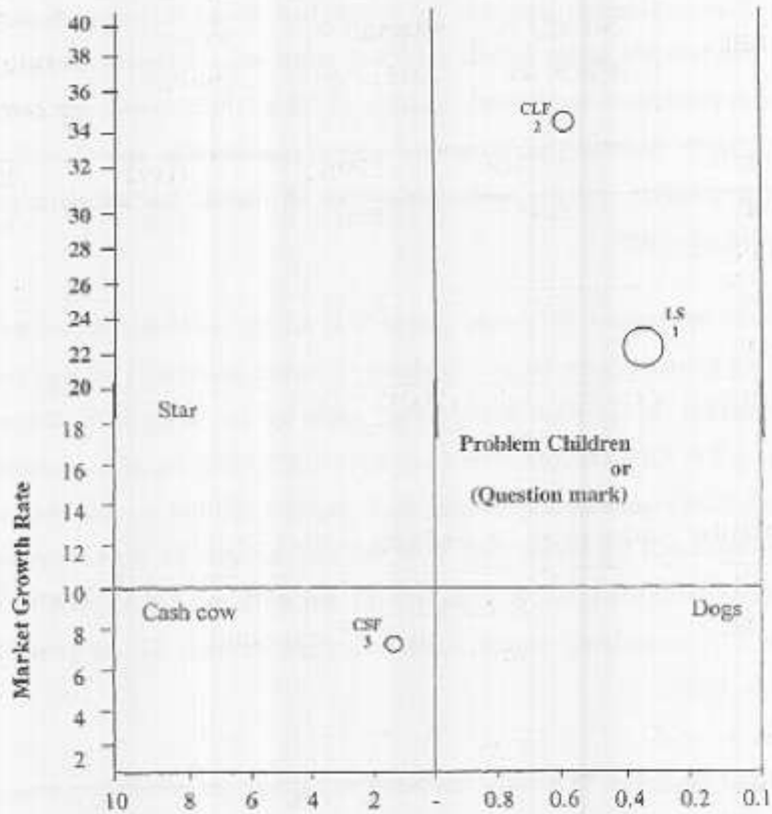
Source: Saudi Arabia's imports statistics 2004 – 2005

Table (5) Relative Market share for the Sudan in the 3 SBUs in 2005.

SBUs	Sudan's share	Largest competitor 's share	Relative market share
1. Live sheep(LS)	17%	49%	0.35
2. carcass of lamb fresh CLF)	22%	38%	0.6
3. carcass of sheep fresh (CSF)	44%	33%	1.3

Source: Saudi Arabia's imports statistics 2004 – 2005

Figure (4): Assessment of Sudanese strategic Business units in live sheep and sheep meat in Saudi Arabia Market by the BCG Model for the year 2005.



1- SBU of livesheep (LS) MGR = 23% RMS = 0.35

Market size = 219011 ton. Sudan share in ton = 38033

2- Carcass of Lamb fresh (CLF) . MGR = 34%

RMS = 0.6 Market size = 6761 Sudan share in ton = 1514

3- Carcass of sheep fresh MGR = 7.6% , RMS = 1.3

Market size = 6151 Sudan share in ton = 2683

After plotting its businesses in growth share matrix, Sudan must determine whether its portfolio is healthy or not. An unbalanced portfolio would have too many dogs or problem children and / or too few stars and cash cows. Two of Sudan's SBUs are in problem children cell. One of Sudan's SBUs is in cash cow cell. Problem children or question marks (low share, high – growth quadrant) are assumed to have heavy cash needs before they can be converted into stars and eventually cash cows. Sudan had an unbalanced portfolio because it had two problems children and only one cash cow. As a result of an unbalanced portfolio, the researchers found that there is strategic planning gap between future desired sales and actual sales. Corporate management will have to develop or acquire new business to fill it. Three options are available: intensive growth opportunities, integrative growth opportunities and diversification growth opportunities. In this study the model of Ansoff for intensive growth opportunities was taken.

In this study the options of market penetration, market development and product development strategies were taken. The option of market penetration strategy and the option of market development strategy were made for live sheep SBU, Carcass of lamb fresh (CLF) SBU and carcass of sheep fresh (CSF) SBU. The SBU of carcass of sheep fresh (CSF) succeeded to transfer from dog cell in 1996 to cash cow cell in 2005, but Sudan will not benefit more from this SBU because the market size of this SBU declined from 13147 ton in 1996 to 6151 ton, 4378 ton and 3832ton in 2005, 2006 and 2008 respectively (Saudi Arabia's imports statistics for the years 1996, 2005, 2006 , 2008).

To implement the option of product development strategy, the researchers must scan the other SBUs of sheepmeat in Saudi Arabia market, there are six SBUs of sheepmeat. Sudan has no share in these six SBUs. After market and SBUs investigations the researchers considered market growth rate and market size of these SBUs to determine which SBUs have the best opportunities to improve Sudan's businesses. For market growth rates and market size of these SBUs see Table 6.

Table (6): Market growth Rate for 6 meat SBUs.

SBUs	Quantity in 2005 (ton)	Quantity in 2008 (ton)	Total Growth	Total growth in %	Annual growth in %
1. Other cuts with bone in of sheep fresh(BSF)	651	901	250	38%	9.5%
2. Boneless sheep meat fresh (BLSF)	-	-	-	-	zero
3. Carcass of lamb frozen (CLZ)	7900	3798	-4102	-2%	-13%
4. Carcass of sheep frozen (CSZ)	5837	6504	667.	11%	2.8%
5. Other cuts with bone in sheep meat frozen (BSZ)	23824	34308	10484	44%	11%
6. Bone less sheep meat frozen (BLSZ)	8290	8248	-42	- .5%	-.13%

Source: Saudi Arabia's imports statistics 2005 – 2008.

After scanning the market growth rate for these six SBUs, the researchers found that market size for BLSF SBU become zero, so the researchers ignored it. Also CLZ SBU was ignored because it had a negative market growth rate (-13%).

Finally, the researchers concentrated on BSF SBU, BSZ SBU, CSZ SBU and BLSZ SBU. The BSF SBU (MGR = 9.5%) and BSZ SBU (MGR = 11%) had a high market growth rate. The CSZ SBU (MGR = 2.8 , Market size = 6504 ton) and BLSZ SBU (MGR = -0.13%, Market size = 8248 ton) had a very small market growth rate but they had a large market size.

Sudan can raise its sales by adopting market penetration strategy and market development strategy for livesheep SBU, carcass of lamb fresh (CLF) SBU and carcass of sheep fresh (CSF) SBU and adopting product development strategy for other cuts with bone in of sheep meat fresh (BSF) SBU, other cuts with bone in of sheepmeat frozen (BSZ) SBU, carcass of lamb frozen (CLZ) SBU and Bonless sheepmeat frozen (BLSZ) SBU. Within Saudi Arabia Sudan must continue to do its business in the previous 3 SBUs which are livesheep SBU and CSF SBU and CLF SBU, and must develop new products to share in the four new SBUs which are BSF SBU, BSZ SBU , CLZ SBU and BLSZ SBU.

8- Recommendations

The study proposes the following recommendations:

1. Sudan can raise its sales by adopting market penetration strategy and market development strategy for livesheep SBU, carcass of sheep fresh SBU and carcass of Lamb fresh SBU and adopting product development strategy for BSF SBU , BSZ SBU , CLZ SBU and BLSZ SBU.
2. Sudanese exporters must know that consumers in Saudi Arabia market prefer other cuts with bone in sheep and boneless sheep meat more than carcass of lamb or carcass of sheep.
3. Sudanese exporters must know that consumers in Saudi Arabia market prefer frozen meat to fresh meat because fresh meat reaches consumers in bad form.
4. Sudanese exporters must develop new technology to produce meat without bone in order to participate in the SBU of frozen boneless sheep meat.

5. The Sudanese exporters should stop price competition which failed during the 1990s and resort to non – price competition.
6. Sudanese exporters must adopt the marketing orientation instead of production orientation for Sudan's exports of live animals and meat in foreign markets.
7. More studies on consumers' taste and behavior in foreign markets must be done so as to determine their needs.
8. The globalization of the markets and therefore, the tough competition that follows are likely to have the greatest influence on the product to be supplied. Sudanese producers' union and exporters must supply young and fattened animal and these require efficient breeds, improved feeding and better management. Sudanese producers must adopt modern fattening techniques to produce young animal of big weight.
9. Sudanese exporters must reduce the cost of Sudanese livestock and meat by trying to get rid of speculations in internal markets and reducing the rates and allowances and fighting brokers.
10. Sudanese exporters must open new markets for Sudanese livestock and meat in other foreign markets.
11. Sudanese exporters and producer's union must pay more attention to the process of packaging, labeling and branding the products.
12. Sudanese exporters must diversify Sudanese livestock and meat exports in foreign markets by expansion of the commodity mix vertically and horizontally. This expansion can be done by increasing the exports of goats and camels and cows. Also this expansion can be done by increasing the exports of beef, goat's meat and camel's meat. Also this expansion can be done through the expansion in processing of canning meat, use of left – over to reduce the costs of production and marketing.
13. Sudanese exporters must pay attention to the promotion as a most important factor of market.
14. Sudanese government should effectively pursue strategies and programmes for the rehabilitation of the export's infrastructure of live animals and meat.

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