

A Look at Euro-Mediterranean Countries from a Trade Logistics Point of View

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THE PROCESS OF GLOBALIZATION and the importance of the geographical areas have shifted focus towards the Mediterranean countries. This focus, without concentrating solely on Europe, has allowed other sea sharing nations to be collaborating. In terms of the Euro-Mediterranean (EuroMed) process we see this on multiple levels (cultural, trade, academic, etc.). In terms of international trade logistics, similar actions are in dire need for development. Looking at the countries that share the Mediterranean and their logistics capacities, the research at hand aims to review individual country performances in terms of logistics income in the Mediterranean region with regard to recent trends and opportunities. The countries concerned in this study are Albania, Croatia, Cyprus, Egypt, France, Greece, Israel, Italy, Malta, Morocco, Slovenia, Spain and Turkey.

INTRODUCTION

Over time, local markets, international markets and between country relations have become an area of vital importance. Hence, one can observe the basic importance of international marketing through the hot world of international markets a being global economy and 'globalization.' Internationalization, or what has shifted through the term globalization, has also been integrated and well established into the field of marketing itself. To better define a standpoint of looking at marketing from this point of view, a definition of global and international marketing is needed. Briefly when we consider the term of global marketing we see that global marketing is: 'marketing by a firm on a worldwide scale.' On the other hand, when we look at the definition of international marketing we see that: 'Marketing is concerned with developing and managing trade across international boundaries.'

[20] The clearest point lying between the difference stands within the elaboration of the terms. A global marketing approach sometimes conveys the view that the firm's marketing is performed in essentially the same way globally. A company's global marketing strategy and practice can be far more complex, and adaptations can be based on global differences that are clearly within the broad scope of global marketing. On the other hand, international marketing may involve efforts that span multiple countries, but where countries do not differ significantly on a cultural dimension as much as on other characteristics (Dacko 2008, 231, 278). In terms of international marketing and in terms of international trade logistics, historically the importance of the European continent and the Mediterranean bordering countries has been vast. To elaborate on this matter, it can be said that the interdependency of countries bordering on the Mediterranean Sea and their place in terms of trade has been of great importance.

Marketing by definition deals with the performance of activities that seek to accomplish an organization's objectives by anticipating customer or client needs and directing a flow of need-satisfying goods and services from producer to customer or client (Perrault, Cannon, and McCarthy 2009, 6). From a consumer oriented point of view, the directing of need-satisfying goods according to consumers is a vital element of marketing. Apart from being customer oriented, it is a vital point to focus on the distribution of products and services. In this sense the vital importance of logistics arises. By definition we can describe logistics as: the transporting, storing, and handling of goods in ways that match target customers' needs with firms' marketing mix within individual firms and along a channel of client distribution (Perrault, Cannon, and McCarthy 2009, 316). For the Euro-Mediterranean region distribution of products has also become vitally important. But one should look at the area/countries at hand within the world in terms of logistics and in terms of its gains. In this sense, the present research aims to look at individual country performances in terms of logistics income in the Mediterranean region, regarding recent trends and opportunities.

Globalization of international business has contributed to the inbound supply movements from domestic markets towards interna-



tional markets. This observation should be evaluated as an opportunity to penetrate into alternative market segments in international markets, while this could be a threat because of the actions taken not only in domestic markets but also by international sources. Given the technology it is possible to increase the efficiency of international commodity movements which can create an additional profit margin or can increase market dominance in international markets. This should be understood as a fact that firm level competitiveness should be complemented by logistics, in order to improve firm level competitiveness towards a core level competitiveness which could not be easily imitated by rival entities (firm, nation, multinational union). The Euro-Mediterranean region neighboring European Union markets is facing rigorous competition from the single market. As Phillip Kotler depicts: 'The European market, increasing competitive pressures and the continuing drive for greater efficiency have forced distribution service providers, in the first instance, to focus more heavily on service quality improvement, or else risk losing out on invitations to bid for new business. Manufacturers and distribution operators alike have sought to set up pan-European distribution networks, although with mixed results' (Kotler 1999, 932). The current solution seems to depend on the amount of joint action that could be implemented by member Euro-Mediterranean countries.

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ANALYSIS

The Euro-Mediterranean (EuroMed) countries concerned in this study are Albania, Croatia, Cyprus, Egypt, France, Greece, Israel, Italy, Malta, Morocco, Slovenia, Spain and Turkey. All data in the analysis used are sourced from the International Monetary Fund's (see www.imf.org)

When we look at these Euro-Mediterranean countries focused on this study in terms of imports, we can say that there is a volume of 812494.331 million US dollars in year 1999 and 1647387.62 million US dollars on 2009 in terms of imports. In the period of 1999–2009, Albania raised its imports from 1154.290 million US dollars to 4548.28 million US dollars. Croatia within the same period raised its total imports from 1626.29 million US dollars to 7980.82 million US dollars.

[22] Cyprus raised its imports from 3617.980 million US dollars to 7855.13 million US dollars. Egypt raised its import performance from 16022.1 million US dollars to 44946.1 million US dollars. France, as one of the big performing countries for the Euro-Mediterranean area, raised its imports from 294178 million US dollars to 554432 million US dollars. Greece developed its imports from 28719.5 to 59293.4 million US dollars in the same period. Israel, with its 33165.5 million US dollars in the year 1999, had imports amounting to 49278 million US dollars. Italy raised its imports from 220323 million US dollars to 413811 million US dollars. Malta raised its import from 2845.920 million US dollars to 3797.91 million US dollars. Morocco also had a raise in its importing from 9924.801 million US dollars in the year 1999 to 32776.8 million US dollars in 2009. Slovenia had a rise in imports from 10082.6 to 23781.4 million US dollars. Spain raised its imports from 144436 to 290774 million US dollars. Lastly, also Turkey had a raise in imports, its total imports in 1999 being 40226, rising to 140921 million US dollars in 2009.

Looking at the Euro-Mediterranean countries in terms of exports we can say that there was a volume of 744751.491 million US dollars in year 1999 and 1551598.970 million US dollars in 2009 in terms of exports. During the period 1999–2009, Albania raised its exports from 351.118 million US dollars to 10473.8 million US dollars. Croatia within the same period raised its total exports from 4302.5 million US dollars to 10473.8 million US dollars. Cyprus raised its exports from 995.038 million US dollars to 1338.110 million US dollars. Egypt has raised its export performance from 3559.360 to 23061.900 million US dollars. France is one of the big performing countries for the Euro-Mediterranean area that raised its exports from 229652 million US dollars to 479261 million US dollars. Greece developed its exports from 10474.1 million US dollars to 19868 million US dollars between the years 1999–2009. Israel with its 25794.3 million US dollars in the year 1999 raised its exports to 47935 million US dollars in the year 2009. Italy raised its exports from 2351752 to 406228 million US dollars. Malta raised its exports from 1983.250 to 2183.810 million US dollars. Morocco also had a raise in its exporting from 7366.850 million US dollars in the year 1999 to 13680.600 million US dollars in



2009. Slovenia has a raise in exports from 8545.93 million US dollars to 13680.600 million US dollars during the 1999–2009 period. Spain raised its exports from 109964 to 223345.2 million US dollars. Lastly, also Turkey had a raise in imports, its total exports in 1999 being 26587 had risen to 220848 million US dollars in 2009.

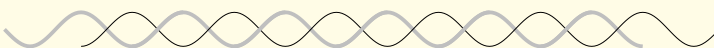
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Services sector gains can be defined at hands as the total difference in terms of credits of services and debits of services of the countries. Looking at the Euro-Mediterranean countries in terms of these service gains, we can say that service gains amount to 47350.106 million US dollars in year 1999 and 90515.678 million US dollars in 2009. During the 1999–2009 period Albania raised its net service gains from 106.3 to 98.81 million US dollars. Croatia within the same period raised its service gains from 1626.29 million US dollars to 7980.82 million US dollars. Cyprus raised its service gains from 238734 million US dollars to 8513.785 million US dollars. Egypt raised its service performance from 30422.360 million US dollars to 5813.75 million US dollars. France had a fall in its service performance from 18.477 million US dollars to 16.058 million US dollars. Greece had developed its service performance impressively from 7255.1 million US dollars to 17781.7 million US dollars between the years 1999–2009. Israel with its 2053.1 million US dollars in the year 1999 raised its services to 4436.7 million US dollars in the year 2009. Italy drastically reduced its service performance from 1080.5 million US dollars to -14026 million US dollars. Malta raised its services from 456.039 million US dollars to 1266.51 million US dollars. Morocco also had a raise in its services performance from 1112.36 million US dollars in the year 1999 to 5685.11 million US dollars in 2009. Slovenia also experienced a raise in services from 354.4 million US dollars to 141968 million US dollars during the 1999–2009 period. Spain raised its services from 20356 million US dollars to 360111.9 million US dollars. Lastly, also Turkey experienced a raise in services from the 1999's, rising from 7502 to 220848 million US dollars in 2009.

Competitiveness of nations can be described with the ratio between imports and exports. (Şimşek, Seymen, and Utkulu 2007, 11). During the 1999–2009 period Albania lost its competitiveness value from 0.30 to 0.23. Croatia within the same period lost its competitiveness from 0.55 to 0.49. Cyprus also experienced loss in its competitiveness

[24] value from 0.27 to 0.17. Egypt raised its competitiveness from 0.22 to 0.51. France had a fall in its competitiveness from 1.01 to 0.86. Greece slightly lost its competitiveness from 0.36 to 0.33 between the years 1999–2009. Israel with its 0.77 in the year 1999 raised its competitiveness value to 0.97 in the year 2009. Italy has lost its competitiveness in terms of exports/imports from 1.06741 to 0.98. Malta experienced a loss in its competitiveness from 0.69 to 0.57. Morocco also experienced a loss in its competitiveness from 0.74 to 0.41 during the 1999–2009 year period. Slovenia experienced a raise in its competitiveness value from 0.84 to 0.93 during the 1999–2009 periods. Spain experienced a slight loss in its competitiveness value during the 1999–2009 period from 0.76 to 0.75. Lastly, also Turkey experienced a raise in its competitiveness from 0.66 at 1999 to 0.74 on 2009.

Tourism is known to be one of the biggest industries for all nations around the world and a big income source for the Euro-Mediterranean countries. It is attractive not only due to its structure of being a green industry, but also by being a great contributor to the nation's wealth. Over the years, the Mediterranean bordering countries have been a great attraction and a great area of focus. The most suitable and clear data on tourist visitors can be found during the 2000–2007 period. These numbers reflect impressive results in terms of this study's countries of focus which are: Albania, Croatia, Cyprus, Egypt, France, Greece, Israel, Italy, Malta, Morocco, Slovenia, Spain and Turkey. During the 2000–2007 year period, Albania raised its tourism gains from 108 million US dollars to 159. Croatia within the same period raised its tourism gains from 1,993 to 9,252 million US dollars. Cyprus also experienced an increase in its tourism earnings from 1,555 to 1,660 million US dollars. Egypt raised its tourism earnings from 1594 to 1555. France raised its tourism earnings from 15148 to 19065. Greece raised tourism earnings from 4698 to 12257 million US dollars between the years 2000–2007. Israel with its 878 million US dollars in the year 2000 dramatically lost its net tourism earnings to –538 million US dollars in the year 2007. Italy earned net tourism earnings of 10537 to 13390 million US dollars. Malta experienced a good raise in its tourism earnings of 507 to 722 million US dollars during the 2000–2007 year periods. Morocco experienced gains in its tourism from 1773 to 2337 million



US dollars during the 2000–2007 year period. Slovenia experienced a raise in its tourism numbers from 472 to 1181 million US dollars during the 2000–2007 period. Spain experienced a grand raise in its net tourism earnings value during the 2000–2007 period from 24946 to 40654 million US dollars.

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The core reason why this study is interested in tourism is that the balance on services minus the tourism income will provide us with the net logistic performance of countries, which covers freight, insurance and other handling costs. Due to this reason a look at the tourism factor of Euro-Mediterranean nations is a must for this study. The rest of the analysis explores the logistic performance of Euro-Mediterranean countries in terms of recent growth performance, comparisons with export and import performance and in terms of world and region comparisons.

Initially, we shall be looking at whether the development level of member countries has a positive correlation with international trade logistics expenditure data. Findings shown in table 1 reflect the correlation data which are only positive for the majority of the countries at hand between international trade logistics and per capita income. We can look at these results as a formal way of being allowed access to look more in depth at international trade logistics of the countries at hand.

When we look at these countries we see that the Gross Domestic Products (GDP) per capita of Euro-Mediterranean countries vary from each other (table 2). Although the sizes of the nations differ from each other, based on their economic and population structure these nations are different from each other with regard to different factors, which is natural to expect. One can clearly state that there is a relevant increase in performance for all Euro-Mediterranean countries (figure 1).

We can conclude that GDP level reflects the level of development, which also coincides with high trade performance, these creating an opportunity for international trade development.

The following set of data about to be discussed looks at export growth from 2000–2009 for the selected Euro-Mediterranean countries (table 3). As expected, export growth is one of the strongest factors contributing to the international trade logistic growth. The rank-

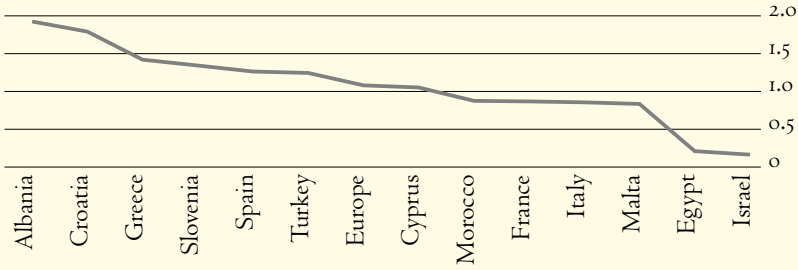
TABLE 1 Output for country trade logistics and GDP correlation

Country	Italy	France	Cyprus	Spain	Egypt	Croatia	Morocco	Albania	Slovenia	Malta	Israel	Greece	Turkey
R^2	0.700	0.632	0.250	0.844	0.658	0.008	0.584	0.268	0.748	0.917	0.252	0.900	0.678
Sig.	0.010	0.018	0.207	0.001	0.015	0.832	0.017	0.189	0.006	0.000	0.205	0.000	0.012

TABLE 2 Per capita GDP at current prices in US dollars

Country	2000	2001	2002	2003	2004	2005	2006	2007	Change
Albania	1186.479	1324.604	1444.286	1845.22	2357.385	2622.84	2909.348	3470.486	1.925
Croatia	4737.702	5103.852	5923.071	7597.012	9144.492	10001.75	11058.13	13225.43	1.791
Greece	11614.36	11940.19	13400.07	17552.79	20898.59	22216	24124.35	28105.78	1.412
Slovenia	10018.28	10254.65	11585.91	14571.49	16883.53	17836.82	19396.83	23470.78	1.343
Spain	14421.52	14962.68	16634.17	21104.46	24580.26	26246.24	28276.87	32641.86	1.263
Turkey	4010.854	2906.216	3399.661	4370.556	5582.278	6786.461	7364.859	9003.336	1.245
Europe	12708.5	12927.02	14134.26	17199.17	19954.36	21103.03	22732.09	26442.12	1.081
Cyprus	13398.85	13791.76	14829.85	18460.94	21440.96	22398.83	23877.81	27498.05	1.052
Morocco	1284.273	1293.429	1370.304	1670.736	1888.707	1951.921	2127.517	2409.138	0.876
France	21830.25	21895.23	23662.58	29022.97	33011.71	34151.67	35836.09	40774.03	0.868
Italy	19212.59	19497.84	21168.1	26017.27	29641.52	30312.94	31592.48	35654.53	0.856
Malta	10010.32	9835.143	10731.78	12566.89	14033.87	14803.13	15862.61	18365.56	0.835
Egypt	1419.341	1320.475	1235.541	1037.855	1088.626	1274.366	1426.832	1717.702	0.210
Israel	20328.14	19587.97	17650.44	18259.57	19135.82	19906.01	21113.02	23653.99	0.164
World	5248.336	5145.392	5290.259	5870.509	6526.233	6976.546	7462.231	8288	0.579

Calculations based on data from IMF (www.imf.org).



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FIGURE 1 Percentage increase in per capita GDP of Euro-Mediterranean countries, 2000–2009

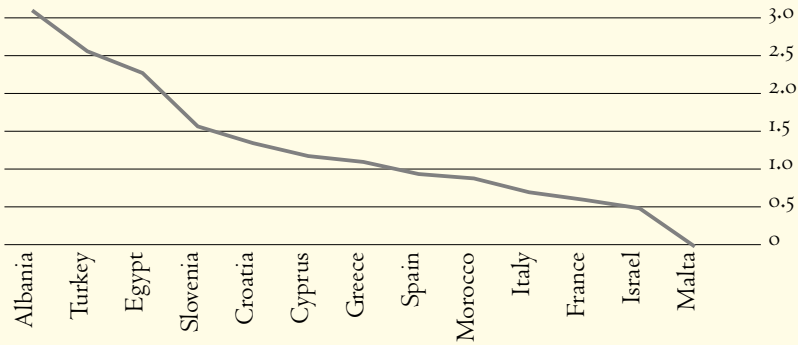


FIGURE 2 Change in exports by Euro-Mediterranean countries, 2000–2009, in percent

ing process simply provides results that Albania’s exports rank at the top, growing by three times for the given time period, while Malta shows the slowest growth rate which in fact reflects a decline of 0.02 percent.

Figure 2 reflects how exports have increased among Euro-Mediterranean countries. As seen from the relevant data, high per capita income countries like France, Italy and Spain did not witness high export growth between 2000 to 2009.

Another source for international trade logistics would be the import data. Examining the table 4 we see that, in the case of imports, Albania ranks at the top while Malta ranks at the bottom. But we see that the ranking in between is relatively different, mainly with regard to Morocco and Croatia. Dominance in international trade logistics does not hinder countries from arranging transport, insurance and other intermediary activities even in the case of imports (figure 3).

TABLE 3 Exports of Euro-Mediterranean countries

Exports	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Change
Albania	255.7	304.5	330.24	447.209	603.337	656.318	792.873	1078.72	1355.65	1048.05	3.099
Turkey	308.5	347.9	407.19	539.4	685.35	783.68	936.10	1153.61	1408.00	1096.60	2.558
Egypt	706.1	702.4.9	711.77	898.73	12319.6	16073.2	20545.6	24454.6	29849	23089.3	2.270
Slovenia	8807.99	9342.7	10471	12916.3	16064.6	18145.7	21397.2	27151.4	29582.9	22583.2	1.564
Croatia	4573.72	4766.97	5006.19	6311.4	8214.46	8959.81	10644.4	12622.7	14460.4	10717.7	1.343
Cyprus	950.924	975.221	851.758	924.986	1173.46	1544.68	1393.04	1482.91	2130.02	2065.43	1.172
Greece	10201.5	10615	9865.38	12577.8	15739	17631.2	20300.4	23991.4	29162.7	21361.4	1.094
Spain	115769	117522	127162	158049	185209	196580	220696	264053	284346	223911	0.934
Morocco	7418.59	7141.82	7838.9	8771.43	9921.9	10690	11926.3	15146.4	20330	13914.9	0.876
Italy	240473	244931	252618	298118	352171	372378	418074	501281	546301	407160	0.693
France	297557	294181	307201	361.93	421.106	439.452	484.768	548.528	605.322	473.861	0.593
Israel	30890.2	27685.6	27266.3	29939.8	36356.8	39767	43318.5	50285.6	57161.3	45762	0.481
Malta	2478.99	2023.07	2341.87	2591.78	2719.92	2586.89	2937.65	3302.76	3145.26	2417.68	-0.025

TABLE 4 Imports of Euro-Mediterranean countries

Country	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Change
Albania	-1070	-1332	-1485	-1783	-2195	-2478	-2916	-3978	-4908	-4264	2.985
Morocco	-10654	-10164	-10900	-13117	-16408	-18894	-21683	-29316	-39827	-30546	1.867
Croatia	-7770	-8860	-10652	-14216	-16560	-18301	-21131	-25556	-30416	-20997	1.702
Egypt	-15382	-13960	-12879	-13189	-18895	-23818	-28984	-39354	-49608	-39907	1.594

Turkey	-52882	-38092	-47109	-65883	-91271	-111445	-134669	-162156	-193821	-134554	1.544
Slovenia	-9947	-9962	-10719	-13539	-17322	-19404	-22856	-29466	-33467	-23463	1.359
Cyprus	-3557	-3553	-3735	-4108	-5222	-5792	-6335	-7957	-11063	-7973	1.242
Greece	-30440	-29702	-31321	-38184	-47360	-51900	-64585	-81041	-94209	-64187	1.109
Spain	-152856	-152039	-161794	-203205	-251939	-281784	-325318	-389291	-412631	-286635	0.875
France	-301	-291	-300	-358	-426	-467	-523	-605	-693	-536	0.782
Italy	-230925	-229392	-239206	-286641	-341278	-371814	-430585	-496700	-547347	-403900	0.749
Israel	-34747	-31738	-31992	-33316	-39507	-43887	-47154	-55969	-64399	-46002	0.324
Malta	-3233	-2575	-2681	-3232	-3583	-3709	-4147	-4656	-4771	-3494	0.081

TABLE 5 Logistics expenditures of Euro-Mediterranean countries and ranking classification

Country	2000	2001	2002	2003	2004	2005	2006	2007	Class.	Change
Turkey	11375	9136	7885	10511	12797	15265	13610	13344	Strong	0.17
Greece	32545	28401	277108	46501	9136.2	8764.3	7904.8	10553	Strong	2.24
Israel	2623	2038.3	2180.9	3327.8	3999.5	4139.2	5082.7	4065.4	Strong	0.55
Malta	-169.093	-131.362	-128.952	-73.368	-20.34	189.54	294.14	475.99	Strong	-3.81
Slovenia	-22.4	3.5	78.8	-13.9	63.8	185.5	237.51	246.61	Strong	-12.01
Albania	-89.5	-91.8	-111.21	-112.907	-138.37	-290.32	-148.85	-139.15	Medium	0.55
Morocco	-631.25	-466.49	-541.49	-340.27	-369.11	-174.3	-471.27	-139.98	Medium	-0.78
Croatia	256.15	-921.27	-967.96	-65.98	-267.21	121.67	-742.88	-689.5	Medium	-3.69
Egypt	-581	-818.2	-547.77	-185.84	902.57	-1842.5	-2875.7	-313	Medium	4.36

Continued on the next page

TABLE 5 Continued from the previous page

Spain	-5664	-4894.3	-4567	-6175.4	-8242.4	-7090.9	-9118.2	-8997.7	Weak	0.59
Cyprus	-12665.2	-10523.6	-11548.3	-12127.9	-14342.1	-10808	-12281	-14025.8	Weak	0.11
France	-15130.8	-13233.8	-14321.5	-15249	-17918.1	-14588.7	-16486.5	-19045.3	Weak	0.26
Italy	-9581.7	-9995.2	-11283.2	-11425.4	-12527.7	-12465.1	-15734.5	-23051	Weak	1.41

TABLE 6 Logistics expenditures of Euro-Mediterranean countries and change classification

Country	2000	2001	2002	2003	2004	2005	2006	2007	Change
Italy	-0.020	-0.021	-0.023	-0.020	-0.018	-0.017	-0.019	-0.023	0.136351
France	-25.290	-22.628	-23.603	-21.167	-21.153	-16.089	-16.361	-16.506	-0.34735
Cyprus	-2.810	-2.324	-2.518	-2.410	-2.243	-1.473	-1.589	-1.486	-0.47121
Spain	-0.021	-0.018	-0.016	-0.017	-0.019	-0.015	-0.017	-0.014	-0.34685
Egypt	-0.026	-0.039	-0.027	-0.008	0.029	-0.046	-0.058	-0.049	0.884528
Croatia	0.021	-0.068	-0.062	-0.003	-0.011	0.004	-0.023	-0.018	-1.8703
Morocco	-0.035	-0.027	-0.029	-0.016	-0.014	-0.006	-0.014	-0.003	-0.90987
Albania	-0.068	-0.056	-0.061	-0.051	-0.049	-0.093	-0.040	-0.028	-0.59242
Slovenia	-0.001	0.000	0.004	-0.001	0.002	0.005	0.005	0.004	-4.64695
Malta	-0.030	-0.029	-0.026	-0.013	-0.003	0.030	0.042	0.060	-3.02028
Israel	0.040	0.034	0.037	0.053	0.053	0.049	0.056	0.038	-0.04257
Greece	0.080	0.070	0.067	0.091	0.145	0.126	0.093	0.100	0.254705
Turkey	0.136	0.125	0.090	0.089	0.080	0.080	0.060	0.048	-0.64616
Total	-28.024	-24.979	-26.166	-23.471	-23.202	-17.443	-17.865	-17.875	-0.36216

Calculations based on data from IMF (www.imf.org).

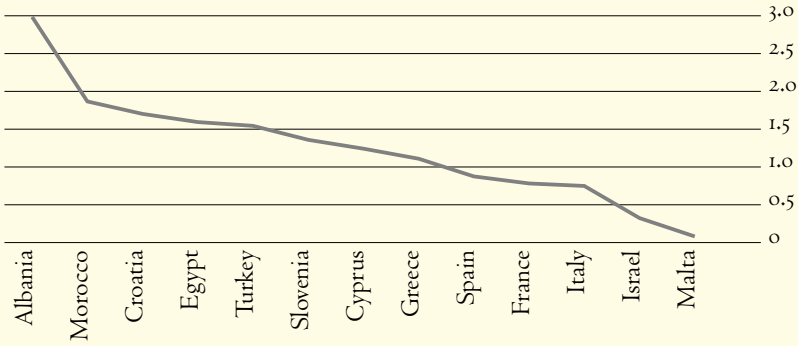


FIGURE 3 Change in imports by Euro-Mediterranean countries, 2000–2009, in percent

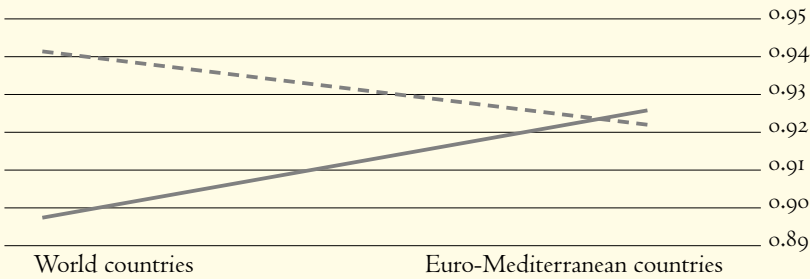


FIGURE 4 Change in imports and exports between the world and Euro-Mediterranean countries, 2000–2009, in percent

To view the overall performance of Euro-Mediterranean region with respect to the world in general reflects that export and import growth for 2000–2009 periods shows the dominance of world exports and Euro-Mediterranean imports (figure 4). From this observation we can state that the contribution to international trade logistics could as well be improved by improving the export performance of the Euro-Mediterranean region. The foreign trade performance of a country or country groups makes use of export + import data, which are defined as trade performance. Looking at the Euro-Mediterranean region, we see that Albania followed by Turkey, Croatia, and Slovenia convey the highest international trade growth among Euro-Mediterranean countries, all showing more than 200 percent trade growth between 2000–2007. To have an overall comparison we have to state that the average of the Euro-Mediterranean region shows a 152 percent increase.

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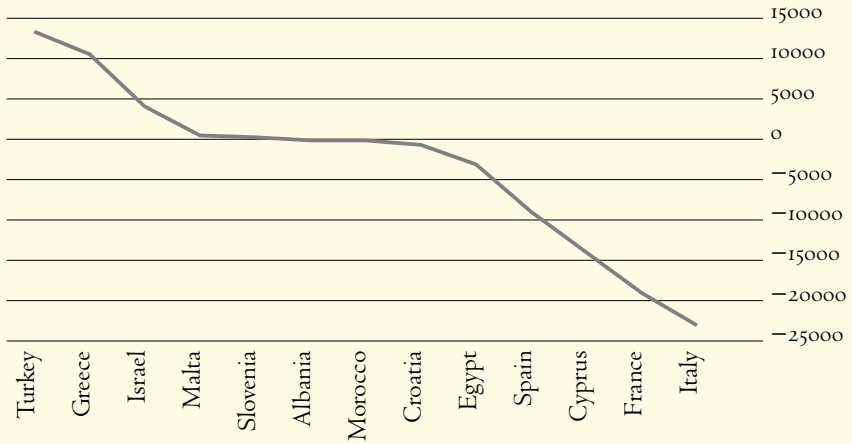


FIGURE 5 Euro-Mediterranean countries logistic expenditures, 2007

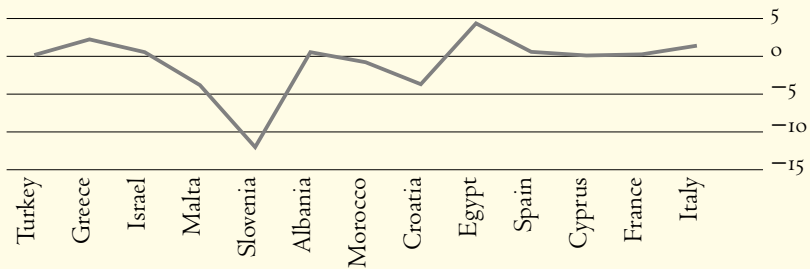


FIGURE 6 Logistic expenditures growth for Euro-Mediterranean countries, 2000–2007, in percent

Turning back to the Euro-Mediterranean region in terms of international trade logistics data, the term balance in trade logistics has been calculated by subtracting net tourism expenditure data from net services (credit & debit) (IFS 2010). Turning back to the Euro-Mediterranean region in terms of international trade logistics expenditure, we see that Turkey, Greece, Israel, Malta, and Slovenia have positive balances reflecting an overall international logistics competitiveness. In the table 5 (see p. 29), the logistics expenditures for given Euro-Mediterranean countries are for the 2000–2007 period. While categorizing, strong, medium and weak logistic performances based on this criterion are given for 2007 period; we can also look at overall logistic expenditure growth to have an overall view of the Euro-Mediterranean region trend for the same time period.



Figure 5 reflects positive and negative logistic expenditure balances for the Euro-Mediterranean region in 2007. Italy, France, Cyprus and Spain, independent of their export and import levels, seem to have negative balances for net international trade logistic expenditures. Countries like Egypt, Croatia, Morocco and Albania seems to have medium level performance with respect to the total group. [33]

Figure 5 solely looks at 2007, while figure 6 looks at the net international trade logistic expenditure growth for Euro-Mediterranean countries during the 2000 and 2007 period. Egypt, Greece and Italy seems to outperform in terms of net international logistic expenditures for the 2000–2007 period, while Slovenia, Malta and Croatia show the least positive performance for the same time period.

Maybe a more intuitive approach should be looking at the net international trade logistic expenditures share in Euro-Mediterranean country performances because of the opportunities born from export and import activities (international marketing actions). A higher share reflects larger net international trade logistic expenditures from the realized external trade.

CONCLUSION AND RECOMMENDATIONS

Literature on global supply change has shown drastic changes since 1990. While the 1990s witnessed taxation, tariffs and duties issues shaping up the agenda, the 1990–1995 period focused far more on shoot-ups and large fluctuations in foreign exchange, which strongly distorts gains from trade, during the 1996–2000 period were the discussions concentrated on transfer pricing and exchange rate vulnerability. The recent decade focuses on network and collaboration issues related to global supply change which is complemented by relevant technologies (Meixell and Gargeya 2005, 537). Looking at the classical study by Otto Andersen, international marketing in the field of logistics needs a far more critical view in testing models, which has significantly improved during the last decade (Andersen 1993, 227).

The observations above simply show us that the Euro-Mediterranean region is not exhausting international trade logistic opportunities within its geography (figure 7), given the post 2000 performance (table 6, see p. 30). Especially figure 8 shows that there is a positive

[34]

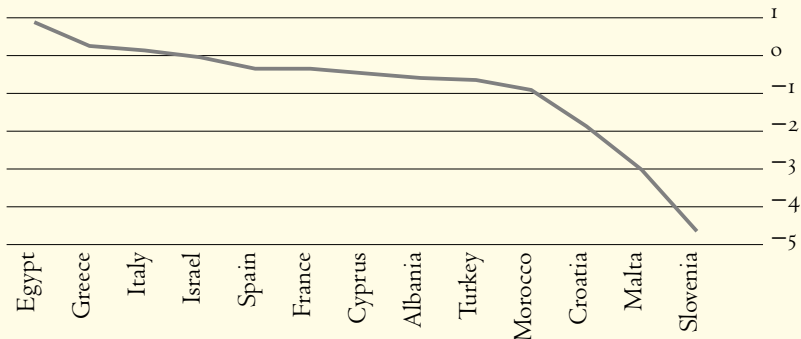


FIGURE 7 Logistics/(export + import) growth for Euro-Mediterranean countries, 2000–2007, in percent

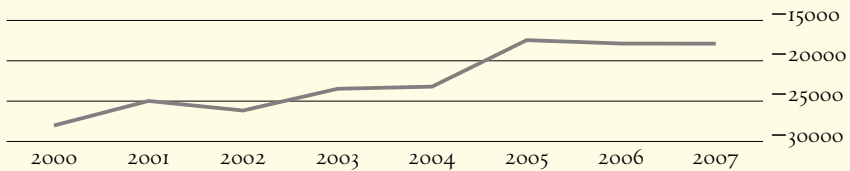
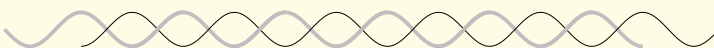


FIGURE 8 Improvements in trade logistics/(exports + imports) for Euro-Mediterranean countries

trend towards logistics expenditures. As a part of the total obtained, one can understand that the international trade is at its limits. It would be wise at this point to assess the policy implications of such an opportunity in two different dimensions as recommendations. One component covers joint efforts that have to be implemented which will improve the performance. The second group of implications should be thought of as an extension of additional marketing efforts to improve firm level performance which will contribute to the overall regional performance. Especially at this point a customer orientation towards international trade logistics is a curiosity point. But one should not neglect the fact that country level collaborations still have to be initiated and adopted at a firm level or at an associations level. There seems to be a lack of overall strategic marketing orientation at a government level and at a firm level. Scale, scope and network alliances at an international multi-country level would create cost efficiency and organizational advantages which will contribute to international trade logistics. In the long term these actions can reflect positive



and mutually beneficial results for the Euro-Mediterranean region.

If we would like to summarize actions to be taken by Euro-Mediterranean countries, the first step should be towards pin – pointing areas of collaboration which should come out of a consensus achieved by joint efforts. This means that the political agenda is far more important than are the technical dimensions of collaboration, given the environment. These efforts should cover international trade agreements with a special emphasis on international trade logistics. Shortening the delivery and customs processes will allow Euro-Mediterranean countries to improve business relations which will create new areas of collaboration. With the world becoming more and more global, turning into a global village, the rise of the internet is also being established within the logistics and marketing world. The restructuring of intermediaries within national and international channels is raising topics of discussion. Through the Euro-Mediterranean process and its structural disintermediation and reintermediation according to Euro-Mediterranean country needs, the restructuring should be revisited. To improve the current environment towards logistics, Euro-Mediterranean countries should look at the requirements of each partnering country to prioritize joint actions which will improve cost sharing and other business opportunities.

[35]

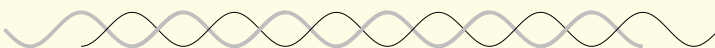
One should not neglect the fact that beyond collaboration, international trade logistics is an area where firm level competitiveness is as important as the legal setting that is supporting it. From the multinational union point of view, collaboration importance is direly needed to raise a higher level of collaboration and international customer satisfaction. The new trend of today's highly competitive markets has been geared towards supply chain and customer service (Coyle, Bardi, and Langley 2003). Such importance is direly needed in terms of the Euro-Mediterranean region to be competitive for the future of the Euro-Mediterranean region. As in most business activities, specific and strategic actions could only be successful by contributing to the overall infrastructure that is needed for business success. Porter suggests that, for international success with the modest goal of prosperity, this requires focusing on topics like: factors (resources, education, and infrastructure), demand conditions, related and supporting industries,

[36] company strategy/structure and competition (Porter 1990). From a micromarketing perspective, there should be common efforts which will improve the firm business level success which could be shared among Euro-Mediterranean enterprises. This simply means that basic level firm efforts should complement governmental policies to make the Euro-Mediterranean region an attraction point for international trade logistics. In a very basic definition products are also responsible for the success of business performance. For this reason the success of international (global) marketing conduct can rely on such factors as defined by Waters (Waters 2003, 337).

Encouraging local, rather than international, suppliers are products that:

- Have relatively low value, or value density;
- Deteriorate or have short shelf life;
- Are sensitive to cultural and other difference;
- Have little differentiation between competitors, or brand loyalty;
- Need high customer contact or personal service;
- Have less emphasis on cost;
- Give limited economies of scale in production;
- Generate social or political pressures to produce locally;
- Have uneven development of markets.

We have started with the goal of assessing the international trade logistics environment within the Euro-Mediterranean region. Initially looking at export and import performance of the region, we see a positive trend which could be evaluated as an opportunity for the international trade logistics market. Secondly, we have calculated international trade logistics data of the relevant Euro-Mediterranean countries by eliminating tourism income from net 'balance of goods and services.' As a third step, we have looked at the share of international trade logistics expenditures as a part of international trade showing the level of opportunity exhausted. Analysis has been extended towards looking at overall trends in trade logistics expenditures, country level performances (trade logistics), which explains that the positive trend is continuing during the last decade, while there are several



Euro-Mediterranean members who are at very preliminary stages. The last phase has developed regional collaborations that could be implemented, while at the same time emphasizing sector or firm level precautions that could be taken. In an era when direct and e-trade growth is foreseen, the Euro-Mediterranean region deserves the right to take its appropriate share from these developments. [37]

For future research, it is recommended to look at country perceptions based on business orientations and value as a brand within the Euro-Mediterranean region. Distribution and overall brand awareness of countries can be a primary step in engaging and encouraging international trade logistics. Such measurements will require more collaboration, detailed data to interpret and better understand the possibilities and opportunities to improve international trade logistic relations between Euro-Mediterranean countries.

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