

Turning tide for Iran won't be easy

To turn things around, there's a clear roadmap: boost stability in industrial and technological policymaking, ensure consistency in macro-level decisions, hang on to top talent, and step up engagement with reputable global firms, universities, and research centers. Yet, with Iran's international investment ranking in the doldrums and capital security under threat, the country still struggles to draw in and hold onto foreign investment. The economic climate remains shaky, making any turnaround an uphill battle. On the technology front, Iran must build up an innovation ecosystem that welcomes transparent foreign investment. Interna-

tional companies and institutions need to see that Iran's political ties with the world are warming up before they take a closer look. He insists that scientific and technological diplomacy — not political confrontation — should be put on the agenda.

Sanctions profiteers deal blow to Iran's progress

US sanctions have definitely played a pivotal role in why Iran has fallen behind Saudi Arabia in industry and technology. However, I also like to call out unqualified managers, entrenched "sanctions profiteers" who cash in on the current situation, and influential stakeholders who throw their weight around in policymaking. Add to that the policy instabili-

ty, brain drain, corruption, and managerial incompetence from which Iran is suffering, and it's clear why Iran is lagging behind in the industrial and technological race.

To make up for lost ground, I prescribe economic reforms, smoother international engagement, improved diplomatic relations, support for top talent and the real private sector, and economic diversification.

Iran must patch up its relationship with the world. If that happens, the country has the talent and capacity to get back into the global economic game at full speed.

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Iranian businesses at geopolitical crossroads



By Melika Molkara
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OPINION

Iran stands as the only country in Southwest Asia with direct access to three major geopolitical zones: the Middle East, Central Asia, and the Indian-Chinese sphere. This unique position, referred to in geopolitics as a "Geostrategic Convergence Zone," could turn a country's economic development strategy on its head. Yet, the pressing question remains: Have Iranian businesses tapped into this advantage, or are they still sitting on the sidelines? Geography alone does not amount to wealth; it is the management of geography that brings value to the table. With



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15 neighboring countries and 27 official border crossings, Iran is well-placed to reach a market of 600 million people in its vicinity — a rare feat globally. Nevertheless, according to official reports from the Interna-

tional Trade Centre (ITC), Iran's share of its neighbors' export market at the end of 2023 was estimated at only about 2.4%. Meanwhile, Turkey, with far more limited geographic access, carved out a share of

roughly 8.6% in the same market.

If we zero in on concrete examples of this lag, we can point to the pharmaceutical, hygiene, technology-driven, food, home appliance, medical equipment, and health tourism industries — those that both have production advantages and face high regional demand, yet have not built up regional value chains.

For instance, Iran, with over 65 pharmaceutical units and a strong position in raw material production, could be a major supplier for neighboring countries. However, its pharmaceutical export market share is estimated at less than 5% of its potential capacity. Likewise, only 2% of Iran's technology industry exports make their way to the region, highlighting the lack of a regional technology

synergy strategy.

The world today is moving away from "within-border competition" toward networked, region-centric economies. The most successful global companies and brands are those that factor in political and geographical realities as part of their market analysis and product development.

Unfortunately, in Iran, many companies still draw up their growth strategies without a deep analysis of regional developments. As the holder of the world's second-largest gas reserves, fourth-largest oil reserves, a key transit location, and significant climate diversity, if Iran fails to turn its geographic edge into a sustainable economic advantage, it will, in effect, hand over its competitive benefits to regional rivals.

To pull this off, a structural link must be forged between industrial policy-making and regional geopolitics. It is also essential for Iranian enterprises — especially in startups, service exports, logistics, health, food, agriculture, and cultural industries — to move beyond a narrow domestic outlook and adopt a regionally driven development model.

In closing, let's not lose sight of this: In the ever-shifting landscape of regional geopolitics and economics, opportunities don't stand still. If policy-making and targeted action drag their feet, Iran's latent geographic advantages will quickly be snapped up by other regional and extra-regional players.

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Iranian businesspeople overlook power of local bloggers



By Hassan Amidi
Scholar

OPINION

These days, communications have taken on a different meaning than before, and the reality is that today's human society is being swallowed up by rapid technological and communication advances. Therefore, Iran's merchants and traders must tap into this technological progress to introduce their products to the world. Unfortunately, the potential of media and content production has been left on the back burner, while other countries are making the most of this capacity. Today, East Asian countries such as China and Japan roll out localized media campaigns before launching products to win over their audiences. In many cases, the power of these campaigns even outstrips the quality of the products themselves. In other words, these countries call on local bloggers to promote their export products in the target market, ensuring the product is put across strongly to various segments of society. This crucial point has recently been overlooked by Iranian traders, who assume that because they have succeeded in industry and production, they will naturally succeed in product promotion and advertising both domestically and abroad. Meanwhile, many foreign traders carry out their advertising through local bloggers and influencers — and



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have hit the mark in doing so.

Weakness in product promotion

Iranian producers excel in manufacturing but fall short in product promotion. Without media backing and cultural understanding, one cannot expect to break into global markets effectively; Education in this area is essential. In addition to leveraging local bloggers, Iranian traders can also make use of native social networks to introduce their products in foreign countries. Unfortunately, product promotion in Iran is mostly limited to the domestic market, and there is a lack of sufficient knowledge about the media ecosystems of target countries. It should be noted that in many countries, a local blogger can carry more weight than an official campaign.

Traders focusing on domestic promotion

One major flaw of our traders is

that they put all their eggs in one basket by focusing on domestic product promotion and expect the same advertising approach to cut it abroad. However, our traders are out of their depth when it comes to running diverse advertising campaigns on platforms like YouTube.

Our merchants often see media as a rival rather than a partner, whereas media should be considered a strategic ally for economic actors and traders, even capable of stepping up as their operational spokespersons.

Weak presence in int'l exhibitions

One media tool that can make a splash in introducing products to target markets is participation in exhibitions. However, the reality is that our country's booths at international exhibitions are not comparable in quality to others. Iranian traders' weak presence in foreign ex-



hibitions is evident. Most rely on outdated methods like printing banners, posters, and brochures, while most countries bring cutting-edge tools to the table to showcase their products.

Whether in the public or private sector, our objectives at exhibitions are unclear; We stick to traditional methods from two decades ago without any special plans or content tailored for exhibitions. Meanwhile, other countries show up well-prepared and armed to the teeth with strategies.

What is expected from the Trade Promotion Organization is to step up training for traders, preparing them for international exhibitions in terms of product introduction and content. Being a strong industrialist does not automatically mean being a strong content producer, and this mindset must be turned around. Perhaps no institution has yet

▲ A team from AIMedic, a knowledge-based Iranian company, is present at the GITEX 2023 exhibition in Dubai, the UAE, in October 2023.

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stepped in to educate traders that succeeding in exports requires training in content creation for their target audiences. This is a major pitfall for our merchants and traders, whose thinking in this area needs to be brought up to speed.

The above points highlight part of the reason behind our country's shortcomings in exports. In some cases, our producers supply products equal to or even superior to those of other countries, but the reality is we lag behind in content production and media-based product promotion, an area that demands urgent attention and effort.

The article first appeared in Persian on Tasnim news agency.



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