

YATOOQ: A SAUDI FEMALE ENTREPRENEUR INNOVATES ARABIAN COFFEE

Abdulrahman Al-Aali, Sobia Ayub

Early on a cold December morning in 2014, Lateefa Alwaalan, a young Saudi woman, founder and Chief Executive Officer (CEO) of Yattooq, sits in her office sipping a cup of freshly prepared hot Qahwa (Arabian coffee). The past two years spent founding and leading a successful and innovative entrepreneurship have given her an opportunity to gain dynamic experiences and learn the nuts and bolts of starting a company. Among her many successes, earlier that year, Alwaalan had been honored by *Middle East Forbes Magazine* as one of the most creative entrepreneurs in Saudi Arabia. With that honor had come greater responsibility and opportunity to grow her business. She knew that the majority of startups fail within their first five years. How could she plan for continued business success? What steps could she take to sustain and improve her gains? Alwaalan took another sip, relishing her morning coffee. Already, qahwa had brought her so far. She hoped she could find answers to Yattooq's future in the golden aromatic liquid.

Drinking qahwa with dates or other sweets is an Arabian staple. Unlike typical European black coffee, Qahwa is prepared with two main ingredients: blond coffee beans and cardamom. Optional spices include saffron, ginger, and cloves, etc. The complicated brewing process typically takes 30 minutes or more. Traditionally, preparing qahwa is a ritual, much like the ritual of preparing authentic Japanese tea.

Poured from a special metallic coffee pot called *dallah* into small handle-less cups called *fenjan*, qahwa is usually enjoyed in very small portion that fills about one third of the *fenjan*. The server always holds an Arabic coffee pot with the left hand and serves the small cups filled with qahwa with the right. Guests receive the qahwa with their right hand. It is customary to serve no more than three cups of qahwa and a guest should at least accept one cup. Wiggling the empty cup from side to side when finished indicates that the guest is done and doesn't want any more. Arabian coffee is the symbol of the famous Arabian

hospitality (Al-Aali, 1996). It's said that a western diplomat, not knowing how to tell his host or qahwa server to stop, once tucked the *fenjan* in his pocket!

Qahwa is associated with tradition and hospitality in Saudi Arabia and throughout the other Arabian countries that are part of the Gulf Cooperation Council: Kuwait, Bahrain, Qatar, United Arab Emirates, and Oman. Iraq, Syria, and Jordan also have the same tradition regarding qahwa. It is served on almost all occasions ranging from simple family or friends get-togethers to official meetings, weddings, funerals, and of course on the two major Islamic festivals, *Eid Al-Adha* and *Eid Al-Fitr*.

Coffee Consumption in Saudi Arabia

Consumption is the using up of goods or services by a consumer. In Saudi Arabia and other Arabian countries large quantities of coffee, especially the qahwa, are consumed throughout the year. However, the consumption rates increase starting from the month of Ramadan; i.e., the 9th month of the Islamic calendar, also known as the month of fasting, till Hajj, the Islamic pilgrimage to Makkah. During this period, the consumption of qahwa increases for several reasons. First, each year between two and three million Muslims enter Saudi Arabia as pilgrims, swelling the population during this four-month time period. Second, during the holy month of Ramadan get-togethers increase in keeping with the custom of inviting guests over for *Iftar*, the evening meal when Muslims break their fast. Third, the two Islamic festivals *Eid ul Fitr* and *Eid ul Adha* fall in these months. These are some of the major factors causing an increase in the consumption of qahwa during this particular time period.

Coffee consumption rates are high in the Kingdom of Saudi Arabia. According to an *Economist* report on Saudi Arabia Agriculture Consumption, in the year 2011 the total coffee consumption in Saudi Arabia was approximately 33.317 thousand tons (Country Watch, 2013). In 2014, an article in the *Saudi Gazette* stated that Saudi people spend annually more than 266 million dollars for the preparation of coffee and its components.

Yatooq

The word Yatooq means “longing” or “craving” in the Arabic language, and is pronounced “Ya-too-k.” Yatooq is a young startup company working on revolutionizing the qahwa experience. Yatooq offers two main products.

The first product is a line of coffee flavors to ensure consistent tasting qahwa. Alwaalan introduced her first line of Yatooq ready-made *Premium Arabic coffee* blends in July 2011; they included Classic, Special, Ginger Aroma, and Cloves Warmth.

The second product is an automatic Arabic coffee making machine, launched in May 2013, called “Yatooq® Arabic Coffee Maker.” It is the first of its kind and takes as few as seven minutes and three simple steps to prepare qahwa, dramatically reducing the traditionally required qahwa brewing skills and time.

In the case of Yatooq, the famous English proverb, “Necessity is the mother of invention” is not as relevant as a quote from the writer Agatha Christie, who said, “I don't think necessity

is the mother of invention. Invention . . . arises directly from idleness, possibly also from laziness. To save oneself trouble.” Traditional qahwa preparation requires a long brewing time and an even longer time to master the techniques to obtain the perfect blends that produce a consistent, quality-tasting qahwa. Alwaalan’s innovation was to see that offering consumers the combination of the “Yatooq Arabic Coffee Maker” and “Yatooq Premium Arabic Coffee Blends” would be an attractive choice for those who love delicious and consistent tasting qahwa but lack the skills, time, or patience to prepare it the traditional way.

Lateefa Alwaalan

Lateefa Alwaalan, a Saudi entrepreneur, holds an MBA degree in Technology Management as well as a Technology Entrepreneurship Certificate from the University of Washington, Seattle in the United States. She obtained her Bachelor’s degree in Computer & Information Sciences from the King Saud University, Riyadh, Saudi Arabia.

Alwaalan started her career as a software developer. At present she is the CEO of Yatooq. She also manages financial affairs for the Alwaalan pharmacies group, which is a family business. The Alwaalan pharmacies chain operates pharmaceutical retail stores and services small cities in the central region of Saudi Arabia. She is also a founding member of Cella plus Network. Cella plus, one of Al Nahda Philanthropy Association’s projects, is headquartered in Riyadh, and is a nonprofit initiative aimed at dynamically connecting the community of professional women in Saudi Arabia through all phases of their career by leading, mentoring, sharing, and networking.

Yatooq’s Story

Stories of successful entrepreneurs who start small help convince people that they are no different and that “If they can do it, I can do it too!” But not everyone can come up with an innovative idea and turn it into a reality; it takes a certain personality, skills, confidence, and luck. But for those with a knack for entrepreneurship, Lateefa Alwaalan sets a great example.

With changing trends and a faster pace of life, Alwaalan recognized a need to come up with readymade coffee blends and an easier, time-saving brewing method for qahwa preparation. She decided to focus her technical and skills on coffee production. As she said, “I love the blond Arabic coffee with spices, but preparing it is very difficult. It requires a lot of time and tools; mastering it takes practice. That’s why we launched Yatooq, to provide solutions for preparing luxurious Arabic coffee.” (Gabr, 2013).

Alwaalan, in her own words, details Yatooq’s origin story in *Arab News*.

“We love Arabic coffee, but unfortunately only few can prepare it perfectly. We succeed one time and fail ten times. So I worked on finding the reason behind this problem and looked for answers to the hidden secrets of Arabic coffee. Whether it is the coffee itself, other ingredients, the heating temperature or the time it needs to be done, all these questions and others were the spark that helped me start this project.”

The first step was making small samples of coffee blends with different flavors like cardamom, saffron, ginger and cloves so the client can have an excellent Arabic coffee each

time. The simplified directions can help anyone prepare it easily. The response was good. However, I moved to the US to obtain my Master's Degree in Management of Technology in University of Washington and there I started marketing my products to other students through my website.

Maybe it was my sheer luck that I lived in a city that is called the capital of coffee.[Seattle, Washington] It encouraged me to pursue my hunt for coffee machines that I could use to make Arabic coffee, and at some point my apartment became an experiment lab. However, we didn't find a machine to resolve the issue. So we decided to invent an Arabic coffeemaker instead of looking for an existing one.

We had several meetings with American companies to pitch the idea of making a machine that specializes in Arabic coffee. Our team faced a lot of obstacles and we had reached a point where we wanted to give up. I was advised by several academics at the university not to work on this project, knowing that it is difficult. But we did not care and we continued, though we initially encountered losses, especially because we did not have any expertise in manufacturing, investment, marketing, management, etc. That forced me to learn the fundamentals of these sciences and use an expert's help. I had decided to go professional after coming back to Saudi Arabia. I presented the project to Badir program at King Abdulaziz City for Science and Technology (KACST) who adopted the project and provided support and advice from investors and engineers. They helped us make our dream come true and named it 'Yatooq' the Arabic coffeemaker." (Nour, 2014).

Alwaalan's expertise in IT helped her. She was already experienced in building online shopping websites for her clients so it wasn't a difficult task for her to build one for her own business. Online shopping or e-shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the Internet using a web browser. With a friend, she developed the Yatooq.com website from which she initially sold Yatooq coffee blends to students in the U.S. As an MBA graduate, Alwaalan, from the beginning recognized the value and importance that "branding" holds for a business. She commissioned a student in the United Kingdom to design the initial Yatooq logo.

Alwaalan made all the initial investments for her business with money from her own pocket. As the demand and business for Yatooq products grew, she took a loan from her family to meet the increasing financial requirements. Her dream of building an automatic coffee maker, customized especially for preparing Arabic coffee, became reality when she received support from the Badir Program for Technology Incubators. In January 2012 Yatooq applied to patent the first automated Arabic coffee machine and signed an agreement with Badir to facilitate the commercialization of Yatooq's new technology.

Badir functions under the guidance of King Abdulaziz City for Science and Technology (KACST), a government technology policy entity. "Badir," which means 'to initiate,' is a national program aimed at accelerating the growth of emerging technology-based businesses in Saudi Arabia. The program is open to all Saudi technology entrepreneurs who have an early-stage technology-based business, prototype, or proof of concept product or service that can benefit from incubation.

Talking about the challenges faced by Saudi women entrepreneurs Alwaalan explains one of the biggest obstacles she has faced:

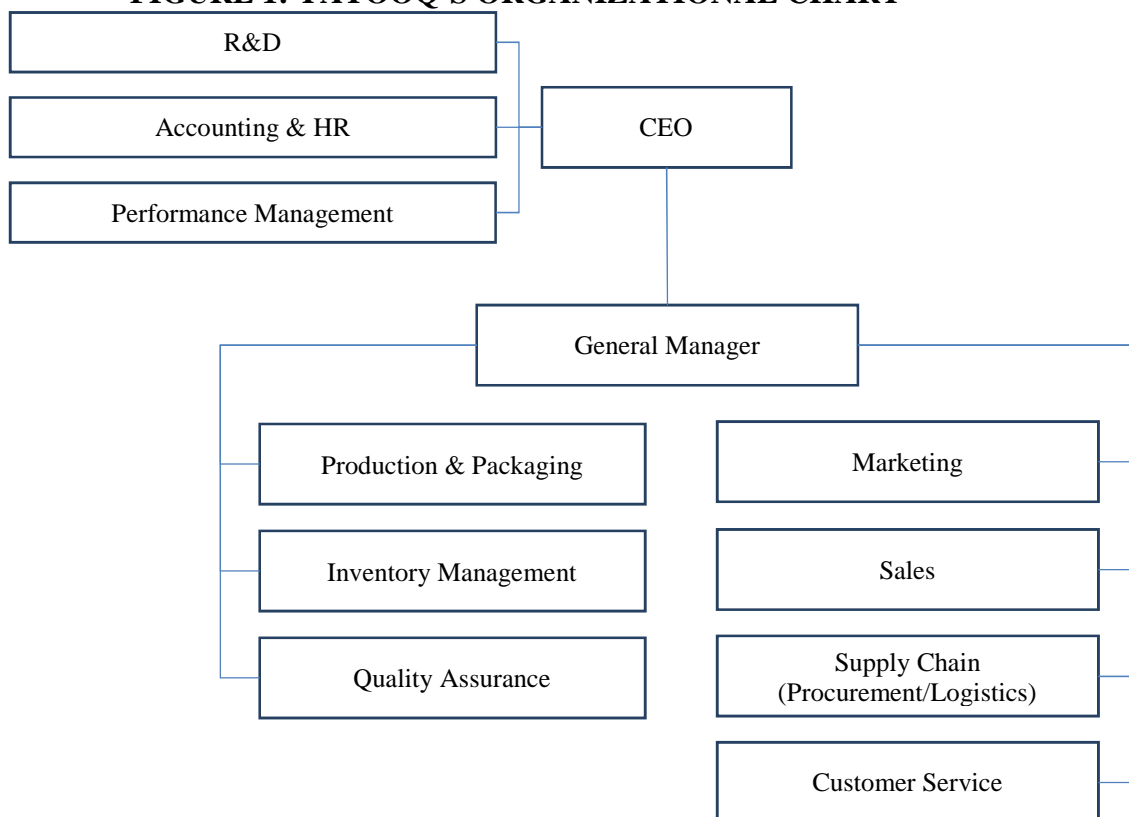
“The Ministry of Commerce forces any woman opening a company to have a male director as a necessary condition. I also didn’t have any employees when I started, which I needed just to handle all of the governmental procedures for starting a business. One of the governmental agencies refused to welcome me and my employees and insisted that I send my brother or father to explain my project.” (Gabr, 2013)

Alwaalan tends to think that things have changed in the Kingdom for the better after the enactment of the 2005 law that provides fairer work conditions for women in the Saudi private sector. She holds a belief that if a person loses confidence, it is hard for him or her to succeed and that confidence in one’s capabilities is the first step towards success. In her case, Yatoq’s start-up process hasn’t been easy, as she had to learn everything about how to manufacture and sell a consumer product.

Organizational Structure and Employees

Yatoq is a sole proprietorship founded by Lateefa Alwaalan. At present, being a young startup, it has 30 employees on its payroll and 75 employees working on a contract basis. Yet many of its functions, including logistics, distribution, and design have been outsourced. Like all startups seeking to grow, as Alwaalan faces the challenges of scaling her business in the near future she realizes that her company needs more employees and a further delineated organizational structure to keep up with growing demands.

FIGURE 1: YATOOQ’S ORGANIZATIONAL CHART



Organizational structure at any organization allows the expressed allocation of responsibilities for different functions and processes to different employees. An organizational chart makes it clear who does what tasks, how employees are grouped and to whom they report. Figure 1 depicts the organizational structure currently practiced at Yatoq.

Products

A product is a good that can be offered to a market that might satisfy a want or a need. At present Yatoq offers two products to the market.

First, it offers a line of readymade Arabic coffee blends. The company originally started selling Arabic coffee blends to students (mostly Arab) in the U.S. with a simple online store. Now four Arabic coffee blends are available for customers to choose from. Each pack of Yatoq's Arabic coffee blend weighs about 250 grams and can be used to prepare approximately 5 dallahs or 125 fenjans of qahwa.

Yatoq's Special Blend is made up of blond Arabic coffee with cardamom, saffron and spices. It is topped with Yatoq's special blend of spices.

Yatoq's Classic Blend is made up of blond Arabic coffee with cardamom, and saffron.

Yatoq's Ginger Aroma Blend is made up of blond Arabic coffee with cardamom, saffron and spices. It is infused with ginger.

Yatoq's Cloves Warmth Blend is made up of blond Arabic coffee with cardamom, saffron and spices. It is infused with cloves, which gives a flavor of warmth.

Yatoq's second product is its patented automatic Arabic coffee maker or "Yatoq's Automatic Dallah" as Alwaalan likes to call it. The machine has an electronic processor that controls the circulation; it does not need any intervention. All that needs to be done is to pour water and add coffee, then choose the program and the duration, press the Power button and the countdown begins until it finishes preparing the coffee at the specified time. Fresh qahwa is ready for drinking in as few as seven minutes. Some prominent features of model number 1.1 of the machine that make it unique are outlined as follows:

Speed: It has multiple fast brewing programs starting from 7 minutes.

Quality: The cordless pot is made of high quality stainless-steel, with a 360 degrees movable base.

Easy to clean: Yatoq coffee maker is designed to be easily cleaned and has a washable stainless-steel filter.

Ease of use: The coffee maker has an easy digital interface.

Safety: It has a built-in dry boil safety protection. Certified with European standers.

It has a capacity of 1.225 liters. Other technical specifications are 220/240 v, 50/60 Hz, and 1200 w. The machine is sold with a one year warranty. Currently available in select Saudia Arabian stores, customers in the U.S. or elsewhere can order the Yattooq Arabic Coffee Maker 110v from the company's website.

Customer Response to Yattooq Products

A business will make more money if its customers are happier. But how does a business keep its customers happy? How does it even know what its customers like or dislike about its product? Asking for customer feedback can provide extremely valuable insight for a business to find out what to emphasize and what to change about its products or services. Understanding how necessary customer response is, especially at these early stages, Yattooq provides a platform on their website for customers to provide feedback and rate the products.

Overall, the customer feedback on Yattooq has been positive. The product has succeeded in the Saudi market and has also impressed Arabic coffee lovers around the world. Within two weeks of launching the coffee machine in grocery stores and online, it sold out.

One customer, Ali Alzanhani, reviews the Yattooq Arabic Coffee Maker as "Excellent," and gives it 5 out of 5 stars for Quality, Value, and Price. He rates the Classic Arabic coffee blend as "Good" and gives it 4 out of 5 stars. Another customer, Maha, gives the Special Arabic coffee blend 5 out of 5 stars and says that "the product has great packaging and taste and is very easy to make and the result is amazing" (Yattooq, 2012).

Khalil, a graphic and web designer entrepreneur from Kuwait writes about his experience of purchasing Yattooq on his blog website "Q8PATH Just read it!" He states:

"Personally, I loved the idea of Yattooq's Coffee Maker which made my life easier to make my coffee at home, office and also when I'm traveling. I rate it 10/10 and absolutely worth to get one if you are Arabic coffee lover."

Florian Diaz Vazquez, a Spaniard living in Riyadh, expressed his views about Yattooq on Twitter, an online social networking and microblogging service that enables users to send and read short text messages called "tweets." Vazquez tweets on 13th November 2012: "@Yattooq you give consumers a high quality product, so taste (tasty), and so easy to make. I recommend it to people who like Arabic coffee. Well done."

Suppliers & Production

Since their launch, Yattooq has opened their own office, lab, and factory in Riyadh. The company prepares the coffee blends, relying on local suppliers to provide all of the basic ingredients required for production.

Women employees at Yattooq's factory carry out most of the procedures involved in the roasting, grinding, and mixing of the coffee beans by following specific formulas and procedures. Quality testing, product packaging and product distribution are also carried out

in the Riyadh lab and factory. However, the Yattoo coffee maker machines and empty pouches for the coffee blends are manufactured in the People's Republic of China.

Target Market

The target market is a group of customers towards which a business has decided to aim its marketing efforts and ultimately its products or services. Qahwa lovers all around the world are the target market of Yattoo's products. Younger Arabs, particularly those living far from home, are a smaller but viable market. As Alwaan said in a 2014 interview, "For my generation, Arabic coffee is for us to enjoy, not to make." (Oasis)

Packaging

Though packaging is the practical technology of enclosing or protecting products for distribution, storage, sale, and use, carefully designed packaging for a consumer product can contribute to its success. Yattoo uses a high barrier packaging designed to maintain the coffee quality for a long time. The packs also have a sealable zip lock on top to facilitate convenience and efficient storage. A young Saudi graphic designer from Jeddah has worked on the packaging's appearance. Step-by-Step instructions in Arabic and English language are provided in order to help the customers make Arabic coffee easily. A customer services contact number is also provided.

Yattoo's coffee maker comes with a user's manual in a hard box, attractive enough to be presented to someone without having to wrap it up in gift wrappers. Information on the coffee maker's packaging are the product specifications, model number, warranty information, a short story about Yattoo, customer services contact number, and the company's website address. Customers are encouraged to follow Yattoo on social media and networking sites with a mention of Yattoo's Facebook page, Instagram, and Twitter. Another smart thing about the packaging of the Yattoo coffee maker machine is that it advertises Yattoo's Arabic coffee blends by using their pictures.

Pricing

Product price is the amount a customer pays for the product. The Yattoo Arabic coffee maker is sold for a \$ 106.39 and each pack of coffee blend at a price of \$ 9.33. However, buying six packs of the coffee blends at one time gives the customer a discounted price of \$43.19 (from \$55.98). The price for buying four packs at one time is discounted to \$32 (from \$37.32).

Although Yattoo pioneered the automated Arabic coffee machine, it now faces several competitors that are entering the same market. Alwaan believes that Yattoo needs to capture a large market share and hence "penetration pricing;" i.e., keeping the price low to spread quickly through its market is the most suitable pricing strategy for Yattoo.

Promotions

For promotion, businesses use several methods of communication or advertisement to provide information to the market about their product(s). Initially, as a startup, Yattoo couldn't afford to spend huge amounts on promotion, so its promotion consisted of offering free samples at various conferences and events. For example, Yattoo arranged with the event management to provide free hot drinks to the guests in return for the opportunity to promote Yattoo's banners at the event free of charge. The company also relied on digital marketing in general.

Since the launch of the Arabic coffee maker machine in 2013, Yattoo now combines more extensive on-the-ground promotions and digital marketing techniques. In May 2013, Yattoo held a coffee/dessert tasting event at a Riyadh art gallery, L'Art Pur, along with the participation of a few other chocolate and sweets vendors. Media and TV channels were invited to the event. Consequently, several newspapers, magazines, TV channels and blogs published Yattoo's story, thus giving the company exposure to the public and contributing to Yattoo's advertising.

As mentioned earlier, Yattoo utilizes social media, an efficient medium of business advertisement, for customer relationship management and promotional events. Alwaalan is of the view that social media is a great medium to interact with customers. A 2.36 minutes-long video advertisement available on YouTube (a video sharing website) excellently depicts and explains Yattoo's products. This promotional video was prepared with the participation of freelance students from Princess Nora University in Riyadh.

An increasing number of people are showing interest in Yattoo's online updates, posts, pictures, and tweets. As noted on 18th May 2014, Yattoo has 958 fans on Facebook, an online social networking site, 1119 followers on Twitter, and 13,010 follower on Instagram, an online photo and video sharing social networking site.

Distribution

Distribution is what makes a product or service available for use or consumption by its consumer(s). Yattoo is successfully channeling its Arabic coffee machine and its unique coffee blends across the Kingdom of Saudi Arabia and other parts of the world. Their products are available for purchase online, through their website Yattoo.com, via phone calls, or from select retail stores. Online purchases are delivered to customers through ARAMEX and the payments are facilitated through PayPal.

Major distributors of Yattoo products in Saudi Arabia include Danube and Bin Dawood markets. The 22 branches of SACO and 32 branches of Extra markets will also be selling Yattoo's products in the near future. A number of other stores sell Yattoo's products in several cities of Saudi Arabia. Other than the Kingdom, Yattoo's products are also sold in Kuwait and Seattle, USA.

Sales and Financial Performance

A sale, in general terms, is the act of trading a product or service in return for money or other compensation. Initial product sales have been promising. Within 48 hours after launching their Arabic coffee maker, Yattoo sold 2,000 machines (Kalan, 2013). However, like many startups, Yattoo also faced financial difficulties in the beginning. For the first one and a half years their financial statements remained negative.

After the launch of the Yattoo Arabic coffee maker machine the situation changed for the better. The expected sales following the launch of the Yattoo machine, according to Alwaan, were about 600 units, but the actual sales outperformed the expectations by 500% and almost reached the maximum of the company's capacity. To cope with increasing customer demand, the firm needs and is expected to scale. Judging by the company's robust performance, Alwaan estimates that sales will increase by approximately 30% in the next year. However, the company is not yet self-sustainable. To meet rapidly growing customer demand, the company needs to increase its production capacity and for that it might need the support of external financiers.

Customer Service

Handling customer complaints or questions and trying to solve their problems correctly is an important part of the overall service experience a business delivers. Yattoo responds to customer complaints and queries through online communication as well as telephone conversations. Contact information is provided on product packaging. A new Yattoo customer service center will open in Al Nasiriyah District, Riyadh.

If a customer experiences a problem with a Yattoo Arabic coffee maker machine under warranty, the company pays to mail the product from the customer so it can be examined and fixed and then ships the repaired product back to the customer. If the product is not fixable, the company provides a new replacement. At Yattoo, timely, welcoming, and polite responses to customer queries are considered to be of utmost importance in order to establish and maintain successful customer relationships.

Competitors

A business competitor is another company in the same or similar industry that offers a comparable product or service. For Yattoo, competition comes from a number of companies that are also selling instant coffees and related products and also targeting consumers who prefer convenience to preparing their own Arabic coffee from scratch. Although Yattoo presently has the lead in the market as the first to provide an Arabic coffee maker machine it still faces direct competition from other instant Arabic coffee providers. New competitors providing automated Arabic coffee machines are also surfacing quickly in the market.

Nescafé, a leading coffee brand in the Middle East, launched "Nescafé Arabiana" in 2013. Nescafé Arabiana is sold in small and large sachets that contain a powder one mixes with boiling water. Nescafé, which is owned by the giant Swiss multinational Nestle, advertises itself as the first-of-its-kind 100 percent instant Arabic coffee product, prepared with

premium-quality green coffee beans and combined with cardamom and other natural flavors (Saudi Gazette, 2013).

Another competitor is AJYAL instant Arabic coffee that also launched in 2013. Its specifications closely match those of Nescafé Arabiana. The AJYAL instant Arabic coffee also comes in sachets which are mixed into boiling water to prepare instant qahwa.

Sea Island Coffee's Arabic coffee blend, Arabian Coffees' Arabic coffee blends, and Al Qassim qahwa blends are some other examples of competitive products for Yattooq.

Competitive Advantage

Competitive advantage occurs when an organization acquires or develops a unique attribute or combination of attributes that allows it to outperform its competitors. Yattooq secured a patent and was the first mover in the undeveloped market of automated machines for Qahwa preparation. The innovative product, as well as its superior taste and quality, contribute to the competitive advantage that Yattooq has over its rivals.

Lateefa Alwaalan has a unique vision, education, expertise, and the guts to follow her dreams. As a young, innovative entrepreneur in Saudi Arabia, where women-led businesses are still somewhat unusual, she is a model leader. Business strategies practiced by Yattooq include:

- Efficient branding
- Effective advertisement and promotions
- Customer relationship management
- Attractive and convenient packaging
- Ease of order placement and customer service via online shop and through telephone conversations.

With rising competition, Alwaalan believes that to remain competitive in the future, Yattooq needs continuous improvement, specifically in its Branding and Research & Development.

Business Expansion

Businesses need to grow. Business strategies for Yattooq growth could include increasing the number of stores in which customers can buy a company's products and services or by increasing its target market, product, and service offerings.

The world is becoming more of a global village, where people are picking and enjoying the best from all cultures, and this especially includes the best bits from Arabic culture, which has wonderful gifts to offer to the world (Hedengren, 2012). Arabic coffee is a symbol of Arabian hospitality and is appealing to those who wish to explore the rich Arabian culture and cuisine. Coffee connoisseurs from around the world are another potential market. Targeted market expansion is a real possibility for this company.

As far as products offering by Yattooq are concerned, the company started in 2011 by offering its original flavor of ready-made Arabic coffee blend and quickly expanded its

product line and now offers four unique coffee blends. In 2013, Yattoo's Arabic coffee maker machine was successfully launched. In June 2014, Yattoo launched Yattoo2, the latest model of its coffee maker machine. However, since the company does business in an untapped market that offers a lot of potential for growth, in the future Yattoo might want to expand its coffee blend even further or to provide complementary products, such as Yattoo's own fenjans or serving dallahs.

Because Yattoo sells on-line through its website Yattoo.com, there are no physical boundaries limiting its availability or purchases to a specific geographical area. The coffee blends are mainly distributed from Riyadh, Saudi Arabia and Seattle, U.S.A. Recently, Yattoo has entered the Kuwaiti market. In Saudi Arabia, Yattoo's products have been primarily available at Bin Dawood and Danube markets. However, retail locations are expanding quickly. In the near future, Yattoo's products will also be sold at SACO and Extra Markets.

Yattoo's Future

Alwaalan hopes for Yattoo to become the brand name associated with "easy to make, consistent, Arabic coffee." However, she must compete for market share with products such as Nescafé Arabiana and AJYAL coffee. Ever increasing globalization both enlarges her market and provides a competitive environment that gets tougher every day.

Her morning coffee finished, Alwaalan sits in her office chair and ponders the business strategies that would help Yattoo continue its success and preserve a leading position in the relatively new and innovative market of instant Arabic coffee. Which strategies, she wonders, would be the best for Yattoo to keep a sustained advantage and distinctive competitive edge? Will it be able to compete against its existing and potential competitors, especially those with access to the resources available to large international companies?

REFERENCES

- Al-Aali, A. (1996). Alcave coffee, an innovative way for a traditional drink. *Competitiveness Review*, 6(2), 81-86.
- Country Watch. (2013). *Agriculture Consumption and Production, Economic Overview: Saudi Arabia Country Review*.
- Gabr, Ahmed. (2013). Saudi woman entrepreneur rethinks how we make Arabic coffee. Retrieved from: <http://www.wamda.com/2013/05/saudi-woman-entrepreneur-rethinks-how-we-make-arabic-coffee>
- Hedengren, David. (2012). What makes Arabic coffee unique? (D. Hedengren, Interviewer). Retrieved 15 Sept. 2012 from: http://www.yourmiddleeast.com/features/what-makes-arabic-coffee-unique_9351
- <http://www.saudigazette.com.sa/index.cfm?method=home.regcon&contentid=201310281849>
24
- <http://www.saudigazette.com.sa/index.cfm?method=home.regcon&contentid=201408252158>
19
- <http://yattoo.com/blog/forbes-en/>

- Kalan, J. (2013). Saudi Arabia: Can start-ups replace oil riches. BBC (23 October). Retrieved from: <http://www.bbc.com/future/story/20131023-can-saudi-start-ups-replace-oil>
- Mardikian, John. (2014). Yattooq Interview. Oasis Magazine, (5 August). Retrieved from: <http://oasis-mag.com/articledetails/arts/26>
- Nour, Etab. (2014). Latifah Al-Waalan: A cup of coffee and a dream. Arab News (19 march). Retrieved from <http://www.arabnews.com/news/542576>
- Saudi Gazette. (2013). NESCAFE launches first instant Arabic coffee in Saudi Arabia. (October 28). Retrieved from:
- Saudi Gazette. (2014). Saudi Arabia biggest coffee consuming country in world. Retrieved 25 August from:
- Yattooq. (2012, May 11). Retrieved from Yattooq: <http://www.yattooq.com>

Abdulrahman Al-Aali, Ph.D is a Professor of International Business and Marketing at the College of Business Administration, King Saud University, Saudi Arabia. He gained his MBA and Ph.D. in International Business at Georgia State University. He is the Director of the Ph.D. in Business Program and a Visiting Research Scholar at Indiana University in Pennsylvania. He was a Fulbright Fellow at the GWU and former Dean of King Abdullah Research & Consulting Institute. He was a Trustee of Prince Sultan College of Tourism & Business and is currently a Trustee of Albaha College of Sciences. He has authored or co-authored six books and over thirty-five academic articles. He has consulted for many ministries, UNDP, and UN-Habitat.

Sobia Ayub is a doctoral student in the Business Administration program at King Saud University and majoring in Management. She holds an MBA with a concentration in Human Resource Management and a BS honours degree in Computer Science. Her research interests include innovation, information technology, organizational behavior, and total quality management. She can be contacted at Sobia.ayub.sa@hotmail.com.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.