

SOCIAL MEDIA IN MENA

A HABIT IN THE MAKING

OmnicomMediaGroup

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Social media attracts and scares in equal measures. As it can make or break brands thanks to the tilting of the power scale in favor of consumers, it needs be handled judiciously and wisely as part of the marketing mix. But what does social media actually mean to consumers and brands in the Middle East?

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METHODOLOGY

The *Omnicom Media Group MENA Digital study* was conducted in June 2011, via face to face interviews in Saudi Arabia and the UAE. The sample had 600 respondents per country, Saudi nationals in the Kingdom and a mix of nationalities to represent the UAE's ethnic breakdown, aged between 15 and 60. All are online users.

All results are available for the last three years for solid trends analysis and benchmarking.

Other sources include Integral-OMG's Media Engagement Platform and C.WEB studies, Ipsos MediaCT, Google and Esomar.

EXECUTIVE SUMMARY

Instant communication on a global scale, provided by social media, could be classified as the current epitome of communication. While the actual start date of social media is debatable, its effects on the region have certainly been profound.

Besides the societal developments to which it has contributed, social media has found its place in people's lives, with the region counting millions of accounts and networking sites now featuring as the first reason to go online. The audience of sites like Facebook is growing rapidly, tripling in one year in some cases. More than this, its users, largely young and educated individuals who find in social media entertainment, information and a way to communicate with family and friends, visit networking sites very regularly, up to several times a day and, in cases, for an inordinate amount of time. The use of mobile phones to access social media sites is also very significant.

This white paper not only describes this audience, its behavior and its attitudes with regards to social media but also reveals some of its finer details, looking at differences between the UAE and Saudi Arabia, the two countries surveyed in Omnicom Media Group MENA's Digital Study earlier this year.

One key finding is that the diverse population of the UAE is behaving more like a mature market, as it focuses on the media's communication properties and being more discerning about brands' communications in that space. Still, they are 'active' social media users, liking, following, posting, commenting and sharing more than their Saudi counterparts. Users in the Kingdom see social media more as a source of entertainment.

There are clear differences in behavior between 'active' social media users and 'passive' ones, particularly in the significance of their engagement with brands. One interesting aspect is that for 28% of Saudi active social media users, 'liking' a brand indicates a purchase is imminent.

While this is enough to push brands into social media in the hope of accumulating 'likes' or followers, few have actually considered what metrics to use to justify their investments or measure their performance. We provide avenues to explore in order to guide the journey into this arena.

THE SOCIAL WEB

The shift from Web 1.0 to Web 2.0 is the result of technological progression as well as shifts in consumer consumption of the web. What used to be a one-way flow of information is now based on a system of information creation, sharing and collaboration between users, and user generated content. One of the most profound changes in the role of the Internet is without doubt social networking, leading people to not only communicate but also share and 'exist' in a public space. Around the world, more than 940 million Internet users are active on social media platforms, about 50% of the global online population (World Bank, ITU, InSites Consulting). The same statistics can be replicated for the MENA region, where over 30 of the 70 million internet users are social media users.

To say social media has taken hold in our region would be an understatement. For example, Facebook claims 8.9 million accounts in Egypt, 4.5 million in Saudi Arabia, 3.9 million in Morocco, 2.7 million in both Tunisia and in Algeria, 2.6 million in the UAE and 1.3 million in Lebanon. The high penetration level among the total adult population in the UAE is similar to what is seen in the USA or the UK.

In both the UAE and Saudi Arabia, accessing Facebook is the now first online activity, with 89% and 86% of respondents respectively mentioning it, ahead of chatting on Yahoo! (73% and 70% respectively) and sending emails (76% and 69%). This is reflected in the traffic growth witnessed by social media networks.

Internet users have found a voice and are ready to use it, fuelling the growth of these sites. Detailing the

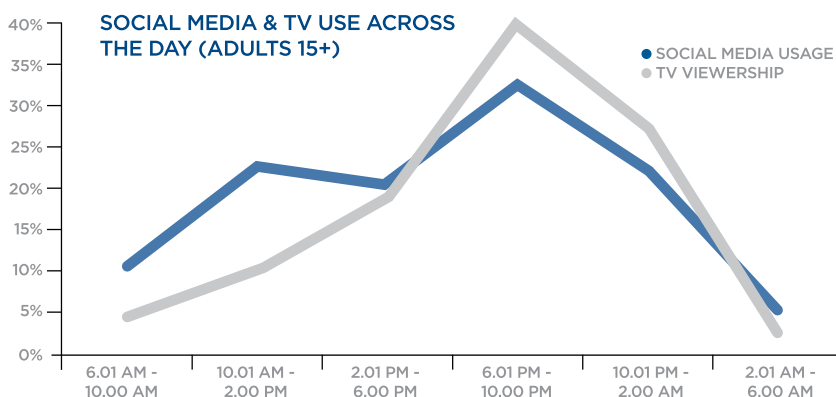
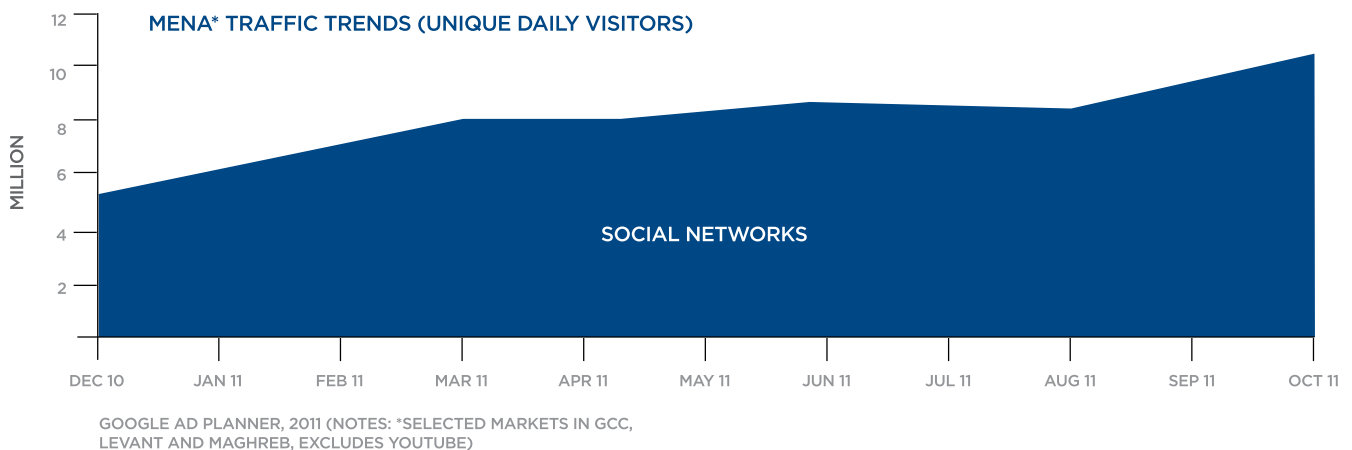
traffic to sites across the region, it is clear that social media sites actually drive more traffic on the Internet than other web properties. What's more, within social media, Facebook is the main traffic engine. Forums still perform strongly though, particularly in Saudi Arabia.

In about one year, the number of unique daily visitors to key social media sites just about doubled to reach more than 10 million users a day. Facebook's audience tripled in Algeria, doubled in Egypt and Saudi Arabia, and grew by 75% in the UAE. The number of unique visitors to forums nearly tripled in Saudi Arabia over the same period. Today, half of the region's visits to forums come from Saudi Arabia.

Many people in the Kingdom and the Emirates feel that social media is becoming an irreplaceable feature in their daily lives. If 67% of consumers in the UAE feel that their life would suffer without technology, 87% of consumers in Saudi Arabia share that feeling. In terms of specifics, respondents in both countries have placed Facebook on top of the list of technologies they simply can't live without. Instant messaging comes second in both countries, although the UAE prefers the mobile version to the PC-based one.

To better appreciate these trends, we need to understand the finer details of social media users, demographically and psycho-graphically.

Some preconceptions have been confirmed by this study, such as the predominance of younger age groups. In both the Emirates and the Kingdom, social media users tend to be younger than the overall online population. Perhaps more significantly for brands, they're also largely



employed and in senior positions (between a quarter and a third of the total in the Kingdom and the Emirates respectively). They're also well educated, as around 90% have at least completed their secondary education.

This dependence is reflected, if not shaped, by their consumption habits. Daily visits of social media websites are reported by 57% of UAE respondents in our study and 35% of respondents in Saudi Arabia. In the UAE, the younger age group drive this whereas in the Kingdom it is the older generations.

The time of consumption of social media varies from one country to the next. While there is a general trend towards access of social media platforms outside of working hours, around a third of social media users access these sites during office hours, with a high of 44% in the UAE. The peak period is between 18:00 and 22:00, when people are more likely to be at home or at least not dividing their attention with a professional activity. This is when we see an overlap with other media, including TV, with concurrent consumption.

Social media networks perform a different function than traditional sites, blending communications with entertainment and information. It is this very diversity that gives rise to differences in consumers' evaluation of social networking and the role it plays in their lives.

Asked to describe the role of social media against mobile and general web surfing, some distinctions appear. In the UAE, social media is as good as the other two platforms to communicate with friends and relatives, while in Saudi Arabia, mobile is way ahead on this aspect. The high proportion of expatriates in the Emirates with relatives overseas could explain their reliance on social media rather than mobile phones. If Saudis have a strong affinity to mobiles, web-based activities are generally preferred in the UAE, most notably when looking for brand information and news.

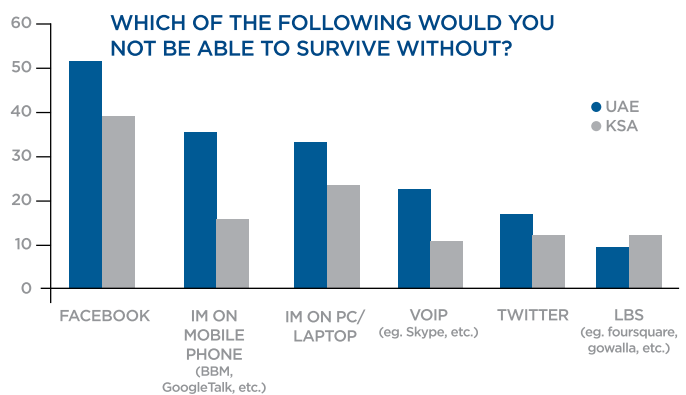
This distinction between the two countries is further highlighted when respondents are asked specifically about the value they attach to social media. If in Saudi Arabia, looking for information on brands and products ranks first, in the UAE it comes last, replaced at the top by communicating with friends and relatives. The Saudi use of social media is influenced by a conservative 'tribal' behavior, opening up only to relatives and close friends. On the other

hand, they use it to keep an eye on trends and interesting developments. It's also a source of entertainment and enjoyment for over a third of respondents in both countries.

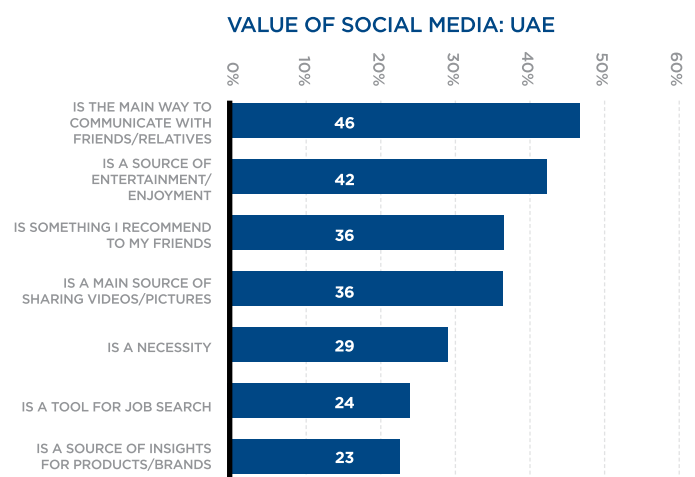
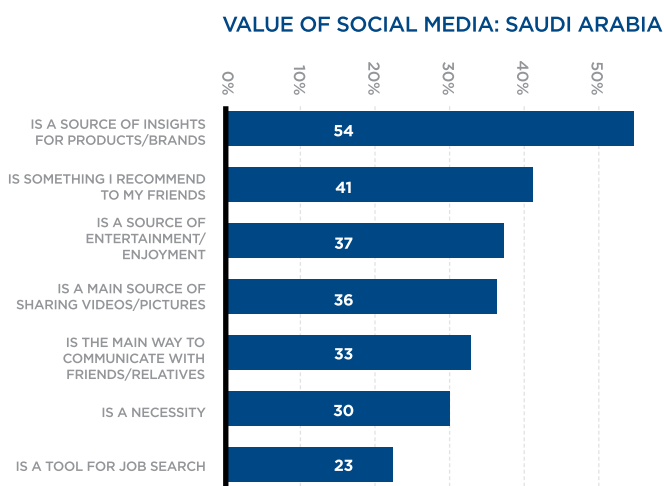
The communication/sharing dimension of social media means it is ideally suited for the mobile platform and around 70% of consumers stated that their phone had a social media application. This is a Facebook app in two-thirds of cases, with Twitter coming as a distant second.

Social media is in the top five of mobile phone uses in both countries, behind phone calls, SMS, web surfing and listening to music. In the UAE, around 50% of respondents use the social media app on their phone once a day or more. In Saudi Arabia, this is lower at 34%, as mobile phones are used first and foremost for calls (81% "more than once a day" for calls in Saudi Arabia compared with 67% in the UAE).

While social media has found its place in people's lives, its audience isn't one consistent group made up of average users. As differences between countries and other distinctions emerge, it becomes obvious that social media is all about being relevant to the individual user rather than the mass. Social media doesn't mean one thing to all and brands must therefore adopt a flexible approach to make sure they attract and engage the greatest possible number of people, while also giving them meaningful opportunities to share and spread their content with others.



OMG DIGITAL STUDY 2011 (MULTIPLE ANSWERS ALLOWED)



OMG DIGITAL STUDY 2011

SOCIAL MEDIA AND BRANDS

While it's easy to get carried away by the hype or stopped in your tracks by a lack of understanding of how to make social media work for a brand, marketers need to consider the recent findings from TNS in their Digital Life 2012 study. As many as half of all companies running social media marketing campaigns are seeing their messages fall upon deaf ears. This is particularly true with social media-savvy users in Western markets, led by consumers in the USA and the UK. In emerging markets, such as those of the Middle East, consumers are considerably more open to engaging with companies in that space. Omnicom Media Group's Digital Study not only confirms such findings but also provides additional insights about the interactions consumers have and seek with brands in the region.

TO LIKE OR NOT TO LIKE A BRAND

The first aspect to consider is consumers' affinity with brands in the online space. The more time they spend looking for brands on the Internet, the more likely they are to interact with them. Consumers believe that certain brands should have an online presence, particularly technology-based ones like mobile brands, consumer electronics and telecommunications, as well as a range of others, including retail for example. These correspond to major interest points and an online presence is a natural extension for these categories. If in Saudi Arabia, consumers expect automotive, games and fashion brands to live online too, in the UAE, jewelry and watch brands are also among the preferred categories for online interaction. What is interesting is that these preferences actually affect and correlate with their online behavior. There is an impressive correlation of 79% between preferences and online traffic in Saudi Arabia and 60% in the UAE.

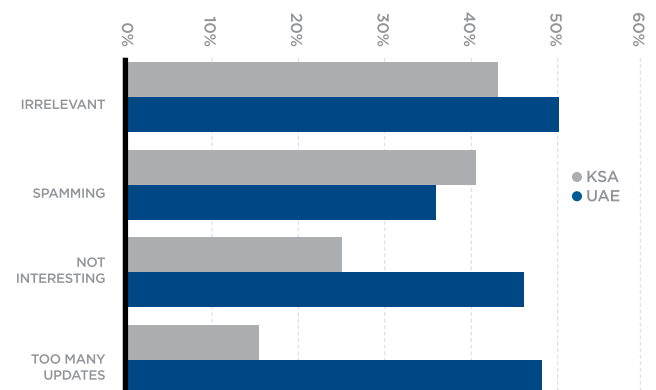
Looking at the perceived impact of social media on brands against other digital platforms, namely mobile and web-surfing, it appears that Saudis have not yet identified the key strengths of social media, valuing all three to a similar level on most factors. If anything, they perceive mobile and web-surfing as having a stronger impact overall, which is confirmed by their love of mobile. In the UAE, consumers have a more defined perception of social media, which they place as high as general web-surfing on generating word of mouth and interest in a brand. Mobile generally ranks lowest in the Emirates in terms of impact on brand KPIs.

This interest in connecting with brands in social media can take many forms and one of the most obvious forms of engagement is subscribing to a brand's social feed. While the propensity to do so is significantly higher in the UAE than in the Kingdom, frequency of engagement is almost the same in both countries, once or twice a week for the wide majority of consumers.

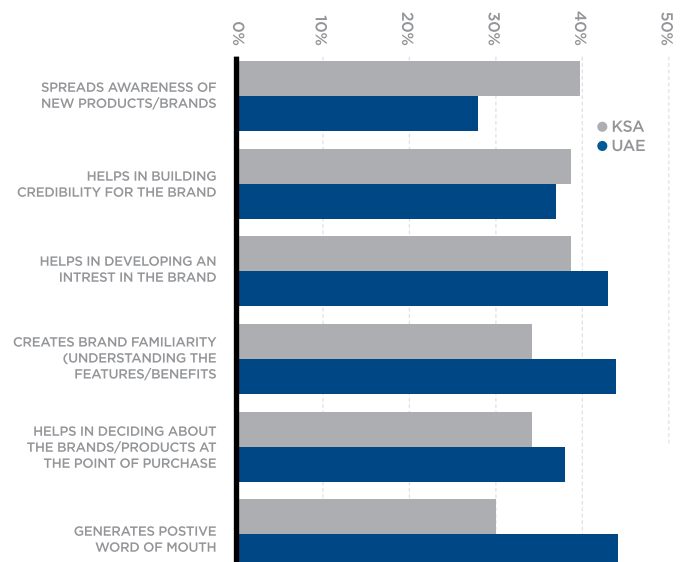
Although liking a brand or following its tweets is a step in the right direction, engagement needs to evolve to a more intense level of affinity to be truly valuable to both parties. Signs of such affinity range from basic endorsements, such as clicking a 'like' button, to contributing content of value to a brand, such as writing a favorable post/comment or creating a video for the brand to share. Such actions positively impact a brand's affinity score and increase the chances of its posts appearing in a user's news feed, spreading them to his or her network of friends.

For consumers, a like/fan/follower status generally expresses an affinity with a brand and is a way to project an image onto others. However, about half of

REASONS RESPONDENTS UN-LIKE OR UN-FOLLOW BRANDS



SOCIAL MEDIA'S IMPACT ON BRAND KPIS (TOP ANSWER ONLY)



OMG DIGITAL STUDY 2011

respondents actively seek to share ideas with brands.

It also contributes to forming a purchase intention, as close to 20% of Saudi respondents and 10% of UAE ones indicate that liking or following a brand online means they will buy its products. The act of following/liking, for them, is a step towards a purchase and indicates another level of affinity with a brand. It also expresses a regular purchasing habit for a similar proportion of Saudi and UAE consumers.

A relationship needs to be nurtured if it is to be sustained. Consumers can and do lose interest if the connection is dull and doesn't offer the value they were seeking in the first place. Hence, consumers will and do unsubscribe to brands too. Both in the Kingdom and the Emirates, about half of respondents have un-liked or un-followed a brand. This is slightly more marked in the UAE, where consumers show a higher rate of social engagement. This experience or savviness expresses itself through a more critical eye on social media content, leading to an assertive termination of a relationship when it becomes irrelevant or unappealing.

Social media users are clearly alert to brands' presence online and in their networks, which is a double-edged sword.

While they are more likely than the average Internet user to buy from a brand with a strong online presence, they are also more likely to criticize and avoid online advertising. This is more marked in the Emirates than in the Kingdom. Not only do UAE consumers have a much higher propensity to subscribe to a large number of brands' social feeds and therefore receive more communications, in the Kingdom, sources of entertainment still include advertising and interacting with brands.

Combined with their respective opinions of advertising on social media platforms, whereby Saudis are more positive than their counterparts in the Emirates, it suggests that the latter has a more mature position about this platform, being marginally closer to early adopters elsewhere in the world. It's likely that its broader mix of nationalities and short-term residents contributes to this.

DIFFERENT LEVELS OF ENGAGEMENT

Although the proportion of Internet users who access social media sites is equally high at around 90% in both the Kingdom and the Emirates, the level of interaction whilst on them varies significantly. Based on their propensity to interact with brands, we have identified two distinct sub-groups, active social media users and passive social media users. If the former seek an interaction with brands and actively contribute to a conversation, the latter are much less likely to do so.

In the UAE, active users represent half of the total, while in the Kingdom, they're only a quarter. Passive users in Saudi Arabia, who navigate those sites without much clicking, liking, posting or sharing on brand pages, are close to half of the total, against a quarter in the Emirates.

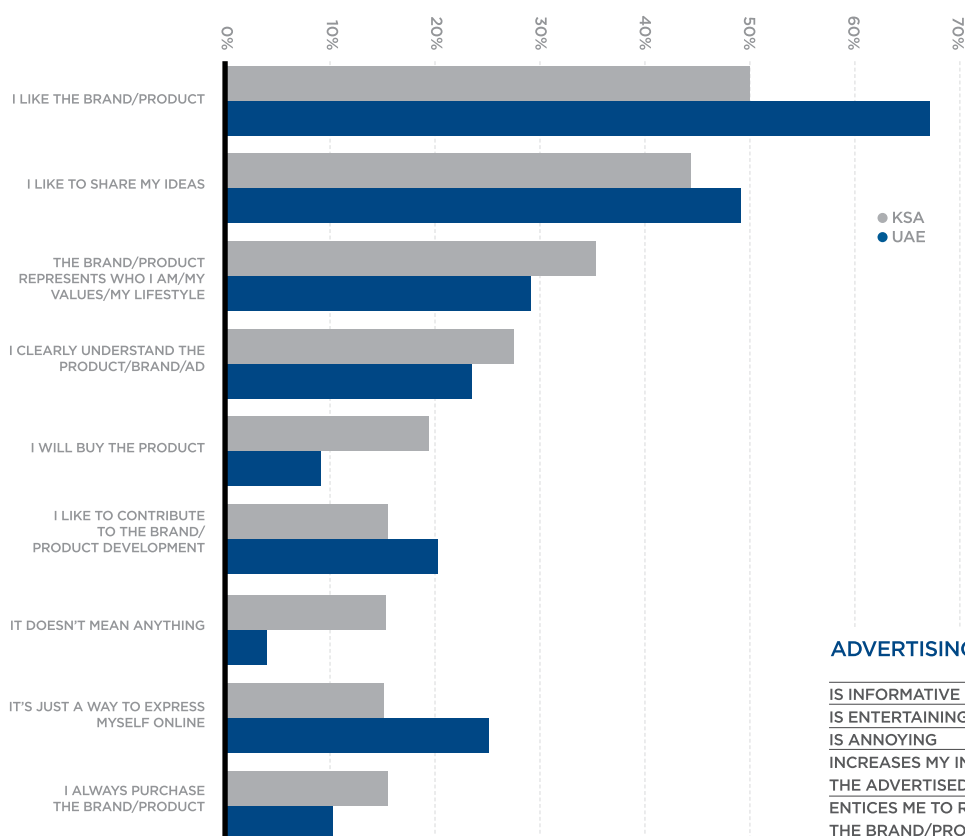
Active social media users spend more time online than passive ones in both countries. Around half of active users spend in excess of three hours a day online when only less than 10% of passive ones do. Checking status updates, posts, liking and sharing content from multiple sites and pages takes longer than the quick look passive users tend to have on a more limited range of pages.

There are also marked differences between the two countries on the significance of liking/following a brand. In the UAE, active users mean to express themselves more than the rest, whereas passive users feel that a like/follow illustrates their buying preference for a given brand or product more strongly than others.

Active users in the Kingdom also have clearly marked preferences compared with passive users, using the social subscription function to express an affinity, a buying habit (21%) or even purchase intentions (28%). Even though their proportion of the total is small, these active users show a much higher purchase intention than in other markets. To them, social media, including forums, are a way to inform their buying decisions, while in the UAE, consumers are more into social media and the interaction options. In the Kingdom, there is a much bigger role from brands to play in social media.

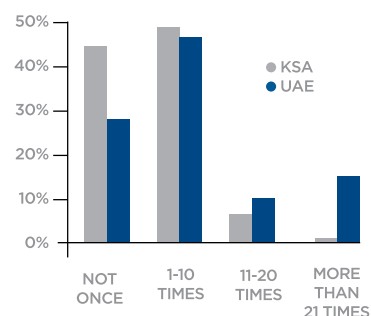
While the potential of social media to impact on brand KPIs is undeniable, the exact measurement of that impact is still the subject of debate. The value of a fan/like/follower has yet to generate an industry-wide consensus. Therefore, advertisers and agencies are working with another set of metrics to evaluate the performance of their social media strategies.

MEANING OF "LIKE/FOLLOW"



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PROPENSITY TO "LIKE/FOLLOW" A PRODUCT OR BRAND



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ADVERTISING ON SOCIAL MEDIA

	SAUDI ARABIA	UAE
IS INFORMATIVE	90	74
IS ENTERTAINING	90	79
IS ANNOYING	11	50
INCREASES MY INTEREST IN THE ADVERTISED BRAND/PRODUCT	86	72
ENTICES ME TO RECOMMEND THE BRAND/PRODUCT TO A FRIEND	89	76

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MAKING SOCIAL MEDIA WORK

The benefits of taking social media seriously are significant and, according to a study in the USA, organizations with the deepest social media engagement increased revenue 18% last year, while the least active saw sales drop 6%. Like any 'new' form of communications or initiative, the issue of performance is critical in order to evaluate social media in terms of the opportunity and the results it brings to a company. Again, like any current form of communications or initiative, this largely depends on the goals set by the brand. Many will stop at awareness, even if ultimately they want it to translate into sales and a return on investment.

The key performance indicators (KPIs) brands and agencies are using today include interactions (comments, posts, sharing...) with the content on such platforms, engagement rates, including the reach of each post, their virality and the discussions they inspire. Social means a dialogue and presents a shift in the way in which brands communicate. A social brand represents itself almost as a person, meaning that it abides by the social values we relate to and respect. It therefore needs to listen before talking (via a social media landscape audit and monitoring) and respond when people address it, being transparent in intention and communications rather than lie or spin. It is also important to remember that a social brand lives in places as diverse as blogs, forums, microblogs such as Twitter and communities such as Facebook, depending on their respective significance to a brand's audience.

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SOCIAL MEDIA METRICS

There are six dimensions to social media measurement:

- Brand health
- Marketing optimization
- Revenue generation
- Operational savings
- Customer experience
- Innovation

BRAND HEALTH

The point is to identify the buzz around a brand, the conversations it generates, specifically about the service, products or customer experience associated with it. Social media monitoring identifies what people would rather tell their friends rather than directly to a company. Under the broad themes of 'Conversation and sentiment drivers', 'Location, time and impact of conversations', 'Competitive implications', 'Issues identification' and 'Influence', several metrics based on the audience's usage of social media platforms help brands ascertain their 'social health'. These include topics, keywords, sharing, conversation tone, sentiment by media channel...

MARKETING OPTIMIZATION

Social media listening can help fine-tune a brand's marketing efforts and refine its target audience. This includes identifying the terms people are searching and from what sites they are coming to a brand site, remembering that people share differently on different social channels. Comscore in the USA has found that the search behavior of consumers exposed to 'influenced social' was 223% heavier than that of consumers exposed to 'paid' alone. In 2010, Nielsen examined the impact of Facebook advertising on 14 campaigns that featured the 'become a fan' engagement unit and included advertisers from a range of categories, including CPG, entertainment and retail. Using the Nielsen BrandLift methodology, it found that making all campaigns social can increase online ROI on brand measures by up to 28%. This is an important learning as we now have a first-stage quantitative base for making all online, socially enabled campaigns. This evidence is starting to demonstrate how making online activity socially-active can elevate its ROI potential. Social marketing is also being used for promotional campaigns.

REVENUE GENERATION

Although social media shouldn't be expected to directly increase sales, it can still generate leads and conversions. It can have a tremendous influence on the long-term relationship so it's worth assessing its impact on purchase behavior, search results and customer loyalty. Brands with physical or online stores have tracking systems in place to check the channels that drive repeat business and the type of customers they attract.

OPERATIONAL SAVINGS

Social media provides opportunities for hard and soft savings. As customers become brand advocates, they expand its reach at little to no cost. The savings are compounded by the versatility of social media as a customer service platform. All these savings can be tracked and measured.

CUSTOMER EXPERIENCE

There is a direct correlation between social media and customer experience, which then translates into improved brand health, increased revenue and cost savings. Precise monitoring of conversations can help identify issues in customers' experience with the company's products or services, the first step towards solving them.

INNOVATION

Although less than 20% of social media users in the region see their role of a fan/follower including a contribution to brand development, social media does allow for crowdsourcing and many brands have used it with great results. A middle of the road approach is to ask or listen to engaged customers for insights into desirable product and service improvements, all very valuable to a company.

SOCIAL MEDIA AND BUSINESS PERFORMANCE

There are countless cases of powerful and effective social media strategies, including Dell, who claimed to have generated \$3 million in sales through their Outlet Twitter feed in just two years, or Virgin America, who used Promoted Tweets to send out a discount promotional code, leading it to report its fifth highest sales day ever on the launch day. In addition, the resulting earned media delivered \$10 million of equivalent media value. In the UK, Mazda used Facebook Deals to offer a 20% discount voucher on a specific model if people “check-in” using ‘Facebook Places’. They are rumored to have sold ‘a remarkable amount’ of cars directly linked to the Check-in Deal.

It is worth remembering that the best results are often found in activities that take advantage of cross-platform opportunities. A great social media activity, combined with other channels such as TV and Point of Sale, for instance, will see its results enhanced from the synergetic approach, just like we know a holistic media approach boosts search results.

Brands seeking to capitalize on the appeal and popularity of social media platforms need to focus first and foremost on content. It is central to the process of conversion, awareness and loyalty that needs to be developed if this approach is to be successful.

CONTENT

The material brands place on social media platforms, be they on Facebook, Twitter, blogs or forums, must meet the needs of their audience, being informative, educational or entertaining for example. Dairy company Arla Foods developed Saha Wa Hana (<https://www.facebook.com/SahawHana>) for Saudi women who are primarily online, searching for recipes. The page is designed to address their information and entertainment needs, enhancing the brand’s top of mind awareness, loyalty and advocacy in the process. Close to 150,000 women have liked the page and some 4,000 discuss its content regularly, which indicates a high level of interaction and engagement.

ALTRUISM OVER OPPORTUNISM

Brands must resist the temptation of branding everything and over-selling, adopting instead an approach that respects the audience’s intelligence and places its interests over the brand’s commercial priorities.

USER EXPERIENCE

As time goes by, social media sites will differentiate their offering, maintain a universal appeal while providing an excellent unique user experience. As users are also refining their habits online, brands must continually evaluate and hone their approach to remain relevant and appealing.

ENGAGEMENT OVER VOLUME

Even in this region, audiences are becoming more and more aware of branded content on social media. In order to win the attention and respect of fans’ friends, which brings multiple retweets or sparks an impactful forum discussion, fewer, more engaging posts are much more effective and rewarding than posting a constant stream of updates. Likewise, counting fans/friends/followers/subscribers is less telling than measuring how well a brand engages its audience and understanding the level of brand advocacy is paramount to understanding social media success.

As social media audiences are maturing in their awareness, consumption and engagement with social media platforms, brands need to embrace this evolution so as to not alienate existing and potential consumers with a misguided approach in this highly public space.

We’re only just beginning to assess the real impact of social media, in a frantic search to assign it a value. One thing is for sure, it doesn’t operate in isolation. Concurrent media consumption is increasing and there is evidence in the USA showing that 60% of television viewers also look at their mobile phones while watching TV shows and a third also have a laptop in front of them. iPad users spend more time with their tablet in front of the TV than anything else. No such data exists here yet but it is clear that social media is eating into consumers’ media habits. What is ahead of us is a future where TV and other ‘traditional’ media will provide just one element of a broader story, developing in a more interactive and integrated way in digital platforms, particularly across social media networks where its appeal and relevance will be amplified.

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About Omnicom Media Group MENA

Omnicom Media Group is the media services division of Omnicom Group Inc., a leading global advertising, marketing and corporate communications company, providing services to over 5,000 clients in more than 100 countries.

Around the world and in the Middle East, Omnicom Media Group owns and operates the full service media networks OMD, PHD and M2M, as well as a number of specialty media communications companies. These include, in the Middle East, Integral-OMG, our research and intelligence consultancy.

We offer unparalleled clout in the marketplace, as well as a depth of capabilities and experience to drive leadership and innovation in every media type. In order to maximize our investment in building out best-in-breed capabilities, ensure we can draw industry leading talent and bring the maximum market leverage to bear for our clients.

About Integral-OMG

Formed in 2004, Integral-OMG is the research and business intelligence consultancy of the Omnicom Media Group MENA. Its team of 20 experts, both in its HQ in Dubai and across the MENA region, provide our planning teams the insights they need to address their clients' challenges effectively, while also ensuring our planning and reporting technology is second to none.

Integral-OMG also provides advanced consultancy and analytics services to help clients develop effective content and marketing communications strategies, as well as forecast future trends and opportunities.