

Ramadan in MENA: The Digital Opportunity for Brands

Digital media consumption in MENA has risen in the last few years, producing a unique evolution in entertainment patterns during Ramadan. While in previous years local networks might have presented a few special Ramadan TV serials; now there are over 50 such series competing for viewers' attention. But these shows aren't only competing with each other. As digital literacy in the region goes up, the internet has emerged as an increasingly popular source for entertainment, research and socializing, particularly during Ramadan when people have significant free time on their hands.

But MENA marketers and advertisers have yet to catch up with user behavior. The vast majority of ad budgets are still devoted to TV, print and outdoor advertising rather than new digital options. The fact that so many brands in the region are vying for the same television, newspaper and billboard spots means these ads are not only expensive, but also less likely to make an impression on target audiences. In contrast, there's a huge opportunity in MENA for brands to reach consumers efficiently and cost effectively through digital marketing.

This paper explores how user behavior changes during the month of Ramadan, examines traditional media's relatively cluttered advertising landscape in the holy month and presents examples of brands successfully seizing the opportunity before Ramadan, during the holy month and around Eid Al Fitr.

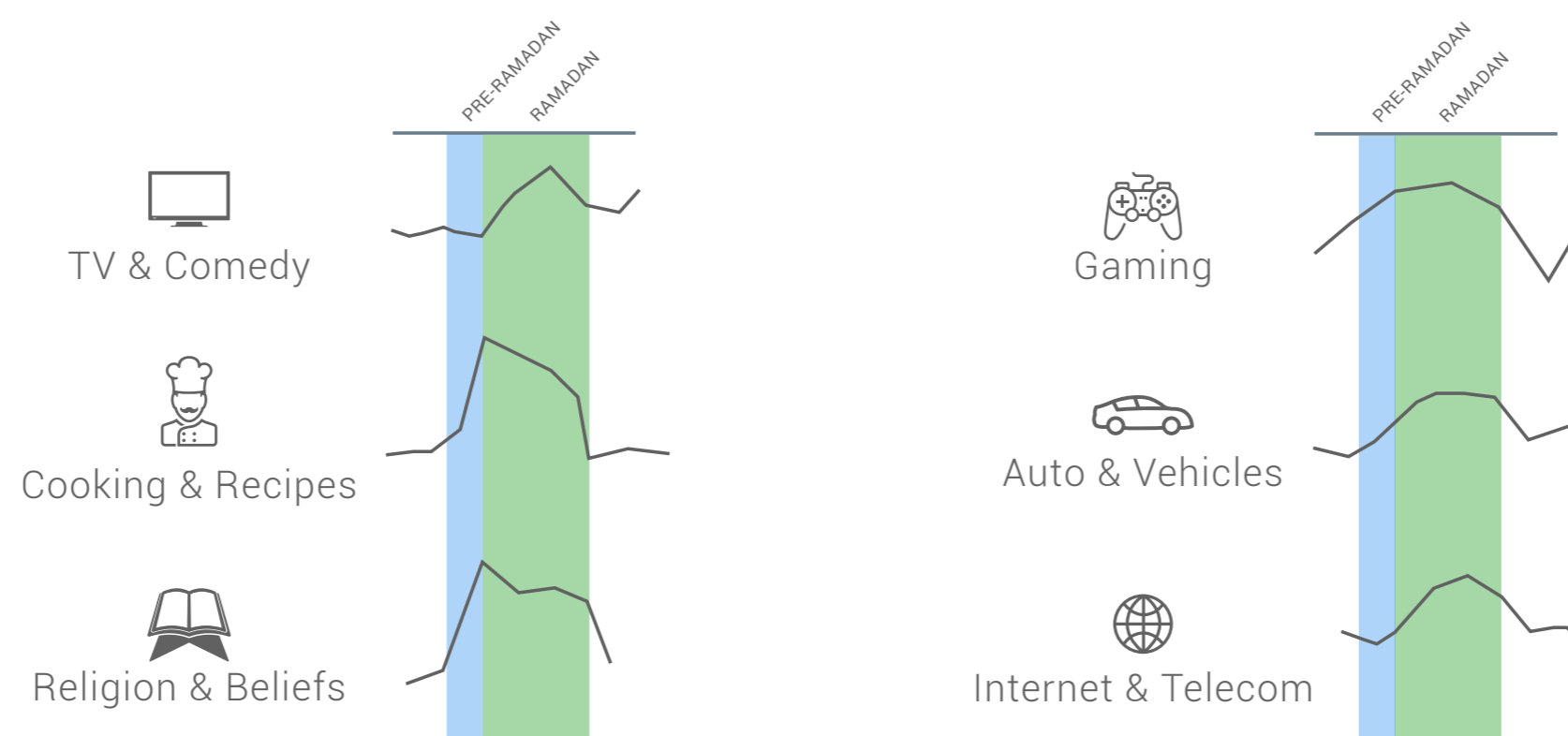
The impact of Ramadan on consumers' internet habits

Across the Arab world, Ramadan is treated as a time to reconnect with one's faith and spend time with family and friends, which generally entails working less and resting more. This combination of free time and a celebratory atmosphere in turn means that time spent online and consumer spending is higher during Ramadan than any other period. In the holy month, users in MENA:

1) Watch more video

YouTube continues to experience a huge growth trajectory in the region. Between 2013 and 2015, daily video views increased by 200 million in MENA alone. And during Ramadan, MENA viewers' reliance on YouTube is actually further amplified: Google internal data shows huge spikes across several content categories on YouTube throughout the holy month each year, including TV & Comedy, Cooking & Recipes, Religion & Spirituality, Gaming, Auto & Vehicles and Internet & Telecom.

MENA YouTube viewership - Ramadan 2015

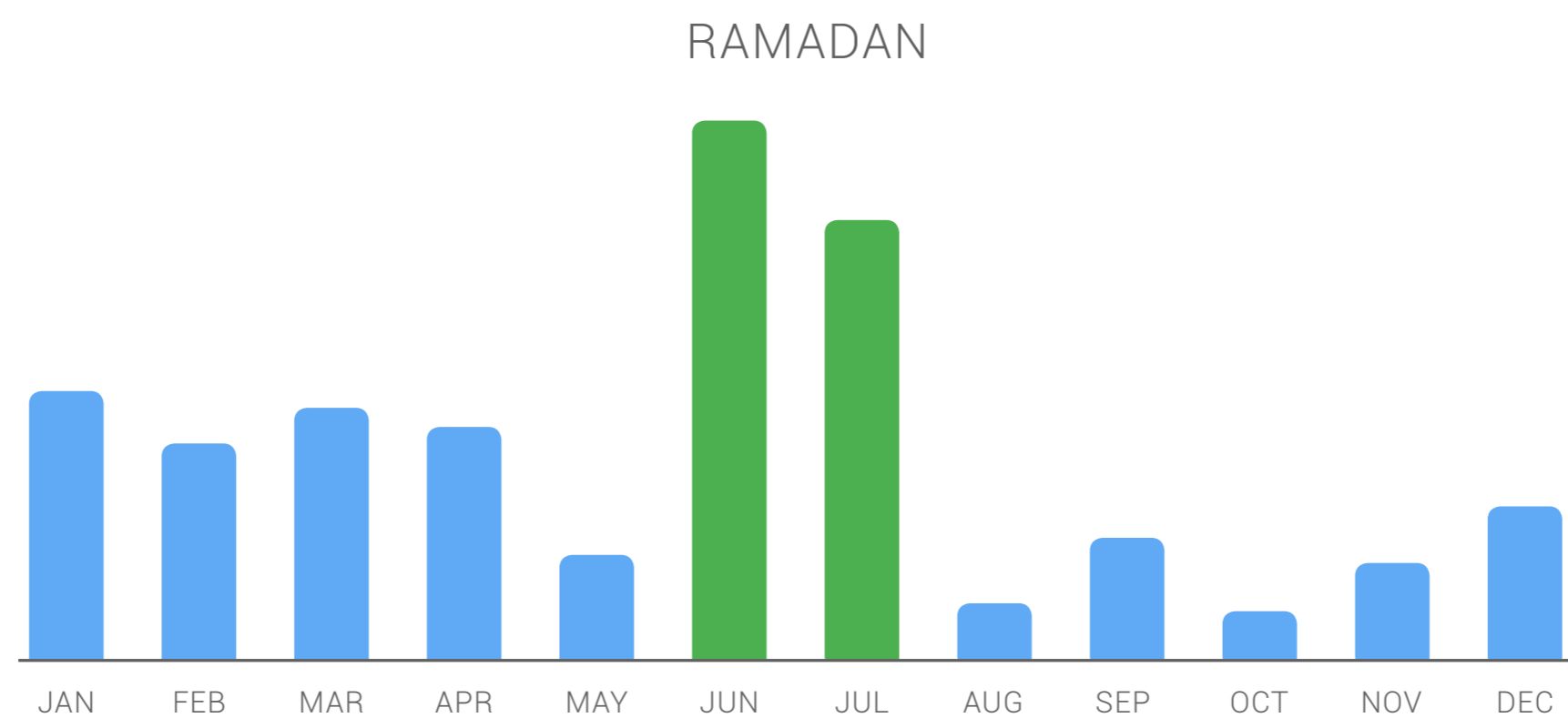


SOURCE: Google internal data

2) Perform more searches

According to Google data, comparisons with monthly averages showed search queries in the GCC almost doubled during Ramadan 2015. Online deals and Ramadan promotions – for example car and hypermarket deals – were among the most popular search topics during the holy month in 2014 and 2015.

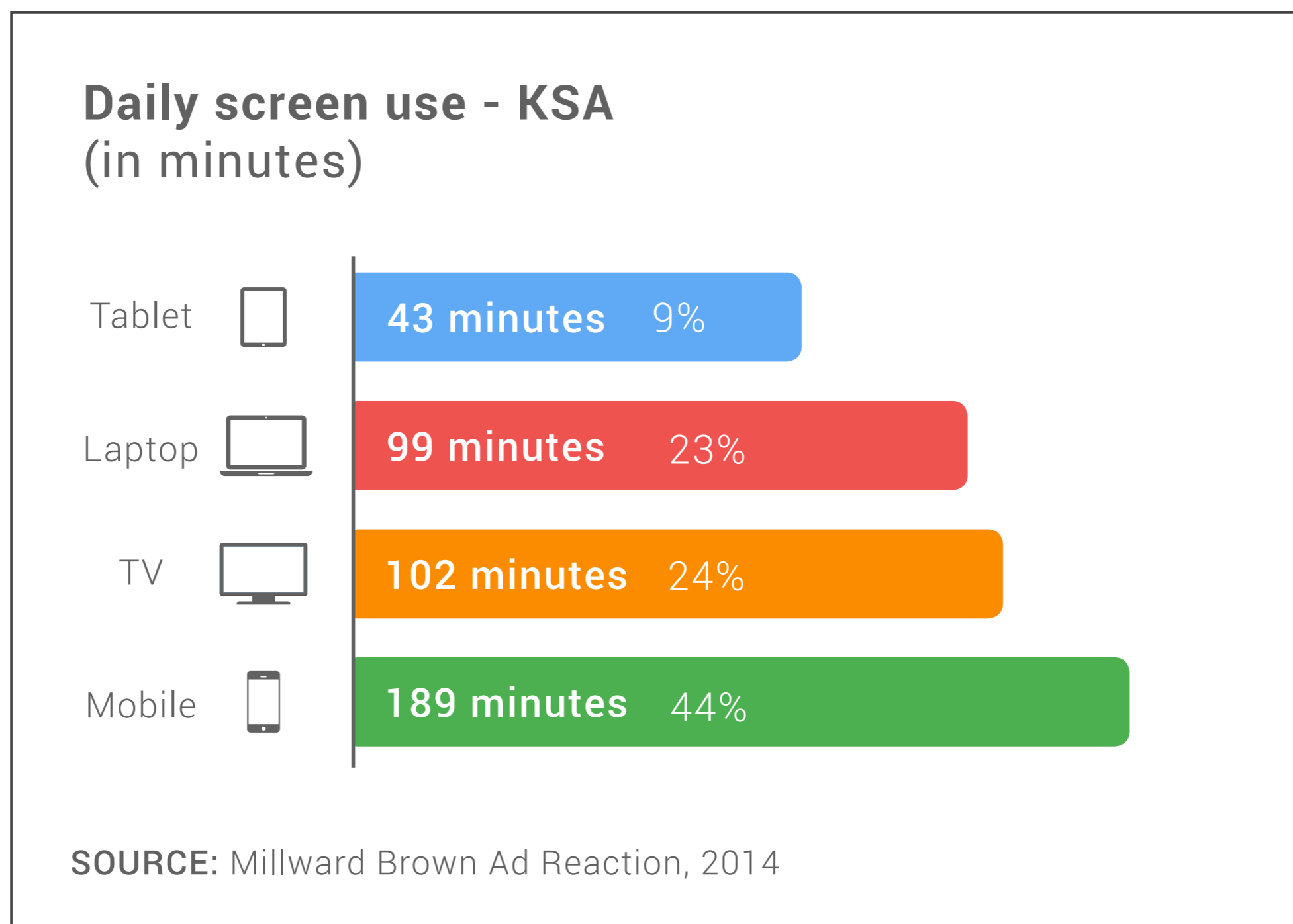
Searches for 'promotions', 'offers' and 'discounts' in GCC - 2015



SOURCE: Google internal data

3) Spend more time on mobile

Usage patterns confirm that the mobile opportunity in MENA is massive. For instance, residents in KSA use their mobile devices more often each day than any other device with a screen – a total of 44% of their daily screen time is devoted to mobile phones.¹ And in the UAE 84% of the population uses a smart-phone at least as often as a desktop computer.²



In the holy month, mobile search is a particularly attractive chance for brands to serve consumer needs. During Ramadan 2015, searches on mobile represented more than 60% of total queries. This is approximately 5% higher than the average mobile share in other months – an increase that translates into millions more searches during the Ramadan period.

¹ Latest mobile trends from Google's Consumer Barometer spell huge opportunity for MENA brands, December 2015.

² New Trends in Digital: UAE's Connected Consumer Survey 2015, December 2015.

The challenge of gaining traction on TV during Ramadan

Turn on the TV during Ramadan and it's easy to see that brands have caught onto the fact that consumer spending is significantly higher during the festive period. Last year, over 70% of total ad budgets during the holy month were spent on TV spots. To accommodate the demand, television networks increased their airtime advertising allotment from 20% to 30%. Meanwhile, according to industry experts, ads on the top four channels can cost up to 165% more during Ramadan than at other times of the year. Because of the clutter, many of these ads that cost more than usual are less effective than usual. In short, brands end up paying more for less.

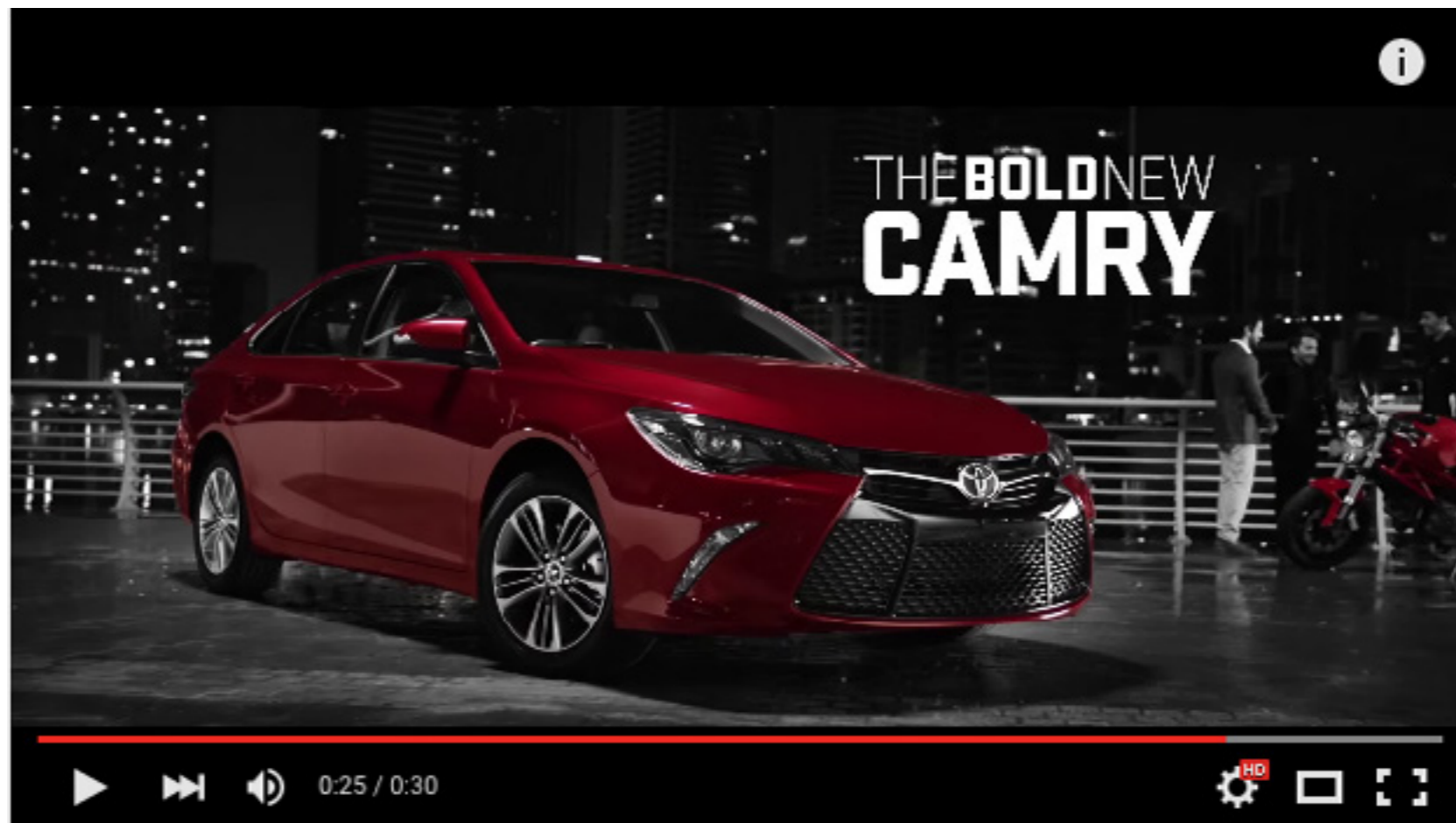
On the other hand, YouTube cost metrics demonstrate little change during Ramadan. In the holy month in 2015, FMCG Ramadan campaigns maintained the same cost-per-view and view-through rates on YouTube as they did in other months. Importantly, they also reported higher than average lifts in ad recall and brand awareness.

Digital enables brands to reach audiences efficiently and effectively during Ramadan

Ramadan offers three key windows of opportunity: before, during and around Eid al-Fitr. Following are examples of brands that have successfully seized the Ramadan opportunity on digital channels.

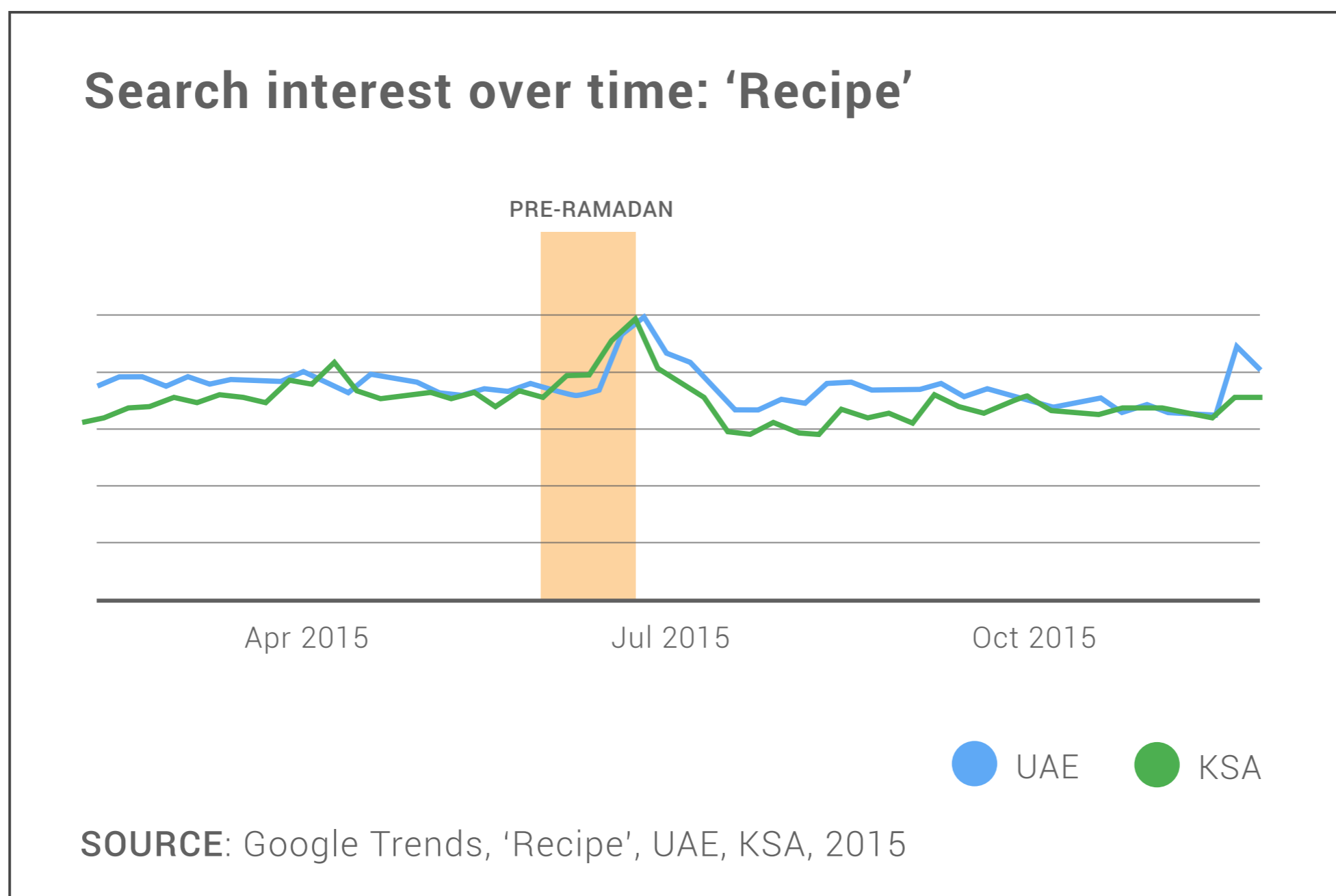
Before Ramadan

In the period before Ramadan, many consumers are searching for deals and offers that brands are running especially for the holy month. Search ads, bumper ads (five second video teaser campaigns) and engagement ads are effective formats for promoting upcoming Ramadan offers. Al Futtaim Motors' UAE Camry campaign from June 2015 offers a good example: a few weeks before the beginning of Ramadan, the company used a wide range of ad formats promoting the launch of its Camry model. The campaign successfully captured consumers' attention, with its TrueView activity exceeding engagement and efficiency benchmarks in the pre-Ramadan period.



Toyota's 2016 Camry video ad remained in the UAE's top three trending YouTube videos during Ramadan

The opportunity for food companies is particularly strong in this period, as consumer interest in anything food-related increases. With Google data showing a significant rise in “recipe” searches in pre-Ramadan, many food brands use digital advertising to take advantage of consumer demand and promote their products alongside the heightened focus on cooking and baking. For example, Betty Crocker Middle East’s TrueView campaign “Betty Crocker Ramadan Cake Recipes” offered 30 different recipes for the 30 days of Ramadan, earning more than 5 million views in the holy month in 2015.

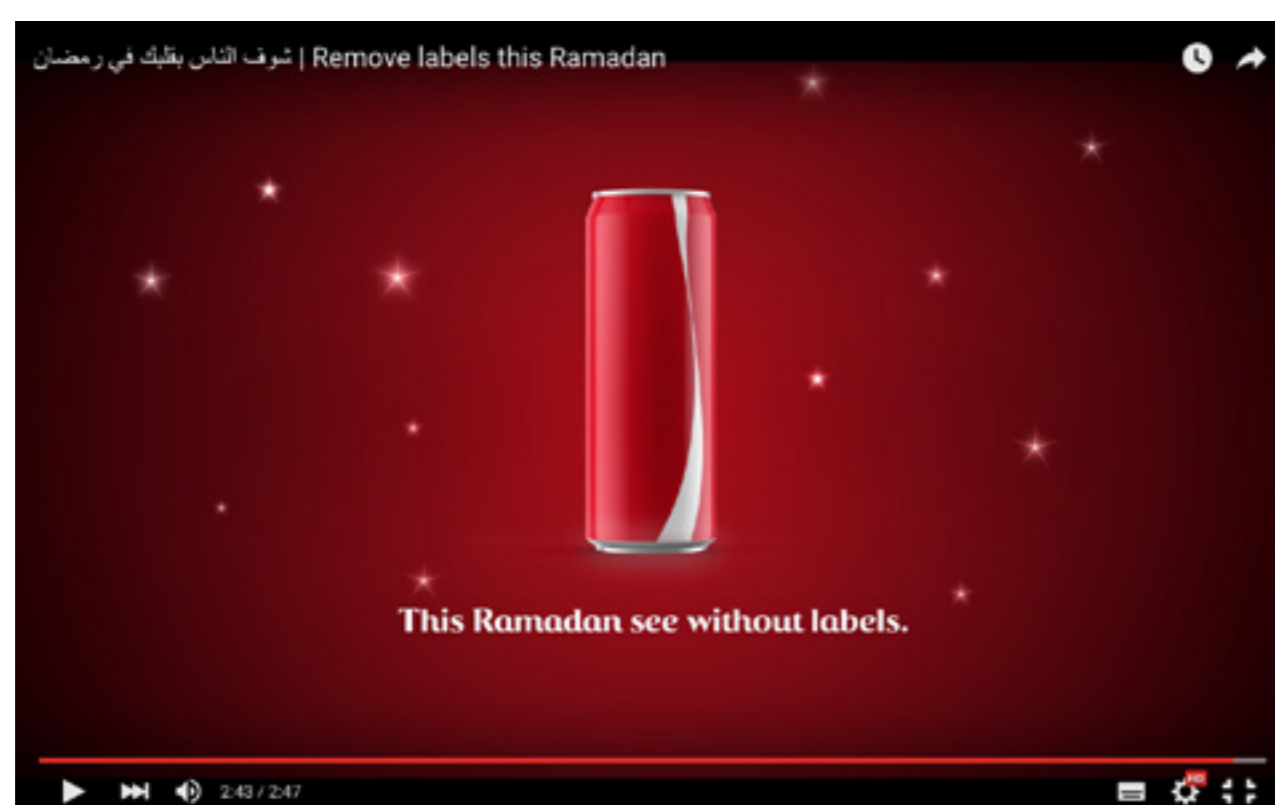




Betty Crocker's pre-Ramadan TrueView campaign earned more than 5 million views

During Ramadan

Capitalizing on the public's increased consumption of YouTube content, mastheads and videos on YouTube effectively communicate brands' messages during Ramadan. Local brands like Al Marai and international brands such as Coca-Cola have found success by running YouTube campaigns during Ramadan that focus more on the themes of the holy month than individual products. Al Marai's video "أعمالكم من صيامكم" achieved more than 9 million views, while Coca-Cola's "Remove Labels This Ramadan" video trended locally and globally (including in Canada and the US), achieving more than 14 million views.



Coca-Cola's video, "Remove Labels This Ramadan" trended globally, achieving more than 14 million views

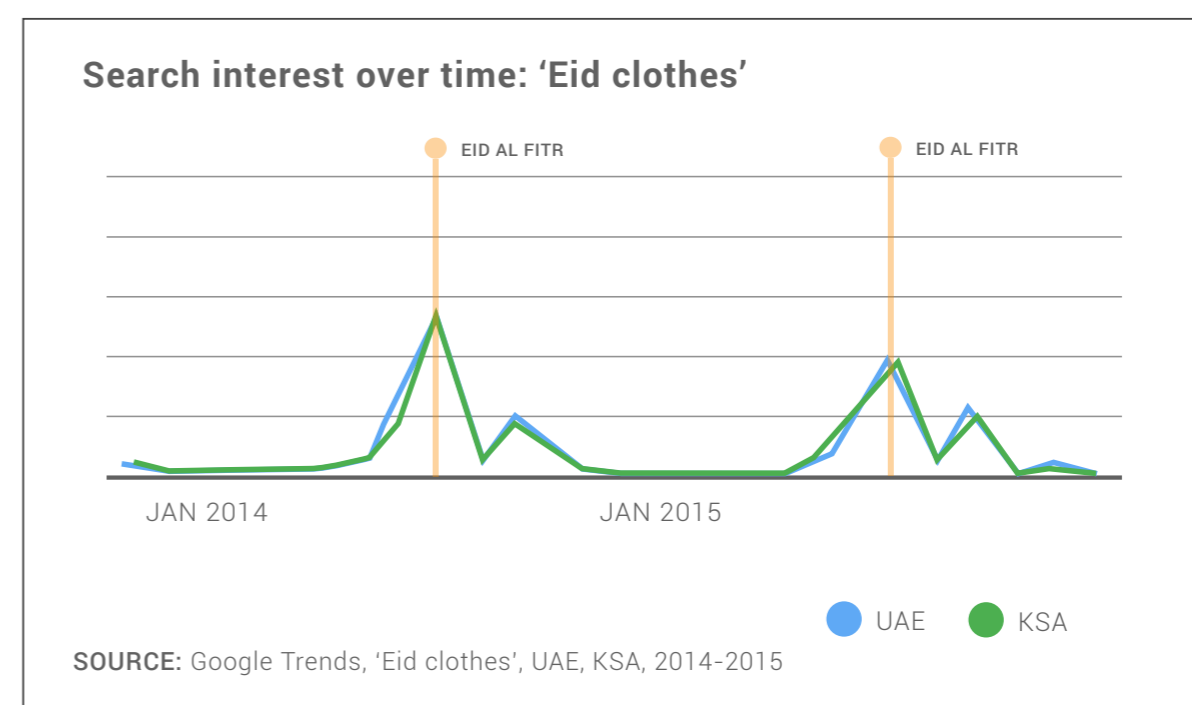
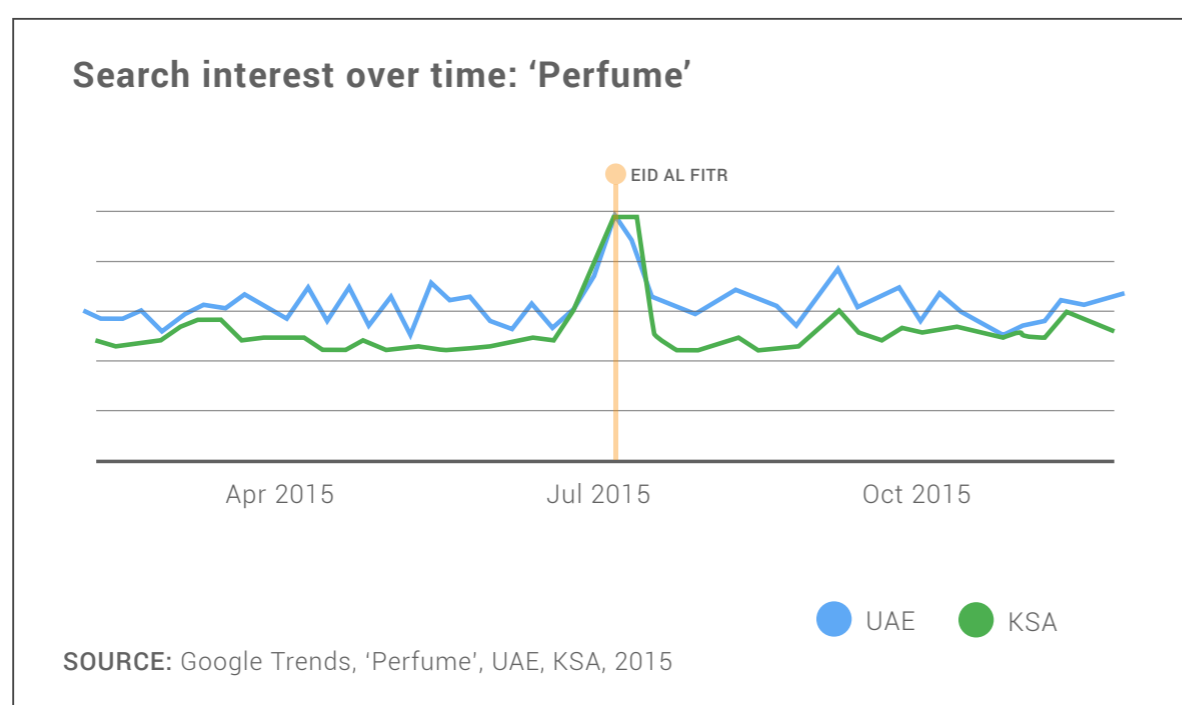


Almarai's 'أعمالكم من صيامكم' video achieved more than 9 million views

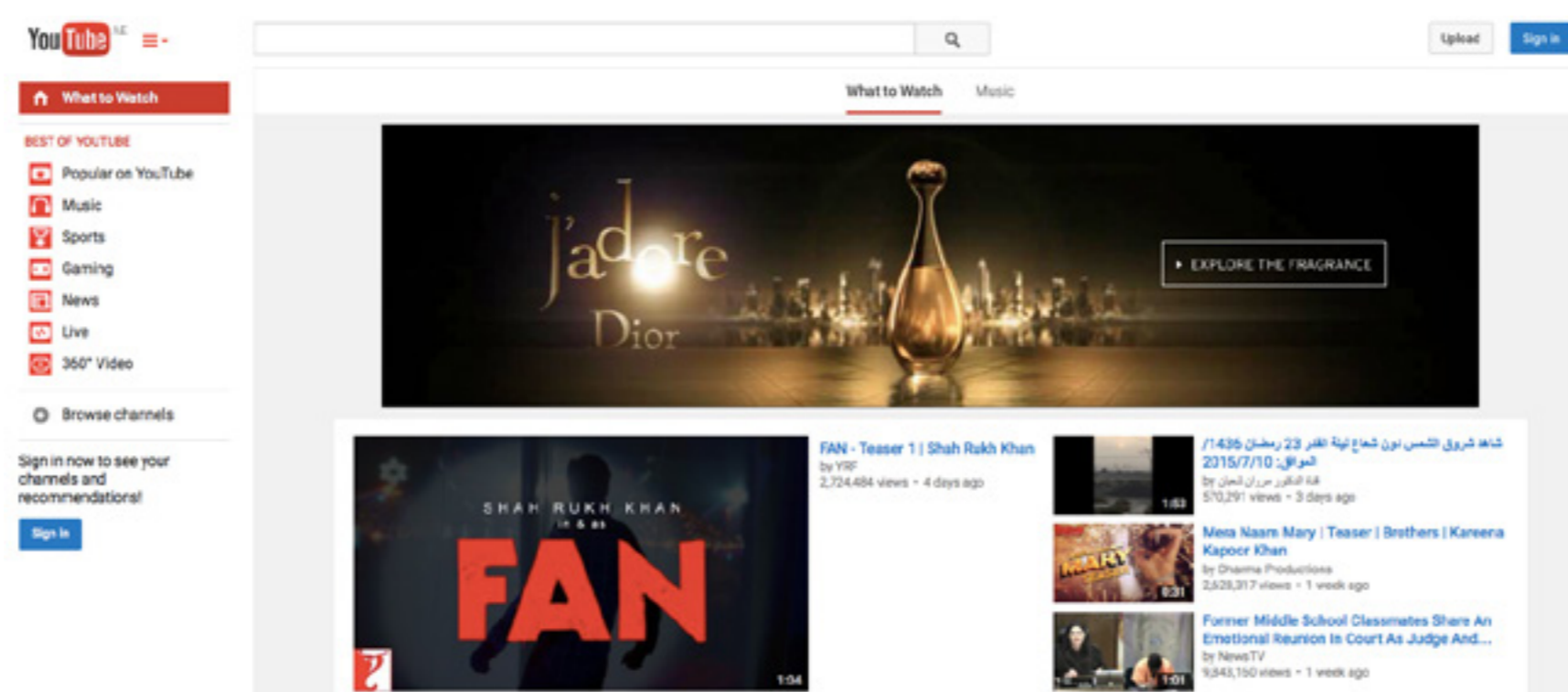
Pepsi and P&G also made the most of YouTube in 2015 by using Google Preferred to appear on the most popular YouTube channels in the beginning of Ramadan. Google Preferred ranks channels using a preference score algorithm that measures watch time and engagement metrics such as number of subscribers, likes and more. As part of the service agreement, Pepsi and P&G brands exclusively sponsored around 275 category-specific channels, including TV series, comedy, cooking, lifestyle, gaming and other content relevant to the month.

Eid al-Fitr

As Ramadan winds down and Eid al-Fitr approaches, the most successful digital marketing formats are mastheads/engagement ads (to celebrate Eid) and search ads aimed at consumers looking for gifts. In particular, Google data shows a peak in search interest in perfume and celebratory clothes for the holiday – a clear reflection of consumer needs during the festive period.



Tapping into seasonal demand for gifts, luxury brands tend to perform strongly during this time. Dior's masthead for its J'adore fragrance – which ran on Eid Al Fitr – provides a good example of effective digital advertising catering to consumers' gift-giving needs in the final days of Ramadan.



Dior ran a masthead on YouTube for their J'adore fragrance on Eid Al Fitr

Digital during Ramadan: An unmissable opportunity to connect with consumers

During the holy month, the extremely cluttered media landscape produces a challenge for brands aiming to reach consumers using traditional media channels. At the same time, people in MENA are now online more than ever before, and Ramadan sees this trend escalate even further. Digital offers a compelling alternative to the shortcomings of traditional media. Vast opportunities exist to reach and shape the perceptions of target audiences, as well as influence the decision-making process, using the efficient and cost-effective formats that only digital can provide.