



WARC

The State of The Industry: Mobile Marketing in MENA 2018



MMA

MOBILE MARKETING ASSOCIATION

Chapter 1

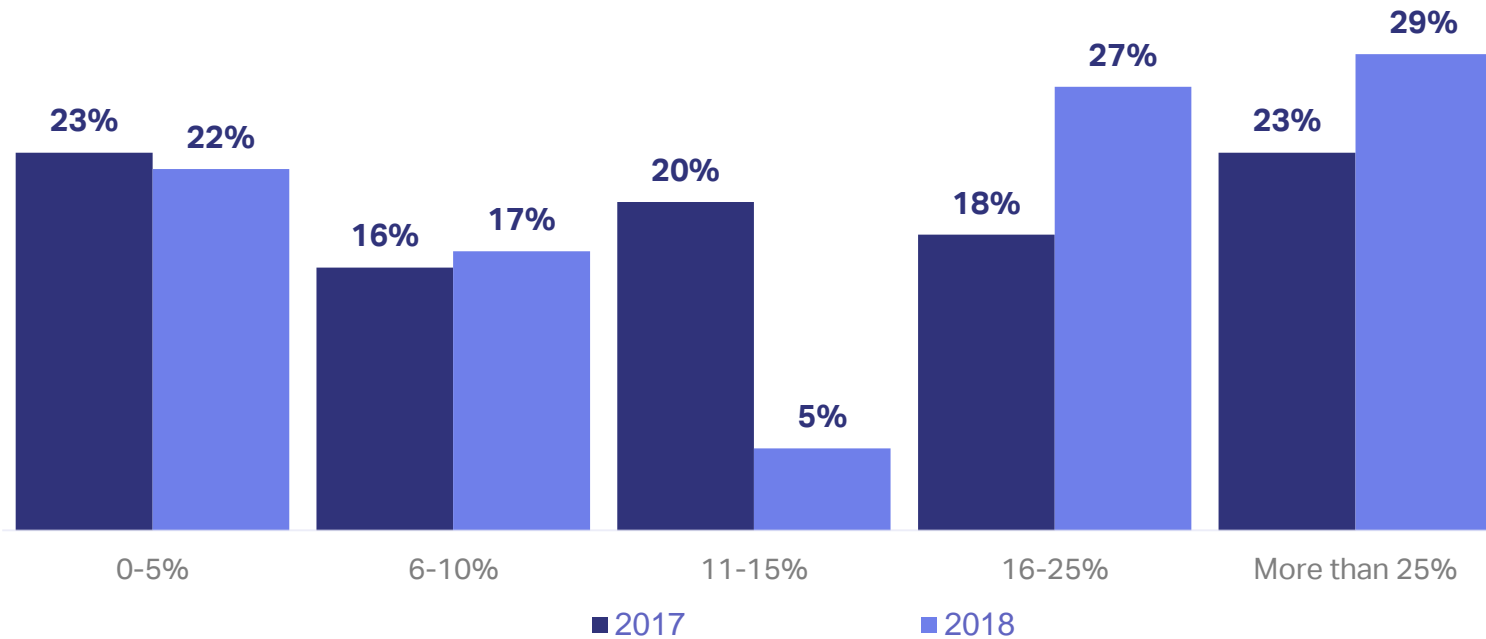
Mobile strategy, budgets and integration



Key Insights

- ✔ Mobile budgets have increased at a higher rate, with 56% now spending more than 15% of their budget on mobile
- ✔ This increase of mobile budgets is set to continue over the next year for almost 80% of marketers
- ✔ In the next five years, the proportion spending more than 25% of their budget on mobile will double

Mobile budget allocation has increased



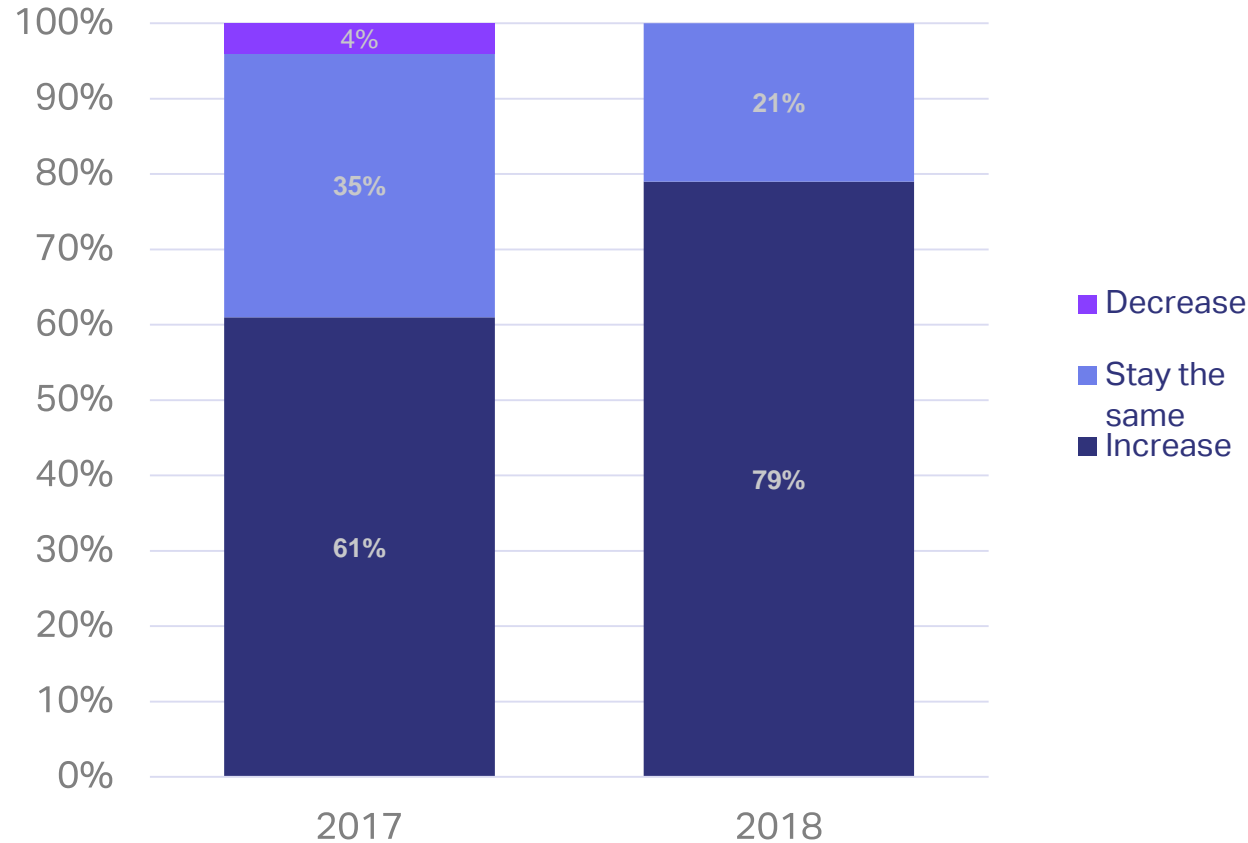
Commentary

- ✓ Since last year, mobile budget allocations have increased. Almost 30% of respondents in MENA are spending more than 25% of their marketing budget on mobile.

All respondents

Q: What percentage of your, or your clients' typical, overall marketing budget is being allocated to mobile marketing and advertising? 2017 n=44, 2018 n=41

Increasing mobile budget allocation is set to continue



Commentary

- ✔ Budgets are expected to grow or remain steady over the next year in the MENA region. Of those expecting budgets to increase, 85% expect an increase of up to 25%, and 3% expect their budget to increase by between 51% and 100% over the next year.

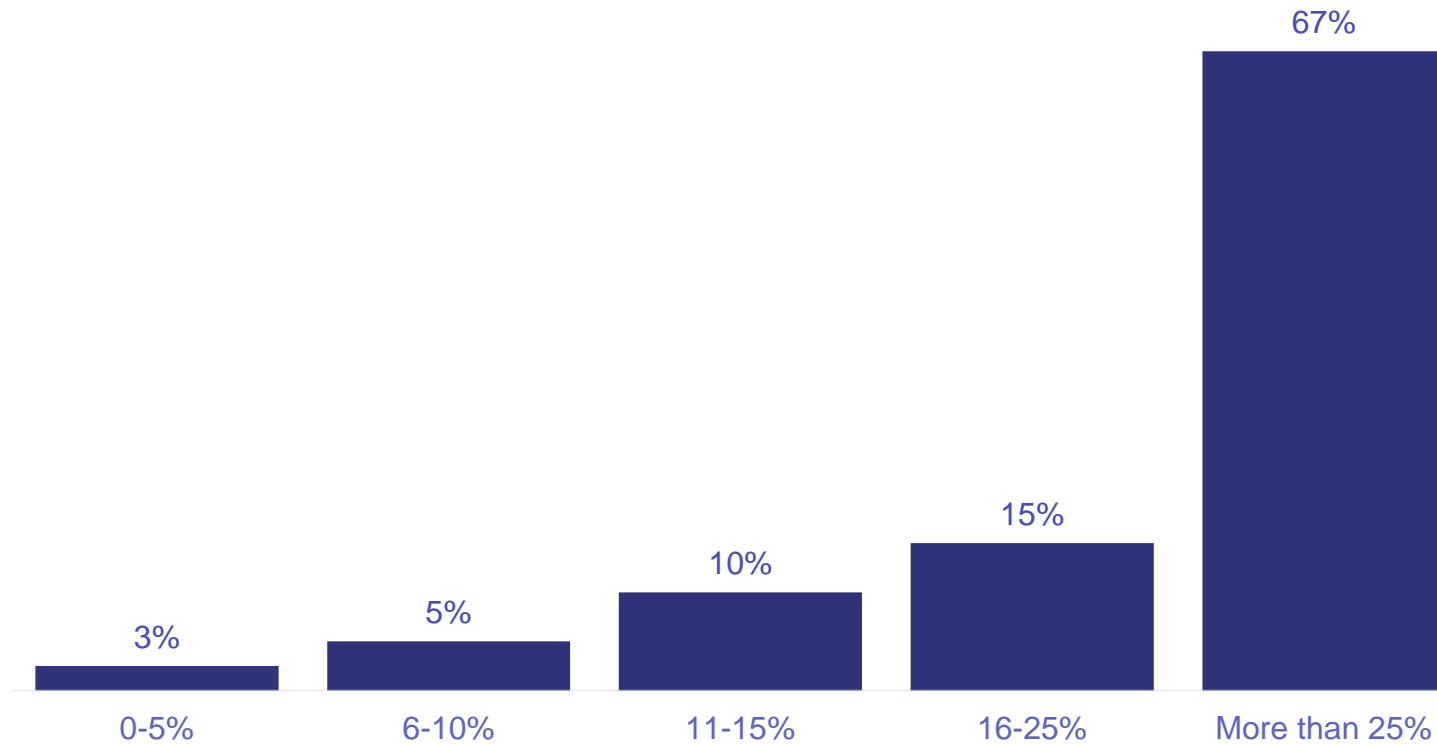
All respondents

Q: How do you expect your mobile marketing budget to change over the next 12 months? 2017 n=46, 2018 n=42

In five years' time, the majority of marketers will spend more than 25% of their budget on mobile

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Commentary

- ☑ Asked to predict their allocation of budget to mobile in five years' time, two thirds of respondents expect more than a quarter of their budgets to be spent on mobile, compared to only 3% allocating less than 5% to the channel.

All respondents

Q: What percentage of your (or your clients') overall marketing budget do you expect to be allocated to mobile marketing and advertising in five years' time? n=39

Chapter 3

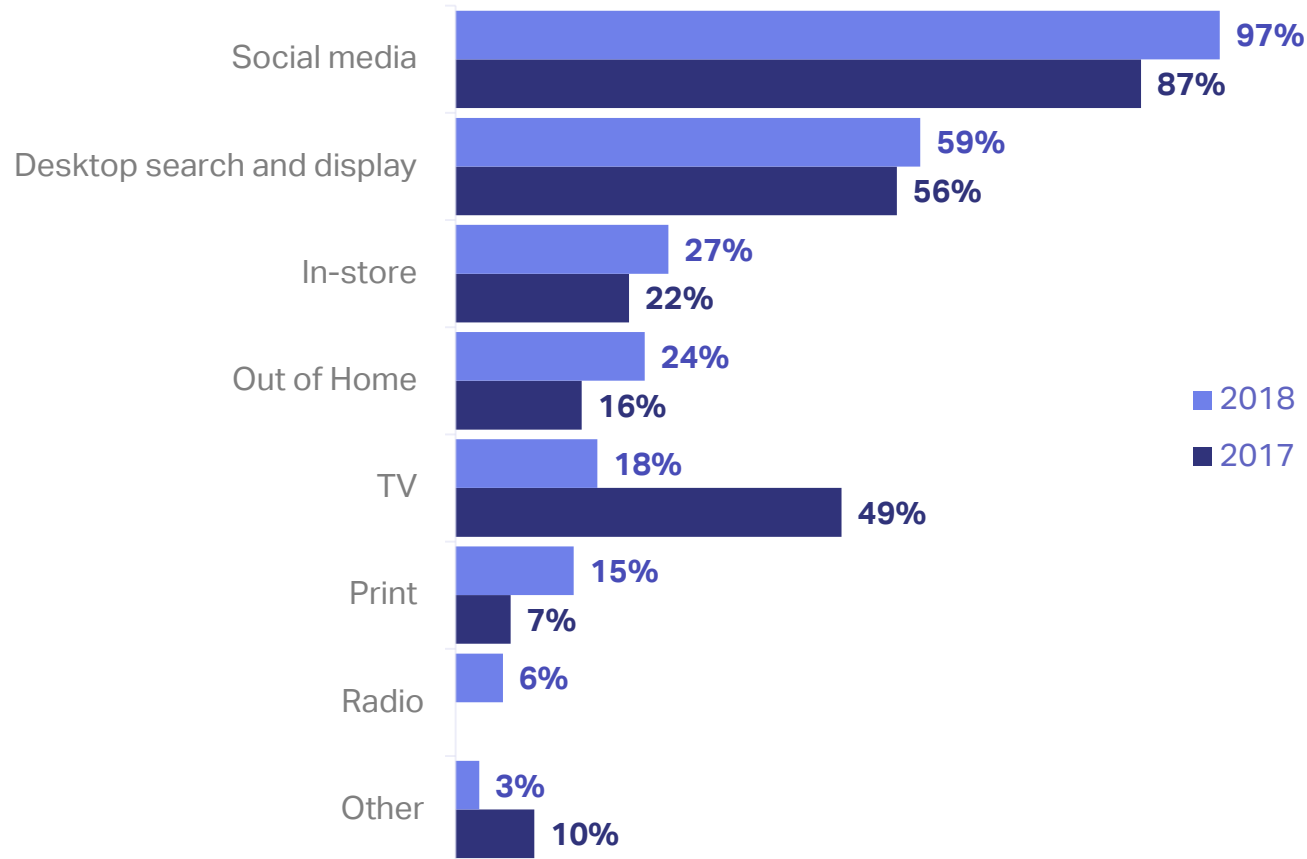
Mobile tactics and technologies



Key Insights

- ✔ Social media remains the most frequently used channel with mobile, and the use of TV alongside mobile has dropped
- ✔ Mobile search is the most popular form of mobile advertising. Mobile based branded content has the most potential
- ✔ Mobile video and social advertising remain the focus for 2018
- ✔ Chabots are set to see growth in 2018 as more than half of marketers plan to use the tech in their strategies

Social media is the most frequently-used media channel with mobile



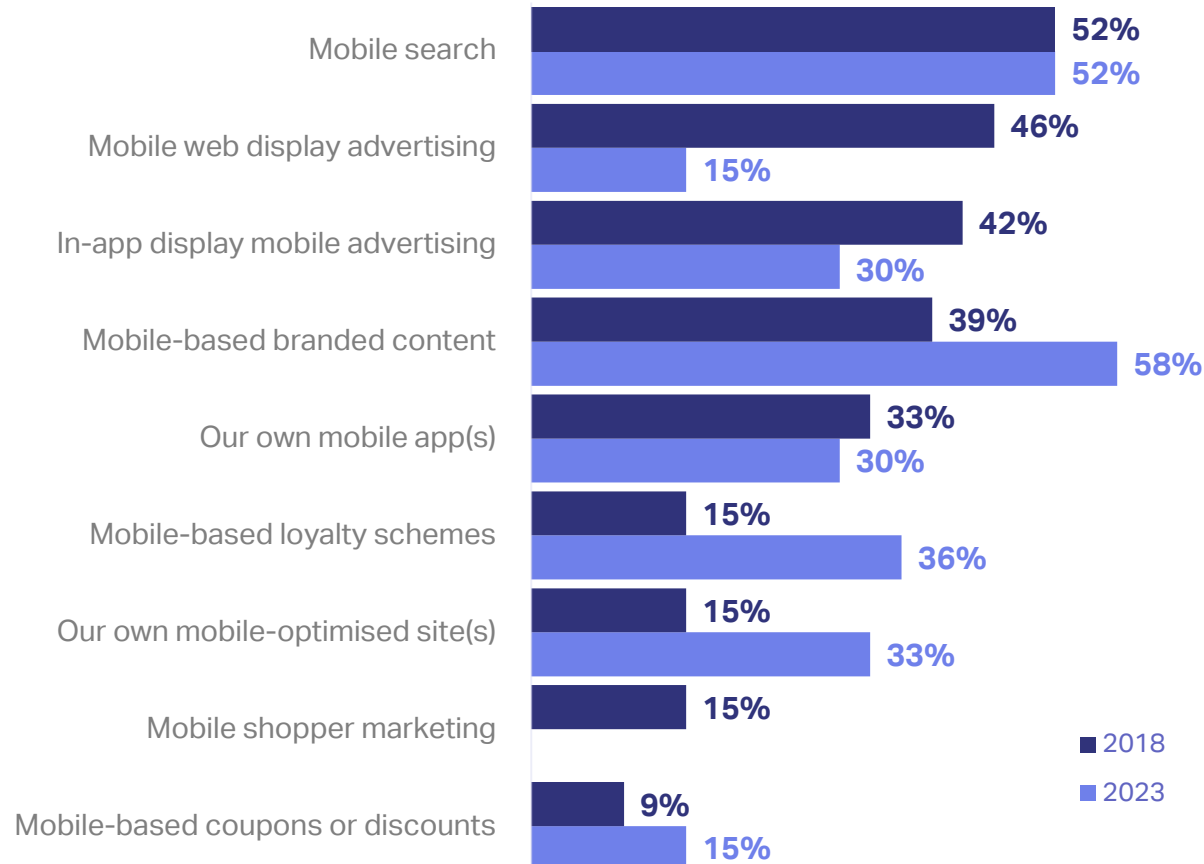
Commentary

- ✔ Social platforms are used widely (97%) alongside mobile in campaigns, followed by desktop search and display being used by 59%.
- ✔ Of those who selected social media, 96% said they had used Facebook for mobile marketing, followed by Instagram (92%), YouTube (80%), Twitter (56%) and Snapchat has been used by 52%.
- ✔ TV has seen a significant drop in usage with mobile among this year's respondents, from 49% in 2017 to 18% in 2018.

All respondents

Q: In your experience, which media channels are used most frequently with mobile? 2017 n=39, 2018 n=84

Mobile search is the most popular form of mobile advertising



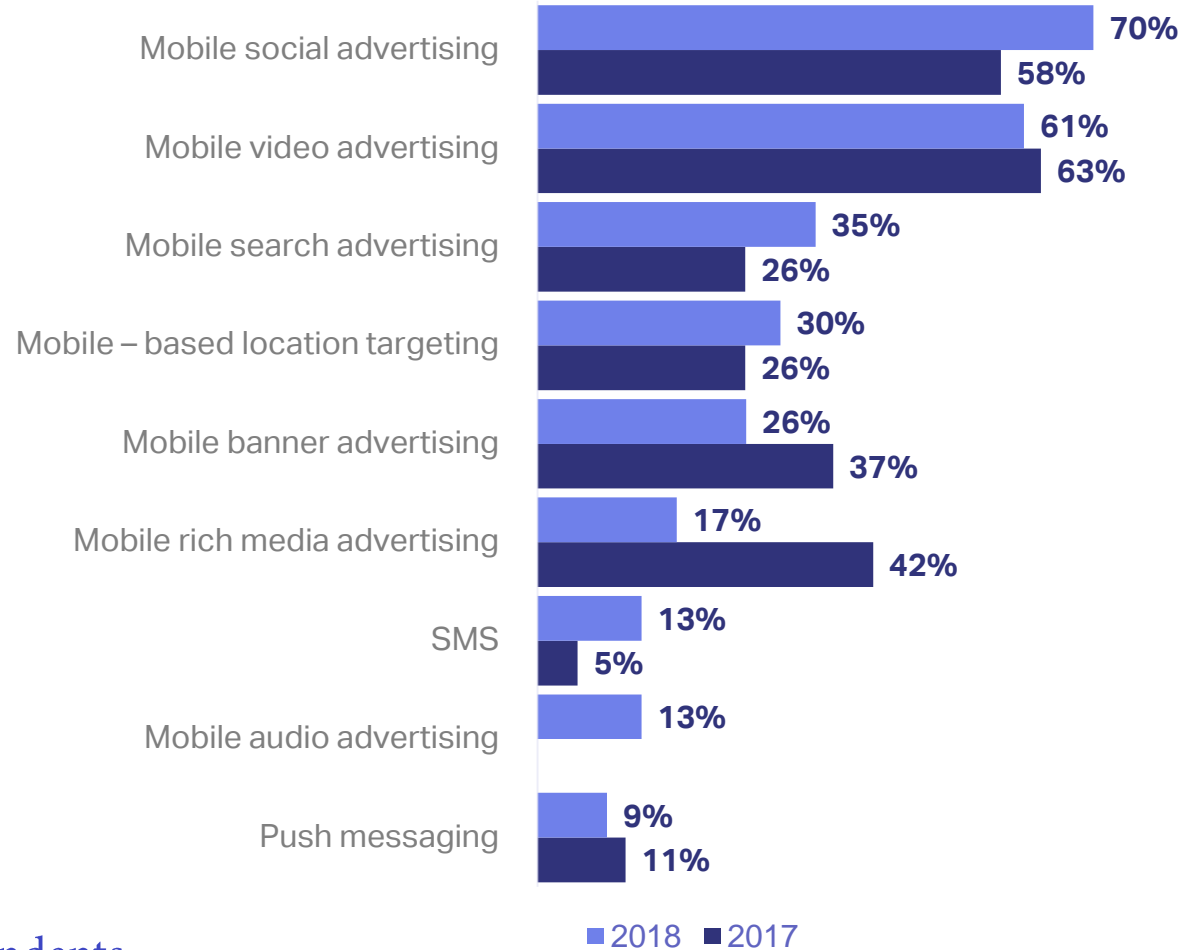
Commentary

- Over the next year, marketers are focusing on *mobile search* (52%) and *mobile web display advertising* (46%), with significantly fewer prioritizing *loyalty schemes* (15%) and *mobile coupons* (9%).
- Asked what they expected to be focusing on in five years' time, *branded content* will continue to be the focus. This is likely a reflection of the expectation that screens and devices will become increasingly suited for consuming longer-form content, and mobile-optimised websites the norm.
- After content, *mobile search* (52%) and *mobile web display advertising* (38%) are expected to be a continued focus, and *mobile-optimised sites* are expected to rise significantly in the priorities of marketers, from 15% to 33% by 2023.

All respondents

Q: Which types of mobile marketing and advertising are you/your clients focusing most on in your marketing activities in 2018 and in five year's time? n=89

Mobile social and video advertising are the focus for 2018



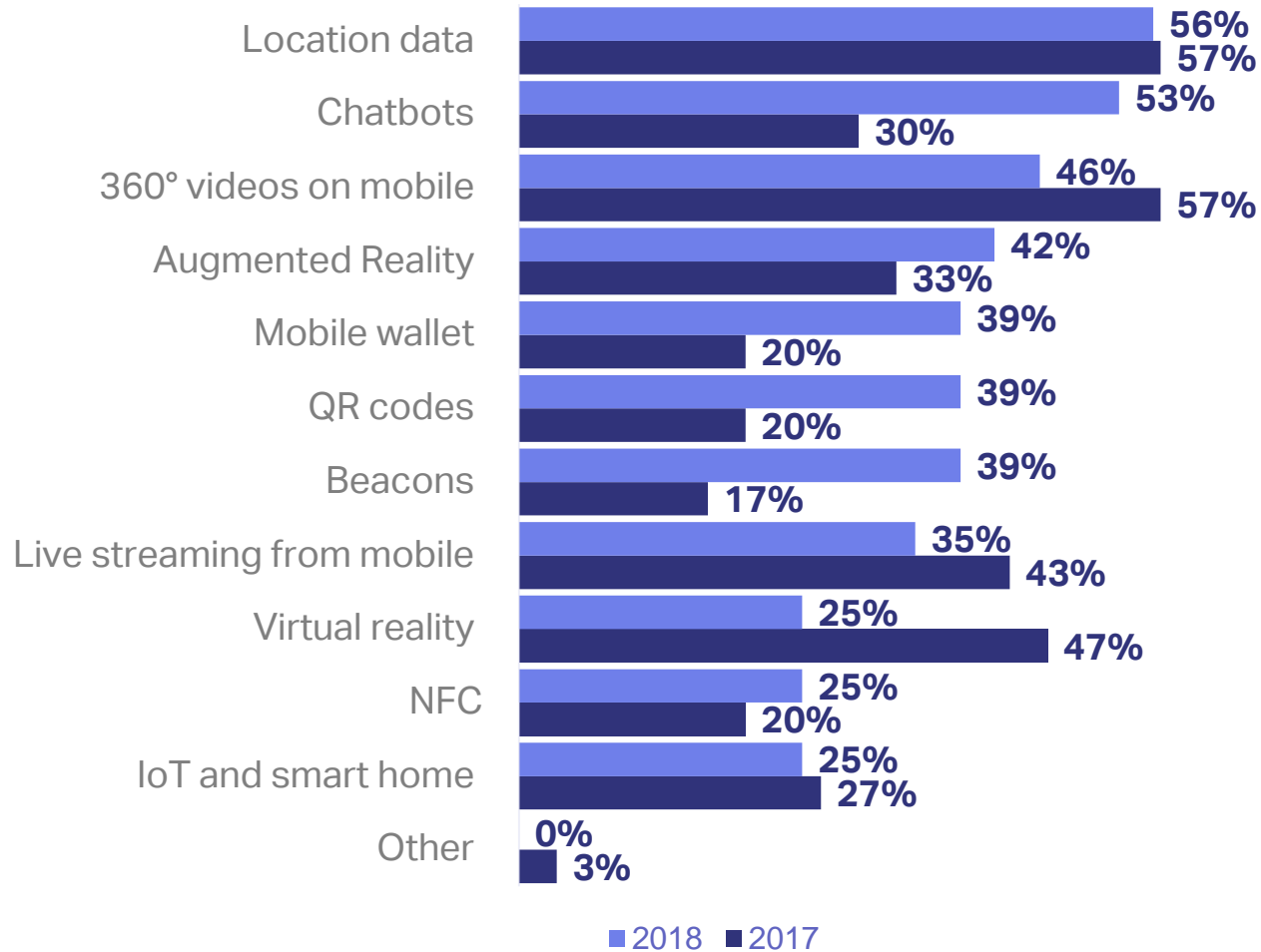
All respondents

Q: Specifically for mobile advertising, which of the following are you/your clients planning to focus on in 2018?
2017 n =34, 2018 n=63

Commentary

- ☑ In MENA, *mobile social advertising* is an increased focus for marketers this year, now used by 70% of respondents. This is followed by 61% using *mobile video advertising*.
- ☑ These two disciplines have remained the most common focus since last year, but there have been decreases in the use of other forms of mobile advertising, including *mobile banner advertising* and *mobile rich media advertising*

Location data is at the core of mobile



All respondents

Q: Are you/your clients planning to use any of the following and their associated mobile technologies in 2018? 2017 n=34, 2018 n=28

Commentary

- As was the case last year, *location data* will be the most commonly used mobile technology this year; over 50% of marketers will use the data as part of their mobile marketing strategy.
- The use of chatbots has increased significantly since last year, up 23 percentage points, and the use of mobile wallets, QR codes and beacons have also seen increased use.
- In contrast, *360° videos on mobile*, *live streaming* and *virtual reality* have all decreased in significance for marketers in the MENA region. 25% of respondents are planning to use live streaming this year, compared to 47% saying the same last year.

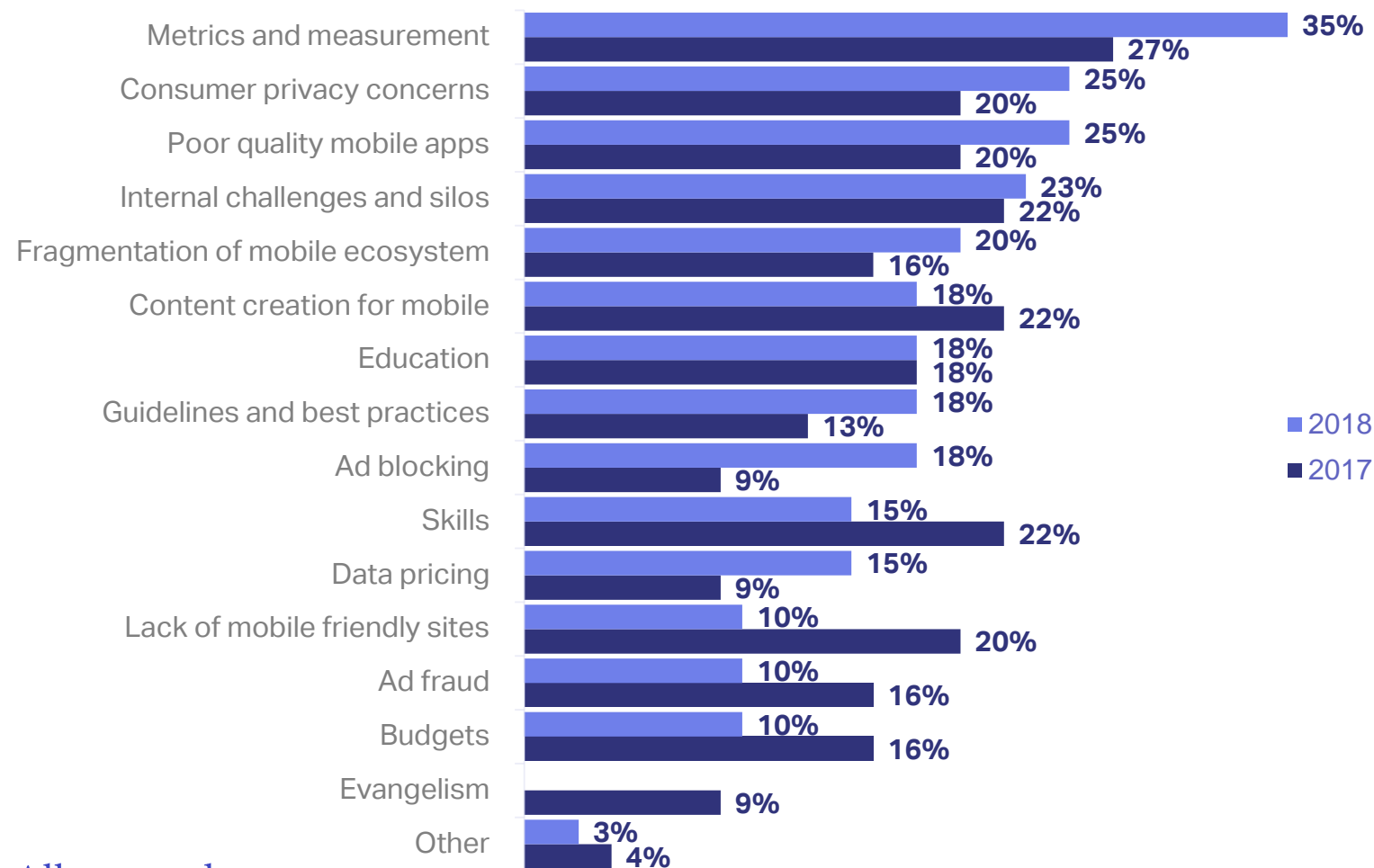
Chapter 4

Barriers and challenges

Key Insights

- ✓ Measurement of mobile continues to be a barrier to the growth of mobile marketing in MENA
- ✓ Ad blocking and consumer privacy concerns have increased in prominence over the past year
- ✓ Mobile marketing effectiveness is measured through engagement and behavioral metrics like video completion rates and traffic to sites

Measurement of mobile is a problem for marketers



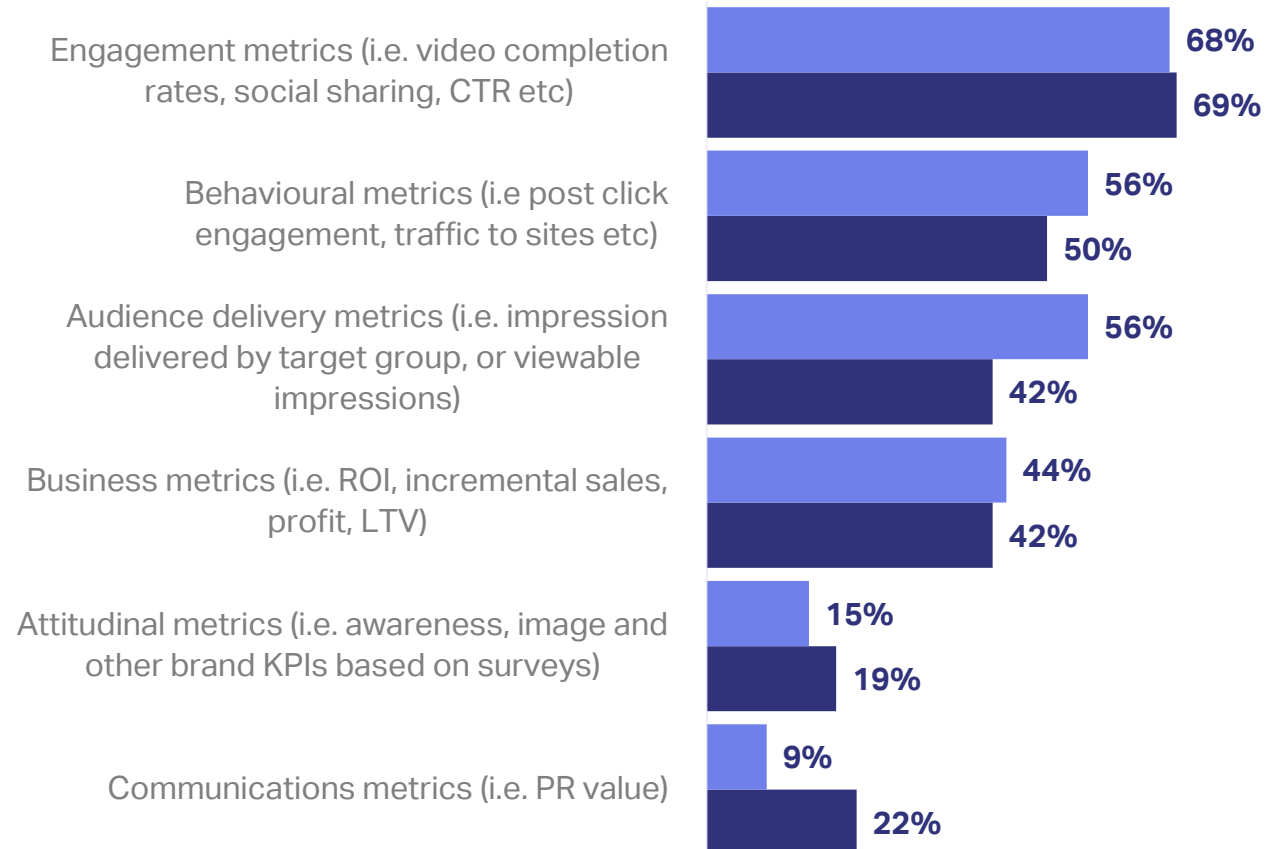
Commentary

- ✔ The biggest barrier to the growth of mobile in MENA is measurement and metrics, according to 35% of marketers surveyed.
- ✔ Data privacy and ad blocking have also been a challenge in MENA; 25% said privacy concerns were an issue, and the proportion of respondents finding *ad blocking* an issue has doubled.

All respondents

Q: In your opinion, what are the biggest barriers to the growth of mobile marketing and advertising in MENA? 2017 n=44, 2018 n=40

Mobile marketing effectiveness is measured through engagement



Commentary

- ✔ Metrics and measurement remain the biggest barriers to growth, indicating that work is still required on tracking the metrics shown on this chart.
- ✔ Engagement metrics are used by the biggest proportion of marketers in MENA (68%) to measure mobile marketing effectiveness, followed by half the respondents tracking behavioural metrics.
- ✔ Those measuring business metrics like ROI number less than half of respondents, at 44%.

All respondents

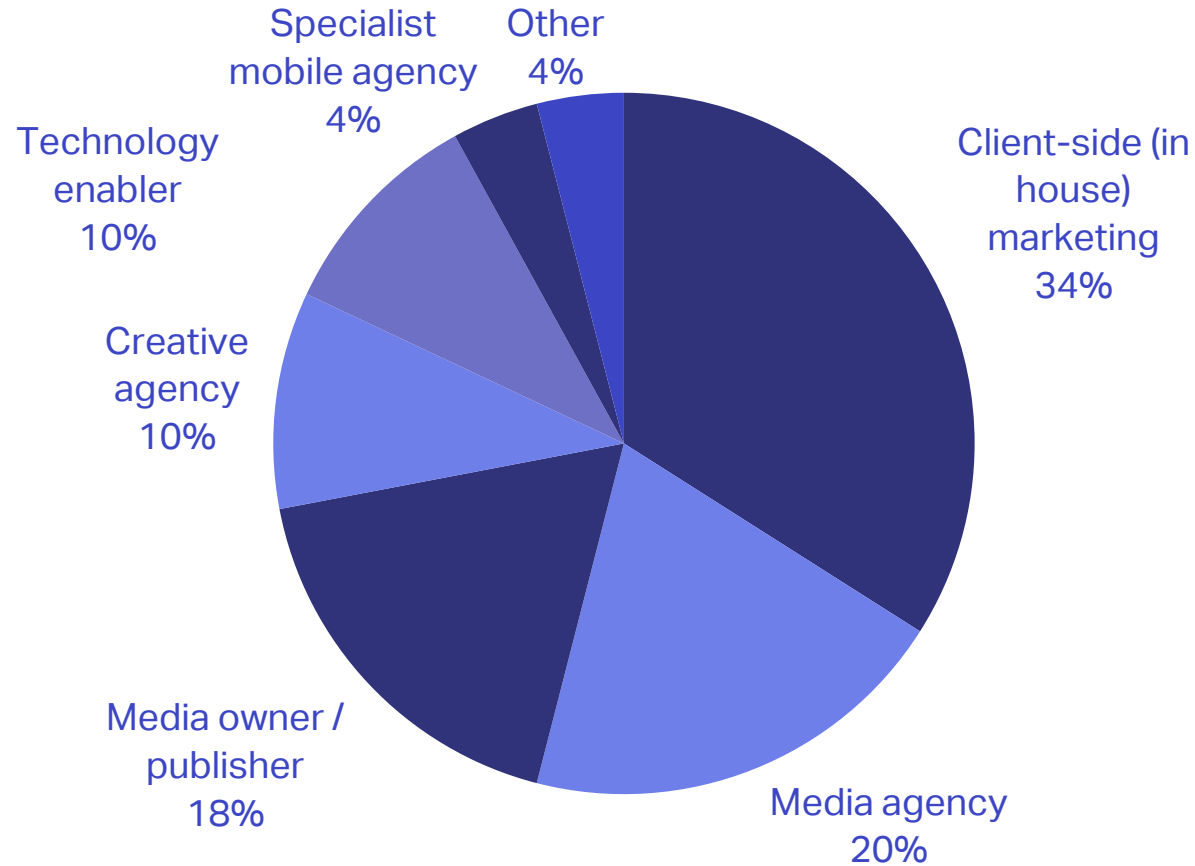
Q: Which of the metrics below do you or your clients most use to measure mobile marketing effectiveness? 2017 n=36, 2018 n=34

Chapter 4

Demographics



Respondent company types



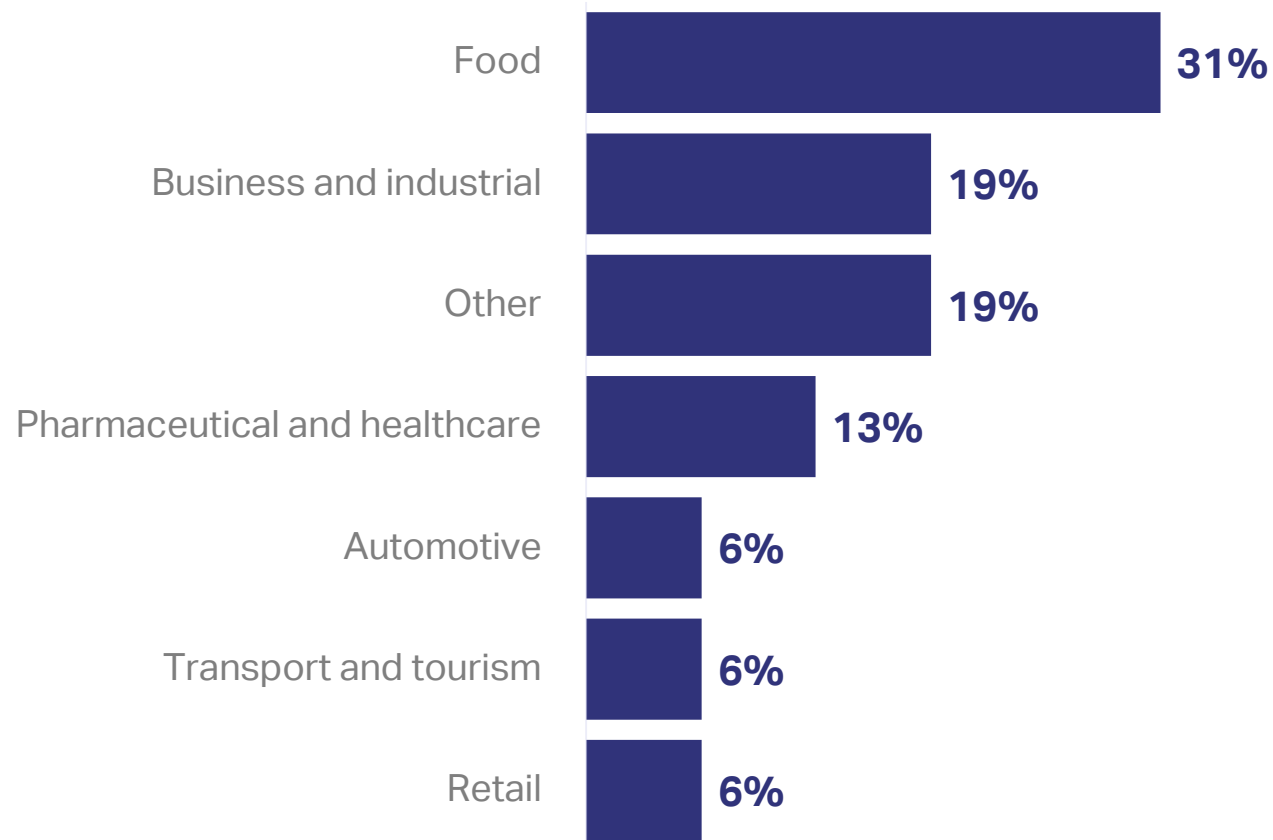
Commentary

- 34% of respondents are brand-side marketers, working in-house.
- 34% came from agencies, and the remainder from technology vendors, consultants and media owners.

All respondents

Q: What type of company do you work for? n=50

Respondent sectors



Client-side respondents

Q: In which sector or industry do you work? n=16

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Commentary

- ☑ Respondents from the client-side were based across the sectors shown, with just under a third working in food.

More from WARC

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About the study

This report is based on an online survey of 561 marketing professionals, carried out in March and April 2018.

The survey link was disseminated to WARC and MMA lists, and respondents received a complimentary copy of the report in addition to being entered into a prize draw.

This report contains the response of those based in MENA, and were a mix of client-side, agency and technology vendor marketers.

About WARC

WARC.com is an online service offering advertising best practice, evidence and insights from the world's leading brands. WARC helps clients grow their businesses by using proven approaches to maximise advertising effectiveness.

WARC's clients include the world's largest advertising and media agencies, research companies, universities and advertisers.

About the MMA

The MMA is the world's leading global non-profit trade association composed of more than 800 member companies, from nearly fifty countries around the world. Our members hail from every faction of the mobile marketing ecosystem including brand marketers, agencies, mobile technology platforms, media companies, operators and others. The MMA's mission is to accelerate the transformation and innovation of marketing through mobile, driving business growth with closer and stronger consumer engagement.

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