Final Evaluation of and Marketing Plan

Promotion of the Digital Arabic Content Industry through Incubation

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E S C W A

Content

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- Awareness Campaign
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- The Winners: incubated applications
- SWOT Analysis

> Marketing Plan
- Market opportunities
- Success factors
- Advantages of partnerships
- Product sustainability
- Future prospects

Overall Perception

- ESCWA team treating the subject with passion
- Incubators: Uneven Approach
- ESCWA hierarchy: Dr. Nseir and Dr. Farah are real champions
- Other levels and agencies should be tackled with a MarCom Plan
- Government Endorsement: only in Syria
- Private sector endorsement: Lebanon, Syria, Palestine
- 3 wishes for the next round from almost all:
  - Triple the fund
  - More incubators more countries
  - More MarCom
- Success of two projects (minimum one)
- Establish models for partnerships
- Workshop to discuss next step
- Should have addressed all professional associations (MD, Tourism, …)

Project Objectives

- Develop DAC industry in Western Asia

- Support the creation of DAC incubating facilitators

- Develop real DAC applications

- Create Awareness among the stakeholders

➤ Findings
  - Good understanding of the objectives from various stakeholders
  - Point 4, Awareness not very alive in the mind of Incubators

Project Beneficiaries

- Entrepreneurs in ICT incubators

- Young university graduates

- Startup companies

➢ Findings
  - Moderate understanding of the beneficiaries especially from incubators
  - Each incubator thinks about his own audience

Arabic Lack and Opportunities

- ■ Huge opportunities WW for Arabic speaking people

- ■ Market opportunity and Arabic culture - learning

- ■ Cultural needs for Arabic language on the Net

➢ Findings
  - Did not address the cultural side of DAC (All)
  - Lack is coming from the needs for tools (S)
  - Arabic content is news only not covering the needs of the Arab world (S)
  - Should have supported more e-Learning, continuous learning issues (S)
  - Low understanding of the business opportunities of DAC (All)

DAC or DC by Arabs

- Yes why not

- This project does not have only a business reason. We want to have Arabic on the internet as part of the major source of information

- This project is about adding new opportunities and creating new jobs not replacing existing industries

- Young people are using the internet more and more. If they don't find Arabic material they will stop reading Arabic language

➢ Findings
- Need to consider skills of Arabs to address the world with other languages
- Arab world have an issue in producing digital content
- Tools to handle the Arabic language are not available (search engines)
- Learning are weak because of the content (search engines, semantics)
- Presentation is also very weak even in the publishing of children books

Restrictions to Certain Areas

- Project addressed to all ESCWA countries
- Budget restriction
- Interest of other Incubators

➢ Findings
  - Some incubators cannot speak Arabic (KSA, Qatar)
  - Some others did not show interest

Compliance with MDGs

■ The project will contribute to goal 8 "Develop a global partnership for development" and target 18 "In co-operation with the private sector, make available the benefits of the new technologies, especially information and communication technologies".

➢ Findings
  ▪ Incubators not aware of MDGs
  ▪ Good compliance with goal number 8, needs more involvement of Private Sector
  ▪ Need better understanding of the benefits of ICT among beneficiaries

Timing and Time Allocation

- ESCWA estimated to do all in 2 months
- 2 months to finalize contracts with incubators
- Incubator had 1 month to do everything

- Findings
  - MOU then financial addendum took more time then expected
  - Should have taken 6 months instead of 2
  - Not aware of the importance of awareness campaign
  - Did not forecast workshop
  - Loose awareness campaign process
  - The real campaign was done after the launching.
  - Project execution in 1month only (low time L,S – plenty of time J)
  - Timing of the Workshop and Launch not appropriate (S)
  - We need more hype before launching the competition (L)

Timing and Time Allocation

	Lebanon	Syria	Jordan	Yemen	Palestine
Date	May	May	May	May	May
Time Allocated	2 Months	2 Months	2 Months	2 Months	2 Months
Timing	Ok	Not Ok	Ok		Ok
Signing Contracts	December	December	December	December	July
Suggested Launch	January	January	January	January	July
Suggested Competition	April	April	April	April	July
Awards	May	May	May	May	August

Expert Groups meetings and Studies

- Expert Group meeting April 2008
- Publishing of 3 studies :
  - Status of digital Arabic content: Portals, Applications, Websites, search engines and software tools
  - Identifying DAC opportunity areas (culture, health, media, business, etc), models for public-private partnerships, developing profit-making business plans for DAC applications
  - Specifying hardware and software needs for the development and implementation of DAC applications, defining training needs
- Studies will be summarized in 1
- Discuss and validate proposed models and plans
- Define the criteria and themes for the selection and implementation of DAC applications
- Select incubators in the ESCWA region that would be ready and willing to develop and implement DAC applications

➢ Findings …

Expert Groups meetings and Studies

➢ Findings

- All studies are good (L,SJ), but low input from expert meeting (L,S)
- Diagonal reading of studies (best case)
- First study quite informative and unique (L,S,J) but a bit lengthy
- Third study did not bring any useful information (L)
- Incubatees not aware of studies
- No focus on legal issues (IPR)
- No guidelines issued by ESCWA and adopted by governments
- Entrepreneurship issues in a more localized way
- Make real issues of entrepreneurship more visible to create more awareness
- No awareness on "market trends", "target markets", "what to do"
- After this experience we just started having "believers", people ready to dedicate their life for an idea or a project
- I wish to see projects of a higher level
- Suggest a "stimulation campaign", by presenting success stories as well as failing ones to a large audience of potential incubatees
- Focus on specific domains (e-Learning) in order to enroll more knowledgeable and more dedicated people and better projects…Example: SAWAED is focusing on learning tools for kids

Benefit of going through Incubators

- Existing structures
- Experience will benefit to other incubatees
- Knowledge of business models
- Reach

➢ Findings
  - Entrepreneurial side: Incubators understand business models (L)
  - Direct projects (like SAWAED) are not attracting – Too much interference with the day-to-day functioning of the incubatees (S)
  - Presence of incubators is creating more attraction (S)
  - Small incubatees have better understanding and will and are more open to new ideas (L, S)

Awareness Campaign

- **Awareness Campaign**
  - Selected incubators will conduct an awareness campaign to promote the development of digital Arabic content
- **Partnerships and Business Models**
  - ESCWA will assist the selected incubators in the awareness campaign by presenting public-private-NGO partnership models as well as profit-making business models for the development of DAC.
- **Publicity Campaign**
  - ESCWA and incubators will do publicity campaign to accompany the award ceremony for the selected projects
- **Promoting Results**
  - ESCWA and incubators will promote the results of the project in seminars and conferences

  ➢ Findings …

Awareness Campaign

➢ Findings
- Mix between Awareness Campaign and Enrollment Campaign
- Gap in maturity between Cities because of the exposure
- Those with working experience know what to do and where to go
- Workshop should be focused on specific directions
- Young entrepreneurs need guidance not statistics, they can't analyze statistics, they don't know how to build a business plan
- Practically an enrollment campaign was done one way or another
- Awareness Campaign not sustained
- Accessibility of results

Awareness Campaign

➢ Findings

➢ **Lebanon**
  ▪ Launch 70 to 80 people, awareness started after launching
  ▪ Banner on website, eAds
  ▪ Half day awareness for incubatees
  ▪ Road show in universities, mention in all presentations
  ▪ Mass eMail for 10,000 qualified people
  ▪ Mass eMail for 120,000 blind broadcast two times
  ▪ No publicity campaign for the award ceremony, only press release
  ▪ Promoting results of the project in seminars and conferences as we go

➢ **Syria**
  ▪ Announcement of workshop …No adds in the press.
  ▪ Banner on 8 websites: SCS, Syria news, Sham press, …
  ▪ Mass mail: 200,000 blind mails
  ▪ 300 targeted mail (group of ICT graduates or postgraduates, i-Community)
  ▪ 50 participants in workshop
  ▪ Timing not appropriate, happened during end of year exams, better timing in April
  ▪ 11 participants only around 0,05 % of target audience

Awareness Campaign

➢ Findings

➢ **Jordan**
- Lecture of Philadelphia students 90
- Lecture to other students 5,6- 50,60
- Launch
- 1 Ad Al RAI 100,000 to 120,000
- 1 Ad Al Dustur 70,000
- Posters 200, Posters small 5,000
- Mail to deans 25- 30- 50
- Mail to chamber of commerce, ICTA, Higher Council
- Launch 150
- Follow-up on previous actions
- 12 participants- 6 internal, 6 external

Awareness Campaign

	Lebanon	**Syria**	**Jordan**	**Yemen**	**Palestine**
Launch Workshop	Before 70-80	After 50	After 150	After 400	After 35
Road-Show	Yes	No	Yes	No	Yes
Banners	1	8	1	Yes	Yes
Target eMail	**10,000**	**300**	**1,000**	**No**	**5,000**
Mass eMail	2X120,000	200,000	No	No	20,000
Posters	Yes	No	5,000	Yes	300
Press Ad	No	No	Yes	Yes	Yes
Phase 1	**10 - 0.05%**	**11 - 0.05%**	**12**	**18**	**16**
Phase 2	5	5	5	6	4
Publicity	Only PR	No	No	No	No
ESCWA Web	No	No	No	No	No

The Competition Process

- **Evaluation Committee**
    - Evaluation committee for Phase 1, Phase 2
    - Acceptance of DAC applications in accordance with the themes and criteria defined during the expert-group meeting
- **Evaluation of applications**
    - Evaluation of DAC applications in accordance with the defined criteria
    - Selection of the best DAC applications to be implemented at the selected incubators
- **Application implementation**
    - Implementation of the selected DAC applications, taking into account the partnership and business plan models
    - Follow-up on the implementation of the selected DAC applications;
    - Creation of a marketing plan aimed at promoting the selected DAC applications
- **Validation and marketing**
    - Evaluation and validation of the proposed models
    - Marketing of the implemented DAC applications

The Competition Process

➤ Findings

- **Lebanon**
  - Evaluation done in 2 phases
  - Phase 1: good pre-selection done by Berytech +ESCWA, internal evaluation based on criteria and grading.
  - Phase 2: Jury from Berytech , ESCWA, external professionals. Good-fair based on presentation and grading should include more criteria to discover seriousness of candidates (their ability to deliver, …) It might be a good idea to have one winner and one runner-up.
- **Syria**
  - Evaluation done in 2 phases
  - Phase 1 : 11 participants, remove 6
  - Phase 2: 5 participants to jury.
  - Jury: good Selection criteria: fair process
  - Too much stress on business plan, not very well oriented

The Competition Process

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The Winners: Incubated Applications

	Incubator	Incubatee	Product
Lebanon	Berytech	W3DTEK	ألف ميل
Syria	ICTI	Khaled Moussa	www.academia.sy
		Arabi	Arabi
Jordan	JIC-Philadelphia	Pioneers Middle-East for e-Services LLC Maen Zaghloul	www.arabentrepreneur.com www.arapreneurs.com
Yemen	Aden University		Aden Portal
		Amal Al Sakkal	
		Rana Mohammed	eMediator
		Walid Saleh	eLearning
Palestine	PICTI	STARS	STARS

The Winners: Incubated Applications

➢ Findings

- **Lebanon**
  - ALFMILE – W3DTECH brilliant idea, low result
  - Selection criteria needs profiling,
  - Proximity, geography were a major disabler.
  - Winner couldn't do a business plan until now
  - Incubator has contracted a third party to do it
- **Syria**
  - Good ideas with great potential
  - Low entrepreneurship skills
  - Dedicated to success
  - Needed more guidance on the technical and business level
  - Think about their project as a lifetime endeavor

The Winners: Incubated Applications

➢ Findings

- **Jordan**
    - No regrets
    - Forsee business success
    - Strong points
        - Dedication - always positive
        - Team member worker
        - Always informed technically
        - Idea very applicable - Unique in Arabic - Inline with DAC
        - Serve as platform for Arab entrepreneurs
    - Weak points:
        - Impatient - Thinks that solution for everything is money
        - Not informed financially and business wise
        - The university environment tends to restart things from scratch
        - There is no Arabic content available for his work

The Winners: Incubated Applications

➢ Findings

- **Yemen**
    - Aden Portal -
        - good idea, good result
        - Selection criteria good no regrets
        - Proximity, geography were not a disabler
        - Winner did a good business plan

- **Palestine**
    - very good idea, good result
    - Selection criteria good no regrets
    - Proximity, geography were not a disabler
    - Winner did a good business plan

SWOT Analysis for DAC Project

- **Strengths**
- **Weaknesses**
- **Opportunities**
- **Strengths**

SWOT Analysis

■ **Strengths**

- Successful project
- DAC Idea, Competition, Awards, first time
- Not much other projects except UNDP
- Induction: concrete projects
- Hype and buzz around DAC is positive
- Project created a brand: ESCWA is a good reference
- Delivery through incubation: excellent approach
- Combination: Hosted in the Incubator - Supported by ESCWA
- Substance, publication materiel
- Excellent Selection criteria
- DAC selection criteria impacted others criteria for activities in incubators
- Grant was flexible because of Incubation
- Big benefit to ESCWA

SWOT Analysis

- **Weaknesses**

  - Time and Timing
  - ESCWA too strict not driven by business rules
  - Low technical support, mentoring, coaching
  - No access to instances who have market data
  - Low participation rate
  - Low media coverage – Low awareness rate among target group
  - Low access to funds
  - Unbalance between ideas and entrepreneurship skills
  - Uneven target audience (between countries, inside country)
  - Marketing not part of the project (should be)
  - Incubatees must get training on entrepreneurship, management
  - No perception of the lack of reach: ESCWA considers 80% reach

SWOT Analysis

- **Opportunities**

  - Other incubators have declared wishes to participate in other editions
  - People more aware
  - Idea of incubation is spreading
  - Potential for more success stories
  - Establish Incubator network of organizations and people including incubatees, experts and other stakeholders
  - Ample room for projects - wide range of subjects
  - Find systematic approach to build the knowledge society using DAC
  - Jobs creation
  - Up to tens of thousands we can provide
  - More insights for the next round of projects (must be treated differently)

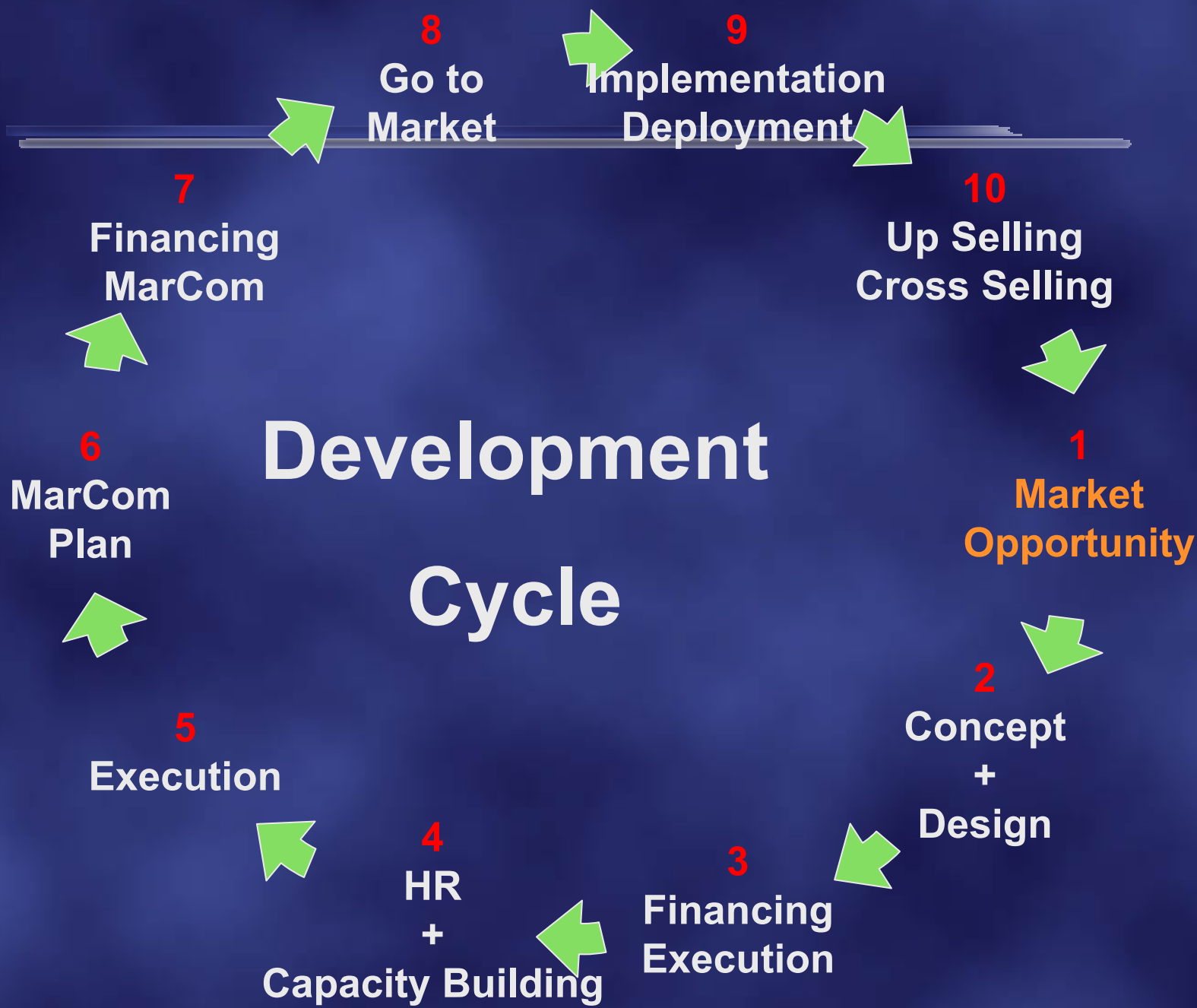# SWOT Analysis

- **Threats**

  - Bureaucracy
  - Low access to funds
  - Financing tools – Access to capital
  - Low success rates in projects
  - Low marketing means - Low market intelligence
  - Low support from ESCWA/UN
  - Regional and international situation (economic, security)
  - Socio-political stability in various countries
  - Newly established incubators because of project
  - Broadband and other Infrastructure issues
  - Legal framework (IPR, Patent,…)
  - Lack of awareness preventing highly skilled people to participate
  - ESCWA to get frustrated because of the slow results
  - Other programs from other parties (SAWAED, twofour54, …)

Marketing Plan - Market opportunities

➢ **General Considerations**

- No clear understanding of:
    - ➢ **WW trends of digital content**
    - ➢ **Basics of entrepreneurship**
    - ➢ **The development Phases of a DC Project**
- Need for sustainable revenues for incubatees
- Need for equipment
- Need for Software Licenses
- Too much emotions:
    - ➢ **Separate inventing from deciding**
    - ➢ **A business project is not a lifetime endeavor**

Development Cycle

8 Go to Market

9 Implementation Deployment

7 Financing MarCom

10 Up Selling Cross Selling

6 MarCom Plan

1 Market Opportunity

5 Execution

2 Concept + Design

4 HR + Capacity Building

3 Financing Execution

Marketing Plan - Market opportunities

➢ **Lebanon – W3DTEK – ALF MILE**

- Inject 50K$ to finalize the product (income to sustain)
- Find and agree with distribution channel for regional reach
- Build on-line platform for direct sale
- Build limited version for free download
- Make agreements with local IXPs for hosting
- Create Arab communities of loyal players – Users Group
- Start communicating using:
  - ➢ press, on-line communities, social networks, students, …
- Participate in International Game shows (MILIA, …)
- Create global competition and honor winners
- Estimated sales in 12 months after publishing 10,000 units
- If price is 100$ then Total Revenue in 12 months is 1,000,000$
- Exit after 2 years by selling to International Game publisher

Marketing Plan - Market opportunities

- **Syria – Arabi TTS**
  - Inject 80K$ to finalize the product in 8 months
  - Register a Patent on the International level (35K$)
  - Product have a wide range of applications:
    - Children assisted reading tools (with special HW)
    - Interactive popular Games
    - IVR and other call center services for TELCOs, Hospitals, Government …
    - Applications for disabled
    - Announcement readers for Malls, Airports, Railway Stations …
  - Build multiple versions to be embedded as a technology component
  - Find and make agreements with SW publishers in previous domains
  - Make agreements consisting of initial fee + royalties
  - Build a sales team or make agreement with Sales Channel
  - Estimated sales in 12 months 100 Customers, 1,000 units
  - If initial fee is 5,000$ then Revenue in 12 months is 500,000$
  - If royalty is 1,000$ per year then Revenue for coming years is 1,000,000$
  - Exit after 2 years by selling to International technology publisher for at least 10,000,000$

Marketing Plan - Market opportunities

➢ **Syria – academia.sy**

- Inject 10K$ to finalize the website-portal (Web 2.0)
- Define clearly products and services including "Price List"
- Update Business Plan accordingly
- Build on-line platform for interaction and social networking
- Make agreements with local IXPs for hosting
- Create local community of loyal users – Users Group
- Start communicating using:
    - ➢ press, on-line communities, social networks, students, education officials, government officials, business communities…
- Create sales team or make agreement with Sales Channel
- Hire accountant or agree with external accountant/auditor
- Create yearly on-line event and yearly networking event
- Today's revenues estimated to 1,000$ per month
- Expected revenues to reach 4,000$ per month in the next 6 months
- Cannot foresee exit strategy before redefining products, services and prices

Marketing Plan - Market opportunities

➤ **Jordan – www.arapreneurs.com**

- Project in early stages
- Not yet on-line
- Person in charge will not be able to pursue for more than 3 months without regular revenue
- Needs to define products and services
- Needs to define business model
- This is a typical social/business networking environment
- Should be managed like LinkedIn or other business networks
- Revenues can come from Subscription, Advertising, Access to Databases and other services
- Cannot foresee directions to take before having it on-line
- Might present a good exit opportunity when it starts having a substantial community

Recommendations to ESCWA

- Put DAC on the national agenda: Find Government Sponsors
- Create a program for DAC within ESCWA in partnership with UNDP
- Join efforts with other organizations
  - Maktoum foundation, twofour54, EIB, EU, …
- Do a competition per topic with a potential big need, 1 per year
  - Learning, tourism, entertainment, culture …
- Multiply Success Stories and communicate better on Success
- Create a Regional Network of Incubators for DAC (RNID)
- Sustained effort to keep Incubators up to the level
- Define the dynamics and fund the RNID
- Benchmark, discuss experiences
- Establish and Focus on clear Business Models with clear exit strategies
- Be patient, don't loose faith or get frustrated
- Do at least 5 rounds of DAC competition in order to measure success
- Update Selection Criteria to have one winner and one runner-up
- Use Marcom professionals to execute Awareness Campaign
- Never fall in complacency

Discussion Points

- Next round Themes — Learning, Entertainment, Culture, Health, Business,
- Timing — January, April, May, …
- Time Allocation — 3 Months, 4 months, …
- Funding — 3 Times
- Funding Partners — UNDP, Maktoum, twofour54, …
- Awareness Campaign — Road-shows, conferences, WSA, …
- Communications — Who should do it?
- Enrollment Campaign — Road-shows, scouting, stimulation, entrepreneurship
- Selection Criteria — Profiling, 2 winners
- Award Winning — Gala, Communication, Publicity, …
- Support bringing some winners to the next level — VC, EU, UNDP, …

Thank You