

TV and Cinema Advertising in a High Spending Retail Market- UAE

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Abstract: Most shoppers scour the internet and shop in the brick and mortar store. Because of these factors, TV and Cinema advertisement is a very risky proposition that needs a clear understanding of the tastes of TV and Cinema Viewing for marketers to succeed in this market.

Keywords : TV and Cinema, UAE retail market, Dubai Mall, Luxury brands, Retail sales, TV channels, MBC, Marketing, Advertising, Market Research

I. INTRODUCTION

Dubai is the Gulf Cooperation Council (GCC) region's major tourism-cum-retail destination. In the past, these two industries (retail and tourism) have been intertwined and Dubai has been rightly considered the "shopping capital of the Middle east" (Anwar, 2004). Each year, millions of tourists visit the Emirates. The Dubai Shopping Festival (DSF), which provides tremendous discounts by three thousand retail stores and 50 malls, is also sponsored by the world-famous Dubai Shopping Festival. The UAE is packed with a cosmopolitan community from all over the world (Masad, 2008). Shopping in Dubai, according to the shoppers who prefer buying from malls, is a mixture of five variables: environment, physical infrastructure, emphasis on advertising, comfort (Prashar, 2013). Coupled with mega-projects such as The Palm, The World, the Burj Al Arab, the shopping festivals have earned Dubai a prominent place beyond industry on the global map but as a tourist hotspot (Matly, 2007).

II. IMPORTANCE OF ADVERTISING: SPENDING AND RENTALS IN THE RETAIL SECTOR

Consumer spending in the UAE per capita is expected to rise by 45.8% in 2017, compared to an average regional growth of 47.2%. A UAE household's average spending power is \$14,400 per year. With an average of \$23,000 per year, Emirati households make a significant contribution to this, while Asian households spend an average of \$10,000 per year (Gissing, 2008). Dubai's average retail rental rates are \$114 per sqft. per year and \$71 per sqft in Abu Dhabi per year. Companies should direct their attention from driving sales to optimizing consumer lifetime value (Roland T. Rust) in order to compete in this intensely interactive environment. Dubai has reduced its dependency on the oil industry over the past three decades. As a result, projections indicate that Dubai's economy may have relatively small impacts from lower global oil prices. The budget for 2015 revealed that oil represented

4% of the total revenues of Dubai (Deloitte, 2015) down by 5% from 2014. Retail is therefore of paramount importance for both the nation and the companies.

III. IDEAL HIGH NET WORTH MARKET: A HIGH SPENDING RETAIL MALL PARADISE

Dubai is home to 385 luxury stores and brands. This makes the Dubai luxury industry, the main trading hub of the GCC with luxury retail sales rising by 12 percent per year average compared to 7 percent worldwide (Luxury Movement, 2009). Although tourism is considered a major driver of growth in the retail market, growing urbanization also encourages this significant growth (Bagaeen, 2007). The retail trade turnover of Dubai in 2013 was reported at USD 39.6bn (A.T. Kearney, 2013). Mall opening hours can be extended as late as midnight during religious and public holidays. Trade hours are critical if demand and customer expectations are to be kept up (Turner and Townsend, 2014). The shopping mall model is updated to meet target market demands (Singh H. &, 2008). Based on merchandise and labels, it is difficult for shoppers to differentiate between two malls (Sahay, 2012). Marketing strategies for the UAE market need a local modification to succeed. (Rehman, 2008). The subject of standardization and modification of advertisement messages has been debated by marketing professionals for the past 50 years. Messages that are homogeneous in nature are essential for the building of brands, but the impact of transition can not be ignored (M Kalliny, 2009). Shopping is an important distinguishing factor in such situations, since shoppers choose a mall with a comparable product, but an outstanding shopping experience (Singh H, 2012). The UAE is seen as a well-educated expert on consumer goods, including entertainment, vehicles and home products, such as cleaning products, appliances and electronics relative to other Islamic countries (Marinov, 2007).

IV. DATA COLLECTION

The results from the data collected from 400 questionnaires are analyzed in this section. It also highlights the results obtained from the primary data collected to analyze the multichannel shopping environment in the United Arab Emirates. It's a sampling of non-probability which includes the sample being taken from a portion of the population. Sample population is chosen because it is readily and easily accessible and also very convenient. The researcher who uses such a sample cannot scientifically generalize the total population from this sample because it is not adequately representative. A random sample is taken from each stratum relative to the size of the stratum in relation to the population.

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V. RESEARCH METHODOLOGY

This study was conducted with the primary goal of determining the attitudes of consumers towards TV and categories of cinema ads. A standardized questionnaire for the collection of data has been developed and used as a primary survey method. The study questionnaire addresses the issue of data quality by reducing or removing variations in how questions are being asked and how they are being answered to the participants. A survey was developed and pilot analyzed in the retail environment in Dubai through personal interviews with five senior professionals.

VI. MAJOR TV CHANNELS IN THE UAE

Rank	Channels	TRP	Share	Rating %	Reach%
1	MBC 2	529.3	3.97	1.1	88
2	MBC 1	382.8	2.87	0.8	80
3	Cartoon Network Arabic	218.5	1.64	0.46	57
4	MBC Bollywood	205.4	1.54	0.43	81.8
5	MBC Max	197.8	1.48	0.41	84.6
6	Asianet Middle East	184.5	1.38	0.38	65.9
7	MBC 3	182.2	1.37	0.38	73.6
8	Baraem	158.8	1.19	0.33	64.5
9	Asianet News	156.4	1.17	0.33	66.2
10	MBC 4	154.1	1.16	0.32	83.5
11	MBC Action	145.9	1.09	0.3	82.5
12	MBC Drama	133.9	1	0.28	80.8
13	Fox Movies	125.6	0.94	0.26	78.2
14	Al Jazeera	103	0.77	0.21	61.2
15	Star Plus	86.1	0.65	0.18	43.7
16	Colors	84.8	0.64	0.18	39.1
17	Dubai Al Oula	81.9	0.61	0.17	73.6
18	Mazhavil Manorama	74.7	0.56	0.16	67.2
19	National Geographic Abu Dhabi	73.8	0.55	0.15	74
20	Zee Aflam	71.5	0.54	0.15	80

(Fig.1)

The above table (Fig.1) illustrates the reach, rating and market share of the major channels in the Television industry of UAE. The channel with the highest TRP is MBC 2. It occupies a market share of 3.97% having a reach of 88%. The channel has the highest rating and is seen by the majority of UAE population as it showcases 24-hours western movies. Just after that comes MBC 1 both being a part of MBC group (Middle East Broadcasting Center) is one of the largest media company in the Middle East and North Africa region. MBC 1 has a reach of 80 % and offers family entertainment shows. The other channels of MBC group, MBC Bollywood and MBC Max are at a position of 4 and 5 with a reach of 81.8 % and 84.6% respectively. MBC 3 and MBC 4 are at 7th and 10th position respectively with a better reach than most of their competitors. The third position is acquired by Cartoon

Network Arabic with a TRP rate of 218.5 and reach of 57%. The channel having a better reach yet the lowest TRP is Zee Alfam.

VII. TELEVISION MEDIA METRICS

Television Media Metrics	
Reach %	It represents the total number of individuals, atleast once during a certain time, who were exposed to a medium split between the total population in the area.
Rating %	Rating = % of the total potential viewing audience tuned into a particular program.
TRP	TRPs are a refined value of gross grade points or GRPs. GRPs involve an access to the "total audience" of advertising, while TRPs refer to the exposure of the "target audience". The purpose of the metric for the 'target rating point' is to measure interactions for a specific advertisement in relation to the number of target audience.
Cost Per Thousand (CPM)	CPM means the amount of money it will cost to show a thousand people the ad one time.

(Fig.2)

The table (Fig.2) defines the metrics that determine the market value of any Television content. These metrics are evaluated to understand the success of any show/media content.



VIII. FINDINGS FROM THE SURVEY

Variable	Group	Online Vs. Offline time Usage [TV- Satellite (eg.OSN)]										Total P	
		Daily(more than 30		Daily-Less than 30		2-3 times a week		Once A week		Never			
		No.	%	No.	%	No.	%	No.	%	No.	%		
Marital Status	Single	34	51.50%	29	51.80%	54	66.70%	22	56.40%	107	67.30%	246	<0.330
	Married	17	25.80%	15	26.80%	15	18.50%	8	20.50%	26	16.40%	81	
	Separated	15	22.70%	12	21.40%	12	14.80%	9	23.10%	26	16.40%	74	
	Total	66	100.00%	56	100.00%	81	100.00%	39	100.00%	159	100.00%	401	
Nationality	Asians	40	60.60%	29	51.80%	21	25.90%	23	59.00%	56	35.20%	169	<0.000
	Arab	10	15.20%	7	12.50%	8	9.90%	6	15.40%	27	17.00%	58	
	European	9	13.60%	14	25.00%	12	14.80%	4	10.30%	47	29.60%	86	
	American	1	1.50%	1	1.80%	28	34.60%	3	7.70%	4	2.50%	37	
	Russian	0	0.00%	2	3.60%	6	7.40%	0	0.00%	4	2.50%	12	
	Others	6	9.10%	3	5.40%	6	7.40%	3	7.70%	21	13.20%	39	
	Total	66	100.00%	56	100.00%	81	100.00%	39	100.00%	159	100.00%	401	

(Fig.3)

The above survey (Fig.3) result is based on the viewership of Satellite TV in UAE grouped in two different segments that is Marital Status and Nationality. The study involving single individuals shows that more than 51.80% watch content for less than 30 minutes in a day while 51.50% are viewing it for more than 30 minutes.

There are viewers who spend time watching satellite TV content only 2 to 3 times in a week that accounts for 66.70% while some watch it only once in a week constituting to 56.40%.

The UAE TV market also has people not watching any content at all and it is 67.30%, which is a big number.

Married and separated viewers are associated with satellite TV content consumption to a very less extent with 25.80%

and 22.70% watching content daily more than 30 minutes where Asians are the most active users with 60.60% watching TV for more than 30 minutes in a day while Russians are the least active with only 7.40% watching TV 2-3 times in a week. Europeans are comparatively more active than its other counterparts with a viewership of 25% watching TV daily less than 30 minutes.

Can enable a maker to effectively subcontract parts of work, for example as when Austin subcontracted the aluminum body work of the Austin A40 Sports to Jensen Motors.

Can permit more torsional flexing before yielding (trucks, truck-base SUVs going 4x4 romping)

Variable	Group	Online Vs. Offline time Usage [TV- Satellite (eg.OSN)]										Total P	
		Daily(more than 30		Daily-Less than 30		2-3 times a week		Once A week		Never			
		No.	%	No.	%	No.	%	No.	%	No.	%		
Millennial	Millennial	30	45.50%	34	60.70%	47	58.00%	21	53.80%	87	54.70%	219	<0.483
	Non- Millennial	36	54.50%	22	39.30%	34	42.00%	18	46.20%	72	45.30%	182	
	Total	66	100.00%	56	100.00%	81	100.00%	39	100.00%	159	100.00%	401	
Monthly Income	Student/Dependent	9	14.10%	3	5.60%	0	0.00%	2	5.40%	6	3.90%	20	<0.000
	Less than AED 6000	5	7.80%	3	5.60%	7	8.90%	5	13.50%	24	15.50%	44	
	AED 6000- AED 12000	12	18.80%	18	33.30%	15	19.00%	8	21.60%	38	24.50%	91	
	AED 12000-AED 18000	21	32.80%	18	33.30%	12	15.20%	9	24.30%	38	24.50%	98	
	AED 18000-AED24000	10	15.60%	4	7.40%	4	5.10%	5	13.50%	12	7.70%	35	
	More than AED 24000	7	10.90%	8	14.80%	41	51.90%	8	21.60%	37	23.90%	101	
Total	64	100.00%	54	100.00%	79	100.00%	37	100.00%	155	100.00%	389		

(Fig.4)

The given survey (Fig.4) is based on the consumption of Satellite TV content by different age and income categories. Millennial consisting of individuals within the age group of 22-37 has the highest consumption of satellite TV at 45.50% spending more than 30 minutes and 60.70% spending less than 30 minutes on a daily basis. The non-millennial that is the older generation has comparatively lesser consumption at 54.50% watching content for more than 30 minutes and 39.30% spending less than 30 minutes of their time daily. The rate of consumption also varies largely among individuals of different income groups. Students or individuals who are

dependent on their family do not spend much time watching satellite TV content. It is at 14.10% for daily consumption of more than 30 minutes. The study reveals that more the income, more is the overall consumption of satellite TV content. 51.90% of individuals with an income of more than AED 24000 consume content 2 to 3 times a week that is the highest among any other income group. Other income groups have similar consumption rate that do not differ to a large extent except the middle and lower income groups that is less than AED 6000 and between AED 6000 to AED 18000.

Variable	Group	Online Vs. Offline time Usage [TV- Satellite (eg.OSN)]										Total P	
		Daily(more than 30		Daily-Less than 30		2-3 times a week		Once A week		Never			
		No.	%	No.	%	No.	%	No.	%	No.	%		
Career Level	Entry Level	3	4.60%	1	1.90%	2	2.60%	2	5.30%	21	13.50%	29	<0.001
	Mid-Career	32	49.20%	26	49.10%	24	30.80%	16	42.10%	69	44.20%	167	
	Management	22	33.80%	20	37.70%	49	62.80%	15	39.50%	54	34.60%	160	
	Unspecified	8	12.30%	6	11.30%	3	3.80%	5	13.20%	12	7.70%	34	
	Total	65	100.00%	53	100.00%	78	100.00%	38	100.00%	156	100.00%	390	
Education level	Undergraduate	18	27.30%	10	17.90%	3	3.70%	4	10.30%	27	17.00%	62	<0.014
	Graduate	27	40.90%	19	33.90%	40	49.40%	16	41.00%	65	40.90%	167	
	Post-Graduate	21	31.80%	27	48.20%	38	46.90%	19	48.70%	67	42.10%	172	
	Total	66	100.00%	56	100.00%	81	100.00%	39	100.00%	159	100.00%	401	

(Fig.5)

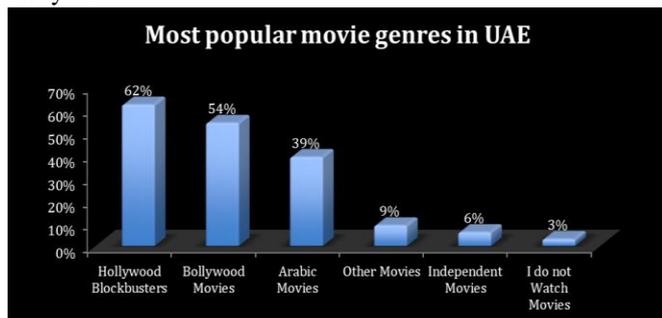
The Satellite TV market or viewership can also be distinguished by factors like Career Level and Education Level. Individuals at the entry level of their career watching content for more than 30 minutes accounts to 4.60% and 1.90% of them invest less than 30 minutes while 13.50% of them have never watched any content. Individuals at the mid-level of their career have the highest consumption at 49.20% of them watching content for more than 30 minutes daily. Individuals at the manager level often watch content only 2 to 3 times in a week, which constitutes to 62.80%.

The Satellite TV content has been diverse and has been in a constant evolutionary stage. This signifies the important of segregating consumers also based on education.

Undergraduates have comparatively lesser consumption. 27.30% of them spend more than 30 minutes daily while 17% of them have never watched any. Graduates and Post-graduates have a similar rate of consumption with 40.90% and 31.80% of them respectively, watching content for more than 30 minutes daily while 46.40% of graduates and 46.90% of post-graduates watching content 2 to 3 times in a week.

IX. CINEMA ADVERTISING

Cinema advertising's distinct advantage is that the audience is exclusive, regional and fully screen-focused. Cinema advertisement, driven largely by the number of screens present, represents a minor fraction of total marketing spending despite the region's low number of per capita cinema screens. The number of screens in the UAE, with a population of around 5 million, has reached more than 500. According to the statistics cited by cinema advertiser Motivate Val Morgan, the amount of money spent on cinemas across the UAE in the first half of 2014 was 31% higher than in the same timeframe last year.



(Fig.6)

The above graph (Fig.6) depicts the percentage of viewers as per various movie genres, famous in UAE. Hollywood Blockbusters has the highest number of audience followed by Bollywood movies at 54%. 3% of the participants do not watch movies at all.

X. GAPS AND LIMITATIONS IN CURRENT STUDY

Customers view products on one network however, they buy them on another channel and track their orders on another channel. It makes it very difficult to estimate a specific channel's ROI(Return on Investment). The principle is about 'round the clock purchase'. This channel change can help retailers reduce overhead operations and experience customer satisfaction when used appropriately (Retail Systems Research, 2011). Many shoppers do their research on the Internet and make purchases in the bricks-and-mortar store (Neslin G. L., 2006). These reasons are making the TV and Cinema advertising a very risky proposition and hence a clear understanding of the TV and Cinema Viewing preferences are required for brands to be successful in this segment.

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