



## *An overview of the Iraqi advertising market*

### **Introduction:**

Three years ago, Iraq witnessed the most radical twist in its history. Change swept everything without exceptions. Back then, the business world was upbeat about new, unfettered access to a formerly closed market of 26,8 million (July 2006 est.). Multinational corporations initially flooded in, but later closed up shop in the wake of security pressures and the high cost of related services. Today, for example, security services cost companies between 20-30 percent of their investments in the country.

The new security-sensitive advertising market, subsequently, took a different course than originally planned. Nevertheless, companies still look with interest at the potentially cash-rich Iraqi market, and have been looking for ways to safely invest in the country from a distance. Diyar Outdoor, which stepped into the market in the early days of New Iraq was fully aware of these facts and subsequently built a business module that makes her more than an outdoor advertising agency. Having at their disposal the company's added value knowledge and the proper tools to influence the urban scene in Iraq, customers from all around the globe can now manage their outdoor advertising campaigns from a distance. Diyar Outdoor has harnessed technology to the benefit and convenience of its growing number of clients. By entering the agency's website ([www.diyaroutdoor.com](http://www.diyaroutdoor.com)), customers can use their exclusive and safe handles and passwords to conveniently monitor their campaigns, obtain valuable feedback that entails info on coverage and effect, which are the major criteria to judge the success of the campaign. Interactive maps, updated photos and other pieces of information ensure clients virtual control of their campaigns and optimal benefit for their investments.

### **An insight into the ad market: What's there on the shelves?**

Fast-moving consumer goods are available in the various areas of Baghdad. Inside stores, imported products such as Mars, Snickers, Gillette razors and American rice line the shelves. , there are no marketing campaigns in the proper sense for such products. This, however, does not eclipse the fact that



the interest in these products is there, especially among well-off residents.

American rice for example, has been a favorite in Iraq for years, even during the UN-imposed embargo on the country following the 1990-91 Gulf War. In fact, Iraq has been and can one of the largest markets for American rice. Prudence is a key word in any marketing campaign of such a commodity

because, if promoted the wrong way, a large-scale marketing campaign might produce adverse effects.

There are more signs of a strong consumption appetite among the Iraqis. For example, they seem to be fond of home appliances, which are sold in large quantities in the marketplace. This is evident although sales promotions still target shop owners rather than the general public and merchandising is relatively limited.

In addition, Iraqis are also showing an entrepreneurial streak. Some local businessmen have already signed agreements to act as agents for the world's best-known brand names. There are local agents of almost every demanded brand. The market is different from regional countries, however, in that there are very few representative offices for the manufacturers. Due to security concerns, these manufacturers work from Amman and Dubai, from where the products usually arrive into the Iraqi market.

More good news. Large firms such as telecom services providers are reversing the trend that has prevailed in the past three years. Points of sales set by these companies are now mushrooming, along with others selling food items imported from "neutral" countries, such as Brazil.

### ***What is the advertising situation in Iraq now?***

Thanks to the numerous media outlets that evolved after the war, there is so much option for advertisers, whose campaigns are growing and gathering steam, albeit more slowly than what was hoped for. Key advertisers include multinational telecommunication companies and mobile phone makers, among others, while public service messages are everywhere. According to experts' estimates, these and other businesses are spending around \$100



million a year in the ad market.

There are now more than 50 print publications on the newsstands all over the country. Although access to the broad public is limited to approximately 10 to 15 of the most popular newspapers, this figure sounds phenomenal when compared to what things were in the previous era.

Radio stations are on the rise. Affordable, accessible and widely-spread, there are 13 local and regional radio stations in Iraq now, including seven independent ones. Some target certain ethnic communities in their indigenous languages.

The scene of satellite dishes dotting the roofs of Iraqi cities is something the new situation brought about. Iraqis have shown since the fall of the former regime immeasurable interest in satellite channels, which were a taboo in the

Old days. All eleven of local satellite channels now sell air time by the

Second. In addition, most viewed regional satellite channels are employed by advertisers to penetrate the Iraqi market.

Beyond an obvious lack of internal security, the major challenge facing the advertising sector has to do with the absence of a regulatory body.

This is still the case after three years of the war. Outdoor advertising has been in the forefront as far as this problem is concerned. The sector at first witnessed chaotic, arbitrary billboard postings, with aspiring advertisers trespassing on public property to post makeshift signs marketing their products. Things are moving into the right direction now, with town municipalities exhibiting more control on the situation and signing agreements with ad agencies that have proved willing to operate on a professional and ethical basis and long-term vision. Advertisers are increasingly relying on billboards to promote their products and services. Apart from consumer products, political campaigns and public service messages that have employed billboards networks to reach everyone in the marketplace.



## **What now?**

The undisputable fact is that the huge potential of Iraq's advertising market will be unleashed when the security situation improves. Right now, prospects sound bleak. Still, glimmers of hope persist. Iraqis, who have suffered decades of repression while lagging behind the improvements in the quality of life witnessed in surrounding countries, are extremely eager to lead a normal life. That entails their strong appetite for incoming products and having things that few years ago were simply a far-fetched dream. The popularity of satellite dishes and electronics stand as obvious examples.

Hope lies in the public's keenness to build their future and enjoy life as a basic right they are entitled to.