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Few Lebanese see the internet as ad space

Online advertising is still only a burgeoning business in Lebanon, as some companies and advertising agencies are still reluctant to turn to the web. NOW Lebanon spoke with Karim Saikali about online ads, some of the intricacies of the local market and internet use in Lebanon in general. Saikali stared BuyLebanese.com, a website offering local products to an international market, and then moved into e-marketing and e-consultancy by founding E-comLebanon.com. In these jobs, Saikali works with companies to conduct online advertising campaigns. He's found local real estate developers particularly interested customers.

What was the reaction from the market to online advertising when you first stared e-consulting and e-marketing activities in 2000?

Karim Saikali: At the beginning it was a little bit difficult to convince clients to advertise online. What we had done with BuyLebanese.com was interesting for them… We were able to

convince real estate developers that the market was more for expatriates than here because expats had better purchasing power than the locals. So, real estate developers were actually very receptive to the idea of advertising online at the beginning. Other companies took more time to advertise online. Now it's getting easier because many other companies advertise online. It's a bit psychological. If a company sees another one online, then they're more keen to try.

What other obstacles do you face trying to place online ads?

Saikali: Now what I also ask from conventional advertising agencies is to start working more in the internet advertising business. What I feel sometimes is they're reluctant to mention internet advertising for their clients because they often make more money from conventional advertising than from internet advertising. I think they still prefer to advertise on television and newspapers and billboards… I think we're a little bit behind with online marketing in Lebanon. Now it's picking up; it has picked up a little bit faster overseas. The advantage of Lebanon is online advertising is still much more affordable than in other countries. If you have companies that are interested in promoting their goods and services for the Lebanese market, then they can advertise in Lebanon for much cheaper.

Why is it cheaper in Lebanon?

Saikali: It is still affordable because demand is still not very high. Prices have increased in the past two or three years on the internet because the demand was increasing. As soon as the demand gets really high, prices will increase significantly… [In Lebanon] sometimes you're able to find empty advertising locations. But the day when it will be very difficult to find locations, prices will go up.

Do you see that day coming soon?

Saikali: I see it coming if we have stability in Lebanon. If we have stability, then companies will not refrain from advertising. Today the situation is not good, and many companies are refraining from spending a dollar. If we have political stability in Lebanon, yes I see this coming in the next two years.

Have you noticed the average Lebanese becoming more internet savvy?

Saikali: Yeah, for sure. In the past two years, I saw an evolution in this regard. You have many people connected to Facebook in Lebanon. I'm sure Facebook contributed to internet penetration in Lebanon. You see people who actually bought an internet connection just to get onto Facebook… Lebanon is moving toward higher internet penetration rates, definitely. Now what needs to be worked on is the pricing. In the US and Europe, you can buy unlimited [upload and download] packages per month. Here you have to pay per megabyte, and it's extremely expensive.

How important is Facebook in your advertising campaigns?

Saikali: We've used Facebook for a lot of campaigns, but we don't use it for all our online

advertising campaigns. It's not always very efficient. It depends on the product or service you want to advertise. It is sometimes very efficient. For example, if you're targeting the youth, Facebook could be efficient. If you're targeting a much older crowd, it's more difficult to get good feedback.

What are some of the sites you advertise on in Lebanon?

Saikali: One of the Lebanese websites I really like for advertising is lebanonfiles.com. It has a lot of visitors, and it's well-read. Their readers are from a certain background. It's an interesting website to advertise on, usually. I personally use it for all of my campaigns. I use some political sites like Tayyar.org and Lebanese-forces.com. The other ones are news websites. If [I'm working for] a Lebanese company, we're using mostly Lebanese news sites.

Do companies complain if their political opinions do not match the website on which you suggest they advertise?

Saikali: It happens. I think mainly because of the political bickering, unfortunately. It happens sometimes that a client will say, "No, I don't want to be there. Please try to offer an alternative." We've faced some problems where clients were reluctant to advertise on this or that website. The way we convince them usually is saying, "Look, guys, you're advertising on television, and with TV stations it's the same. Most television stations belong to political parties. So there's no reason we're seeing your ads on this TV station and not on the website"…

Do political sites reject clients because of the political affiliation of company owners?

Saikali: No. Never. On the contrary, they'd be very happy to receive advertisers. If there was anything, I have very good connections with all the website managers. I would be able to deal with such a situation. We're talking business here; we're not talking about anything else.

What steps do you think need to be taken to increase online advertising and overall commercial internet use in Lebanon?

Saikali: It's a collective effort, if you want to have better internet penetration. You need to have unlimited access to the internet for an affordable price. The government needs to work on this. You need to have advertising agencies more often convincing their clients to work online. As far as e-commerce is concerned, you need to have the government work on laws that would facilitate the launching of an e-business. There are many factors that would help the internet be widespread in Lebanon, so it's a collective effort that needs to be done.

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