

Media & Marketing Sector




Sector Overview

The Kuwaiti market has one of the largest mobile phone and internet penetration rates in the region. The population is young, educated and technology savvy. Most of them have access to social media and other channels and thereby receive and consume a lot of information digitally. This has increased the potential for e-commerce, application development, digital promotion of companies products and services, and raising awareness of various government e-services and its utilization.




SUBSECTORS




Digital Media Marketing

Market estimated to have reached USD 250 Mn in 2021.



Digital Content Creation

Global Digital Content Creation market size is expected to reach about USD 38.2 Bn by 2030.



Online Portals & Application Stores

USD 900 Mn dedicated for nationwide initiatives to develop the country's digital ecosystem

Kuwait offers interested investors a host of investment opportunities in digital media marketing, digital content creation, and online portals and application stores within Kuwait digital transformation efforts to attain the goals of the National Vision 2035 and its development plans.



Digital Media Marketing

MARKET FACTORS

- Digital media marketing is the promotion of products, services and associated brands on the internet and through other forms of digital communication, which include Social Media Marketing (SMM), Search Engine Optimization (SEO), Search Engine Marketing (SEM), Email Marketing, Marketing Automation, Digital Advertising and Content Marketing.
- The Kuwaiti population is highly educated and prefer to consume information over various digital multimedia platforms.
- Kuwait has one of the highest mobile and internet penetrations globally, with 99.6% of individuals use the internet while mobile cellular subscription was 178.5% per 100 inhabitants.¹
- Around 97.7% of the individuals utilize the internet daily, and 95.1% of individuals have social media accounts and the high penetration of social media platforms such as Facebook, Twitter, Snapchat, and Instagram coupled with the adoption of multimedia platforms like WhatsApp. The digital advertising space is in its growth phase and has immense potential because.³
- Kuwait had the third largest advertising expenditure in the GCC, with about USD 480 Mn in advertising spending in 2020.²
- While COVID-19 and its related restrictions caused the linear advertising sales to drop by 20% in 2020 to USD 260 Mn, digital advertising sales grew by 4% during the same period, and digital advertising sales are expected to accelerate by more than 10% in 2021 to reach USD 250 Mn.²
- Existing players within the sector include international firms who mostly cater to in-house digital marketing requirements.

- The top 3 sectors in the MENA Region that use Digital Marketing to drive business includes Hygiene and Beauty care, Food and Telecommunication.

INVESTMENT OPPORTUNITIES

- Kuwait is expected to offer several lucrative investment opportunities to interested investors within the digital media marketing with potential of more growth in this segment.

Sources : ¹CITRA, ²Magna Intelligence, ³IPSOS Group.



Digital Content Creation

MARKET FACTORS

- Digital content creation is the ability to develop written or visual content about topics that appeal to potential consumers. Digital content includes e-books, videos, audios, movies, pictures, and infographics.
- The Kuwaiti population is very active on social media and is bombarded by a huge volume of digital content daily with 84% of households own a portable device such as laptops and tablets and 76.8% of households own at least one type of smart device such as a smart TV.¹
- There is a high appetite for digital content in the Kuwaiti market, as youth comprise highest share of the population (>50% is under the age of 35), with high income per capita and strong purchasing power, that enables them to own the latest gadgets in the market and access the best internet services available.
- The advent of Netflix, Amazon Prime as well as other interactive applications like TikTok, has created further scope for content creation and consumption in the market. In Kuwait, the most used broadcast playback applications for 2021 was Tik Tok with 35.9% users, followed by YouTube with 32.5% users and Netflix with 11.5% users.²
- The Global Digital Content Creation market size is expected to reach about USD 38.2 Bn by 2030 and is forecasted to grow at an annual rate of about 12%.³

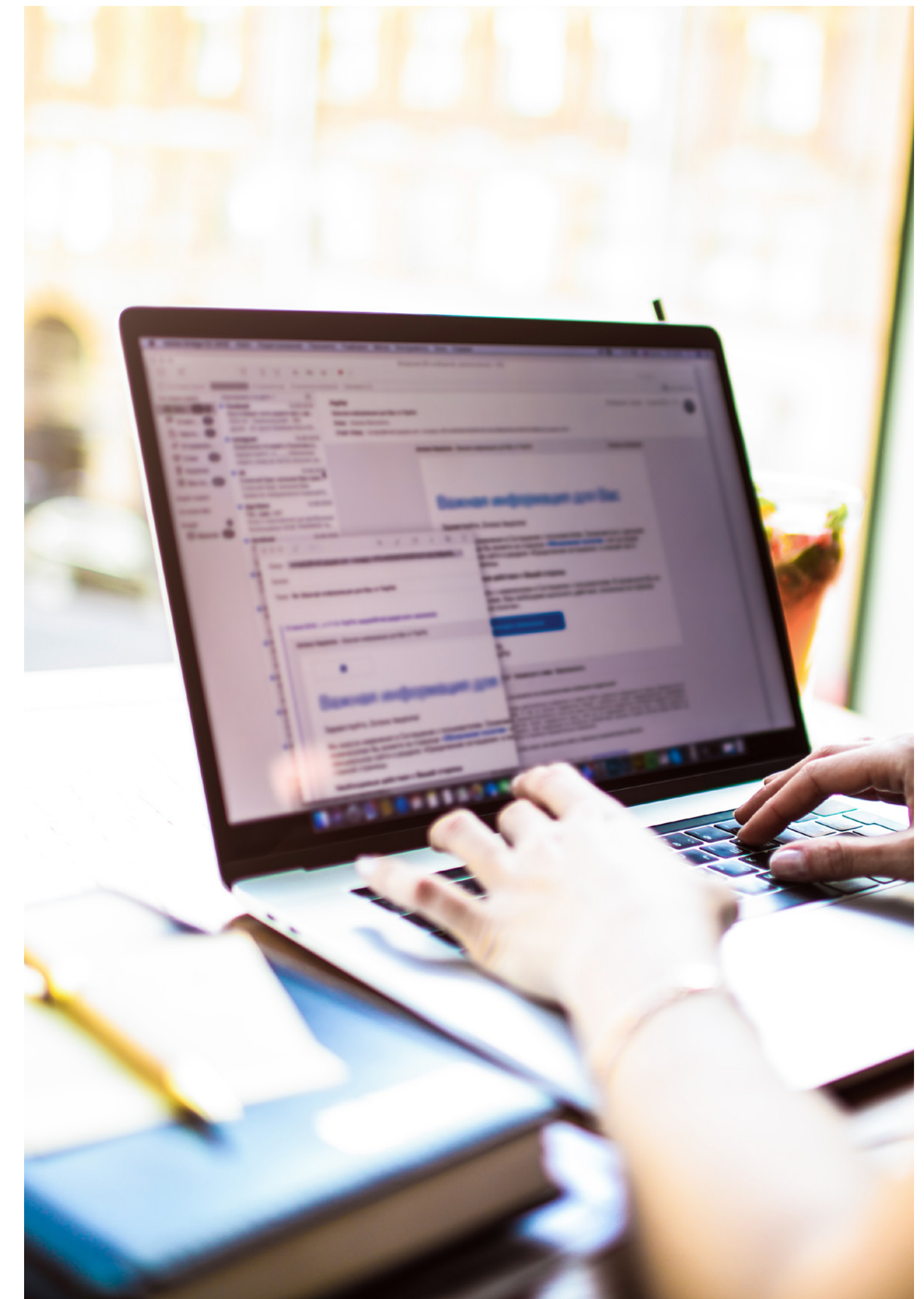
INVESTMENT OPPORTUNITIES

- Digital Content Creation in Kuwait is at an emerging phase with few players prevalent in an expanding market. The market offers opportunities for interested investors to launch digital content

creation software applications that could help them tap into the market to grow regionally and globally.

- Opportunities are also available for hardware manufacturers to launch products in the market that are compatible with digital content software allowing for technological advances and product improvements.

Sources: ¹CITRA, ²Arab Times, ³Presswire.



Online Portals & Application Stores

MARKET FACTORS

- Online Portals and Application Stores provide consumers with access to many products and services. While online portals are usually web based, application stores give consumers the ability to download and operate applications separately onto a device.
- Kuwait has dedicated over USD 900 Mn in the year 2020 specifically for nationwide initiatives that will directly contribute to a stronger digital ecosystem and transform the country's infrastructure.²
- Kuwait has witnessed substantial growth in e-commerce in the past years with several locals launching successful companies in Kuwait and the Middle East. Some of them include Talabat, Carriage, Boutiqat, Myfatoorah, Floward and Just Clean.
- A number of existing local and international businesses in Kuwait have also gone digital and launched online portals and applications to promote the sale of their products and services.
- The local population has willingly accepted e-payments as a mode of settling financial transactions, which has further boosted e-commerce in the country.
- A few young Tech Entrepreneurs are launching new products and services in the market actively, encouraged, financed, and supported by venture capitalists and the government.
- Following the pandemic, the government of Kuwait digitalized a number of its services through portals and application stores, thereby showing the intent to adopt technology in the public sector. The initiatives include applications such as Sahel, Shlonik, Kuwait Mosafer, Kuwait Mobile ID and Immune.

INVESTMENT OPPORTUNITIES

- Kuwait is expected to offer several lucrative investment opportunities to interested investors within the online portals and application stores.

Sources: ¹CITRA, ²KFAS.

