

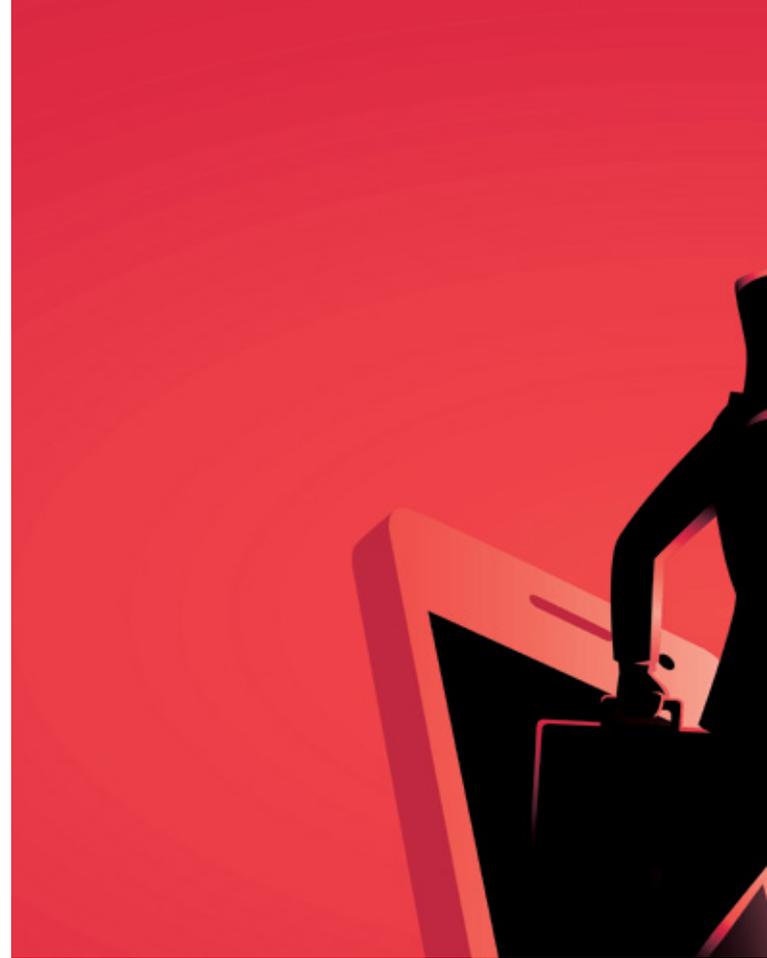
The Digital Marketing Scene in Iraq: **the Good, the Bad, and the Way Forward**

Digital Marketing Current Scene

To have a better understanding of the transformation of marketing from traditional to digital, we have to look back at the past three decades, where marketing has had to keep up with technological advancement. The marketing industry saw arguably the biggest change in its history after the introduction of personal computers in 1975 and the popularization of the internet in 1994 with the release of Netscape where the number of web users soared from 16 million to 70 million in a 3 years period. As this transformation started to happen, businesses saw the opportunity for growth, as any business hoping to reach a wider audience could no longer ignore the internet leading to the shift towards digital marketing.

The marketing landscape has changed beyond recognition over the past three decades, with digital spending accounting for more than half of ad spending. The strong growth in social media, video, e-commerce, and web search over the past ten years has come at the expense of traditional marketing, such as television and print media.

The outbreak of Covid-19 also had an immense impact on digital marketing considering that people were confined to their homes, and by default, their screens. During the lockdown, traffic and web search volume had surged, in fact, according to GlobalWebIndex, at least three-quarters (76%) of Internet users aged between 16 and 64 in surveyed countries say they had been spending more time using their smartphones compared to their pre-lockdown behavior.



This, in return, resulted in growth for businesses taking advantage of these low cost-per-click (CPC) rates benefitted from a much higher return on investment (ROI) than prior to the COVID-19 pandemic.

Digital Marketing is here to stay and evolve over time. According to Statista Research Department, digital advertising spending worldwide – which includes both desktop and laptop computers as well as mobile devices – stood at an estimated 378 billion U.S. dollars in 2020. This figure forecasts a constant increase in the upcoming years, reaching a total of 646 billion U.S. dollars by 2024.

There are many reasons why this shift toward digital marketing started to happen which can be summarized in a few points:

- **Using Data to Make Informed Decisions:**
Gone are the days where businesses make decisions based on hunches, data is currently a gemstone waiting to be mined to take advantage of what it can provide. Technology today allows marketers to track and analyze both historical and real-time data in order to



understand how effective a given campaign is and measure against the overall ROI. In traditional marketing, there was no way to do so accurately but this can be done now in digital marketing using internal business data harvested from existing customers via Database Management System (DBMS) like SQL or relying on data collected by Facebook, Google, Ad Networks, and others using complex machine learning and algorithms.

- **Real-Time Tracking Means Better Targeting:** As consumers start to become more demanding, it is essential to keep up with this demand and understand that not all customers are the same. Digital marketing solved this issue by providing better tracking of customers' behavior using data to better target the right audience. Also by using attribution and analytical tools the likes of Adjust and Google Analytics to track customers' behavior.
- **More Leads with Less Cost:** Digital marketing allowed businesses, big or small, to reach a larger audience. Instead of spending millions of dollars on marketing, businesses can now spend a few thousand dollars to reach

those audiences at a low cost by using digital channels the likes of Search Engine Marketing (SEM), investing in Search Engine Optimization (SEO), Ad Networks, and Social Media Ads.

- **Next-Level Audience Engagement:** Unlike traditional marketing, digital is a two-way channel where people can interact with the ads appearing on their phones or laptops. This unlocks a whole new opportunity for businesses to understand their customers better and use both qualitative and quantitative data in order to enhance their marketing campaigns.

The question that poses itself is, how is the digital marketing scene in Iraq?

It is no secret to anyone that Iraq is in the early stages of digital transformation. There are many challenges businesses face when shifting to do business online due to the fact that Iraqis did not have proper access to personal computers and the internet up until it was widely available and affordable post 2003.

Even when the internet and personal computers became more accessible to people, it took almost 5 more years for people to get used to this new transformation and 10 more years to realize that mobile phones and personal computers are not just a means of communication and could be utilized to simplify their lives.

This happened due to companies like Careem, Miswag, Toters, and others who started to gain more popularity among people, and much like the rest of the world, Covid-19 accelerated this transformation and businesses started to shift from traditional marketing to digital marketing.

Unfortunately, this shift in Iraq from traditional marketing to digital marketing has not been done right up until now with very few businesses who adopt digital marketing tools and strategies starting to realize the full potential of digital marketing and how to do it properly.

The Good and the Bad at the Scene in Iraq

There are 30.52 million internet users, 25 million social media users, and 40.01 million active mobile devices in Iraq as of January 2021 according to the Digital Report published yearly by Data Reportal. Those numbers might not be 100% accurate due to the fact that one individual can have more than one social media account and more than one mobile device. But for a country with a population of 40.70 million, the numbers seem very promising for businesses to seize this opportunity.

Digital marketing in Iraq can unlock a growth opportunity for both small and large enterprises to reach their desired customers and market their products and services to them.

Iraq has a huge potential when it comes to digital marketing, but it is also important to highlight the mishaps of digital marketing in Iraq and why we are still way behind in this domain, which can be summarized in a few points:

- **The Traditional Mindset:** Since the concept of digital marketing is fairly new to Iraq, it is very difficult for marketers, and especially those who are not up to date with the current trends in the world of marketing, to move away from the advertisement mindset and comprehend the impact of digital marketing on businesses and how it can take them to the next level if done properly.

Digital marketing is not only advertisement through digital channels, it is also a means to acquire, activate, retain, and engage with customers.

- **Planning:** Failing to plan, is planning to fail. Planning is a critical part of digital marketing, to provide a clear vision for the business when setting key performance indicators (KPIs) and objectives for a digital campaign. However, it is mostly being neglected by businesses when doing digital marketing.

- **Setting The Right Objective for the Digital Campaign:** Choosing the right objective sets you for great results. This is a major issue in digital campaigns in Iraq where businesses who want to drive, for example, installations of their apps, do not choose the right objective for the campaign, instead of having the call to action button directing users to the App Store or Google Play to install the application, it would direct them to send a message or an email.
- **Diversifying Digital Channels:** Facebook boosted posts are not digital marketing and digital marketing is not boosted posts on Facebook.

There is a huge difference between boosting a post on Facebook and digital marketing as doing the former does not give you the freedom to target a specific audience.

Choosing a certain objective, and testing new things to drive better results might. Also, relying only on one channel in digital marketing is not an optimized practice as businesses will miss out on audiences using other channels that can drive better results.

This can be seen in Iraq where businesses rely mainly on Facebook while the digital world is vast and full of possibilities like SEO, SEM, Affiliate Marketing, and Content Marketing.

- **Following Best Practices:** There are best practices for everything and digital marketing is no exception. When doing digital marketing, most marketers in Iraq do not follow best practices such as having creatives suitable for the channel, copywriting, choosing the right channel, and many other factors that can hinder the success of a campaign.
- **Being Data-Oriented:** Digital marketing can harness the power of data unlike traditional marketing and when using this data correctly and employing the proper tools to do so, it will have a huge impact on the success of a digital campaign.

- **Human Resources:** Iraq demonstrates a great lack of skilled people in tech-related fields and digital marketing is no exception.

Digital marketing is a rapidly changing field with new skills to learn coming up each day and if someone who works in this area does not keep up to date with those changes then they will be left behind.

Digital marketers should acquire many skills like planning, executing, reporting, and analyzing.

Unfortunately, we do not see a lot of people in this industry who have all of those skills and also have the mentality to keep learning and acquiring new skills.

The Way Forward for the Scene in Iraq

In order for Iraq's digital marketing scene to advance, we need to start looking at digital marketing in a different way. Marketers should start to understand how this transformation from traditional to digital will unlock new and untapped opportunities, not only to grow but understand their customers better.

Currently, customers are more intelligent and have the ability and tools to research products and services in seconds, easily comparing competitors and reviews and unearthing any myths along the way.

The transformation from traditional to digital marketing is not an easy task. It requires both marketers and businesses wishing to adopt a growth mindset in order to catch up to the rest of the world within this industry.

This requires constant learning of new skills like unpaid digital, paid digital, data analysis, and many more skills and tools that can help them in this journey.

As for businesses wanting to adopt digital marketing, they need to start doing the following:

- **Current Situation Analysis:** It is very important to know where you are standing now and where you want to be. Undertaking a review and assessment of the current state of digital activities in your marketing activities and focus on the customer experience across the main digital channels.
- **Create a Vision:** Creating a digital marketing vision is essential to know how you will utilize digital activities to grow your business.
- **Build a Business Case:** This should be done in order to know the impact of digital marketing on your business and how it will create short and long-term benefits. Identify your key performance indicators, and put measures in place that will help you to keep momentum when the going gets tough.
- **Develop Your Digital Marketing Strategy:** Identify the key elements of your digital marketing strategy and know what are the key objectives you want to achieve from any campaign you launch whether it is a long-term campaign or a short-term tactical campaign.
- **Continuous Review and Improvement:** This point is essential for any business wanting to go into digital marketing as continuous improvement with a 'test and fail fast' mentality is a must as customers' behavior changes over time.
- **Invest in People:** There are people who are willing to learn and develop their skills in this field. Investing in those potentials, coaching and training them, will be a big plus for any business to overcome the lack of skilled human capital.

In the end, digital marketing is a set of tools and skills that needs to be harnessed in the right way. We do not have to reinvent the wheel as resources are already available to be capitalized on. Digital marketing is the future of marketing with billions of dollars being spent each year and thousands of job positions being opened each month for people who can learn the proper skills to be digital marketers.