

SOFT SELL WITH A TOUCH OF GLAMOUR

The National, April 30, 2008

Rania Abouzeid

She sashays onto the set, raven locks flowing over a low-cut, figure-hugging blue dress. Men swoon as she glides toward the ice box. She reaches for a Pepsi can, holding it up to a nervous technician's cheek. Long lashes flutter, glossy lips part. She takes a sip.

This is one of Haifa Wehbe's television commercials for Pepsi. The Lebanese model-turned-singer is an Arab pin-up, one of People magazine's 50 most beautiful celebrities and part of a team of pop stars on the Pepsi payroll.

Coca-Cola has its own Arab songstress; the popular but more wholesomely portrayed Lebanese singer Nancy Ajram has been associated with the company since 2005. Her male counterpart is Egypt's Tamer Hosni.

In the cold war between the American beverage companies, Pepsi and Coca-Cola, celebrities help sell, especially in a region with a burgeoning youth population.

Some 30 per cent of Middle Easterners are between the ages of 15 and 19, according to the World Bank – the largest proportion in the region's history.

"We look at the young as key to all our marketing strategies. They are the main strategy for us," said Rima Chammas, the Dubai-based regional marketing director of PepsiCo International.

Soft drinks are big business in the Middle East. The region's warm weather and thirst for non-alcoholic beverages make it an attractive market.

The consumption of carbonated beverages throughout the region is almost on a par with that of water. In the Arab world 7,577 million litres of bottled water were consumed in 2006, compared with 7,326 litres of soft drinks, according to Ta'aheel, a Dubai-based consultancy group for the beverage industry.

Until 1991, Pepsi dominated an Arab world that had locked Coca-Cola out for its perceived support of Israel. At its peak Pepsi sold 95 per cent of all carbonated drinks in the Gulf. While Coca-Cola, a fixture on an Arab boycott list until the 1990s, has had a lot of catching up to do.

Amer Ahmed, Coca-Cola's Bahrain-based public affairs and communications manager, declined to provide figures for his company's market share in the region, but claimed that it was 40 per cent in the UAE.

Pepsi would not give statistics for the UAE, but said its market share in the GCC was more than 80 per cent.

"We're not as high in other places," Ms Chammas said. Outside the GCC, "it's just more of a closer race".

Both companies are tussling for territory, especially in the region's biggest market, Saudi Arabia.

But the kingdom poses certain challenges. In the most culturally conservative nation in the region, images of pop stars in sexually suggestive attire are not condoned.

"There are rules and we're cognisant of that and we have to obey them. So we work around it, but still try to get across the same ad idea," said Ms Chammas, adding that Pepsi used Impact BBDO as its advertising agency.

"The basic idea, the creative idea, is not different [throughout the Middle East], it's the way that it's executed that differs."

A Pepsi billboard in Saudi Arabia would not feature images of

people, Ms Chammas said, but would be more thematic. It might depict musical notes instead of musicians. But a billboard in Lebanon featuring Ms Wehbe, for example, might show her in a tank top. The same image in the UAE would be altered to make it look as if she was wearing less revealing clothing. Ms Chammas would not reveal how Pepsi's marketing budget and strategy was split between print and television advertising.

Coca-Cola, which employs Fortune Promoseven as its advertising agency, said that it did not feature its affiliated celebrities on its print advertisements in the kingdom, and that its television ads, which were aired on pan-Arab channels, were the same across the region.

"For celebrities, most of our ads are on TV, we don't do print with celebrities," Mr Ahmed said. Outdoor billboard advertising, which was employed only for new product launches, was mostly done in the UAE, Lebanon or Bahrain, "where the culture is not very conservative," he said.

The use of product placement in music videos, a prominent marketing tool in the West, is not widely used by the two soft drink companies here in the Middle East. Mr Ahmed said Coca-Cola did not employ the tactic because it did not market its product to people under 12 years of age, a prime target audience for music videos. Pepsi, on the other hand, said that while it did use the strategy, it was not as effective as other forms of advertising.

"We've actually calculated that the return on investment is much higher in our other channels," Ms Chammas said.

Pepsi, whose association with pop music dates back to the Michael Jackson commercials of the 1980s, has, however, employed a new tool to market its product through music.

The company has grouped five Arab stars in a feature movie, Sea of Stars, due in cinemas this July.

The musical, which was filmed in Lebanon, revolves around a

teenager's bid to revive his sleepy village's fortunes by organising a concert.

Ms Chammas declined to say how much the project had cost Pepsi, but said that it was part of the company's bid to tap into what interests the region's youth.

Mr Ahmed said Coca-Cola was not planning to add more pop stars to its line-up and planned to stick with Ms Ajram and Mr Hosni.

"These two together have created a massive worth for our brand," he said.

The regional representatives for both beverage companies would not indicate the size of the endorsement fees, but both agreed that adding a little celebrity sparkle helped their brands to shine.

"Whatever the number is," Mr Ahmed said, "trust me, it's really worth every penny that we spend on those celebrities."