



OTT communication services in the Middle East: consumer survey



Karim Yaici

About this report

This report provides an analysis of the use of over-the-top (OTT) communication services in the Middle East. It uses consumer survey data to identify which OTT apps are the most popular in the region, which app features are the most used and what the barriers to VoIP adoption are.

The survey was conducted in association with On Device Research between July and August 2022. The survey groups were chosen to be representative of the mobile-internet-using population in the region. We set quotas on age, gender and geographical spread to that effect. There were 750 respondents per country, and 3000 in the region.

KEY QUESTIONS ANSWERED IN THIS REPORT

- Which OTT communication apps are used the most in the Middle East?
- Where is there potential for growth in the OTT communication market?
- Which OTT communication app features are most-frequently used?
- Is there any remaining potential for monetisation by mobile operators?
- Which channels do consumers prefer to use to interact with brands?



GEOGRAPHICAL COVERAGE

Middle East:

- Kuwait
- Oman
- Saudi Arabia
- UAE



WHO SHOULD READ THIS REPORT

- Operator-based strategy executives and marketing managers who are interested in understanding consumer market trends, and the changing role of operators as communications providers.
- Market intelligence and research executives in service providers that are responsible for understanding end-user trends and supporting business units in identifying and addressing new opportunities in mobile communication services.
- Equipment/device manufacturers and software providers that want to identify end-user trends in service and device usage and help their operator customers to better address market opportunities.

Executive summary

The use of free VoIP apps fell slightly in the Middle East in 2022, largely due to an increase in the size of on-net voice allowances and operators' sponsorship of OTT VoIP apps.

The use of OTT apps returned to 'normal' levels in 2022 following a peak in 2021 caused by COVID-19-related restrictions and consumers' use of newly liberalised VoIP calling apps.

Meta has strengthened its leadership in the OTT communication market; the growing adoption of WhatsApp has helped to offset the decline in the use of Facebook Messenger (FB Messenger).

Respondents used slightly fewer OTT apps each in 2022 than in 2021. They were also less engaged with features other than voice and video capabilities.

The Etisalat-sponsored OTT VoIP app, BOTIM, had the largest number of new users of any third-party OTT app; it overtook Zoom to become the most popular non-Meta service in the UAE. Snapchat took second or third position in terms of penetration in the other countries in the region. imo maintained its market share, while Telegram lost some users.

The reasons for not using VoIP apps vary depending on respondents' nationality and spending power.

High-ARPU foreign nationals and locals reported not seeing the benefit of using OTT VoIP apps and were concerned about the quality of the service. Low-ARPU foreign nationals cited a lack of

Figure 1: Penetration of the top ten OTT communication apps, Middle East, 2022^{1,2}

| App name | Kuwait | Oman | Saudi Arabia | UAE |
|--------------|--------|------|--------------|-----|
| WhatsApp | 65% | 71% | 69% | 77% |
| FB Messenger | 25% | 29% | 35% | 55% |
| Snapchat | 16% | 29% | 43% | 28% |
| Zoom | 7% | 13% | 14% | 28% |
| imo | 10% | 15% | 19% | 17% |
| Telegram | 13% | 15% | 31% | 0% |
| Skype | 10% | 10% | 16% | 15% |
| Viber | 16% | 10% | 13% | 9% |
| BOTIM | 0% | 0% | 0% | 39% |
| LINE | 7% | 7% | 11% | 8% |

Source: Analysys Mason

affordable data as their main reason for not using VoIP apps.

SMS and OTT apps are respondents' preferred digital channels for interacting with businesses, but phone calls and in-store visits continue to be important.

Messaging services, including SMS and OTT apps, are respondents' preferred channels for interacting with brands. High-ARPU foreign nationals are more likely to use messaging services for sales support than other users, but around a quarter of this group still use a phone for customer service. Around a quarter of local nationals prefer to go to the store to get product promotions or to contact customer support; this is a much greater proportion than in other groups.

¹ The full table is available in the appendix.

² Please refer to the methodology and panel information section for the sample size and relevant survey questions.



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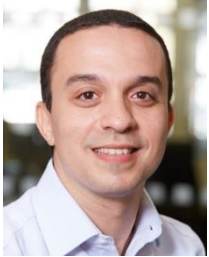
Analysis

Appendix

Methodology and panel information

About the author and Analysys Mason

About the author



Karim Yaici (Senior Analyst) leads Analysys Mason's The Middle East and Africa regional research programme. His primary areas of specialisation include operators' digital strategies, new telecoms opportunities such as private networks, IoT, and consumer trends in growth markets. Prior to joining Analysys Mason, Karim was an associate analyst at Ovum, where he authored reports on mobile accessories and mobile applications. Prior to that, he worked as a research engineer at the Institute for Communication Systems and Vodafone in the UK. Karim holds an MSc in Information Systems Management from the University of Southampton and a PhD in human-computer interaction from the University of Surrey.

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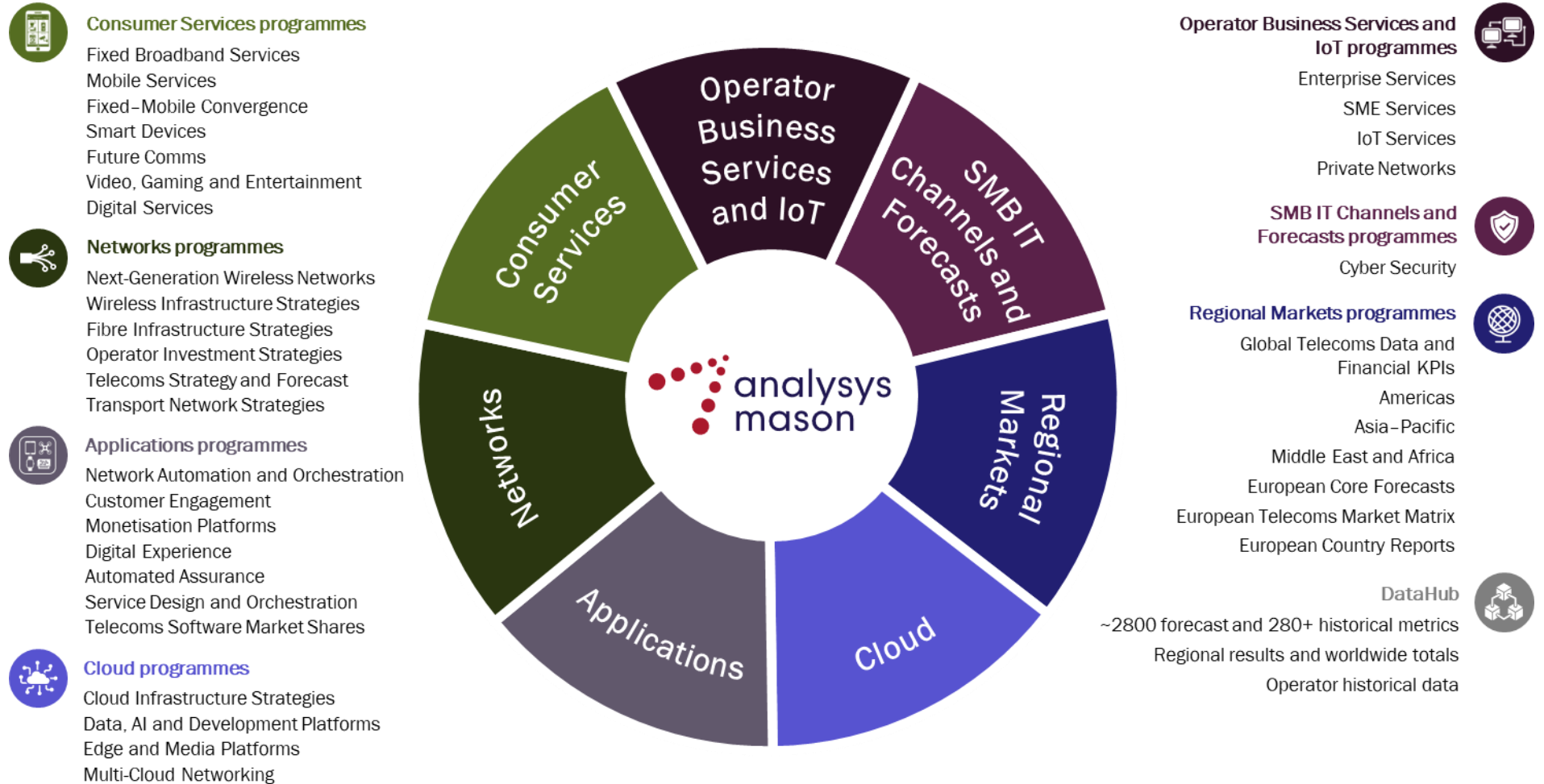
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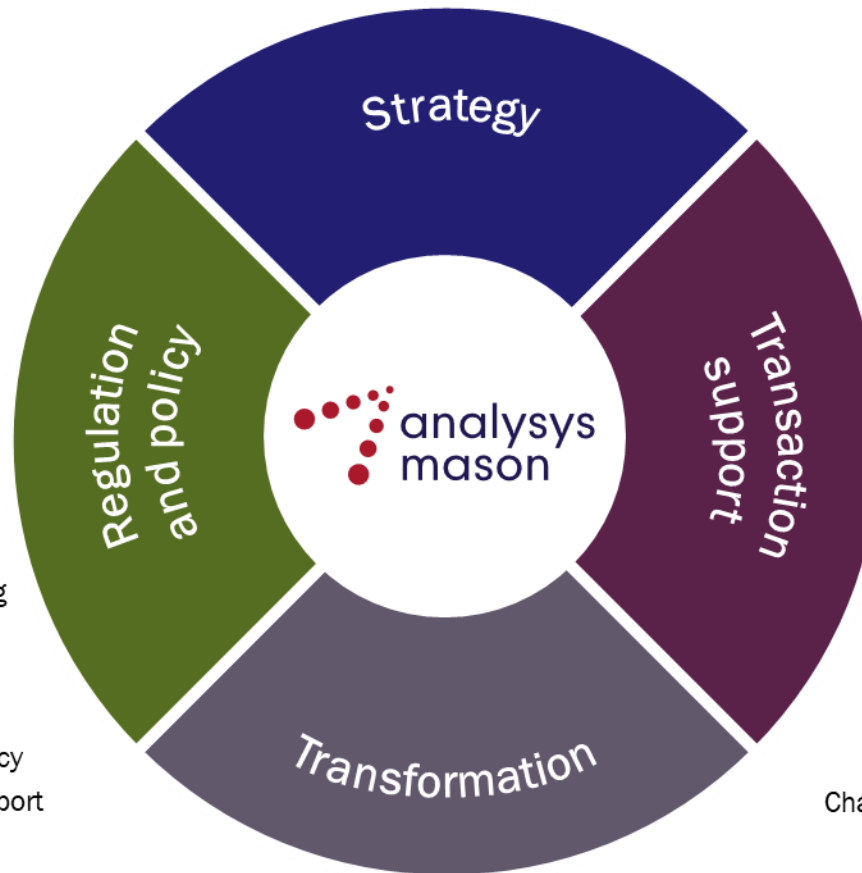
Strategy

- Corporate growth strategy
- Business unit strategy
- Infrastructure strategy



Regulation and policy

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- Regulatory accounting
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