QATAR UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

EFFECTIVE INTEGRATED MARKETING COMMUNICATIONS FOR STARTUPS IN QATAR IN A BUSINESS-TO-BUSINESS CONTEXT

BY

OTHMAN AL-MINHAS

A Project Submitted to

Faculty of the College of Business and Economics

in Partial Fulfillment

of the Requirements

for the Degree of

Master of Business Administration

June 2018

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COMMITTEE PAGE

The members of the Committee approve the Project of Othman Al-Minhas
defended on 05/06/2018.

__________________________
Dr. Rana Sobh
Thesis/Dissertation Supervisor

__________________________
Dr. Marios I Katsioloudes
Committee Member
ABSTRACT

Othman Al-Minhas, Masters : June : 2018, Master of Business Administration

Title: Effective Integrated Marketing Communications for Startups in Qatar in a Business-to-Business Context

Supervisor of Project: Rana Sobh.

Qatar’s need for diversification has become apparent because of declining oil and gas prices, compounded by the recent blockade. However, startups in Qatar experience numerous problems during their creation. For startups to thrive, effective integrated marketing communication (IMC) is vital. This paper explores the strategies that Qatar startups might use for advertising their products and services to locals in a business-to-business (B2B) context and the ways in which these businesses may integrate their marketing tools to form an IMC strategy. Qualitative data were collected via interviews with 12 entrepreneurs. The interviews were then transcribed verbatim for analysis. Thematic analysis was used to identify trends and themes within the data. We found that most of the entrepreneurs had a very clear idea of their target market and were aware of social media for IMC but did not have a clear IMC budget and tended to copy the strategies of their competitors.
DEDICATION

I would like to dedicate this paper to my mom. It is because of her I was able to graduate and completed my MBA course. Her constant endurance, good words, prayers and making sure I met my deadlines, helped me graduate on time. Thank you Mom!
ACKNOWLEDGMENTS

I thank Mr. Suhaim Al Tamimi, Mr. Juha Pettari Peralampi, Mr. Ali Al Khelafi, Mr. Ibrahim Al Najjar, Ms. Fatma Al Shareef and Ms. Mai Al Sulaiti for guiding me throughout my MBA course. I would like to especially thank my graduation supervisor, Dr. Rana Sobh for helping me throughout my MBA graduation project by providing me with genuine feedback. Your feedback was very valuable and helped me not only become a good researcher but also to understand the importance of small businesses and how important marketing is for them.
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CHAPTER 1: INTRODUCTION

1.1 Importance of Small and Medium Enterprises and Entrepreneurship in Qatar

The Qatari government is planning to achieve the goals of becoming an educated and advanced society that can ensure an improved living standard. These objectives represent the basis for the development of the country’s strategies and Qatar’s 2030 vision (Komalasari, 2016).

The third pillar of the Qatar National 2030 Vision for economic development lists the improvement of the non-hydrocarbon sector’s contribution to gross domestic product (GDP). In this respect, entrepreneurship is a major contributor towards the envisaged economic gains. Furthermore, the country’s need for diversification has become more apparent on the back of declining oil and gas prices, as well as being compounded by the recent blockade instituted by Egypt, Saudi Arabia, the United Arab Emirates (UAE) and Bahrain.

Entrepreneurial activity is usually associated with startups and small and medium enterprises (SMEs). Startups and SMEs in Qatar experience numerous problems during their creation. One of the main issues is financing and having proper information for startups. (Komalasari, 2016). Another issue that startups face in Qatar is to have a Qatari partner when establishing a company. The partner can be passive or active. Because of the limited amount of Qataris, this is a major problems for expatriates. Furthermore, the time required to establish a limited liability company or branch in Qatar takes approximately 28–56 days; however, this may by substantially influenced by the holidays. Some kinds of activity may also need specific licenses or approval from the corresponding authorities (Pricewaterhousecoopers, 2016). Moreover, foreign companies...
are subject to business revenue taxes for funds received in this state. However, in the case of particularly important investments, taxes may be cancelled by the authorities (Donboli & Kashef, 2005) and companies may be 100% owned by a foreign enterprise if its activity is important for the country. Even though the country’s government has established the goal of increasing the number of citizens involved in business activity, young people prefer to work in the public sector to receive good salaries and have job stability (Komalasari, 2016).

1.2 Current Solutions Available in the Qatari Market

Offering support for the individuals willing to start their own business has become a priority for the country’s government. At the moment, many educational institutions are involved into this initiative. They provide various possibilities (e.g. competitions for business plans, internships, mentorship, and other services required by entrepreneurs). In spite of the large number of possibilities, very few students decide to realize their ideas in the future.

One of the most important components required to start a business is financing, as young people often do not have their own funds. Qatar Development Bank (QDB), which is owned by the country’s government, provides financing for different economic sectors and ventures. As such, it has provided 250 companies with approximately USD $1 billion (3.5 billion QR). The program is available for young, small companies in this country (Ding, 2015).
1.3 Effects of the Blockade on Entrepreneurs

The entrepreneurial potential in Qatar increased after the blockade, which started on 5 June 2017. Qatar has been trying to diversify its economy for a long time so that it is no longer dependent on oil. However, after the blockade the challenge, has been taken seriously and a diversification strategy is being applied on different levels by the government. Because of the blockade, imports into the country from the Gulf states have stopped, from food and clothes to cars. This is why the government is trying its best to close the gap created by the blockade and wants entrepreneurs to start their own businesses to develop a sustainable and independent economy. Millions of QR are being injected into the economy to help people start their own businesses. For example, the government is trying to decrease the obstacles and improve opportunities for the local population. This is why there is a change in the way that the Ministry of Business and Commerce now works in Doha. The Ministry is now decreasing regulations for businesses while offering support for entrepreneurs, and encouraging a cultural change that will allow risk taking and innovation. For example, a new type of license has been offered to local citizens allowing them to buy a small bus or cart and get a trading license for very low cost. This bus or cart has to be set up in a location and can be used for selling food items. There is no rent involved, no expensive licenses, and no visa issues. In short, the government is trying to encourage people who are interested in becoming entrepreneurs by providing them with the required information and support during the initial steps of their business activity. In addition, there are state organizations that support entrepreneurship in Qatar, such as QDB, Qatar Business Incubation Center (QBIC), the Qatar University Incubation Center, digital incubation center (DIC) and
Bedaya. These are just a few examples of how the government is trying to stimulate entrepreneurs in the country.

Qatar is experiencing GDP growth, rapid population increases, and positive tax regulations that contribute to the development of small businesses; however, social customs and traditions do not support it. According to the statistics, in 2011, as many as 33\% of young people aged 15–29 years old in Qatar were going to create their own business in the subsequent year; however, just 5\% of them started working in private enterprises and 2\% started their own companies, as most people have stable jobs (Ding, 2015).

We believe the blockade has had a positive effect on entrepreneurs and the opportunities in the Qatari market have increased substantially. However, for entrepreneurs with small businesses to thrive, effective integrated marketing communication (IMC) is vital.

1.4 Integrated Marketing Communications in Qatar

The marketing communication model for B2B customers has established an important branch in modern marketing science. The main idea of successful marketing communication foresees that there are factors that may have a positive impact upon their results. According to Jerman & Zavrsnik (2012), this problem has not been studied enough yet and there is still a lack of empirical research devoted to this issue.

In Qatar, there are only few studies examining this issue in the country. Komalasari (2016) considers that it is necessary to study the importance of policies in the development of such enterprises. This paper explores the strategies that Qatar startups and SMEs might use for advertising their products and services to locals in a business-to-business (B2B) context. Furthermore, it explores ways in which these businesses may
integrate all their marketing tools such as social media, sales promotion, direct sales and advertisement to form an IMC strategy.

1.5 Hurdles in the Qatari Market

In order to create a limited liability company in Qatar, the capital of the owners should be around US dollars (USD) $55,000 (200,000 Qatari Riyal (QR)) as a minimum, there should be a lease of the office facility for 1 year, and 51% of the enterprise should belong to local citizens. Moreover, the company should be registered with different authorities, which costs around USD 4000 (15,000 QR) and the process lasts up to 1 week. in the US, for example, the same process takes only 1 day. The owners just have to select a company name and pay a fee. The abovementioned regulations in Qatar do not allow many individuals even to think about creating their own business. Furthermore, expatriates may face a number of complications finding an appropriate person in Qatar and providing him or her with the significant part of ownership. In addition, there is no guarantee that the business will be successful; the failure rate is rather high (Ding, 2015). The population of the country is approximately 280,000 individuals (local citizens) and every company should have a local participant. Taking these factors into account, there is a low possibility that the number of entrepreneurs will grow substantially (Ding, 2015). In order to deal with this problem, the government is planning to open a free zone area to provide expatriates with business opportunities.
1.6 Problem Statement and Research Objectives

What is effective IMC for startups in Qatar (B2B) and what are the best marketing strategies for the Qatari market in the present economic or social conditions and the competitive environment of the country?

The objectives of the present research are as follows:

a. Identification of effective IMCs for startups in Qatar with a focus on B2B startups;

b. Finding the best marketing strategies for the Qatari market for startups;

c. Exploring how the current blockade of Qatar has helped in the development of startups.

1.7 Overview of the Methodology

The research uses an exploratory research design to identify the main factors affecting effective IMC in B2B startups in Qatar. More specifically, 12 interviews have been conducted with entrepreneurs who created B2B startups.

1.8 Definitions of Terms

**Startups:** A startup is a company in the early phase of its life cycle, during which the business transfers from the idea to financing and starting the commercial activity and trading.

A startup represents an institution aiming to design a new service or product in a highly uncertain environment. They can also be temporary companies created with the purpose of finding an appropriate and acceptable business perspective (Komalasari, 2016).

For our research, we define a startup as a company that has been in business for at least 1 year and is located in the Qatari market, with a focus on B2B startups.

**Integrated Marketing Communication:** IMC includes is the ways of reaching a marketing campaign’s goals by means of various types of promotions.
**Business to Business Context:** B2B is a kind of transaction that takes place between organizations (e.g., between a retailer and wholesaler). It involves the business occurring between the enterprises, not individuals.

1.9 Literature Review and Gaps in the Research

Currently, there is no research that has studied the best IMC for startups in the Qatari market. This research will try to focus on the startups that are B2B and come up with the best strategies for the local market.
CHAPTER 2: LITERATURE REVIEW

2.1 What Is Integrated Marketing and Communication?

Most startup businesses want to boost their market effectiveness, as they are new in the market and want to grab a market share. Therefore, it is necessary for them to know that the most effective marketing strategies, which are those projected towards a specific audience and that focus on key benefits. Marketing strategies are components of marketing communications, which should be developed to transfer value through exchange to consumers. Mudzanani (2015) points out that the various methods of marketing that small businesses may opt to adopt come with some strengths as well as limitations. IMC is a technique that provides small businesses with the potential to gain good results from campaigns and reduced marketing costs Choi (2016). It enables small businesses to target and deliver a message to consumers that is clear and convincing. An effective IMC strategy should be coherent in that it should be able to deliver a dedicated brand message across all marketing channels. It should also be consistent and continuous by marinating a common message and look across all channels.

According to numerous scholars, it is difficult to establish a single definition of IMC, taking how it is understood in the business and academic fields into account. There are five important attributes of IMC defined by researchers: (1) all the communication activities have to be devoted to clients with the purpose of changing their behavior; (2) professionals should use an outside-in strategy that foresees the beginning of the marketing strategy with the client; (3) it is necessary to create positive relationships between the clients and the company; (4) all marketing actions should be well
coordinated; (5) the information provided through all marketing channels should not be contradictory (Kitchen & Burgmann, 2010).

Faisal (2016) argues that for an IMC strategy to be complete, it must communicate a clear message. Faisal states that effective IMC should combine advertisements, public relations (PR), promotion and direct selling methods of marketing. It should ensure that the message gets to the right people. This strategy delivers a number of benefits to small businesses. For instance, it provides a competitive advantage and increases sales and revenues while saving funds, time and pressure. Consolidation of brand image and nurturing customer relationships is made possible by IMC.

According to Consumer Insights Survey (Søilen, 2013), 72% of US consumers prefer marketing campaigns that are integrated. Furthermore, content published in more than one marketing channel receives more engagement than information shared through one platform. Coca Cola is an example of a company that has successfully implemented its social media marketing tool under the slogan “Share a Coke.” The company used this hashtag across all social media platforms. This increased its brand awareness and sales simultaneously. In addition, this strategy saw them increase their annual sales from 55% in 2013 to more than 70% (Søilen, 2013).

2.2 Developing IMC

The factors making up the promotional mix used for IMC are always important for organizations. The modern marketplace has become transitory, which can lead to a client-focused environment. If this is the case, marketing strategies can be significantly impacted by technology. Professionals can use either innovative or traditional methods of advertising; new approaches of marketing can be also applied, such as marketing PR or
database marketing. Specialists in the field of marketing approve of using social networks in order to communicate with existing and future clients (Kitchen & Burgmann, 2010).

Due to rapid media developments, it has become especially important to create a single and effective brand image (Kitchen & Burgmann, 2010).

Technological developments may influence IMC from the clients’ perspective and the marketing point of view. Integration is necessary in the current conditions of expanding markets and globalization. For this reason, professionals should control the activities related to national and international brands in order to integrate them into the marketing mix (Kitchen & Burgmann, 2010).

A marketing plan that includes IMC should be elaborated by the entrepreneurs, taking their marketing goals into account. In addition, a marketing plan represents an integral part of the corporate strategy (Racolta-Paina & Mone, 2009).

There are a number of important decisions that should be made by business owners or entrepreneurs in terms of marketing, such as: segmentation of the market, selecting the enterprise’s name, and positioning and selection of the target market. More elements can be added to this list. The marketing mix contains elements known as the “Seven Ps): (1) product, (2) place, (3) price, (4) people, (5) promotion, (6) physical evidence, and (7) process (customer service) (Racolta-Paina & Mone, 2009)

Selecting the organization’s brand is among the main tasks of entrepreneurs. The organization’s brand includes the following elements: the design of the letters, the name itself, the logo, the coloring, and the size. After choosing the name, company owners need to transform its elements into the company’s brand. In case of B2B companies, it is even more important, as the brand influences the positive reputation and image of the
organization in the customers’ eyes and provides a competitive advantage for the startup (Racolta-Paina & Mone, 2009).

Strong brands can influence the intangibility issues that are typical for service providers; symbols of the brand often bring concrete meaning to the services, which seem to be abstract for the customers. Brands help clients understand and differentiate the various services of the firm (Racolta-Paina & Mone, 2009).

The correct approach to brand selection and elaboration involves choosing the right brand management process. This process covers several major stages: creating and processing brand marketing strategies, establishing and determining the positioning of the brand, and monitoring and measuring the performance of the brand. It is difficult for startups to implement all these steps. First, they should pay attention to brand positioning, as it is important for the organization’s development during the first few years (Racolta-Paina & Mone, 2009).

In case of entrepreneurs working in the B2B context, it is also important to analyze the market’s segmentation with the aim of selecting the appropriate segments. It is important to position every organization using the principles of the marketing mix. For an organization involved in B2B consulting services, the market segments can include startups, SMEs, non-governmental organizations, international firms, authorities, and state organizations. The costs of the company’s services can be defined during the communication process with the first client of the startup. The characteristics of the company’s offer should be identified, taking the organization’s size and the number of employees into account. It is inappropriate for a startup with only one or two employees to make a large offer (Racolta-Paina & Mone, 2009).
2.3 The Factors that Affect the Success of IMC

The research of Porcu, Del Barrio-García & Kitchen (2012) investigated the factors influencing the outcomes of IMC. This study of the factors affect the ability to reach the specific goals of IMC makes it possible to divide the factors into two groups: exogenous and endogenous.

Endogenous factors include elements such as dynamics between the departments, top management, the size of the business, the systems of the enterprise, the kind of business, etc. (Porcu et al., 2012).

Top management-related issues include a number of sub-factors:

**Commitment:** One of the most important questions in the success of the IMC process is whether the top management of the company is committed. Commitment of the top management means that the company leaders do not show contradictions between their words and actions so that the middle staff do not become confused by anything that may damage the whole process. If the senior management’s commitment is not sufficient, there can be problems with communication (Porcu et al., 2012). In our research, we most startups had very small teams and the owner was directly involved in the marketing communication, so this barrier was not important for our research.

**Perceptions and beliefs:** There is an opinion that the perceptions of the senior management of the initiative have a positive effect upon the IMC process. The executives should be ready to alter the policies of the company that contribute to the success of IMC.

**Tolerance of risk:** The tolerance of risk represents an important factor that can have a positive influence upon the IMC process. It suggests that the executives should monitor the risks of the currently changing business environment (Porcu et al., 2012). This factor
is widely considered to be important. Some researchers assume that the governing symbols and responsibility for the messages have to be placed at the top of the organizational structure. This communication allows all the company’s efforts to be client-oriented.

Porcu et al. (2012) make the following assumptions:

- the commitment of the company’s top management has an impact on the IMC programs’ success;
- the interest of the top management in change contributes to the IMC programs’ successful implementation;
- the risk-tolerance of the company’s top management has a positive impact on the success of the IMC implementation process.

The interdepartmental dynamic factors include the following:

**Focus on the brand and market:** There is evidence of the positive impact of brand and market orientation on the success of IMC.

The management’s experience, training, and qualifications: Porcu et al. (2012) consider that the abilities of the company’s leaders can create an important obstacle for the IMC process. One of the barriers for the success of the IMC process can be a lack of suitable professionals in the field of IMC either in the companies or in the agencies.

**Cross-functional leadership:** This is one of the most significant factors in the company. The difficulty is the necessity to create a high-performing team that acts in the interests of the brand. For this reason, human resources and marketing departments have to cooperate
in order to achieve organizational goals. For most startups, this is not applicable, as they have very small teams.

**Poor communication and conflicts between the owners or employees:** Organizations may face numerous complications when sharing important information if there is poor communication between departments (Porcu et al. 2012). In the Qatari market, most owners and employees have very good communication. The only problem is the language barrier in some cases if the owner is a Qatari and the partner is from another country.

**Improved levels of coordination:** It is necessary to overcome the complicated structures and specialization obstacles that occur during cooperation between the specialists within the startups. Without having the right strategies, information management, and value creation, it is not possible to build positive relationships with customers (Porcu et al. 2012).

Regarding interdepartmental dynamics, Porcu et al. (2012) make the following assumptions:

- focus on the market and on the brand has a positive impact on IMC
- cross-functional leadership knowledge and training contributes to the success of IMC
- horizontal cooperation has a positive impact on IMC
- isolation of the departments and conflicts inside the organization have a negative impact on IMC;
- good coordination contributes to successful IMC implementation
- brand and market focus influence each other in a positive way.
It is necessary to organize the process of integration in the right way, as the organizational system’s elements affect the processes of IMC. The factors that influence IMC more significantly are connected with organizational issues. Communication of marketing and the brand can be spread across different channels, but the message should be unified for all the participants and the level of communication should be high (Porcu et al. 2012).

Poor communication within an the organizations is among the most important barriers for the successful implementation of IMC. Companies should create systems of rapid response in modern companies (Porcu et al, 2012).

In addition to the abovementioned factors, other variables also affect IMC, such as the type and the size of the company. Concerning the organizations’ type, it is considered that service companies can be integrated more easily than product companies. (Porcu et al., 2012).

The exogenous factors influencing the development of IMC includes the following: institutional and cultural conditions, development of technology, and the competitive environment of the company (Porcu et al., 2012).

Porcu et al. (2012) assume the following:

- the competitive environment of a particular company has on impact on the implementation of IMC;
- technological developments have a positive impact on the implementation of IMC;
- the institutional and cultural conditions of the company influence the success of IMC.
2.4 IMC Implementation

In order to implement IMC successfully in the country, it is necessary to identify the following: the target customers, brand strategy, emotional factors, the company’s point of difference, the likelihood of fulfilling the promise of the brand, and the business environment (Kadir, n.d.).

In order to design a successful IMC campaign, it is necessary to complete the following steps: research the market situation, identify the key brand message (and spend enough time for it), focus on the target audience, think of the partner and distribution network, and design the plan of IMC implementation (Kadir, n.d.).

It is recommended to organize good customer service as numerous companies fail through being weak in this area (Kadir, n.d.). Startups often fail because of badly trained salespeople or poor service, which gives companies a bad reputation. The first point of contact should be excellent as there may not be a second chance.

Kadir, (n.d.) recommends that in order to market product or services in Gulf Cooperation Council (GCC) countries in the B2B context, it is effective to use social media, advertising, email, radio, PR, events and corporate websites. Events and PR can bring success to the brand. It is recommended to use search engine optimization services to increase website traffic.

2.5 Marketing Strategy in the B2B Context

According to Racolta-Paina & Mone (2009), startups’ marketing strategy in the B2B context (services) should include long-term and short-term strategies. However, numerous organizations do not have any plans or marketing strategies (they may be either small or large). Sometimes managers of the small companies often think that only large
firms need to plan, whereas managers of large companies suppose that they do not have time to plan. Racolta-Paina & Mone (2009) state that all types of companies need to plan under the present conditions. This is the problem that most Qatari startups have. As we explain in the findings in Chapter 3, they have only short-term plans and when asked about their long-term strategy, they do not have any clear answers.

Strategic marketing planning includes the actions related to maintaining and creating the relationships among the company’s objectives and possibilities, its marketing goals, and the dynamic environment. It includes determining the unique mission of the organization, creating the primary and additional goals of the company, elaborating a high quality portfolio of the business, and working on different operational strategies of the company. Startups working in the B2B context, particularly those that offer services, have some specific elements: the objectives and mission of the organization, the portfolio of the business, and functional strategies.

2.5.1. The Objectives and Mission of the Organization

It often happens that organizations do not have any mission; however, they have clearly defined short-term objectives. The mission of a company means a definition of its contribution and role, a description of its activity, and plans for the future, which is not fully understood by company managers. Thus they do not spend time defining the mission. At the same time, the financial objectives are always clear and can be established easily. However, if an organization does not have a clear mission, it is difficult to create a corporate culture or its identity in the market. A mission for a company is like a personality for people. The company’s mission statement has to be
market-oriented and explain its ways of meeting clients’ demands (Racolta-Paina & Mone, 2009).

Racolta-Paina & Mone (2009) recommend that entrepreneurs working in the B2B context should create the mission of their companies as a matter of priority. They should also remember that the mission is a part of the organization’s marketing strategy and that it has to represent its staff. It is recommended to place the mission statement on the corporate website.

2.5.2. The Portfolio of the Business

As a rule, the portfolio of a company represents the variety of products or services provided by it. For start-ups, it is usually brief. A good portfolio represents the company’s products and services and shows how the requirements of the customers can be fulfilled. Before creating a portfolio, the companies need to determine their weaknesses and strengths, and conduct an analysis of the business environment to identify the opportunities in the market. Thus, it is strongly recommended for entrepreneurs to undertake thorough marketing research. For startups, the market investigation may be not as thorough as it is for the large companies; however, it can be made by using the following tools: studying media advertisements, observations, visiting other firms involved in similar activities, and conducting informal research (e.g. surveys). It is also useful to check and analyze the websites of the other market players and send messages to obtain the necessary data (Racolta-Paina & Mone, 2009).
2.5.3  Functional Strategies

It is hardly possible to observe any discrete functional strategies in the context of startups. Usually, entrepreneurs have some understanding of all the departments’ strategies (e.g. finance and marketing).

2.6  How will IMC Help Startups to Select the Best Marketing Strategy

2.6.1  The Goal of IMC and the Purpose of the Brand

It is necessary for any company to understand what they are doing and what information they would like to deliver to the clients in order to advertise their services or products. In addition, firms have to develop a vision regarding their future and what they strive to achieve. A mission statement is also required to reach the brand’s goals. Usually, the IMC strategy is designed in accordance with the company’s objectives in marketing and includes phases that can be fulfilled in the coming years. In addition, it is necessary to identify the correct positioning among the competitors in order to generate sales. By using IMC, the company employees have to convince the customers that they will definitely benefit from the service or product. Taking into account that the modern business environment is rapidly changing, it is necessary to constantly work on the brand in order to adjust it to the current market situation. It does not imply, however, that it is necessary to change the brand name completely. In case the company would like to deliver some message to the clients, it has to deliver it through all the channels and by all means. Any changes in the company’s image may have a negative impact on the brand. The clients will not remain loyal if the organization does not stick to the image they selected for themselves. It is necessary to remember that change is usually difficult for individuals and an image shift is no exception (Kostin, 2016).
2.6.2 A Successful Campaign’s Characteristics

A successful marketing campaign involves a memorable image and message delivered to the clients through different channels. It is necessary to make a campaign noticeable for the clients and make them interested in the service or product. The appropriate combination of logic and emotions makes the message effective (Kostin, 2016).

2.6.3 Budgeting

Budget is important for any marketing campaign. Even when an ideal IMC has been designed, it cannot be implemented without the proper budget. The company executives have to not only have a large amount of money for advertising, but also be able to allocate it strategically among the channels so that it will produce the best results for the organization and help it reach its goals. The average percentage of revenue that is allocated for the marketing purposes by the companies is 7–12% (Kostin, 2016). Today, it is possible to observe a trend that the budget for advertising through traditional marketing channels (e.g. television or radio) has shifted to Internet marketing. This trend is going to continue during the coming years (Kostin, 2016,).

2.6.4 Choosing Media Channels

Today, clients do not necessarily have to go to a store in order to buy something they need. It is possible to communicate with the products and services’ providers via different channels without leaving one’s home. Such channels include social media websites (e.g. Facebook, Instagram, Snapchat etc.), mail-order catalogs, e-mail, corporate websites, etc. The task of the marketers is to identify which one of these channels is most commonly used by the potential customers. Kostin (2016) states that it is not recommended to use only one channel for reaching the company’s goals.
2.7  Marketing Channels for B2B Startups in Qatar

The system of marketing channels (i.e. the variety of channels used by a certain company) is one of the most important issues for the company’s management. According to US statistics, around 30–50% of the selling price for the services and goods goes towards the marketing channels. However, advertising takes up only 7% of the final cost. The channels of marketing not only serve the target markets but they should also make markets as well (Kotler & Keller, 2015).

The managers’ decisions regarding the marketing strategy will depend on the channels that are selected by the firm. The decisions about marketing also depend on the quantity and quality of training required for the sales representatives (Kotler & Keller, 2015). It is possible to sell services and goods directly or to use different marketing channels. It depends on the startup’s general goals. It is advisable to carefully select the channels, motivate and train representatives if required, and create a mutually beneficial cooperation (Kotler & Keller, 2015).

Several studies have investigated the preferences of the organizations working in the B2B context regarding different marketing channels.

2.7.1  Direct Marketing

Speaking about the tools for direct marketing, in B2B context, it is recommended to use websites, telemarketing, catalogs, direct e-mails, and the local contacts with businesspeople (this is a very important tool used by startups that are B2B to get into the market and start having business. In direct sales marketing, consumer goods and services are directly marketed to consumers on an individual-to-individual basis. The objective of the strategy, as pointed out by Tsimonis and Dimitriadis (2014), is to allow customers to
see, test, and value a product at their own pleasure. Direct sales marketing is successful if a small business has established infrastructure, which stresses on supply and finance. Avon Inc. for instance, is a social selling beauty firm in the US that has successfully adopted and implemented direct sales marketing (New Avon LLC, 2017). This strategy has a number of benefits for startups and small businesses. First, it is the most effective technique to enter a new market at considerably low cost. Second, it avoids distribution by unnecessary intermediaries, which saves money for future investment. Nevertheless, the strategy has its own disadvantages such as being time-consuming. Salespeople spend a lot of time introducing the product to customers. This strategy has only limited coverage during sales to clients because it can only cover one market at a time.

As suggested by our preliminary research, direct marketing appears to be very important in the Qatari market for two reasons. First of all, the Qatari market is very small and most owners know each other or have mutual contacts, so it is important to focus on direct sales. The second reason is that the Qatari culture prefers to see the product or service themselves, so if someone comes to them and explains the idea and how it will improve their business, they are willing to adapt or try out the new product or service. Most of them would not go by themselves and search for solutions like business owners in the US or Europe. They want something presented to them and, based on that, they will make a decision.

Direct sales are a technique that would be advisable for Qatari startups and SMEs. For example, we found that Xdensity has used direct sales to penetrate the market. By meeting with potential customers and explaining their services, they were able to get some business. Using the customers they had, they marketed themselves to other
businesses and slowly started to expand. The intimate relationship of the firm, the client and the product cultivates trust between the customer and the product, thus increasing the likelihood of repeat business.

For B2B purposes, it is good to use sales meetings and sales presentations, as well as trade shows and fairs.
2.7.2 Relationship Marketing

This type of marketing attempts to create a loyal customer base by offering high-quality products and services. It concerns itself with forming lasting relationships with customers through consistent availability of a product or a service that meets consumers’ expectations. The main strength that small businesses gain from this marketing method is customer feedback that enables the firm to make necessary adjustments to suit its product to customer needs. This is the perfect marketing strategy for Qatari firms at present, where every customer must be treated as a prospective repeat client. According to Komalasari (2016), ensuring the quality of the product or service ensures that the customer is more willing to do business with the firm. The main drawback of this strategy is the security needed to maintain sensitive customer data. The data in the possession of small businesses always put them at risk (Belanche et al., 2013)

2.7.3 Word of Mouth and PR

B2B representatives usually consult with specialized communities and their peers, as well as B2B websites reviews during the supplier selection process. Word of mouth marketing allows the customers and clients to transmit the marketing message. Validation by a third party is the best option for B2B purposes. It is useful to establish connections with journalists to receive their help in promotional activities.
2.7.4 Exhibitions and Events

Shkuratova (2015) supposes that it is expensive for many small companies to organize events. In addition, these expenses may not bring the desired results. However, organizations like QDP, QBIC and Bedaya conduct events and provide free spaces for startups and this provides a good marketing channel.

Exhibitions are powerful marketing tools for demonstrating a company’s product. Startups can use this strategy to allow face-to-face meetings with consumers. Kırgız (2017) pointed out that, if small businesses implement this tool well, the return on investment (ROI) delivered is higher than that of all other marketing tools. The disadvantages associated with this method include the high cost of organizing an exhibition and limited consumer coverage. In our research, we found that Ti Fech is an example of a startup that used exhibitions to penetrate into the market and build a good base of customers who are loyal and have long-term relationships with them. Since the blockade of Qatar, the number of exhibitions has increased greatly in the country. There are many exhibitions hosted by the government and public institutions where businesses and especially startups can come and display their products and services. Some recent exhibitions include Qitcom, the QDP exhibition for small businesses, technology startups, the Doha exhibition, etc.

2.7 Advertising

O’Donohoe and Kelly (2010) define advertising as a marketing strategy that builds up a long-lasting image of a product to induce quick sales. Advertisement is mainly done via social media, mass media, and print media and often replicates a common message. O’Donohoe and Kelly (2010) point out that a marketing strategy should be designed to
meet communication goals such as influencing consumer preference towards a product or a service and creating brand awareness. Startups may adopt advertisement as a strategy to increase their brand awareness, face competition, eliminate middlemen, create demand and introduce new products into the market. Nevertheless, advertisement costs small business a huge amount of money, leading to unnecessary price rises.


Today, most entrepreneurs recommend paying specific attention to social media marketing. Platforms like Facebook, Twitter, LinkedIn, and YouTube seem to be very helpful for the marketing activities of startups. In addition, they have a number of advantages in comparison with the other marketing tools, such as low or no costs, a large audience, the possibility of selecting target groups of people, high popularity, and more.

The role of social media in IMC and advertising in Qatar is explored in the next section.

2.8 Social Media Marketing

Social media marketing is a method that targets social networks to increase brand awareness and promote various products. It is an online marketing tool with the objective of producing messages, which consumers share on their social network platforms to assist the company to widen its consumer reach. For small businesses, a good social media marketing strategy should be able to achieve business goals, for instance, increasing
brand awareness. Kasemsap (2016) state that that social media marketing should be focused on the ideal customer and should be on the right social medial platform.

Social media provides another big opportunity for Qatar, where its universal nature allows multinational competition for Qatari brands. Social media advertising, being internet-based, presents several advantages to a country. It increases small businesses’ visibility because it engages the business with broad customer audience.

However, social media marketing has a number of disadvantages for small business. Negative feedback from customers, for instance, may make the entire business look bad.

There are several factors that contribute to the success of IMC campaigns in social media, such as content, posting and creating brief articles on a regular basis, and focusing on the benefits of the product/service provided. (Valeecha & Reza, 2013).

According to Valeecha & Reza (2013), content is one of the most important factors for a social media campaign’s success as well as a way to establish an emotional connection.

When monitoring a campaign’s success and assessing its quality, organizations identify patterns of conversation and the ways they influence the overall interaction. This includes analysis of the pages viewed; the quantity of visitors, followers, and fans; and the increase in traffic on the company’s website (Valeecha & Reza, 2013).

The entrepreneurs (or the owners of the business) usually post on social media and provide information for their corporate website themselves; around 53% of entrepreneurs monitor the traffic on the website; approximately 30% of individuals or companies decided to purchase products or services because of online information (e.g. a company website or social media page); and around 57% of surveyed individuals believe that they
lose clients during the first purchase stages (evaluation and consideration) because of content (Research and Market Intelligence at BDC, 2013).

Marketing agencies specializing in social media design campaigns that take their goals and into account assess brand engagement with the help of the corresponding tools. According to Valeecha & Reza (2013), the most important factors that attract customers’ attention were: discounts and promotions, interesting content, and news about the service or product.

As indicated above, every organization should ensure that the content on its social media pages is of high quality. It should provide users with the general idea about the brand and attract their attention to the page. In our research, Xdensity provided a good example of a website and its importance. The technology startup in Qatar used its website to share comments from customers and provided a page for feedback where customers could inquire about the products or services and also provide feedback. The company’s market share shot up after the website was developed and given out to customers. Active and personal communication with the clients allows companies to achieve their sales goals in the future (Valeecha & Reza, 2013). Start-ups working in the B2B context should have a person responsible for the social media pages. This person has to generate (or order) content and communicate with the clients (e.g. answering their questions and comments). Delays in communication can give a firm a bad reputation.

Social media websites are becoming among the most popular marketing tools. As such, 90% of US B2B firms have Facebook accounts and actively use them, 43% are on LinkedIn, and 53% are on Twitter (Shkuratova, 2015).
The most popular social network website in the GCC countries is Facebook (Kadir, n.d.). The number of users is approximately 89 million or nearly 30% of the region’s total population. Twitter appears to be less popular in comparison with LinkedIn; this is probably because individuals involved in business represent a large part of those using the Internet. In the GCC, 48% of these people use the English versions of the websites and 45% prefer websites in Arabic. Sixty-eight percent of users are people aged 18–35 years old (Kadir, n.d.).

The statistics provided by Kadir (n.d.) suggest that around 75% of the region’s population uses the Internet. The rate of internet penetration is 83% in the UAE, 64% in Kuwait, and 61% in Qatar. The lowest rate is observed in Egypt (26%).

According to the Arabic culture, it is necessary to earn trust by means of continuous interactions (Kadir, n.d., p. 17). Recently there has been a huge increase in the number of people who use Instagram in the GCC. Of people aged between 15 and 40 years old, around 70% of them have an Instagram accounts. We believe that this is a growing trend and startups need to make use of it as it has a lot of potential.

2.9 Evaluation of the Organization’s Performance

There are several systems of performance management, the elements of which can be used by the startups and other small companies to evaluate the effectiveness of IMC. Examples include total quality management, balanced scorecard, business process re-engineering, and benchmarking (unpublished data). Measurement of the organizational performance should be an integral part of the general system of the company’s performance management and may be regarded as measuring the success of the employees’ work. There are three elements of performance management that are typically
used by researchers: effectiveness, efficiency, and economy. Every startup should measure its performance and, by implication, its IMC by taking these elements into account (Salem, 2003).

- **Economy**: resources of the company (financial, physical, and human), delivery and procurement of inputs, expenses and cost, quality and quantity, operations performance, and time (Salem, 2003).

- **Efficiency**: using the available resources to reach the desired goal and results, the best transformation of inputs to outputs, results-related activities, optimal resources use, time frames and planning of the working process, returns or less expensive results, and tactical goals (Salem, 2003).

- **Effectiveness**: the level to that the project reaches its major goals or anticipated results; customer orientation; goals, objectives, and results’ reaching; assessing and measuring complications; long-term and short-term goals; strategic goals (Salem, 2003, p. 14).

According to Salem (2003), there are several new approaches to the measurement of the organizational performance, such as expert ratings, customer surveys, and assessment of available records (Salem, 2003).

Many approaches to organizational performance management were created as a result of technological developments. New software and computers can help significantly with this process. It is possible to use video cameras in order to generate the required reports (Salem, 2003). Modern technology provides numerous solutions for businesses working in all sectors. It is recommended to undertake brief research and define what is available
for a particular startup. If the budget allows this technology to be purchased, it may significantly improve the organizational performance.

For startups it is necessary to control performance from the very beginning of their operations. First, it is necessary to compare the actual achievements with the planned ones. If the actual figures are lower than expected, it is recommended to plan changes to the activities as soon as possible. It is always useful to track the number of existing clients and prospects, website and social media page visitors, calls per day, etc. The information collected will help the owners to assess their actions and make corrections if required.

Every startup wants to achieve its objectives, which represent the company’s sales and financial results. The objectives can be of several types: rank within the market, share of marketing, sales performance, monitoring the profitability (ROI, return on sales, gross profit, and the contribution margin) (Sparks, 2018).

Usually, marketing managers establish objectives related to promotion, distributing, pricing, and products (Sparks, 2018) and select the channels accordingly.
2.10 Research Aims

**Problem statement:** What are the effective IMC’s for startups in Qatar (B2B) and the best marketing strategies for the Qatari market in the present economic/social conditions and the competitive environment of the country?

**Research Objectives:** The objectives of the present research are as follows:

a. Identification of the most effective IMC for startups in Qatar with a focus on B2B startups;

b. Finding the best marketing strategies for startups in the Qatari market.

c. How the current blockade on Qatar has helped in the development of startups.
CHAPTER 3: METHODOLOGY

3.1 Choice of Research Method

The present research used an exploratory research design and a qualitative research method to identify the main factors affecting effective B2B startups in Qatar. To achieve this, 12 interviews were carried out with entrepreneurs who had established B2B startups. These interviews aimed to discover general trends and themes relating to entrepreneurs’ opinions and perceptions of IMC for B2B startups in Qatar.

3.2 Methodology Design: Qualitative Method

The present research used a qualitative research method, as this was an exploratory study that aimed to discover general themes and trends. Qualitative research is one of the approaches used by scholars in order to answer research questions. It involves any activity that attempts to give answers to questions, gathers evidence, and/or provides the results that were not expected by the author. It involves a fixed number of actions that are devoted to providing the answers, leading to outcomes than can be used by other scholars (Family Health International, 2018), meaning that the qualitative approach is appropriate for preliminary exploratory research, as was the case in this present study.

Qualitative research aims to identify an answer from the point of view of the individuals involved. This kind of investigation is useful for studying information related to the opinions, cultural values, and behaviors of individuals within a group or society (Family Health International, 2018), which validates the choice of the qualitative approach for this study, as it concerns the values, opinions and behaviors of a specific group, namely Qatari entrepreneurs.
According to Mason (2002), qualitative interviews have the following characteristic features, which we used to shape the interview structure and questions:

Dialogue exchange. The interviews can be conducted face to face, with a group, by telephone, online, etc.

Interviews are conducted via informal conversation. They rarely involve formal questions and answers.

Interviews have a focus on the topic, narrative or biographical structure. As such, the scholar can have numerous questions to discuss, or he/she may want an interviewee to tell some story that is useful for the research. There is rarely a fixed interview structure and the research always has the possibility of discussing additional topics or raising unexpected questions (Mason, 2002).

In case of interviews, knowledge is provided in line with the necessary context and the facts are not stated in a formal way. Meanings are usually agreed upon during the conversation involving the participant and the researcher (Mason, 2002).

The aforementioned characteristics of qualitative methods meant that this approach was the most suitable for this exploratory research, and thus an interview format to elicit qualitative data was selected.

3.3 Ethical Considerations

As is the case with any study into individual beliefs, opinions and behaviors, care needed to be taken to ensure that the participants were treated ethically and that their right to privacy would be protected. To this end, this research had to follow approved ethical guidelines, as detailed in the subsections below.
3.3.1 Informed Consent

Prior to gathering information for the study and its analysis, every participant was explained the principles of the research and provided the researcher with written consent to collect and process the information provided by them.

3.3.2 Protection of Participation

The information provided by every research participant was protected from the possibility of being delivered to third parties.

3.3.3 Confidentiality

The information received from the research participants was treated as confidential and the results were presented to the readers in the form of general conclusions.

3.3.4 Honesty

The honesty of the information provided in the questionnaires and during the interviews was ensured by the confidentiality of the research.

3.4 Data Collection

The data were collected from the surveyed individuals via preliminary questionnaires and interviews. As this study was exploratory in nature, a novel survey tool (i.e. a questionnaire) was developed to elicit preliminary findings about awareness and use of IMC. The questionnaires aimed to collect basic demographics and some data that could be used to frame the fixed interview questions. Questionnaires were distributed among the research participants. When the questionnaires had been completed, the data were processed and organized. These preliminary findings (data not shown) were used to develop the interview questions.
Information from the interviews was analyzed and is described in the Findings and Discussion section, with the main points of the discussions being noted. Several fixed questions in the interview were used and the participants were allowed to discuss other issues related to the topic. The fixed questions covered basic information such as the name and experience of the interviewee (including prior education and marketing courses), along with some important definitions (e.g. IMC, communication channels).

The subsequent interview questions included the following:

- What do you know about IMC?
- How do you define your organization’s performance: sales, number of customers…?
- How do you develop communication strategies or marketing plans?
- Do you have a clear segmentation of your market?
- How do you think the budget effects your IMC?
- What are your communication objectives? Is there clarity?
- Do you consider your competitors’ marketing strategies while marketing your product or service?
- What do you think about social media and how it can help B2B startups?
- What do you think about the environment for entrepreneurship and developing startups in Qatar?
- What marketing strategy or channel is effective in the B2B context in your opinion?
- In your opinion, what are the effective IMCs for startups in Qatar in a B2B context?
- What is the best kind of marketing for your business if you were marketing to other businesses?
• What marketing tool would you recommend to other entrepreneurs?

The interview questions also asked the participants to indicate what they thought about various channels and strategies for their startup, rating each strategy or channel out of 10 and allowing the participants to provide further information or details as they wished. Specifically, the participants were asked about personal selling, direct marketing and exhibitions.

Interviews were carried out with 12 entrepreneurs who had created startups in Qatar. These interviewees were selected from the databases of QDP, DIC and Qatar University, which provided contact information for 25 potential startups. Out of these 25 startups, 12 agreed to participate, for a response rate of ~50%. Interviews were carried out face-to-face at a time and place that suited the participants, and each interview took about 60 minutes and was conducted in Arabic or English depending on the entrepreneur. The interviews were recorded and the researcher took notes during the interview. The interviews were then transcribed verbatim for analysis. The transcripts were investigated by using thematic analysis to identify trends and themes within the data.
Figure 1. Diagram Showing the Conceptual Model of the Research, Including the Dependent and Independent Variables.
3.5 Conceptual Model: Relationship between Independent and Dependent Variables

The conceptual model (Figure 1) shows the dependent and independent variables chosen for the research. Communication skills, competition plus the economic situation of the country, the clarity of the objectives, the IMC budget, and market segment identification serve as the predicting variables in the model, whereas advertising, direct marketing, exhibitions, personal selling and social media (i.e. the different communication channels) serve as the predicted variables. The relationships that exist between these independent and dependent variables have been confirmed by prior research as outlined below.

Because this research was exploratory in nature and took a qualitative rather than quantitative approach, no specific mathematical model could be specified for evaluating the relationships between the dependent and independent variables. Nevertheless, the models and relationships used by earlier research provided a useful framework in our attempt to discover the general trends. Therefore, for convenience and in line with prior research, we will refer to communication skills, competition plus the economic situation of the country, the clarity of the objectives, the IMC budget, and market segment identification as the dependent variables, and advertising, direct marketing, exhibitions, personal selling and social media as the independent variables.

Regarding the dependent variables overall, research by Bridge and O’Neil (2012), Luxton, Reid, and Mavondo (2015) and Wallnofer and Hacklin (2013) observed that the communication skills and marketing skills of entrepreneurs, the clarity of the objectives, and the IMC budget have a direct relationship with advertising, direct selling, and personal selling in several respects. The communication skills of entrepreneurs are key to the success of their personal or direct selling strategies as well as word of mouth.
Personal selling entails building relationships with the customers directly, hence demanding high levels of marketing and communication skills (Wallnofer and Hacklin, 2013). Although communication skills are imperative for building rapport with the customers and persuading them to purchase the product, marketing skills are important for ensuring that the salesperson focuses on those aspects of the product that are of interest to the customer. Likewise, marketing and communication skills are vital in direct selling since the approach makes use of channels that foster direct communication with the customers such as emails, phone calls, or websites. Such channels call for excellent communication skills, as they underlie the ability to be precise and concise in delivering the right message for the customer for the purpose of exciting their interest in purchasing a given product or service (Wallnofer and Hacklin, 2013). All of this leads to more sales, as the customer is given precise and accurate information, which leads to him/her buying the product or service. Thus, a clear connection can be established between the communication skills of the entrepreneur and the communication channels that he/she chooses and the direct sales or the success of the business.

Secondly, the IMC budget is a key determinant of the success of the entire advertising campaign as Bridge and O’Neil (2012) note. Advertising is the primary means through which a company make its products or services known to the consumers. To this end, different marketing approaches are used by different companies to ensure they secure a competitive position in the market. For startups, entry mode marketing strategy is key to eliciting the desired customer interest in the new products and services. Entry mode marketing strategies requires massive deployment of advertising via expensive media such as television broadcasting and radio broadcasting while targeting the most popular
programs. The budget allocated by startups towards such marketing campaigns will determine the level of aggressiveness; hence the success of the company lies in making its products and services vividly memorable in the minds of the customers, as Wallnofer and Hacklin (2013) indicated. A high budget will enable the sales and marketing team to place repetitive advertising messages during prime hours, making the message vivid in the minds of the target customers. The right budget for IMC supplemented with clear-cut marketing objectives underlies the success of startups in any economy.

Taking the competitors’ strategies into consideration is also very important for a startup to be successful. One example that is widely known in Qatar is that of Baldna, a local farm. Baldna marketed itself as a Qatari or local farm and gained a huge amount of market share in a very short period of time. They used the notion of the financial crisis that the country is currently going through and thus got the support of the people. People started to boycott products from farms outside the country. Shortly after that, Al-Rayyan farm was opened. It marketed intensively on the same pitch and was able to grab a modest market share as well. Thus for startups, looking at the competitors’ strategy is very important to being successful. Moreover, the PR or the image of the startup is very important, especially when people look at the product or service for the first time. The first impression that they get from the startup will always stay with them. For example, Fi Technologies, a startup in Qatar, ran a PR campaign where they provided free installation of Wi-Fi for coffee shops and they also treated their employees in a very ethical way, who, in return, advertised their company in the coffee shops. Their employees were paid a bonus for any new customer who had learned about Fi Technologies through the recommendation of an employee. Within 6 months of this PR campaign, they covered
over 90 coffee shops in Qatar and started to make a return. Thus, PR and sponsoring events is important for a startup to succeed.

The only negative point of PR campaigns is that they are expensive for startups, as there are many older competitors in the market who are willing to pay more. Most of the startups interviewed by us said they followed a competitor’s strategy when marketing their products. This is because the Qatari market is small and they do not want to try out new ideas that might tarnish their brand image. We believe that this is an area for improvement; startups, being innovative in their nature, should focus on this strategy. The Qatari market is small but new ideas for marketing and following a “blue ocean” strategy for IMC might be very successful in the Qatari market. Some big businesses followed this strategy and were successful. For example, Ferrari opened its doors to visitors to try out their new cars and provided them with a track day for showing the performance of their sports cars. Unlike other car showrooms, their sales have increased by 20% since 2015. In addition, many startups used to follow IMC strategies used in Dubai, but with the current blockade on Qatar, there is a lot of opportunity to try out new markets and fill the gap left by the GCC businesses that used to operate in Qatar prior to the blockade.

The preferred tool for advertising is key to the marketing success of any startups. Though the marketing communication mix is quite varied, only some channels are ideal for startups. For instance, television advertising, digital marketing, and direct marketing are communication channels available for startups. However, Luxton, Reid, and Mavondo (2015) noted that not all of the marketing channels will guarantee success for a new company, especially in countries where diffusion of recent technology is quite low. For
instance, though digital marketing is leveraging channels such as social media pay-per-click, and search engine optimization might be ideal for well-known brands, a startup will find it hard to attract a huge audience through such channels. However, leveraging mass media marketing such as radio and television advertising will help to relay the advertising message repetitively until it creates interest in the target market (Luxton, Reid, and Mavondo, 2015). In the Qatari market, social media is a great way of advertising for startups. It is low cost and the usage of social media has increased over the past 5 years. Many homemade businesses like Taqnia.com, or Bait Umi started only with an Instagram account. However, recently, they have opened companies and shops, as they have become well known in the market and have a steady demand. This is why advertising can be directly linked to the use of social media and thus the success of a startup in the Qatari market. This is why we believe that the optimal marketing tools for Qatar include social media, especially Instagram, as a main factor that can lead to the success of a startup.

Lastly, proper identification of the market segment is the foundation upon which all of the dependent variables rest. Understanding the target market is critical to ensuring that IMC realizes its objectives. Ionită (2012) observed that poor market targeting is a key contributor of start-up failures since the marketing campaign tends to be poorly coordinated when it is unclear who the target customers are. Proper segmentation of the market ensures effectiveness in designing the appropriate advertisement messages, since the characteristics of the customers are apparent. Clarity about the customers’ characteristics is key for a salesperson preparing for personal selling, as is the case with developing advertising campaigns. Moreover, effective market segment definition backs up direct selling through delivering branding messages for products that might be in
demand in the target market (Wallnofer and Hacklin 2014). Wallnofer and Hacklin (2014) stated that the customer profile is never the same for any company. Therefore, understanding the customer segment will prove vital in guiding the objectives of IMC and hence the overall success of the startup.
CHAPTER 4: FINDINGS AND DISCUSSION

4.1 Communication and Marketing Skills of Entrepreneurs

In our research, we found that most of the entrepreneurs were well educated and had taken marketing courses. However, they were not very good with communicating with their target segment. As suggested by the conceptual model (Section 3.5), this is because not enough resources were allocated to IMC and thus no proper marketing strategy was followed. The more educated the entrepreneur, the more successful his/her IMC strategy was. For example, five start-ups had more market share and higher customer satisfaction. In line with Jennis (2013), the findings reveal that in order to design good IMC, the entrepreneur should have a number of skills in addition to general knowledge, such as a talent for communication, creativity, and data analysis skills. The interviewees considered these three attributes to be the most important for those involved in marketing activities. In our interviews conducted, we found that most of the entrepreneurs were well educated. Most had a business background and some had taken courses in marketing. However, they lacked leadership skills. Leadership skills are especially important for startups, as the leader motivates and inspires the team to do a good job. We believe that if the leadership skills of the entrepreneurs were developed, this would lead to positive results when it comes to IMC implementation. According to Jennis (2013), it is essential for any entrepreneur to develop leadership skills if he or she is to succeed in a very competitive field. Many of the entrepreneurs did not develop their leadership skills and focused on a dictatorial management style. This did not help the startups. Usually, the employees working in startups are recent graduates who do not have the experience or knowledge to work by themselves. They want a leader to inspire them and lead the way.
forward. During this research, we found that entrepreneurs should also develop leadership skills and communicate properly with their employees if they want to grow their startups and have a sustainable business. The author’s opinion is that the effective IMC cannot be created and realized without good interpersonal and leadership skills.

Another key finding regarding the communication and marketing skills of the entrepreneurs was that most entrepreneurs did not have a clear marketing strategy and did not have a clear budget breakdown for it. This is because most of them followed their competitors’ marketing strategies and thought that the Qatari market was too small to apply these strategies. During the research, we also found that most entrepreneurs focused more on developing their core businesses rather than marketing it, hence explaining the high failure rate of startups. The startups that were successful were usually run by people with very strong contacts in the market and they used personal selling to penetrate the market. However, as the number of startups increases in Qatar, and there proper support is provided by the government, entrepreneurs should be able to use their skills and knowledge to develop a proper marketing strategy and have a budget allocated to it, which will allow them to be successful.

In summary, we found that most of the management was well qualified. However, not all of them used IMC strategies when marketing their businesses. This is because the Qatari market is small and also because the IMC channels are limited if they are focusing on a specific target segment. Eight out of the 12 startups had very strong branding process but most of the startups did not have a clear message for their target market. All of the startups that were interviewed understood the importance of social media and most of them had done some kind of social media marketing. Our research revealed a link


between education and IMC after the blockade. The more education the entrepreneur had and the more marketing skills he/she had meant that they came up with more innovative IMCs after the blockade. Most entrepreneurs with a Bachelor degree or high school diploma did not have a clear marketing strategy and did not have a clear budget breakdown for it.

4.2 Competition and the Economic Situation of the Country

In general, competition foresees a struggle of conflicting interests. It can also be called rivalry or a contest (Stephen, 2004). In order to create successful IMC, it is necessary to be aware of the competitors in the market. In addition, it is useful to study what types of marketing tools the other firms use. Our research showed that 10 out of the 12 startups looked at their competitors’ strategies and followed them. They did not themselves develop novel strategies or approaches in marketing their products/services. This led to all the startups doing business marketing in the same way. Only two startups did not follow their competitor’s strategy before the blockade. One of them mentioned that they did not have any competitor in the market and thus they were trying to create a market for their product; the other startup had a niche market and thus had a different marketing strategy. The niche market business was doing very well, as it was selling abayas only to shops and did not sell directly to consumers. In addition, the abayas were not for sale to the end users and they could not access the designer, so the stock produced was limited and designs were only produced once. This led to high sales in the market. Other startups should learn from this strategy and adopt their own marketing strategies as well as looking at their competitors’ strategies.
The economic situation in Qatar and the recent blockade has decreased the number of competitors in the market and thus this is an opportunity for local startups to capture the Qatari market. This opportunity should not go to waste. Before the blockade, Dubai was the main hub of competition in the Gulf. Most new ideas and startups were opened in Dubai and competed in the entire GCC market. However after the blockade, start-ups are developing more innovative IMC. With the current situation, there are a lot of unmet needs in the Qatari market, as Dubai and Saudi Arabia are not supplying their products and services to Qatar anymore. This is why local startups should use this opportunity and develop sustainable businesses. Before the blockade, the startups in Qatar followed the strategies of competing startups in Dubai; now they have to create their own IMC and cater to local needs. This was very evident during our research. All of the startups agreed that the Qatari market has a lot of gaps after the blockade and this is the perfect time to fill in these gaps, hence the emphasis on innovative IMC strategies.

4.3 Clarity of Objectives

According to Naeem, Bilal & Naz (2013), every IMC has several objectives, which also represent the desired campaign outcomes. The objectives of the IMC strategy include two goals: strong brand creation and a high level of sales. The main objective of IMC is to have an impact upon the consumers’ behavior. A typical IMC should help with the allocation of resources, the establishment of client-oriented sensibilities, the creation of benefit for the clients, and achieving a competitive advantage (Naeem, Bilal & Naz, 2013).

It is difficult to achieve good results from IMC if an entrepreneur does not fully understand its objectives. All the actions related to IMC should be in line with the
strategy objectives. All 12 startups that were interviewed had very clear objectives and knew what an IMC can do. However they did not have an action plan to achieve these objectives and no timelines. This area needs improvement and may lead the startups to becoming very successful.

In the interviews we conducted, 10 out of the 12 startups mentioned that they only looked at the financial performance of a company and that is how they evaluated the success of an IMC. The other two startups looked at both financial and market share as indicators of success. Most of their goals were financial and no mission or vision statement was clearly defined. We believe that this thinking should change if startup owners want to create businesses which are sustainable in the long run and have a full 360° view of their business.

4.4 Identification of the Market Segment

It is not possible to start the IMC process prior to identification of the target market. Otherwise, the campaign will not bring the desired outcomes.

Market segmentation involves dividing it into a number of segments or groups, taking behavioral, psychological, geographic, and demographic factors into account. It helps entrepreneurs identify their target customers and improve their IMC. Through such activities, a startup can gain satisfied clients and a competitive advantage (Larsen, 2010).

The 12 startups that were interviewed all had a very clear market segment and knew their customers very well. However, because of insufficient budget allocation and not enough directed resources, most of the startups did not reach their target segment as planned.
4.5 IMC Budget

Budget is one of the most important factors in marketing. The IMC has to be adjusted to the available funds and its outcomes depend significantly on the budget. Creating a budget for marketing makes it possible to select successful initiatives and prevents the entrepreneur from following ideas that are irrelevant and cannot ensure a good ROI (American Express, 2018). It is necessary to be realistic regarding the prospective results of a startup. Sometimes, marketing campaigns receive no response or only a very insignificant one (American Express, 2018).

In the interviews, we found that all of the startups said that it is very important to have a budget for an IMC and that if a proper budget was allocated, it would lead to better sales. However, when asked if they had a clear budget breakdown, none of them had it written down. Most of the entrepreneurs had not even done research on the budget required for their IMC or marketing strategies. Two of the 12 startups had bought in marketing companies to market their products and services and thus outsourced it. The others had no budgeted amount for an IMC. Not having a set budget makes it difficult to evaluate the ROI provided by IMC because if the amount invested is not known or specified, it is impossible to calculate the corresponding return. It was therefore harder to determine the success or otherwise of these startups. Thus this area needs to be improved and is possibly one of the core reasons why startups are not successful in IMC.
4.6  Marketing Channels

In our research, we found that around 75% of B2B firms believe that it is effective to use

calls in order to market their products or services. In addition, 85% of the B2B firms
mentioned that trade shows and exhibitions were a great way to get customers, and most
business decision-makers would attend such events.

The participants indicated that every startup should devote enough time and attention to
creation of the advertising message. The message should be clear, brief, innovative,
exclusive, and appealing. It is important for companies to use the same message across all
channels of communication with their customers. Frequent changes in the message or
variation in the different kinds of media may damage the customers’ loyalty and trust.

Currently, the social media platforms that startups are most likely to use are Instagram,
Snapchat, Facebook, Twitter, LinkedIn, and bayt.com. The main advantages that startups
gain from advertisement via social media include increased brand awareness and its low
cost. One of the startups we investigated that was successful in using social media to get
business was Taqnia. With its page on Instagram, it marketed itself aggressively to other
Instagram businesses and slowly penetrated the market. Most of the Instagrammers
started to use Taqnia to make filters for Snapchat as well as logos for their companies.

Qatar could utilize the advertising arm of marketing in consolidating its home market for
its manufacturing in industries. Ensuring that the SMEs and startups have a strong footing
at home is paramount in ensuring they remain a going concern. The reduced regional
market as a result of the blockage should, at the very least, be offset by local demand.

Advertising has a number of advantages; for instance, it allow beginners to introduce
their products to the market.
4.7 Evaluating Company Performance

As well as talking about IMC and how it can help startups, we enquired about how to measure an organization’s performance and how entrepreneurs can evaluate if an IMC is successful (i.e. effective) or not. Measuring performance relates to the outcomes achieved and work done. It cannot be closely related to the results of the work, as this is instead related to the company’s strategic objectives and economic outcomes, and client satisfaction. Measurement and management of performance is related to a systematic and integrated understanding of how a company’s results help it reach its objectives and promote values and mission of the firm. Management of a company’s performance is not the same as management of personal performance, which is related to an employee’s individual performance; however, this is also a part of the overall performance of the company. A company’s system of performance management is designed in order to enhance the outcomes of the employees’ efforts by connecting them to the objectives and goals of the company. In general, this represents the ways in which the performance of the individuals may be enhanced by means of offering a certain reward or recognition of good results and improved working conditions (Salem, 2003). Paying employees a bonus for each new customer that learned about the company through the employees’ recommendations was one strategy that worked for Fi Technologies. All of the start-ups thought that 80% of the success of IMC was reflected in the sales or revenues and market share that they had. However, because few of the entrepreneurs had a specific budget for IMC, determining the ROI of IMC was not possible.
CHAPTER 5: CONCLUSION

The findings of this research provide entrepreneurs with some effective IMC strategies in a B2B context. In summary, it can be said that three out of the four factors need to be improved for the startups in the Qatari market to succeed (communication skills, competitors’ strategies, and the budget), as they have a direct impact on IMC. However, clear objectives and the target market are well identified for most B2B startups in Qatar.

In terms of the aspects of IMC relating to the independent variables identified in Section 3.5, the most important ones for local startups are social media, exhibitions and direct sales.

5.1 Implications and Direction for Future Research

As this work was exploratory in nature, the present findings could be used as a starting point for future research. I believe that future research could focus more on the effects of the blockade on startups in Qatar and how it has affected their marketing. This present research was carried out when the blockade had been in place for less than a year, so future research will be in a position to consider the long-term effects of the blockade on Qatari startups.

In addition, the research can be used as a basis for doing more research on how startups can be successful and how businesses should be evaluated, as our findings showed that the entrepreneurs defined success in different ways. In addition, because few entrepreneurs had a set budget for IMC, it was difficult to evaluate the ROI of IMC. In this situation, other methods of evaluating the success of a startup will have to be explored, such as number of customers or level of customer satisfaction.
5.2 Summary and Recommendations

Twelve startups in Qatar were interviewed, all of whom were B2B. The 12 startups thought that budget played a direct role in how effective IMC was. However, when asked how they would use the budget, they were not clear and did not have a defined breakdown. Even when asked about the ideal budget for their IMC strategy to be successful, they did not have any clear answer. Most of the entrepreneurs were more involved in their core business and were not very good in marketing their products or services. Thus, they lacked the marketing and communication skills needed by entrepreneurs. Two out of the 12 startups used external companies to help them build marketing plans and even to market their services. Eleven out of 12 businesses had a clear segment where they wanted to use IMC. However, there was very little clarity of the objectives. All 12 businesses though that social media and personal selling were the most important tools for IMC and all the above factors were dependent on them. Six out of the 12 businesses thought that advertising, direct marketing, PR, and word of mouth were good only for getting the businesses known, but did not generate any sales or revenue. All of the startups thought that 80% of the success of IMC was reflected in the sales or revenues and market share that they had. Twenty percent of them still did not have any sales or market share; however, they mentioned that the success of IMC is to help potential customers understand that there is a need for their product or service and the benefits of the product or service they offer. The success of IMC, according to one entrepreneur, is to survive in the market and stay ahead of competition even if profits are minimal. He believed that in the long term, it would lead to success. Two out of 12 startups said they did not have any competition and thus it was not an important factor in
for their IMC. However, all the rest said that they looked at their competitors before setting up IMC for themselves.

In summary, the startups that we interviewed all had a very clear idea of their target market. However, the problem was with how to communicate with them and have a good IMC strategy that would work for the startup. We believe that Qatari startups should stop copying ideas from outside and be innovative in the way they market themselves to create sustainable and profitable businesses in the long run.

The government and institutions that support startups in Qatar can use this research to help startups develop an IMC strategy and put it to work. They can also help with allocating budgets and help startups identify their objectives and target markets clearly. Table 5.1 shows details of the B2B startups along with several measures that can be used to evaluate whether or not a startup (and, by implication, its IMC) is effective, including market share and levels of customer satisfaction. The proportion of market share gained by the various startups ranged from 45% to 0%. Using market share to evaluate the success of a startup can be problematic, depending on the size of the target market. Clearly, having a market share of 30% or more can be seen as an indication of success. However, the converse is not necessarily true. A startup could be making good profits and receiving a good ROI from IMC but could still have a very small market share if the market in question is huge. It is thus important to consider more than market share alone when evaluating the success or failure of a B2B startup. However, in the present study, because few of the entrepreneurs had a specific budget for IMC, determining the ROI of IMC was not possible.
Table 1

Details of the B2B Startups Surveyed

<table>
<thead>
<tr>
<th>Startup</th>
<th>Market Share</th>
<th>Customer satisfaction</th>
<th>Owner qualification/courses in marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>XDensity</td>
<td>12%</td>
<td>80%</td>
<td>Masters + Marketing courses</td>
</tr>
<tr>
<td>Al-Alyaa plastic</td>
<td>28%</td>
<td>85%</td>
<td>PhD + Marketing courses</td>
</tr>
<tr>
<td>Temba Sports Services</td>
<td>35%</td>
<td>95%</td>
<td>Masters + Marketing courses</td>
</tr>
<tr>
<td>Ti Fek</td>
<td>40%</td>
<td>75%</td>
<td>Bachelors in IT – marketing</td>
</tr>
<tr>
<td>Technology</td>
<td></td>
<td></td>
<td>outsourced</td>
</tr>
<tr>
<td>The Hub</td>
<td>2%</td>
<td>40%</td>
<td>Bachelors in engineering</td>
</tr>
<tr>
<td>Asmaa Abaya</td>
<td>27%</td>
<td>95%</td>
<td>Bachelors</td>
</tr>
<tr>
<td>Taqnia</td>
<td>30%</td>
<td>80%</td>
<td>Masters + Marketing course</td>
</tr>
<tr>
<td>Modaris</td>
<td>45%</td>
<td>70%</td>
<td>Masters + Marketing courses</td>
</tr>
<tr>
<td>Webster</td>
<td>15%</td>
<td>60%</td>
<td>Bachelors</td>
</tr>
<tr>
<td>Qatar Best Deals</td>
<td>19%</td>
<td>40%</td>
<td>Bachelors</td>
</tr>
<tr>
<td>Doha Sales</td>
<td>0%</td>
<td>0%</td>
<td>High school</td>
</tr>
<tr>
<td>Game of Brands</td>
<td>22%</td>
<td>40%</td>
<td>Bachelors</td>
</tr>
</tbody>
</table>
In conclusion, although entrepreneurs are aware of the importance of IMC and having a budget for this purpose, few had a specific budget in place. The entrepreneurs interviewed had a clear target market (market segmentation) and several startups had managed to achieve a market share of 25% or more. Social media and personal selling were seen as the most effective marketing channels for B2B startups in Qatar.

The results of this study lead to a number of recommendations for entrepreneurs wishing to establish successful B2B startups in Qatar under the present economic conditions:

More clarity is needed regarding the budget for IMC, with a specific amount allocated to this activity. This will allow entrepreneurs to have an objective figure for determining the ROI of IMC and thus determining its effectiveness.

Entrepreneurs need to give more consideration to marketing as well as their core business.

Because social media and direct selling are seen as the most important tools for marketing, entrepreneurs need to make sure that these are of high quality (e.g. ensuring that the content of social media posts are of high quality).

Although considering the strategies used by competitors for IMC is useful, entrepreneurs should not simply copy their competitors but should consider novel and innovative methods and messages for their IMC.
5.3 Research Limitations

The limitations of the research include the small sample size and the exploratory nature of the research. In addition, no quantitative methods were used.
REFERENCES


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APPENDIX
Appendix A: Interview Questions

Definitions

IMC – Integrated marketing communication (Connecting all channels while marketing your product or service)

Communication Channels (Advertising, Direct marketing, public relations, personnel selling, word of mouth, & Social Media, exhibitions)

Questions

1. Please introduce yourself and how long have you been an entrepreneur for.
2. What do you know about IMC? (integrated marketing communication)
3. How do you define your organization performance: - Sales/no of customers
4. How do you develop communication strategy/marketing plan.
5. Do you have a clear segmentation of your market?
6. What is your education level and did you take any courses in marketing?
7. How do you think the budget effects your IMC?
8. What are your communication objectives – is there clarity?
9. Do you consider your competitors marketing strategies while marketing your product/service?
10. What do you think about social media and how it can help b2b startups
11. What do you think about personal selling for your startup? Give a number out of 10
12. What do you think about direct marketing for your startup? Give a number out of 10
13. What do you think about exhibitions for your startup? Give a number out of 10
14. What do you think about the environment for entrepreneurship and startups development in Qatar?
15. What marketing strategy or channel is effective in B2B context in your opinion?
16. In your opinion, what are the effective IMC’s for startups in Qatar in a B2B context?
17. What is the best kind of marketing for your business if you were marketing to other businesses?
18. What marketing tool would you recommend to other entrepreneurs?