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the volume

Big nightlife venues don't like to communicate, but a new marketing mix is needed today by Vanessa Khalil

n early May, Funktion, a new rooftop outlet in Beirut, posted a teaser video on its Facebook page; the video showed the sculpted silhouette of a pretty young thing, the camera slowly panning over her body as she lay down in her lacy undergarments, sensually dressed to the nines for a night out. Little black dress on and clutch in hand, the buxom blonde self-assuredly swings her head, giving nightlife goers a preview of what awaits them at Funktion: hedonism at its best.

SKY IS THE LIMIT. A video such as the Funktion one is quite a rarity in the Lebanese nightlife realm. As a rule, nightlife outlets don't communicate much, at least not in the traditional manner. What matters is what they do to attract customers. And in that regard, the headline of a recent comment in Emirati newspaper The National, "Holiday plans cancelled are a blessing for Arab wives", says it all. To grab customers' fancy, big nightlife venues - that open their doors from mid-June until mid-September only, relying solely on their three-month seasonal operations and consequently facing intense competition - are going over the top.

Indeed, despite the political turmoil and the economic pressure the country's under, Lebanon's nightlife conglomerates show no signs of slowing down on their extravagant expenses, because in summer, says Jad Matta, managing partner at Crystal Group, which operates several nightlife outlets in

Lebanon and the region including open-air outlet Pier 7, it's all about who sets a better attraction; customer loyalty takes a backseat for the season. "Everyone raised the bar too high by choosing the best entertainment, best interior, best everything. The investment made will not be really covered by the sales. I think we are all fighting to eliminate each other, but this won't happen," he explains.

But they can always try.

"They're making a lot of money. Of course, when they are spending one to three million dollars per season to refurbish their outlets, it is hard to perform return on investment in three months. But you cannot regulate such a market. People always want bigger and better," says Nagi Morkos, owner of hospitality, retail and real-estate consultancy company Hodema, who adds that [rooftop outlet] Skybar alone makes approximately seven million dollars per season.

When Communicate Levant met with an executive at Sky Management, who asked not to be named, four days prior to Skybar's opening night, the clutter around the site promised quite a show. This year, hundreds of thousands of dollars have gone into Skybar's opening night, compared to a million dollars last year – when it underwent a complete overhaul that included the installment of huge digital screens. But the executive says Skybar's most strategic investment remains its location at the heart of Downtown Beirut, even if competition has relocated to the more secluded industrial area in Dora. "All the big clubs need huge spaces. In downtown, they cost a lot of rent money. It goes from \$700 to \$800 per square meter up to \$2,000. Then you have the traffic issue. [Rooftop club] White takes in around 2,000 to 2,500 people a night, so that equals around 700 cars. And that, in Downtown, is a lot [of space to rent]," says Tony Habre, CEO of Add Mind the group behind rooftops White, Iris, and some smaller nightlife outlets. And although Matta says that Pier 7 and White have familiarized clubbers with Seaside Dora, Morkos says that area is unlikely to become a hospitality hotspot. "It's an industrial area. It's not a destination; whereas Downtown nightlife grew by 114 percent last year, including Uruguay street, Zeitunay Bay and My Waterfront bar," he explains.

Locations aside, the capacity and grandeur of venues such as Pier 7, White, and Skybar call for a great deal of investment in entertainment, which, some ten years ago, Matta recalls, was limited to a resident DJ. "We were only getting vocalists on New Year's Eve. But with the evolution, we were obliged to do it. We started it, then Skybar did, and Add Mind followed. The operation is not auto-contained anymore," he explains, while Habre adds: "I think it's wrong, paying so much money to get stars. It's not helping the business overall. I'm sure I do it less. I invest more in in-house entertainment, resident dancers, DJs from overseas."







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SOFT POWER. Lebanese nightclubs don't talk much but when they do, they sweet-talk consumers



FADI MROUE.Managing director at creative boutique République



NAGI MORKOS.

Owner of hospitality consultancy Hodema



IBRAHIM HAMIE.Marketing and communications executive at Crystal Group

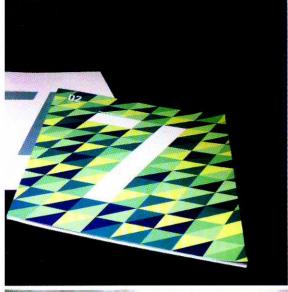
THE WHO. Surprisingly, Matta says it's not only the who's who [of the Lebanese community] that matters in this industry, specifying that PR is mostly important to launch the outlet. But when it comes to nightlife in Lebanon, word of mouth often overshadows product offering, and the type of clientele is also crucial. For the least part, Matta rests assured that the cost of a night out in Pier 7, or any competitor outlet, serves for an automatic filtering process. "Only people with a certain income can afford to go out. You need a minimum of \$50 in Lebanon today to go out. Pier 7 will cost you a little higher because we need to cover the cost of entertainment; when we get an artist for \$100,000, the average spend per person should stand at around \$80," he says.

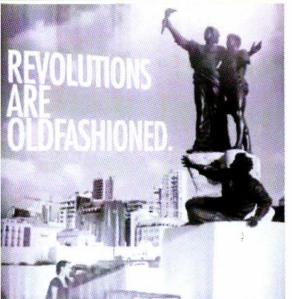
However, it is not all about deep pockets; Skybar has left many a critic of patronizing hostesses, rude bouncers and too strict a door policy that seemed to discriminate against customers that didn't fit the profile – or the dress code for that matter. The Skybar executive says that "people who are nice at the door usually get in". But not always, because, he explains, tables at Skybar are usually pre-sold to regulars for the whole season, even before the opening night; this leaves little room for walk-ins, let alone those that don't "resemble the Skybar brand". When 3,000 people are at the door on a nightly basis, bouncers need to be selective, he says. But, although, according to him, Skybar's core clientele comprises the loyal regulars, namely owner of Skybar Cheikh Chafic El Khazen's PR network; both Matta and Habre say there is no such thing as loyalty in nightlife, at least not anymore. "Places like ours, with capacities of 1,000 to 2,000 people, you need to fill them up. You have to have everyone in one way or another. It's your good management to fix the whole combination. I don't believe these venues should be exclusive to one profile of people," says Habre, adding that maturity in the market, and the multitude of venues that have opened in the past two years have softened door policies.

Besides, says Fadi Mroue, managing director at creative boutique République – which works for Crystal Group – the expanding number of rooftop and open-air outlets simply cannot live off the same crowd, and they must reach new segments through well-strategized communication.

CAREFUL COMMUNICATION. The right communication approach for such venues is tricky. As Morkos says, the more nightlife outlets communicate, the less they appeal to an exclusive, upscale clientele. "Trying too hard might backfire. It shouldn't get to the point of 'buy one drink get one free' offers. They might need to live with empty Thursdays," adds Mroue.

But it's not as simple when it comes to their regional operations. To attract a hodge-podge of cosmopolitan communities in the GCC region, where both Crystal Group and Sky management operate, some noise is needed to spread the word. Although Skybar engages in almost zero communication with the local customers — with the exception of urgent announcements — the group does reach out to newcomers and international tourists overseas, which regularly make up approximately 30 to 40 percent of its clientele,





through press releases, interviews and articles in international media.

Crystal Group sets other examples. Previously working with Leo Burnett, it was one of the first hospitality and nightlife groups to invest in communication on the local front, but always discretely. "Take the 'Be Seen' campaign for Crystal's Riviera Privé beach club, which bagged a Silver design award at the Dubai Lynx this year. We really wanted to keep it 'privé', so we really couldn't advertise on billboards, we needed to go to where the people were. We used the places of the Crystal group because, obviously, they were at our disposal, we framed their mirrors with huge eyeglass frames because we understood the Lebanese people wanted to 'be seen'," says Mroue. "But we don't always avoid ATL. For [Crystal pub] Alcazar, we put ads in magazines, because for that place we are not trying to target this two percent, we're trying to target people that want to go to Gemmayzeh," he adds. For the opening of People by Crystal in Dubai in November 2011, a small viral film teased the viewers with a "Meet new people" tagline. "And it was just that. We re-directed people to a website, www. peopleofdubai.com; it created curiosity. People from the same groups were receiving these invitations so they felt they were somehow targeted. It was still private communication," says Mroue.

Pier 7, however, required a whole new level of ATL: a fully fledged magazine that was distributed to a select group of people. "Because it was a new concept and a new club, we created a magazine for Pier 7 last year that included everything related to it. This year we're doing the same thing, we're showing the minor modifications for Pier 7, and clearing



out some rumors," says Celina Aoun, marketing and communications manager at Crystal Group.

THE GOOD AND THE BAD. Add Mind's Habre says that although he once advertised on the back cover of some local magazines when White opened in 2006, he has stayed away from traditional media since then. "Social media was the biggest trigger for us to communicate again. It's a reminder, not a pusher. And that's why I like it," he says.

Dalia Nahas, creative director at creative boutique blitz, has worked on online videos for Add Mind's White and Mad - the winter operation of White - which, she says, were carefully devised to associate the outlets with nightlife and lifestyle in Beirut in general, rather than advertise them directly; both videos went viral in a matter of days, making the rounds of the Lebanese blogosphere. "We had to come up with a tagline for White. We looked at its history and we thought 'This is Beirut' would be perfect. We translated the concept into an ad that would appeal to all the rooftop lovers, whether they loved White or others. We weren't talking specifically about the place. It was intentional not to mention White. The purpose was to make it go viral," says Nahas. Blitz followed through with the same strategy for Mad's campaign, "Sanity is overrated", which displayed the Beiruti lifestyle in general, rather than nightlife in particular. "It appealed to and was shared by people who were not necessarily party lovers," says Nahas. But it also left room for bad buzz. "We were accused of promoting anarchy. But we were only stating facts. I'm not advertising Beirut. At the end of the day, I'm doing an ad for a club," explains Nahas.

Social media has opened doors for two-way communication with the nightlife outlets that were once inaccessible to the public, which has both an upside and downside. "I find a lot of the Facebook comments to be funny. You know, the political people with comments like 'You are partying, but this riot is going on in some other country'. You want us to fight here as well? I think we keep the balance in Lebanon, promoting it as a nice, loving country," says Habre. Nahas says, "this is the tricky part of social media. People are going to [complain] anyway. So it's better to be here and try to listen to consumers." This is why Crystal Group has recently set up a social media department, not only to deal with bad PR, but also to reach out to new segments. "Before, we used to buy smses and we would send 10,000 messages [to a specified age bracket and income]. Maybe the real reach was only 17 or 18 percent. Now you can tell what your reach is and who you need to target; let's say people who like Aishti or Porsche," says Matta.

But Ibrahim Hamie, marketing and communications executive at Crystal Group, says that when it comes to nightlife outlets on social media, it really boils down to the product. "You can target whoever you want through social media, but if people are not interested in the outlet, they won't ask us and they won't look for it [on social platforms] in the first place."



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DALIA NAHAS.

Creative director
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TONY HABRE.CEO of Add Mind