

success

## THE NEXT BIG THING

Although paying people to look at your ads might sound a little unorthodox, that is just what Javna, one of the region's top mobile software solution providers, is banking on for its future. **By Laith Abou-Ragheb**



IT WAS DURING A HEATED debate between a group of old university friends as they surveyed the devastation of the dotcom crash in 2000, that the seeds for Javna's creation were sown.

"We were arguing about what the next big thing would be. I was certain the future lay with mobile phones. So I quit my job and founded Javna," says CEO Mansour Mansour, a computer science

graduate with over 20 years of experience as a technology management consultant for the likes of Oracle, Ford and General Electric.

So far, it appears as though his belief in the potential of mobile phones has paid off. The Amman-based firm has grown from humble beginnings to become one of the Middle East's premiere providers of wireless software solutions,

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applications and mobile media services for the cutthroat smart phone market.

The firm started out with a staff of five working out of a modest office in one of Amman's industrial zones. It now has around 75 employees, an office in Qatar and there are plans to open two further bases in Saudi Arabia and the United Arab Emirates.

Over the past ten years the firm has grown ten-fold, with its revenue rising from \$330,000 to \$2.9 million - a figure that Mansour aims to boost to over \$40 million by 2011. He hopes to achieve this growth through expanding the reach of perhaps his firm's most exciting product, the Javna Mobile Media Network (JMN). This is the firm's in-house produced media network which provides mobile users with free communications, social networking and content such as business information, entertainment and advertising.

JMN was used by mobile operators to provide streaming television to handsets for the first time in Jordan, and subscribers can now view content produced by Al Jazeera and CNBC Arabiya. It also provides access to information from the Yellow Pages and the Amman Stock Exchange.

"Our vision from the start was that things would move towards the mobile phone. So we were prepared to act when mobile operators began increasing their bandwidths and handset manufacturers began producing more sophisticated smart phones," Mansour said.

But it is the advertising aspect of JMN in particular that has the potential to become a real money spinner for Javna down the line. The MobiAd application will be launched later in the year and will attempt to tap into the region's highly-lucrative advertising sector.

"Marketing managers are desperate for a new medium to reach consumers. They're sick of newspapers, TVs and billboards. That's where we can help. Mobile phones are the largest addressable market in the history of mankind. There will be about four billion subscribers by 2011," he said.

Unlike conventional advertising methods that arguably lack precision in defining and addressing targets, MobiAd allows companies and advertising

agencies to use handsets to engage a particular consumer right down to their age, gender and geographic location.

"What we have created allows an advertisement to appear on the screen of your handset when you receive a phone call," Mansour said. "Firms can now reach out to consumers like never before. Pepsi, for example, could choose to target every 18 to 25 year-old in Ab-doun between two and four pm over the next two weeks. Also with our technology, you can measure how many people viewed and interacted with your ad."

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Mansour said his firm is in the final stages of negotiating agreements to provide the service through mobile operators domestically and across the Middle East. These include Orange and Zain in Jordan, as well as STC in Saudi Arabia and Qtel in Qatar.

But how does Mansour hope to convince customers to willingly download an application that will expose them to advertisements on-the-go? Javna has come up with a rather novel solution to this - it will literally pay subscribers to view an advertisement.

"Why would I allow Pepsi to send an ad to my handset? Simply, we say if you allow Pepsi to send an ad to your handset, then we will literally pay you cash, or give you a free download or a free ticket to a museum. It's a reward system," said Mansour, without specifying how much the payment would be for viewing each advertisement.

He added that research commissioned by his firm found that consumers are happy to be exposed to advertisements, so long as they are presented in the appropriate way.

"The perception that we got from our focus groups is that if we send users something that is relevant to their lives and is non-intrusive, then they don't mind receiving them," he said. "We did

a profile collection for people who were interested in the service. When we said they would get money, we had about 13,000 sign up in two weeks. Our target is about 500,000 people. We really want to get away from ads that are delivered by deluging people with spam messages."

But despite the fact that Javna is operating in a sector poised for continued growth, there are some major obstacles that need to be overcome for the firm to be able to make the most out of this.

One of the challenges is to find the

investors with the right outlook to drive Javna onwards and upwards. "A lot of the investors in this part of the world are wary of putting money into the IT sector. They would rather invest in real estate. We've had difficulty convincing investors of the future value of their money if they invest in Javna. To compete internationally, we need that outside investment because so far we have been financing the company from its revenue" he said.

Then there is the age-old headache of having to deal with entrenched government bureaucracy and red tape in the region. "In the US, if you are successful in one state, then this propagates easily into another. Here, you have to do the same work from country to country, operator to operator," he said, adding that the area's business culture lacked "professionalism, accountability and responsibility. These are things we've been fostering for a long time at Javna."

And no corporate executive at this moment in time could realistically deny the existence of the global economic slowdown. "It has been very difficult so far," he said. "But I hope for us it's an opportunity rather than a threat. We are introducing ways to advertise in a cheaper and more innovative way." ●