New Horizons

Young, Arab and Connected

An Ooredoo survey of digital attitudes & aspirations across the Middle East & North Africa

ooredoo

Contents

Executive Summary

Despite reporting significant economic and educational hurdles, our respondents expressed high levels of optimism for their immediate futures across all the countries we surveyed. In Yemen, despite just 20% rating economic prosperity and 7% rating job opportunities as being 'Very good,' they were the most exuberant across the MENA region on their future overall with 53% being 'Very optimistic.' Future prospects and current satisfaction levels were, in general, notably higher in the Gulf Cooperation Council (GCC) versus the rest of our surveyed region. Reflecting the high optimism for economic prosperity in the GCC and leading those across the MENA region is Qatar in first position with 57%, closely followed by Kuwait 55%, UAE 44%, Saudi Arabia 37%, Bahrain 35% and Oman 30% and then trailed by other non-GCC.

With some regional differences, respondents reported satisfaction with the underlying infrastructure of telecom and the Internet, but they desire higher speeds and greater ubiquity of coverage at a reasonable cost. They appear willing to trade these benefits off against access restrictions, new products and even customer service. Highlighting the link between satisfaction of their telecom operators and speed of the Internet, Qatar topped the list with 72% rating them as 'Very good' and 65% considering their Internet speed as also being 'Very good.' In stark contrast across the MENA region is Lebanon, with just a 13% rating for their telecom operators and 12% for Internet speed.

As in other parts of the world, Internet device usage is increasingly becoming mobile at the expense of traditional desktop computers and laptops. The biggest potential uplift of first-time smartphone usage from present levels over the next 12 months is in Yemen (+41%), Algeria (+38%), Palestine (+37%), Morocco (+35%) and Tunisia (+31%). That said, although the potential and desire to be a part of the mobile Internet era, the reality is very different with 75% still accessing the Internet from a shared connection at home and 25% at Internet cafés, especially for 42% in Yemen, 35% in Morocco and 33% in Tunisia for youth.

Although there is varying satisfaction with the education system, youth in the MENA region are increasingly turning to the Internet to continue their learning beyond what is presently available, especially by leveraging global content and opportunities. This is especially so in Yemen where just 6% rate their education system as being 'Very good' and 64% 'Strongly agree' that the Internet allows them to continue their education beyond what is possible in Yemen. Even with the highest approval of the education system across the MENA region in the UAE (46%), 56% 'Strongly agree' that the Internet opens up the education possibilities beyond what is possible in the UAE.

The Internet is firmly entrenched as a communication, education and entertainment vehicle, but its promise as an economic tool has not been fully realised where just 10% have been able to increase their income and 15% to save money using it, highlighting a significant opportunity to develop this area for the benefit of current and future generations across MENA. The challenge exists to help youth across the MENA region make the transition to using the Internet as a 'monetisation driver' to earn income, transact commerce or establish a business, where 83% would like to. Our respondents overwhelmingly embrace technology as a pillar of modern society and one where 89% agree that it promotes peace and understanding amongst people and 82% believe it allows them to continue their education beyond what is possible in their country.

Those surveyed are also great believers in equality between men and women where 77% agree in a woman's opportunity to actively participate in the economy, especially for 90% in Bahrain, 89% in the UAE and 88% in Lebanon. Men also agree; 72% of men across MENA are in favour of women being given the same business opportunities as men, signalling a generational shift in attitude towards women and their role in society; with technology proving to be an effective catalyst in the transformation of existing gender opinions.

Our findings showed degrees of variability between countries and regions, but much less so between men and women where their online usage and the impact of it is relatively similar such as the proportion of time they both spend 'communicating' (18%) and 'learning, education or training' (16%). In short, this community of digital young adults across the MENA region is forging a 'connected path' forward to greater opportunity, understanding and equality.

His Excellency Sheikh Abdullah Bin Mohammed Bin Saud Al-Thani

Chairman, Ooredoo Group

Young people continue to inspire me. They bring the promise of a better future with their aspirations, hopes and ambitions as they look to improve their lives as well as those of their families and loved ones.

I firmly believe that young people need to be motivated and given the life chances to learn and find purpose in their lives. Our vision for human growth is therefore very personal, recognising that communications can transform lives by empowering young people to discover their full economic and social potential. This research sheds more light on how we might be able to do this.

Young people are not only the customers of the future, but the next generation of great minds, who will change societies and challenge us to do better.

I invite you to review this research as a valuable insight to what young people in the Middle East and North Africa need and want. New Horizons captures the voices of an optimistic generation and offers insights to how we may deliver a pathway to a brighter future.

Dr. Tarik M. Yousef

CEO, Silatech

There was a time, not long ago, when it was necessary to define the meaning of Information and Communication Technology (ICT). Today, ICT is one of the defining features of our lives. The degree to which Arab youth have immersed themselves in ICT obliges us to understand the opportunities and challenges, as well as the potential impact on their lives now and in the future.

Young, Arab and Connected tells a story of an Arab world that is growing and adapting to changing environments, both real and virtual. It is about young, digitally connected Arabs who are struggling with the pursuit of education and turning to the Internet for solutions. It is about unemployed and underemployed Arab youth who seek to widen their skillsets online and to utilise the technology resources around them to improve their livelihoods. It is about entrepreneurial youth who are capitalising on the Internet's ubiquity to help them launch their businesses.

The embrace of ICT by Arab youth revealed in this report goes hand-in-hand with the report's findings about the next generation's attitudes about the future. Arab youth are forward-looking and optimistic, despite the recent political turmoil and policy uncertainty. Combined with this optimism, ICT has the power to unlock tremendous potential not only at the economic level, but at the individual and societal levels as well.

For people and organisations working in the domain of youth economic empowerment, the trends highlighted in this report cannot be ignored. It is time for us to look at ICT differently. ICT opens new avenues by which to engage youth in quality training, employment matching, access to finance and other services, while improving reach, efficiency and impact. We must adapt the way we do business in order to more effectively reach young people where they are, both offline and online.

Ahmad Alhendawi

United Nations Secretary-General's Envoy on Youth

Over the past few years, several countries in the MENA region have witnessed economic and social upheaval, and in many cases, political uprisings. In most, if not all cases, the events were characterised by strong support and leadership from young people in these countries. Despite there being a variety of causes for these events, today there is a growing consensus that positive change can be achieved if young people are brought to the table.

The present research looks at one of the most popular transformation tools among youth: the Internet. The young digital generation's access to the Internet and ICTs has significantly impacted its perspectives on their own lives and future. As the results of this survey show, despite recent upheavals in many part of the MENA region, and despite their dissatisfaction with the status quo, young people are optimistic about the future.

A closer look at young people's views on their national education systems suggests that levels of satisfaction are proportional to economic conditions. This is not true of young people's perception of the importance of the Internet as a learning tool, however. Young people in the MENA region view the Internet as a learning opportunity, not only to broaden their knowledge basis, but also to increase their opportunities for economic growth and employment, for example by learning a new skill through online courses.

But survey results also suggest that access to the Internet alone is not a sufficient solution to encourage young people to create and innovate towards self-employment. Legal restrictions often appear to be the most important hurdle for business start-ups among youth in the MENA region. Furthermore, issues of access, especially as they relate to infrastructural shortcomings, present a significant obstacle for a large portion of the youth, especially in the weaker economic contexts across the MENA region.

In terms of the role of the Internet and ICTs as a tool for empowerment, the survey clearly demonstrates a general consensus among the young generation – the Internet has great potential for guaranteeing equality, gender and economic empowerment and independence, despite current dissatisfaction with current economic and social realities.

Today, three quarters of the world's youth lack access to broadband and basic ICT services. This is a waste of innovative potential which needs to be addressed urgently. The United Nations is committed to empower youth through the promotion of ICTs, and is working to ensure affordable access for all.

The young digital generation's optimism for their social and economic future presents a real opportunity for MENA countries. For this generation's potential to be harnessed towards positive change and development, increased investment must be provided in areas of infrastructure, affordability and accessibility to the Internet as a tool for youth empowerment. Furthermore, public-private sector as well as regional cooperation must be promoted to support young people to better identify new opportunities for growth. Last but not least, there is need for increasing young women's access to and usage of the Internet and ICTs, if we are to tap into their economic potential.

Introducing New Horizons

Information and Communication Technology (ICT), along with Internet connectivity in the Middle East and North Africa (MENA), is increasingly entrenched as a communication, education and entertainment vehicle. However, our research results highlight that its potential as an economic tool has not been fully realised by digitally connected youth. This report identifies the broader education and employment opportunities, to better understand how the region's next generation can make the transition to using digital technology and connectivity as a 'monetisation driver' to earn income, transact commerce or establish their own business to empower their lives and live up to their optimism for the future.

Almost 3,500 men and women aged between 18 and 30 from 17 countries across the MENA region completed an online survey which looked at their lives at this pivotal stage and evolution of information communications technology and connectivity in their country. The results highlight their attitudes to a dynamic mix of social, economic and education related issues, particularly in relation to finding a job and starting a business as well as some comparative analysis of attitudes to women online.

As a market leading telecommunications business operating across this highly aspirational emerging market, Ooredoo wanted to appreciate the challenges faced by a dynamic and motivated generation as it responds to the demands of the modern world and to fully appreciate how best it can facilitate and empower their dreams of a better future.

Delivering an Optimistic Future

Youth across MENA are optimistic about their future overall, despite many facing the prospect of low economic activity and job opportunities.

A strong undercurrent of entrepreneurship runs through our respondents. Assuming they can overcome the hurdles of establishing and launching their own business, this could be a potential solution to the limited prospects in the region.

8/10

8 in 10 youth in MENA are optimistic about their **future** in the coming 12 months

45%

45% of the youth workforce in MENA are not doing the work they would like to do

The Middle East and North Africa (MENA) is a region of great dynamism and creativity, but also incorporates an uneven distribution of resources and opportunities. It includes some of the world's wealthiest countries as well as others that face a number of economic challenges, which have been compounded in recent years by sudden political change and social upheaval. Yet the findings of our research have perhaps surprisingly found that there is a strong sense of optimism across this region, even in those countries hardest hit by political volatility and strife.

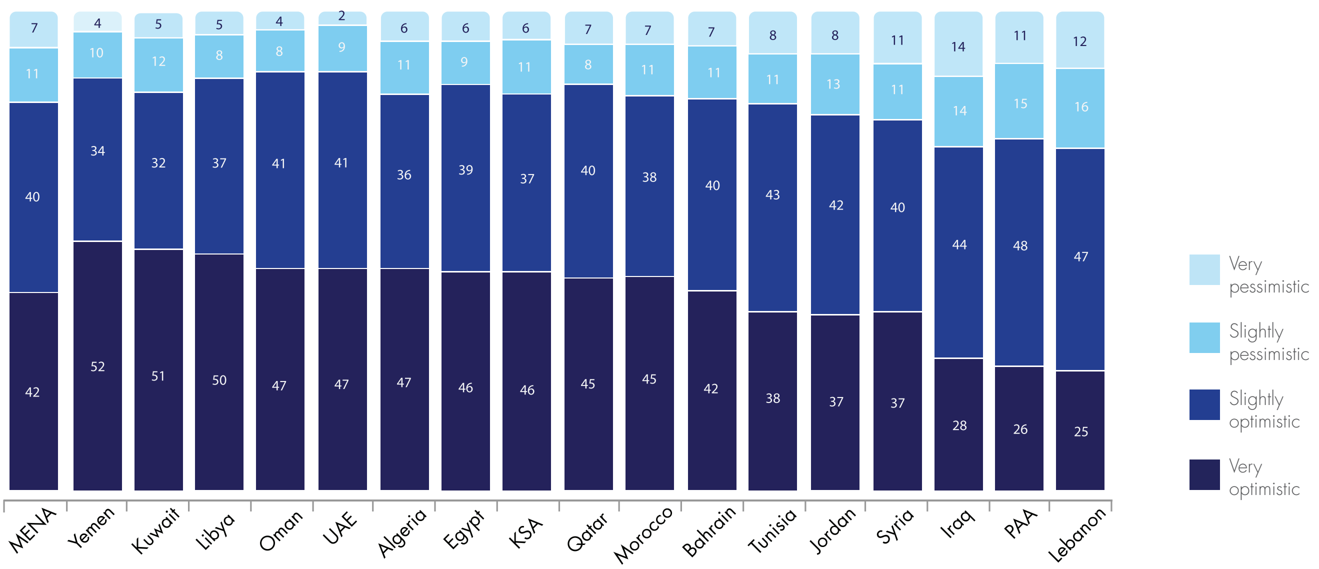
"Many schools in Jordan today have replaced books by tablets."

[Jordan respondent]

In this section, we asked questions to better understand respondents' personal situations and frame of mind.

Our first question 'Please rate how optimistic or pessimistic you are about the coming 12 months,' provided a range of views. Respondents were asked how they foresee the next year in their country on a scale of very optimistic to very pessimistic.

Graph 1: Q. Please rate how optimistic or pessimistic you are about the coming 12 months (results in %):



The overall responses from respondents in each country were demonstrably positive with over 80% being either very optimistic or slightly optimistic about how the next 12 months would affect their lives. There is some variability in the response patterns with notable areas of strong optimism in the Gulf Cooperation Council (GCC) countries. That said, even in countries facing armed conflict or political unrest, optimism amongst this age group pervades. This is a particularly important foundational finding as it shows that this generation is hopeful about the future and what can be achieved.

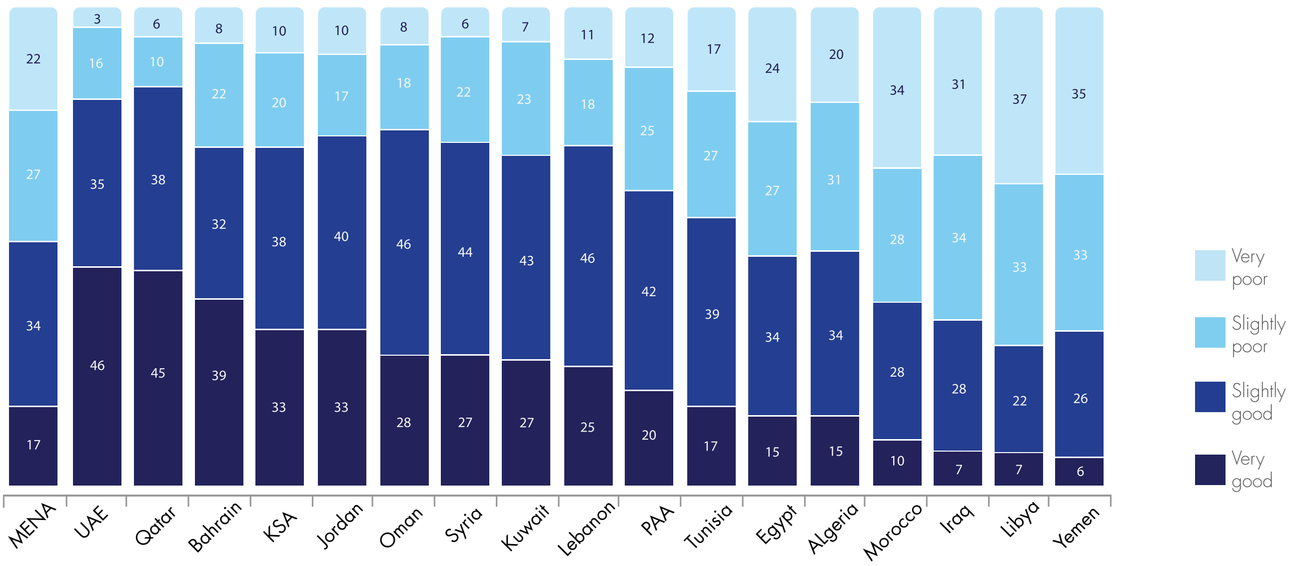
"Young men and women in Lebanon have the skills and potential to improve this country, but the current situation is encouraging them to emigrate or work abroad due to better opportunities and higher incomes."

[Lebanon respondent]

When asked about education systems, respondents from the GCC countries lead the way in terms of favourability by youth who are relatively fresh out of education or in some cases still in it, with 74% claiming to be satisfied with their education system. There are also notable high performing countries in the Levant such as Jordan, Lebanon and Palestine. North Africa had the greatest level of dissatisfaction with the education system, with 56% of youth unhappy with its current state.

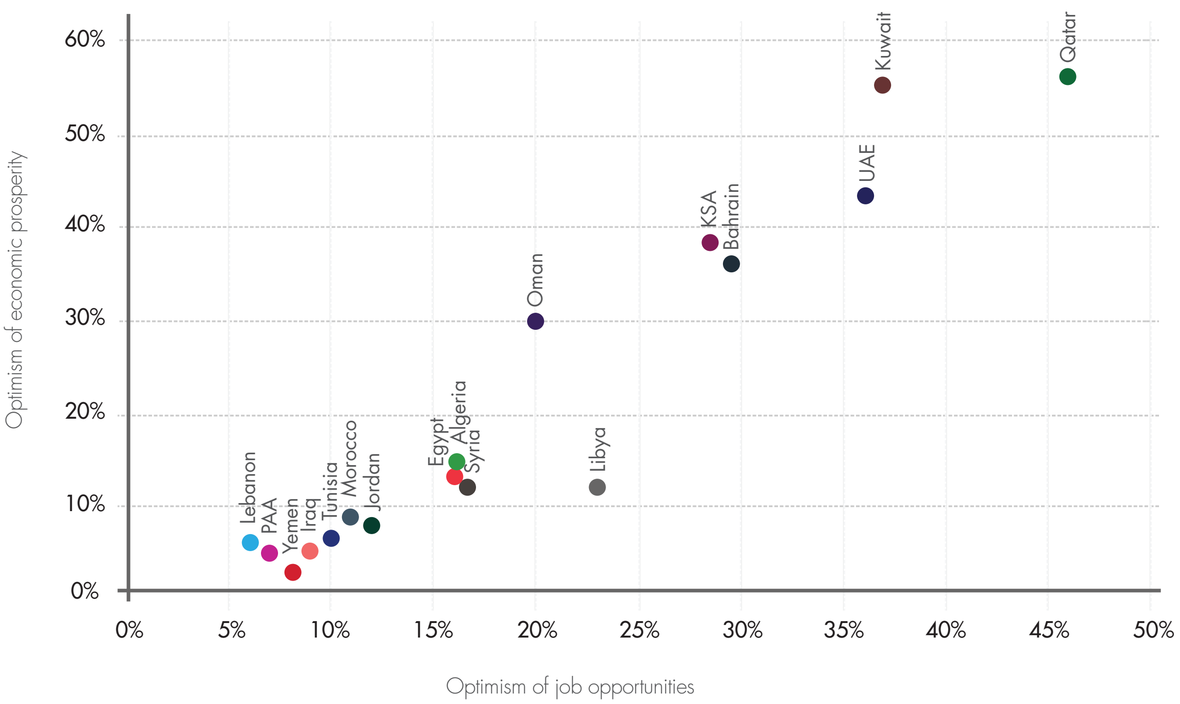
Delving further into these responses, satisfaction of the education system in each country does not appear to be a consistently strong link with their optimism for the future. We see that 87% of youth in Yemen are optimistic about the future, whilst only 32% of respondents are satisfied with their education system. This situation also exists in Libya, Iraq, Morocco, Algeria and Egypt, where more than half rate their education system as being poor, but conversely, their optimism for the future is relatively high. Information and Communication Technology (ICT) has an important role to play and is already helping bridge the education gap through the emergence and implementation of technology. Through increased usage and training in ICT, optimism could develop even more as MENA youth discover new ways to realise their potential by learning new skills to enhance their lives. This dissatisfaction highlights the challenges for authorities in those countries dealing with unmet demand for quality education. The question is whether these countries can achieve this or will students seek further education elsewhere, as our findings indicate?

Graph 2: Q. To the best of your knowledge, please rate the education system in your country of residence (results in %):



Optimism for the future is also challenged when examining the perceptions of economic prosperity and job opportunities. Once again, there is a significant disjoint between those respondents in a GCC country and others in the MENA region. The exception is with Libya, where there is a high perception of economic opportunity, despite continued political uncertainty.

Graph 3: Q. Please rate how optimistic or pessimistic you are about the following in the coming 12 months (Rating: Very Optimistic/Good):



Will youth in those countries facing low economic activity and limited job opportunities maintain their optimism beyond the short term? Even for those working, the situation shows considerable room for improvement throughout the whole region. This is emphasised by 41% of respondents claiming that they are not working to their full capacity, whilst another 45% believe they are not doing the work they would like to do. This dissatisfaction is most prevalent in Oman, with 57% of youth agreeing that they are not working to their full potential or doing the work they would like to do.

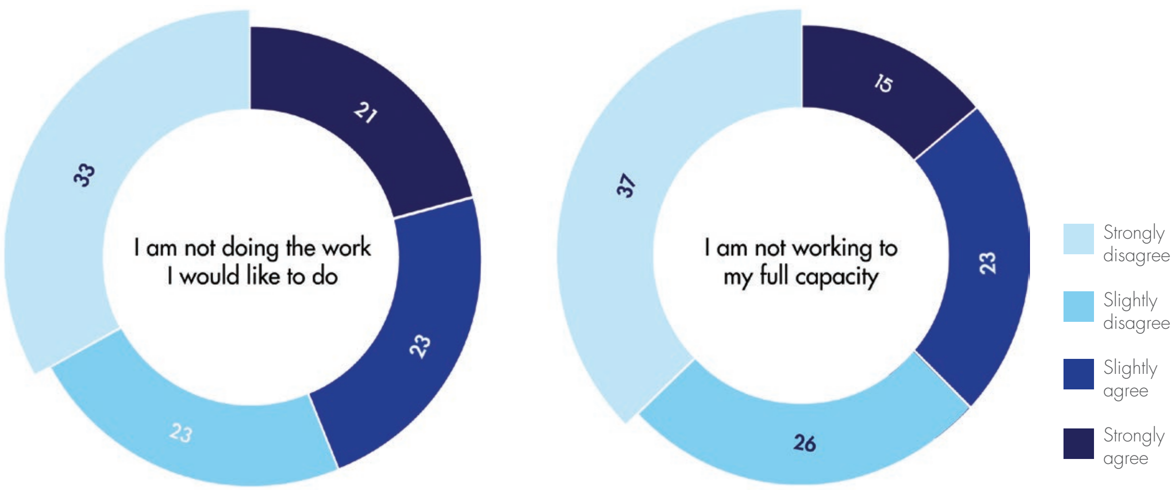
"Education is our right but we want to improve the quality in Egypt, such as the style of teaching and the fair application of the law, which does not distinguish between rich and poor."

[Egypt respondent]

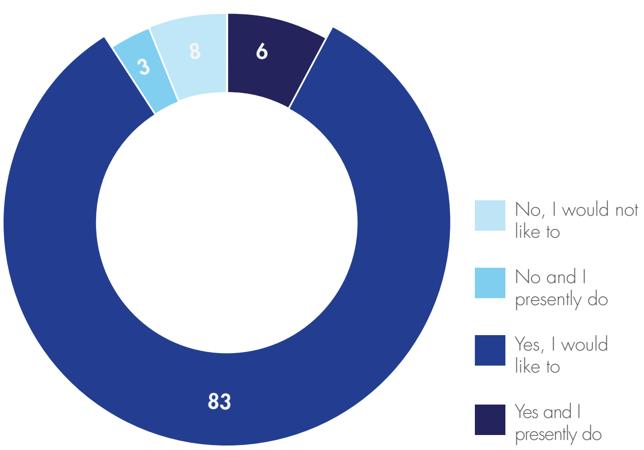
These results from the enthusiastic yet under-utilised youth in their workplace identify an opportunity which ICT can play a role in a constructive manner for both employees and employers. Similarly, encouraging the usage of ICT in the workplace has the potential to act as a catalyst to encourage organic innovation as 90% claim that ICT can help them develop new ideas for products and services while 92% also believe it keeps them up to date on the industry and marketplace.

Is being fulfilled and satisfied with employment achievable in the MENA region for aspirational youth? One solution may be with setting up a company and working independently. Our survey shows that across the region, 9% claim they already do work for themselves and a further 83% would like to. This reflects the appetite of 91% believing that the Internet makes them more entrepreneurial, and so through technology, MENA youth can be supported in making this aspiration a tangible reality.

Graph 4: Q. How strongly do you agree or disagree with the following statements (results in %):



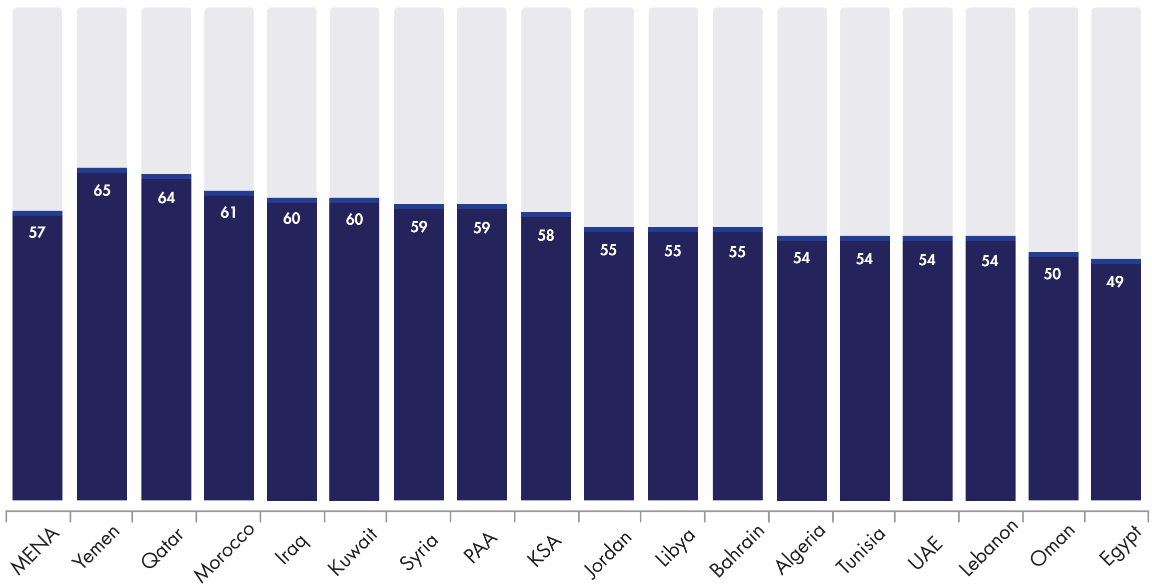
Graph 5: Q. Would you like to have your own company and work for yourself (results in %):



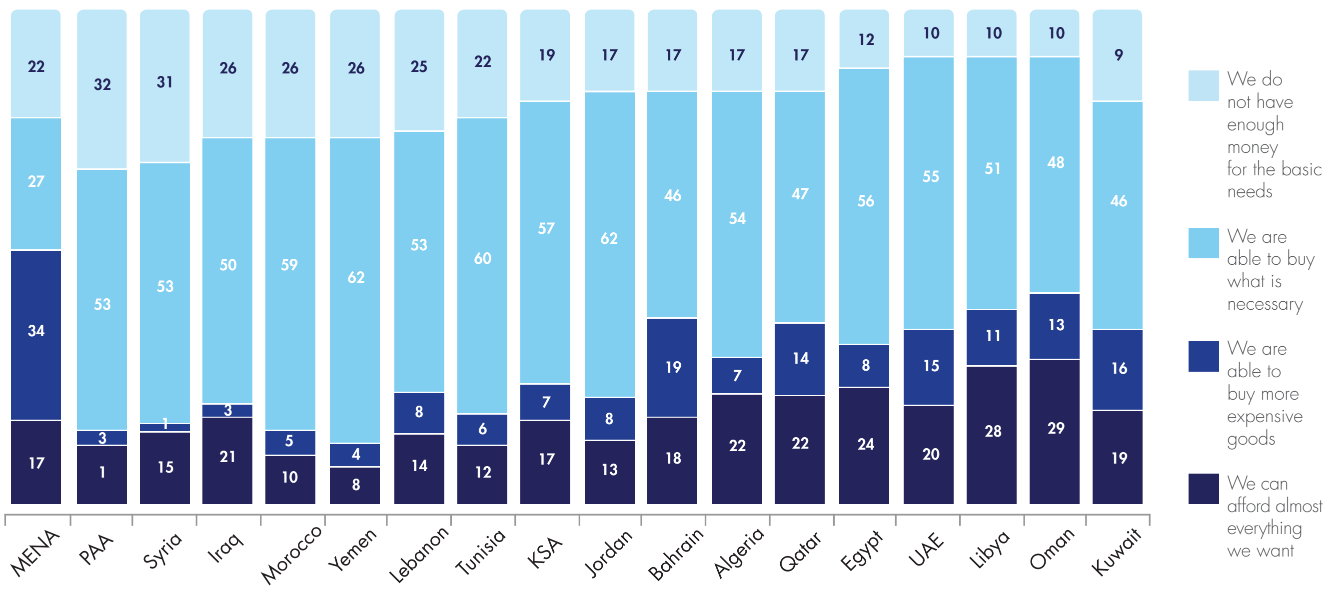
A potential hurdle for these entrepreneurs to overcome is the legal registration and establishment of a company in their country. The perception even before they start setting up a company is that nearly 6 in 10 think it is important to overcome the legal restrictions, but difficult to do so. Our results show relatively small variability in the challenge of setting up a business across the MENA region. As an example, across the region, 54% of respondents in North Africa and 57% of those from the GCC believe this to be true. Additionally, looking at the individual countries shows that the most difficult and important is considered to be in Yemen with 65% down to Egypt with 49%. In the GCC, Oman is perceived to be easier with 50%, compared to Qatar with 64% perceiving it to be difficult, yet important.

Whilst most of our respondents claim to have enough or ample financial resources to make ends meet, just over 20% of our respondents claim their households do not have enough money for their basic needs. This is particularly true amongst almost a third of our respondents in Palestine and Syria. There is also financial hardship across a broad cross-section of countries where differences in income disparity is becoming more widespread.

Graph 6: Q. Please rate how important and difficult it is to address legal restrictions when setting up and running your own company in your country (results in %):



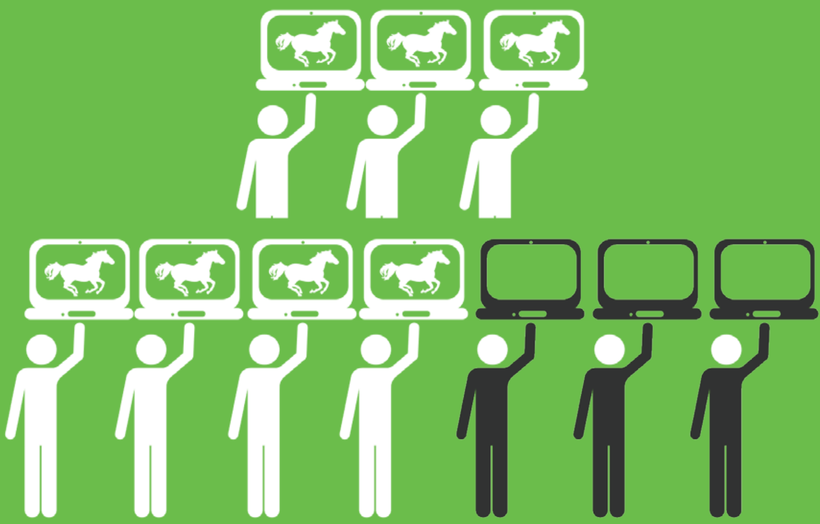
Graph 7: Q. Which of the following statements best describes your household income (results in %):



The Impact of Infrastructure

Consistent electricity supply infrastructure is the basic foundation upon which a nation can leverage the opportunities presented by information and communication technologies. The good news is that many of our respondents expressed their country has a good service.

In terms of the key message for telecom operators, to increase customer satisfaction and ensure loyalty of their customers, they need to primarily focus on providing a fast Internet connection followed by ensuring it is at a price where users consider it good value for money with widespread geographical coverage.



7/10

7 in 10 consider the speed of the Internet as the primary consideration when selecting a provider

SLOW INTERNET CONNECTION
LESS TIME ONLINE

6/10

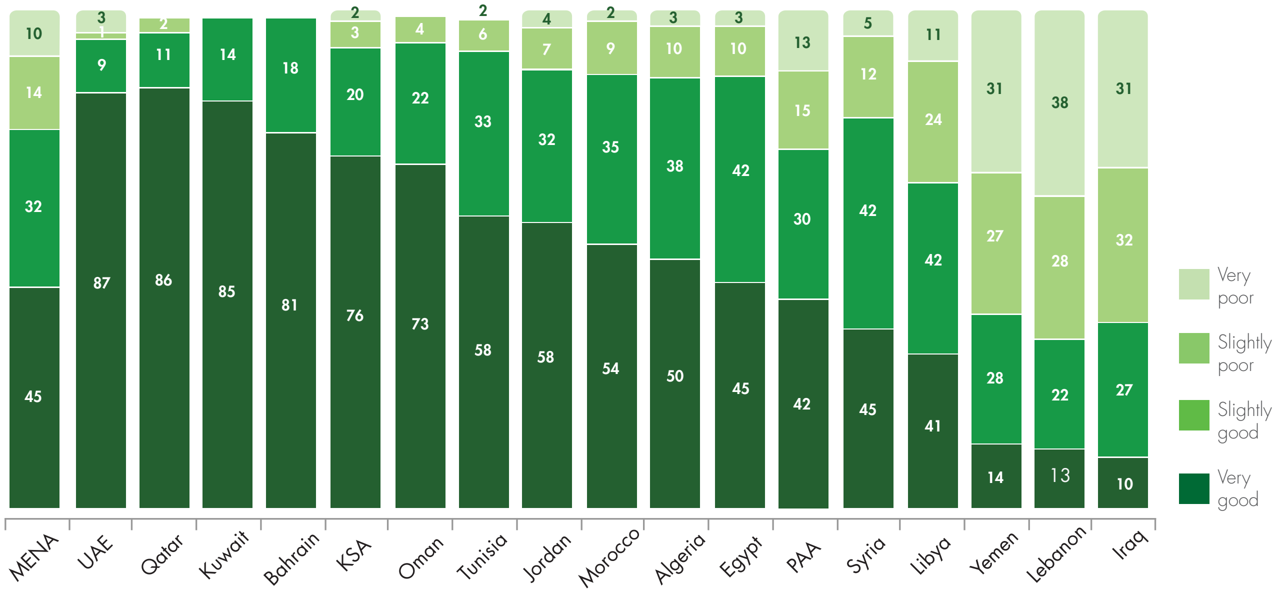
6 in 10 in MENA claim a slow Internet connection has the biggest impact upon spending more time online

In this part of the survey, we asked respondents what they thought about the impact of infrastructure on how they use ICT. The results show there is a disparity across the MENA region, which highlights the infrastructural advantages some countries enjoy whilst others are struggling to overcome the more basic requirement of a dependable supply of electricity. This highlights the importance of mobile technology in helping them overcome the inconsistent supply of electricity that can impact fixed-line Internet and desktop device connection. With 3G and 4G emerging as an effective means of helping to keep people connected, youth have even greater potential to continually benefit from being connected. 76% of MENA respondents rated the dependability of the electrical supply in their countries as good. However, examining the results by country sheds light on the frustrations experienced by those with the lowest dependable electrical supply: Lebanon 66%, Iraq 63% and Yemen 58% rating it poorly. In contrast, the GCC countries were the opposite with 96% of respondents stating that their electrical supply dependability was good. Once again, we see a certain amount of disparity within the MENA region as a whole.

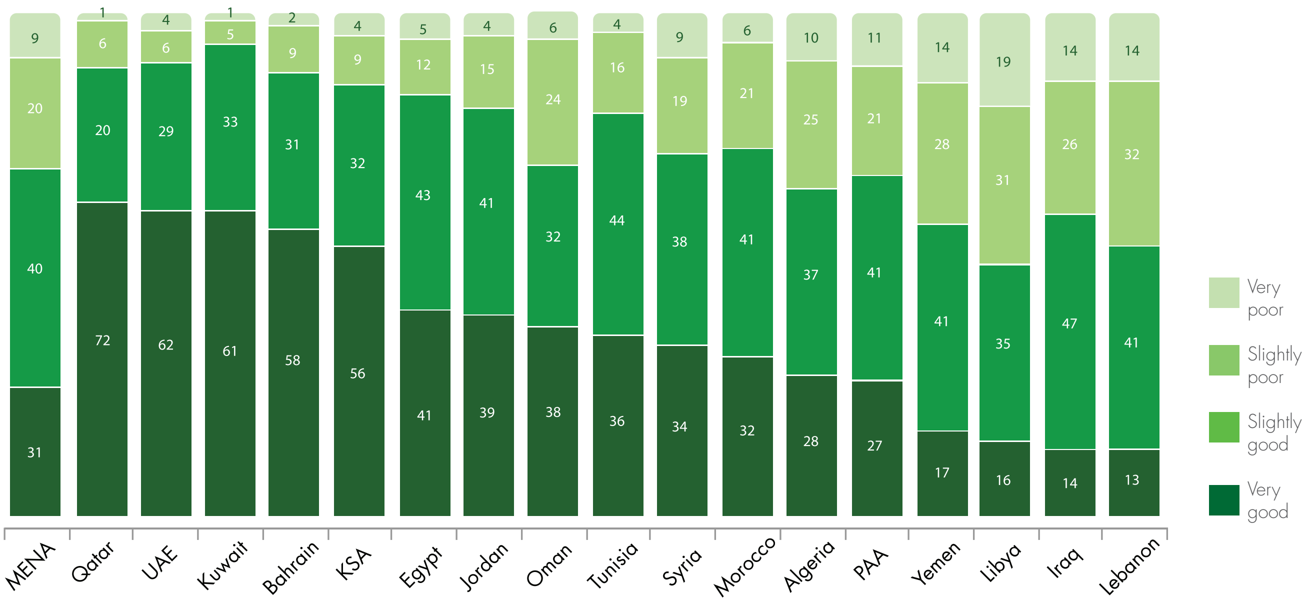
"Recently, there has been a big change in speed and flexibility."

[Tunisia respondent]

Graph 8: Q. To the best of your knowledge, please rate the dependable electricity supply in your country of residence (results in %):



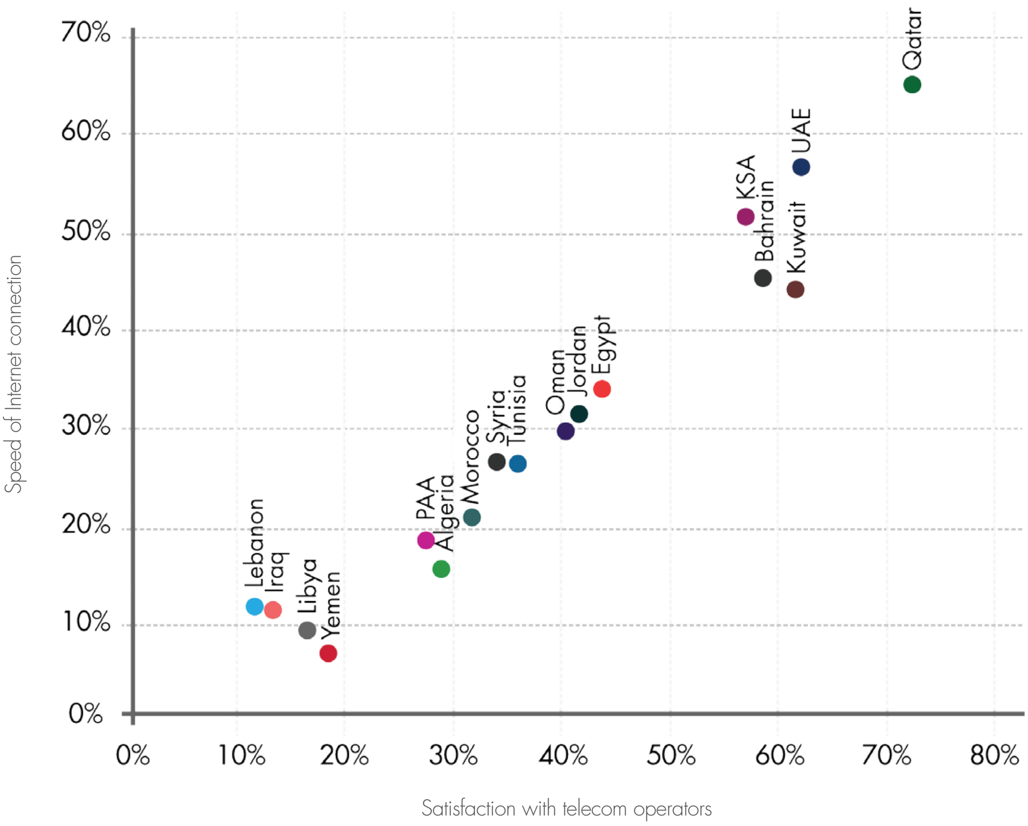
Graph 9: Q. To the best of your knowledge, please rate the telecom operators in your country of residence (results in %):



Assuming there is a good electricity supply, the other key to leveraging ICT is the performance of telecommunication operators. Across the MENA region, 50% to 74% rated their telecom operators as being good, showing less regional fluctuation compared to electricity supply.

Looking more closely at the reasons for this level of satisfaction, there is a clear positive correlation between the rating of Internet connection speed and satisfaction level. This implies that to increase satisfaction, telecom operators need to increase connection speeds and performance.

Graph 10: Q. To the best of your knowledge, please rate the following in your country of residence (Rating: Very Good):



This correlation amplifies the importance of mobile technology as a means of being able to provide constant and reliable connections. Additionally, it highlights the necessity of providing a speed that satisfies the demand of youth, whilst removing the over reliance on fixed broadband services and the subsequent vulnerabilities associated with this. Through the introduction of 4G, telecom operators are addressing this and providing a realistic and affordable alternative to the traditional fixed ICT service.

Highlighting this correlation, just 37% of respondents in Yemen view their Internet connection speeds to be good and 58% consider their telecom operators to be good. In contrast, 86% of respondents from Kuwait consider their Internet connection speeds to be good and 94% believe their telecom operators to be good.

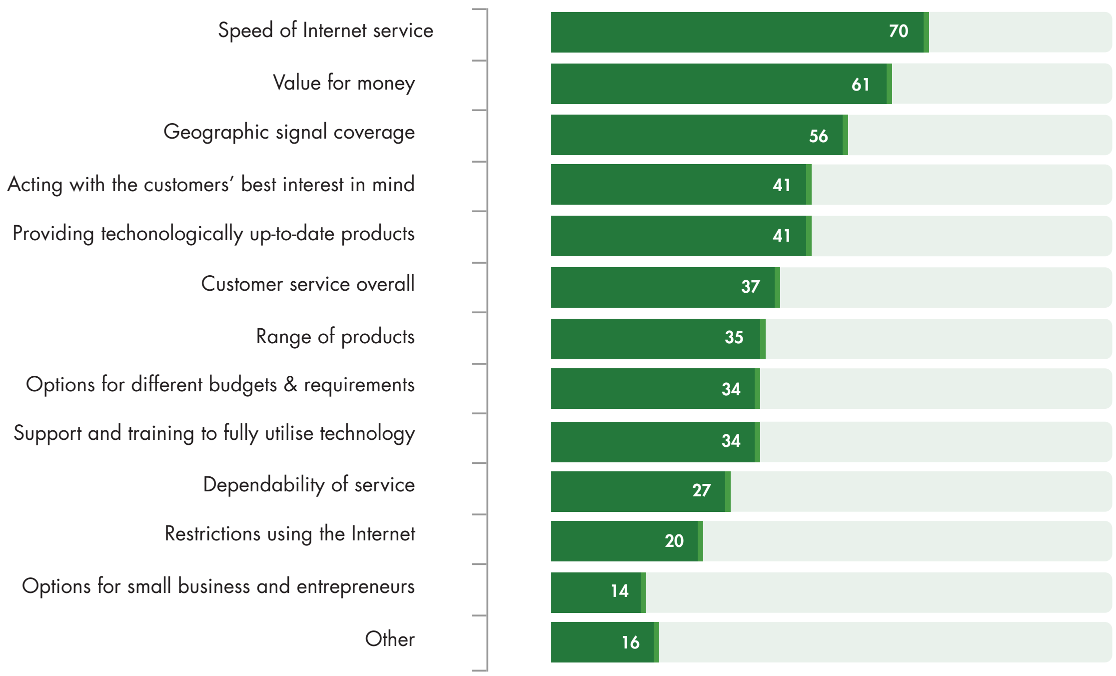
"Qatar is becoming one of the world's most developed countries, and communication so far is pretty good; however, it can be improved. For example, while there is great coverage in Doha, it gets slower the further you are from the city."

[Qatar respondent]

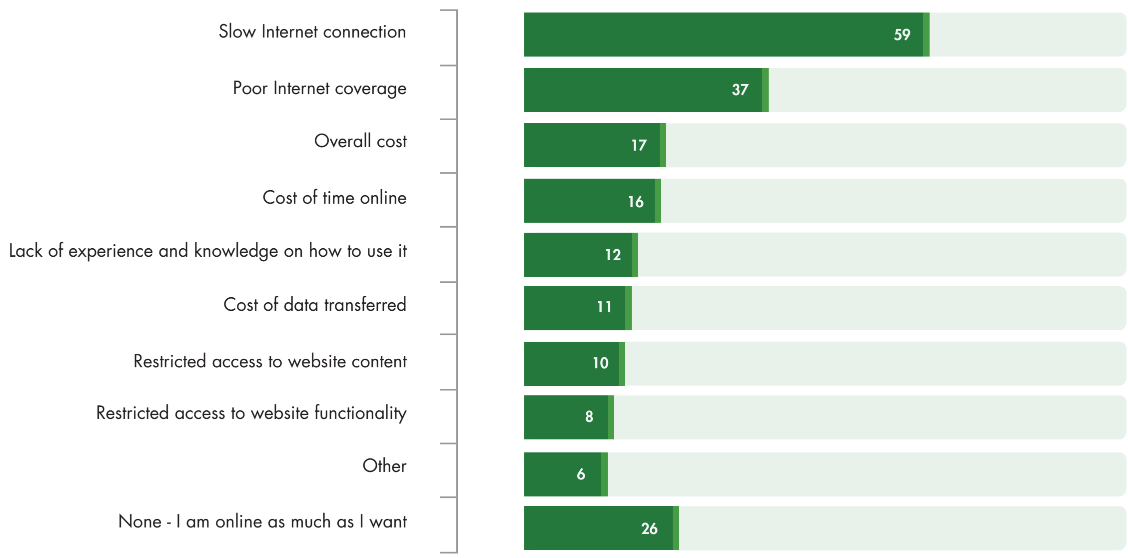
The explicit message from our survey respondents to telecom operators is also consistent: respondents focus primarily on Internet speed (70%) when selecting a telecom operator. This is followed by value for money (61%) and geographic coverage (56%) to form the three key building blocks for telecom operators to build upon.

Of comparatively little importance when selecting a telecom operator (assuming there is a competitive marketplace in their country) is the level of customer service which just 37% selected, almost half the importance of Internet speed. Respondents appear to prioritise speed over access restrictions and new products.

Graph 11: Q. When selecting a telecom operator, which of the following is particularly important for you to consider (results in %):



Graph 12: Q. Which of the following have a significant impact on the amount of time you spend (results in %):



When asked what impacts the amount of time they spend online, a slow Internet speed has the most dramatic impact for 59% of Internet connected youth across MENA. A further 41% want to see telecom operators act with the best interests of the customer in mind, where understanding the needs and objectives of the individual can help them tailor a service that will enrich their lives.

For mobile devices, future mobile Internet services, such as 4G, are seen to provide greater value for money and economic benefits which are expected to drive uptake and prolific usage. However, for some, this might seem very distant whilst they deal with the reality of an unreliable electricity supply.

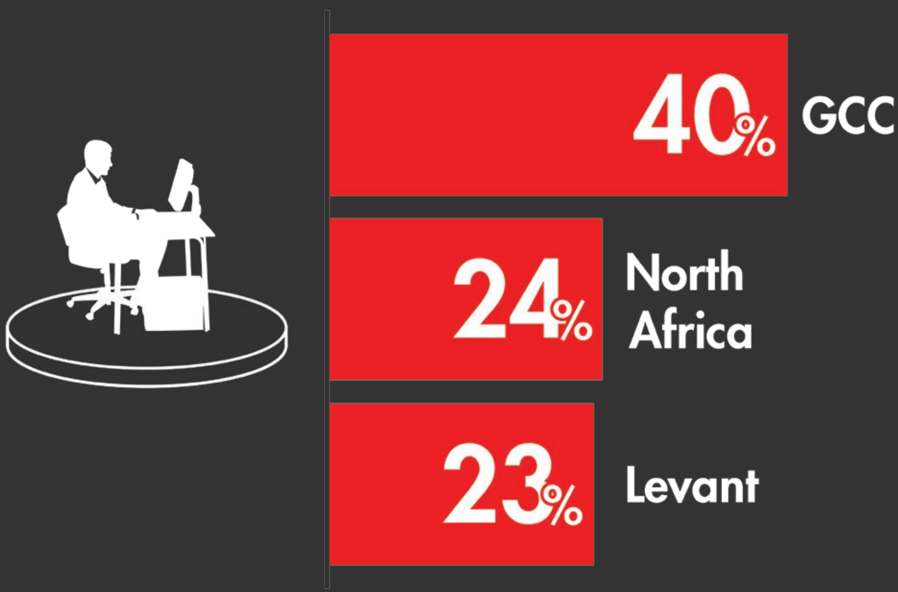
The Use of Technology

The MENA region has reached the point where on average, more youth regularly use a smartphone than a non-Internet connected phone. Those in rural locations and in North African countries lag behind in terms of their usage of smartphones but show some of the greatest potential of uptake.

There is an increasingly strong desire to move to more mobile Internet connected devices, such as smartphones and tablets in the coming 12 months, but the cost effectiveness of such devices and usage will greatly determine whether these aspirations are met.

USE OF SMARTPHONE

70% of youth in GCC regularly use a smartphone, compared to 47% in Levant and 42% in North Africa



ACCESS THE INTERNET AT WORK

40% of youth in GCC access the Internet at work, compared to 23% in Levant and 24% in North Africa

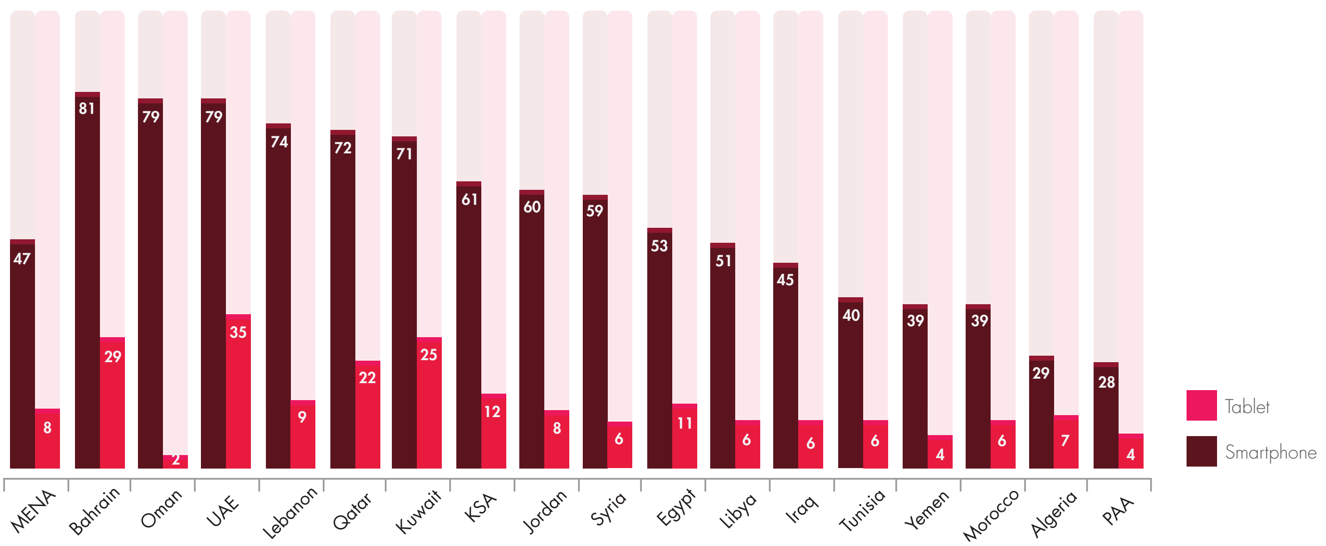
Information and communication technologies are now widespread across the world. The MENA region is no exception, especially amongst youth, who along with office workers, are typically early adopters of technology and Internet enabled devices. Its emergence is driving shifts in usage patterns and viewing of content. In the MENA region, smartphone usage now exceeds non-Internet connected mobile phones among MENA youth overall. In particular, the most regular usage of smartphones across MENA comes from Bahrain (81%), closely followed by Oman (79%), UAE (79%), Lebanon (74%), Qatar (72%) and Kuwait (71%). However, there is still some catching-up to do for those respondents in rural locations where there is a 10% drop in smartphone usage compared to those in urban locations and in North African countries where there are 28% less smartphone users than in the GCC.

"It's by being able to check my inbox while on the move and having a fast Internet speed when I get to work that will make my work easier."

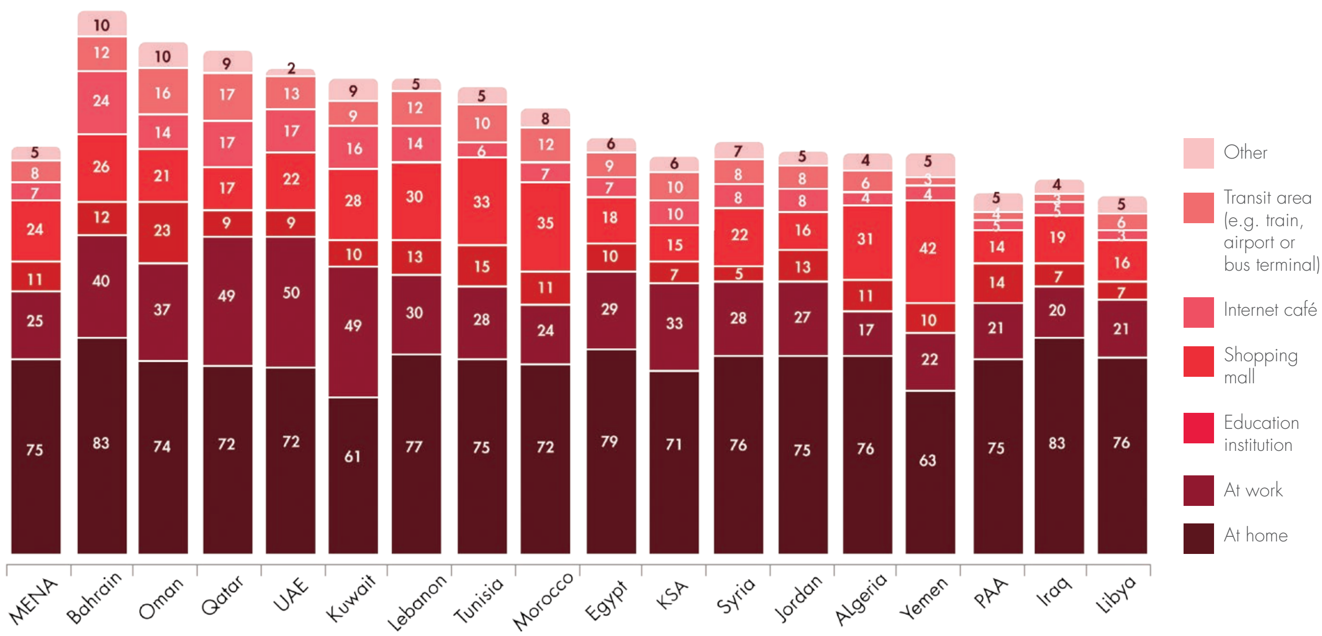
[Iraq respondent]

Where the reality of a personally-owned smartphone is still out of reach, shared devices help bridge the digital divide. Across the MENA region, 90% still find the time to access a shared device.

Graph 13: Q. Which of the following devices do you regularly use (results in %):



Graph 14: Q. Where do you regularly use a device that is shared with other users to connect to the Internet (results in %):

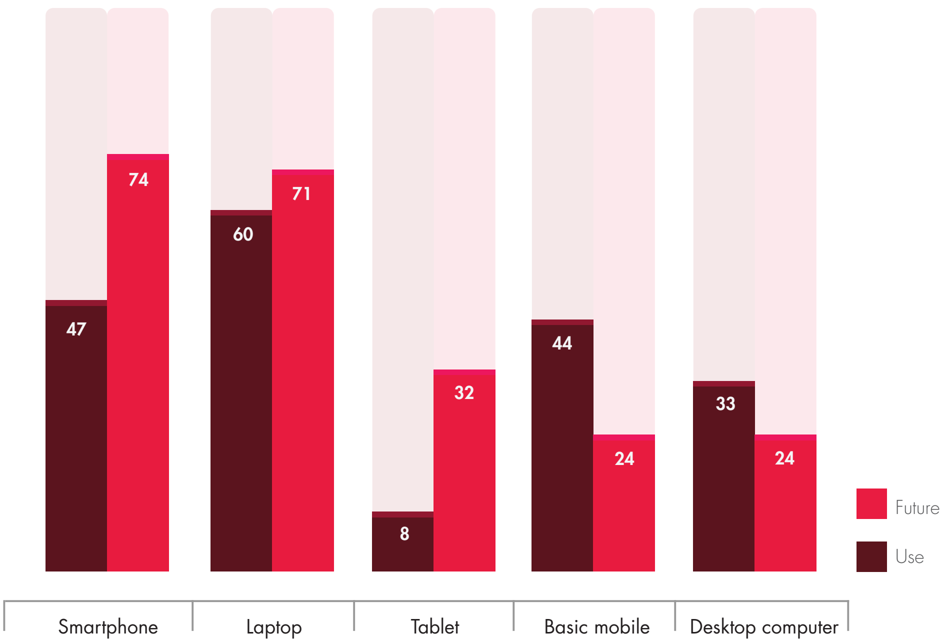


Looking at the likely future demand of Internet connected devices, we see the distinct shift from desktop computers and laptops to devices such as smartphones and tablets.

To emphasise the shift in device usage, whilst the use of tablets was far outweighed by those who use smartphones, responses suggest that in the next 12 months, 31% of youth in the MENA region intend to use a tablet and 74% aspire to use a smartphone, compared to just 24% intending to use a desktop. While the tablet usage pattern is still modest, these findings suggest that overall portable devices are more appealing than traditional fixed devices and may help leapfrog infrastructure shortcomings of fixed line Internet connections and unreliability of the local electricity grid.

Although there is a desire to use these mobile Internet connected devices in the coming 12 months, the reality might be quite different as the cost effectiveness of a shared device at home or an Internet café is expected to be the only affordable way for those struggling financially.

Graph 15: Q. Which of the following devices do you regularly use and which devices do you want to be regularly using in 12 months' time (results in %):



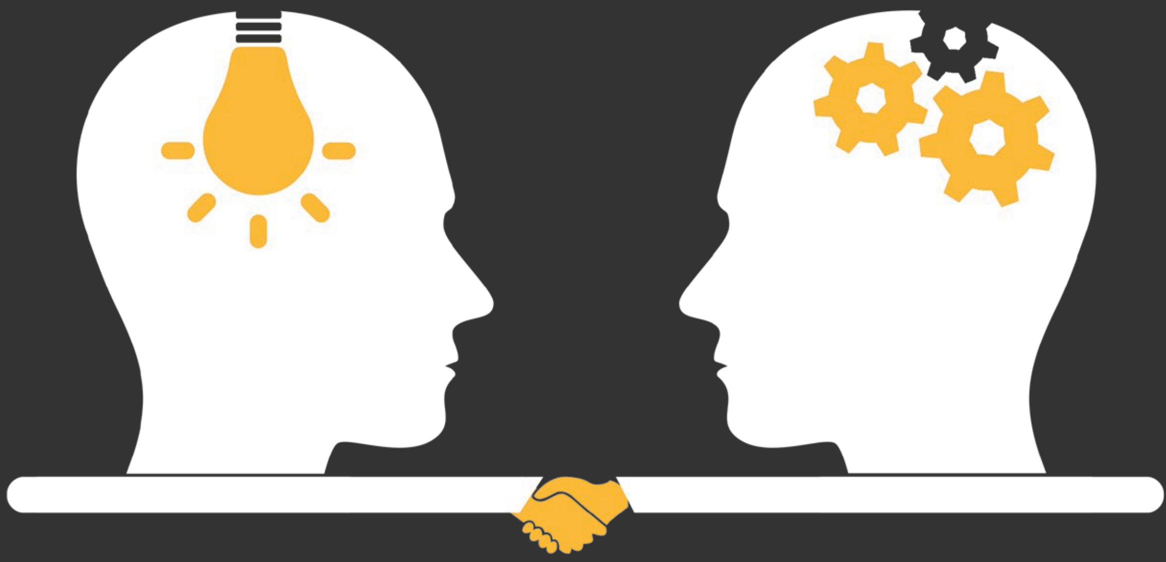
"I'm trying to design my first programme working on Android, so I use my mobile for working on Android and my tablet for working on Windows."

[Kuwait respondent]

Broadening Horizons

The Internet is helping youth across MENA better understand different perspectives, becoming a platform for broadening utility and empowerment. The importance of technology is becoming more emphasised as the basis of a modern, forward-thinking and functioning society.

The challenge for youth throughout MENA is to leverage the usage of technology to increase their education and knowledge, to use it for work purposes, to support the setting up of a company, and generate income and cost savings.



91%

91% across MENA believe technology is the basis of a modern, forward-thinking & functioning society

18%

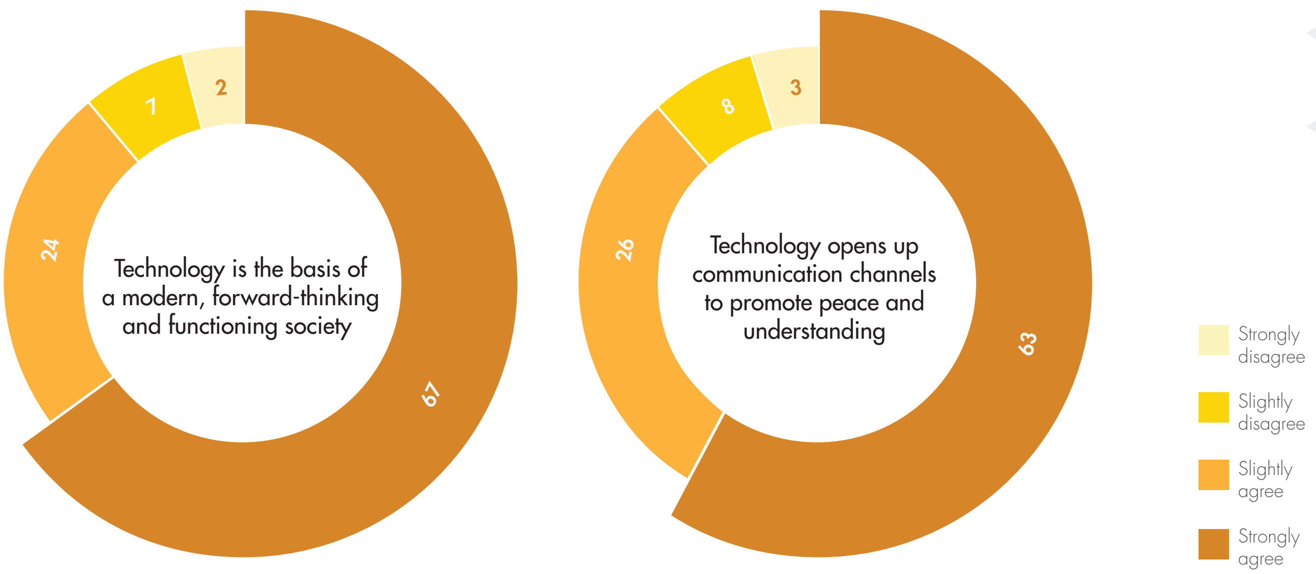
18% of time online is spent communicating with others (just over 10 minutes for every hour)

As a demonstration of the impact ICT is having on digitally connected youth across MENA, 91% agree that 'Technology is the basis of a modern, forward-thinking & functioning society' and 89% agree that 'Technology opens up communication channels to promote peace and understanding.'

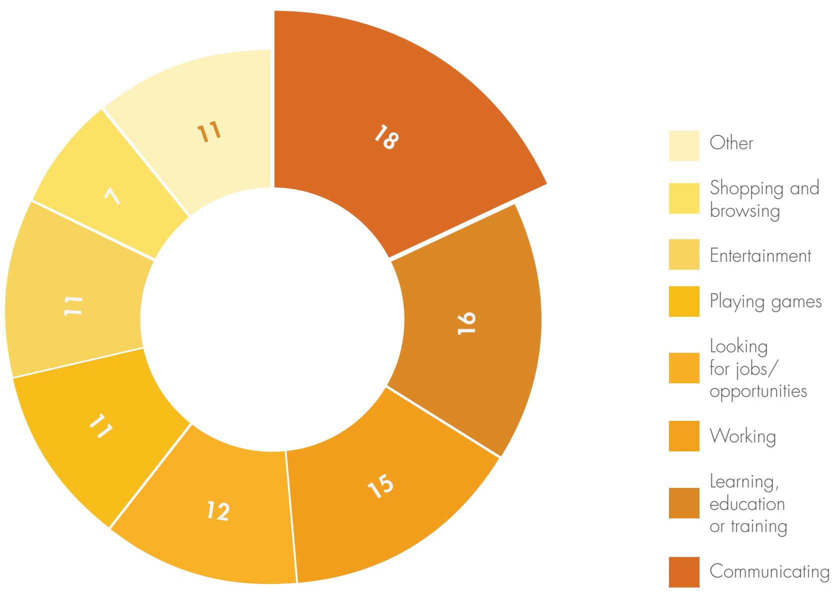
Simply stated, amongst this young adult MENA audience, technology is no longer — if it ever was — simply another form of entertainment. Whilst playing games and entertainment still accounts for nearly a quarter of the use of ICT according to our respondents, it is a platform for broadening utility and empowerment for youth. They, along with the Internet, are more sophisticated. But there are still challenges on how to harness it in the way other regions around the globe have.

In a typical day, 18% of respondents across MENA spend the largest share of their time online 'communicating,' followed by 16% doing 'learning, education or training.' Respondents in Algeria spend the greatest proportion of their time doing 'learning, education or training' online (19%) and also 'looking for jobs/opportunities' (14%) than in any other country across MENA.

Graph 16: Q. Please rate how strongly you agree or disagree with the following statements (results in %):



Graph 17: Q. For this typical day online, what percentage of the time would you spend doing the following (results in %):



Youth in the MENA region strongly credit the Internet as a tool that helps them 'understand different perspectives on subjects' (71%) and in turn be 'more tolerant and understanding of others' (60%). However, converting usage of the Internet to help them financially is lagging behind and appears to be the next step for the region.

Just 10% claim to use ICT to increase their income, only 15% use it to save money and just 7% of total time online is used for shopping and browsing. While some of this low usage may be representative of personal economic situations, youth across MENA are set to advance from using it as a communication/education device. Should usage patterns for individuals and businesses in MENA develop as they have in North America and Europe, it is likely to financially benefit them. For instance, traditional commerce is less prominent with the removal of intermediaries and middlemen by online retailing, cost savings through price comparison websites or where suppliers compete amongst each other for customers.

"I connect to Facebook from my smartphone and get the latest news from my apps too. I use my laptop as well."

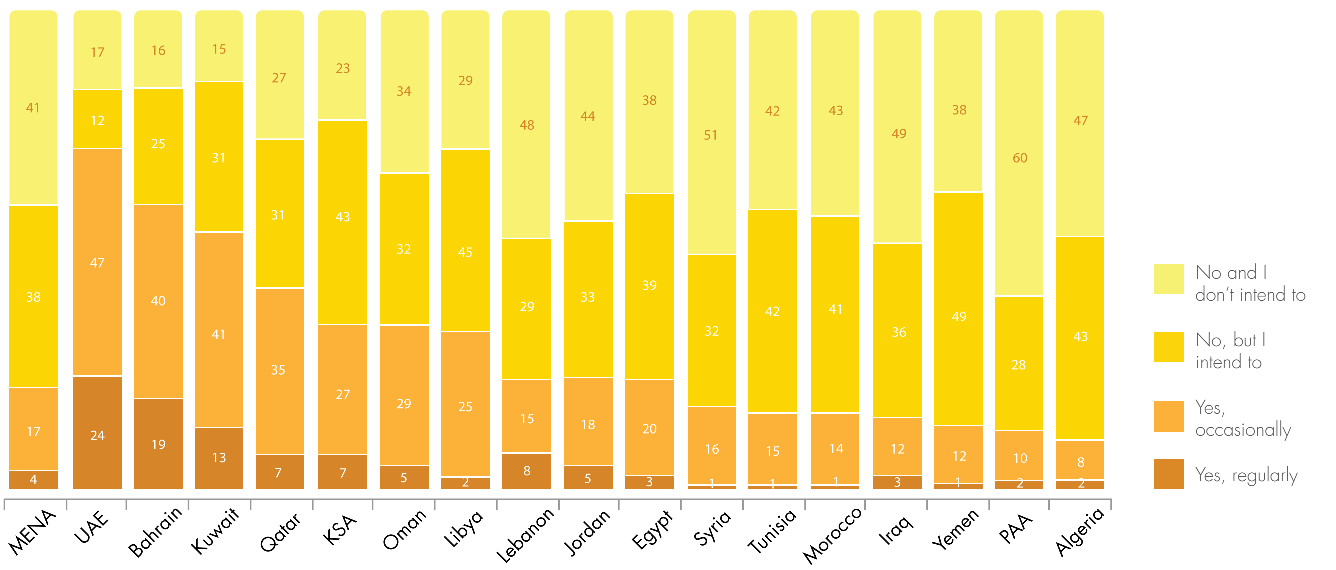
[Qatar respondent]

"Family and business networking have become much faster, I can send emails from my phone wherever I am."

[Qatar respondent]

Looking to the future, 47% agree that 'the Internet has helped open up new opportunities to earn a living.' Those purchasing online are expected to almost treble from the present level of 21% to 59% across MENA and especially for those in North Africa where 42% are intending to do so for the first time. However, more insight is required to fully understand the concerns of the 41% of MENA youth who do not intend to purchase online in the future, whether due to the inability to transact online without a credit card, security or logistical concerns.

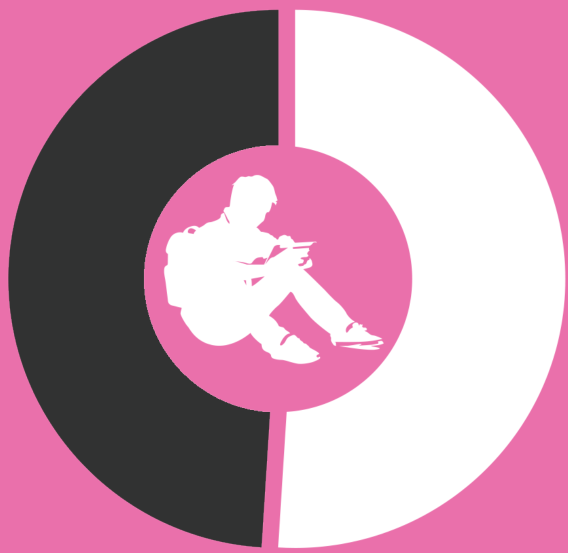
Graph 18: Q. Have you ever bought online (results in %):



Empowered by Technology

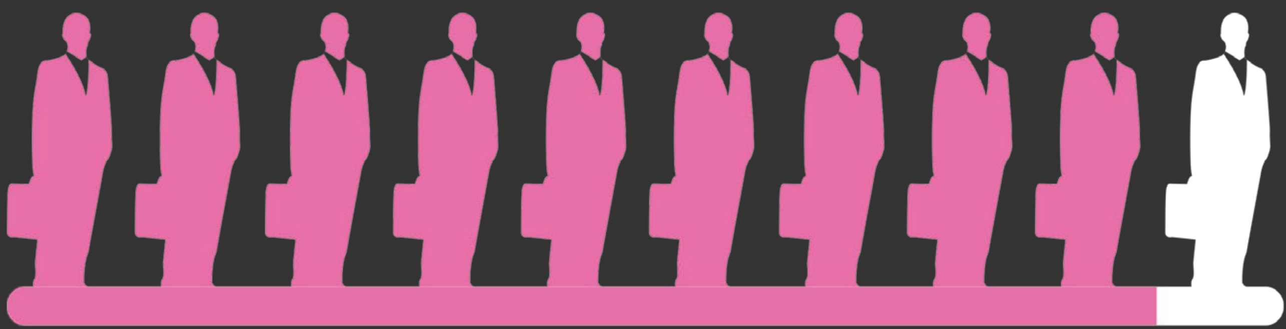
MENA youth are using ICT to fill the void in the education system with 'global content' accessible via the Internet where the education system in their country falls short. Youth are scanning the Internet to broaden their job search beyond their traditional network and connections.

Technology is the key to this empowerment, where respondents agreed that the Internet and mobile technology could help with key business tasks once considered difficult to achieve. One aspect of this is to help educate them on how to do this and the other is to encourage governments, telecom operators and the wider business community to ensure regulations, infrastructure, services and most importantly, fund options designed to empower them.



51%

51% of youth claim ‘knowing how to fully utilise the technology for business’ is both important and difficult



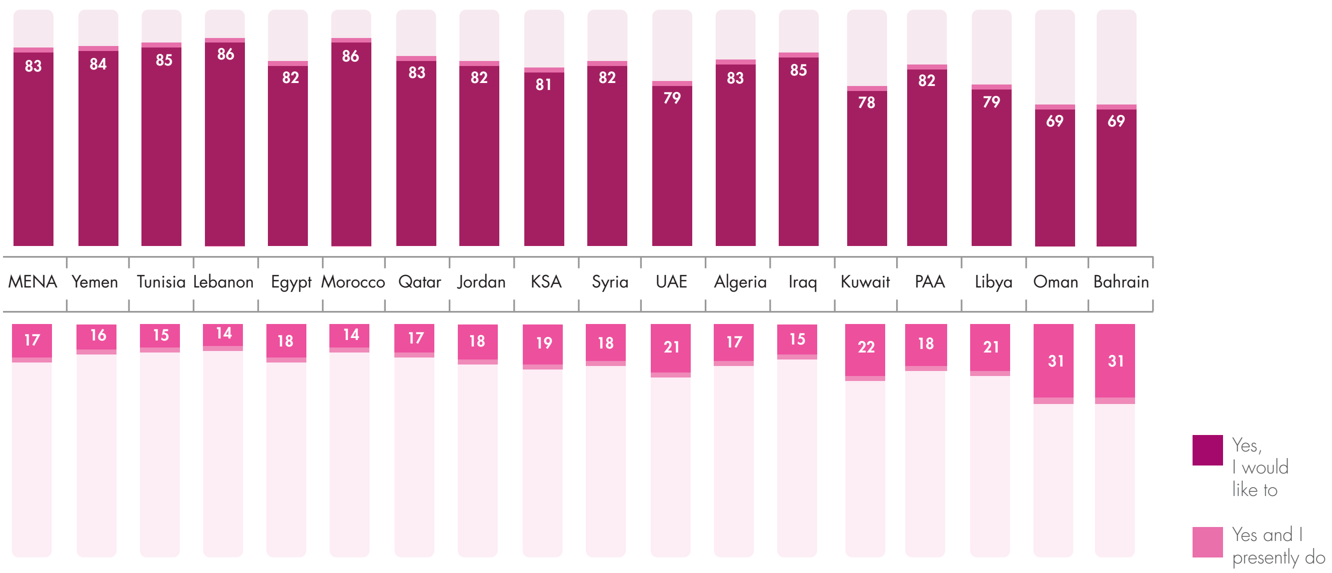
91%

91% of youth across MENA believe the Internet and technology encourages them to be more entrepreneurial

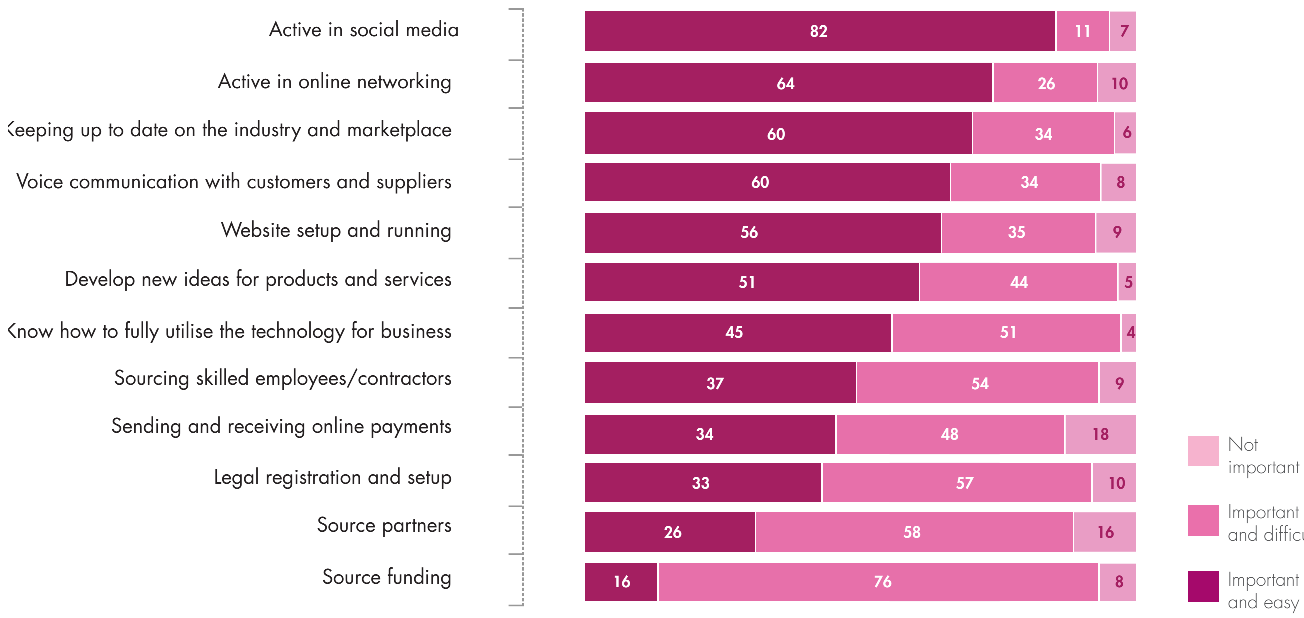
The opportunities that ICT can offer youth are becoming increasingly apparent, according to the views of our MENA respondents. With job opportunities remaining a challenge in many countries, a large percentage of respondents state that an option to secure employment is to become an entrepreneur and start up their own business, with ICT making this a possibility. We found that 91% of people surveyed believed it encourages them to be more entrepreneurial and thus more likely to take informed risks to secure their futures. This response correlated with the results from a further question asking whether the respondent has or would like to run his own business. The response revealed that there is a huge desire amongst youth in the MENA region to work for themselves, with 83% expressing an interest in starting up their own business, together with a further 9% who already have a business of their own.

"I study management and I'm willing to get the highest degree in it so I can occupy an administrative post and then start my own business."
[Qatar respondent]

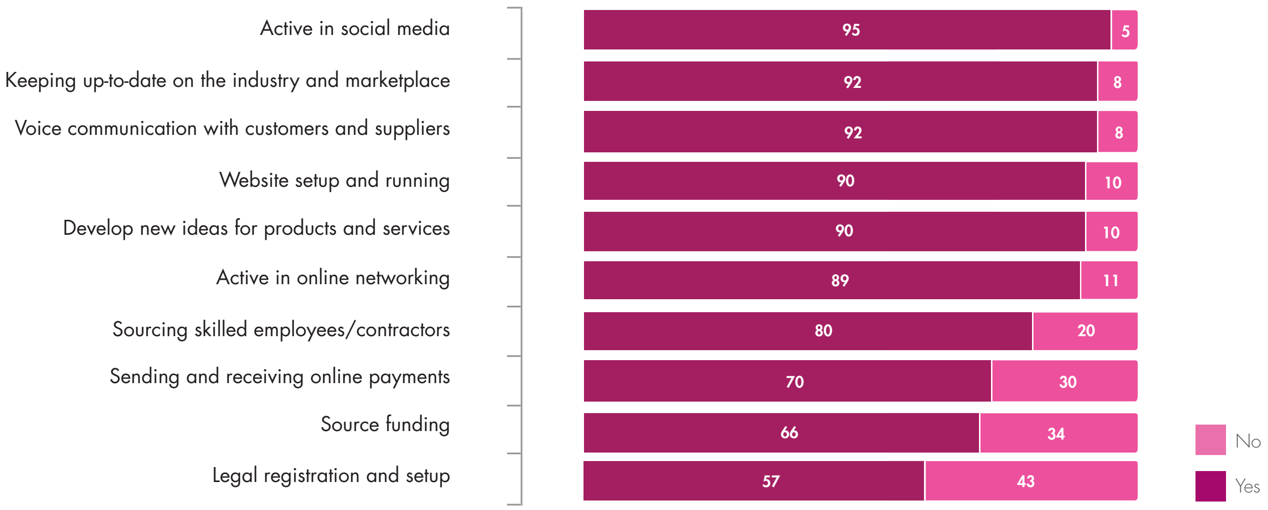
Graph 19: Q. Would you like to have your own company and work for yourself? (results in %):



Graph 20: Q. Please rate how important and difficult the following are in your country to set-up and run your own company (results in %):



Graph 21: Q. Please now select all the business tasks which the Internet and mobile technology could help with (results in %):



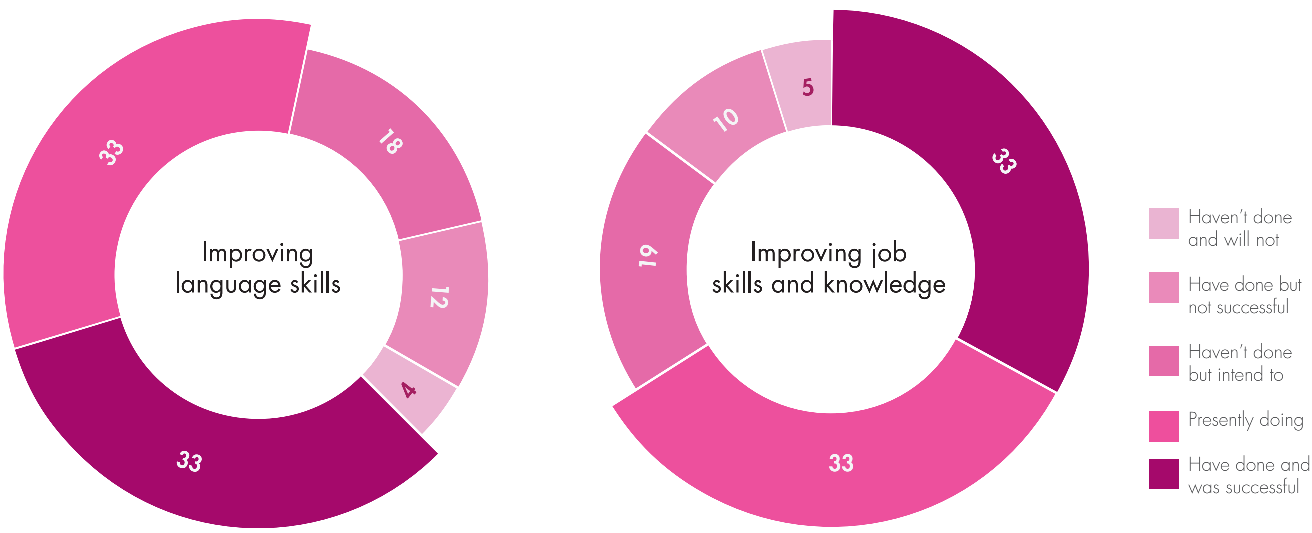
ICT is the key to this empowerment. Respondents agreed it could help with key business tasks: 92% believe it can help with 'keeping up-to-date on the industry and marketplace' and 90% agree that it can help 'develop new ideas for products and services, encouraging an entrepreneurial spirit amongst youth and reflecting their overwhelming desire to be their own boss.

"Today, information has become available to everyone. I can have any file or book summary at the click of a button and without a financial cost."

[Tunisia respondent]

Whilst the Internet and ICT technology provide the means to give people a chance to develop their understanding of business and launch their own venture, the Internet also provides tools for those who are looking to gain employment from others. Over 6 in 10 (63%) of respondents either have looked online or are in the process of looking for jobs online with a further 22% intending to do so. That said, only 14% claim to have been successful at finding new employment, demonstrating a notable gap between the desire to find employment and the Internet being a valuable tool in this search. However, finding work is not the only opportunity that is presented to MENA youth, as there are also tools available to improve job skills and become more attractive to employers. It was claimed by a considerable majority of respondents that they use ICT as a mean of 'improving their job skills and knowledge' and 'improving language skills.'

Graph 22: Q. Please select all the following tasks which the Internet and mobile technology could help with (results in %):



The potential uplift of Internet usage to look for jobs, improve skills and language skills, reflects the percentage of respondents who are still students (27%) and are less likely to have done this yet online.

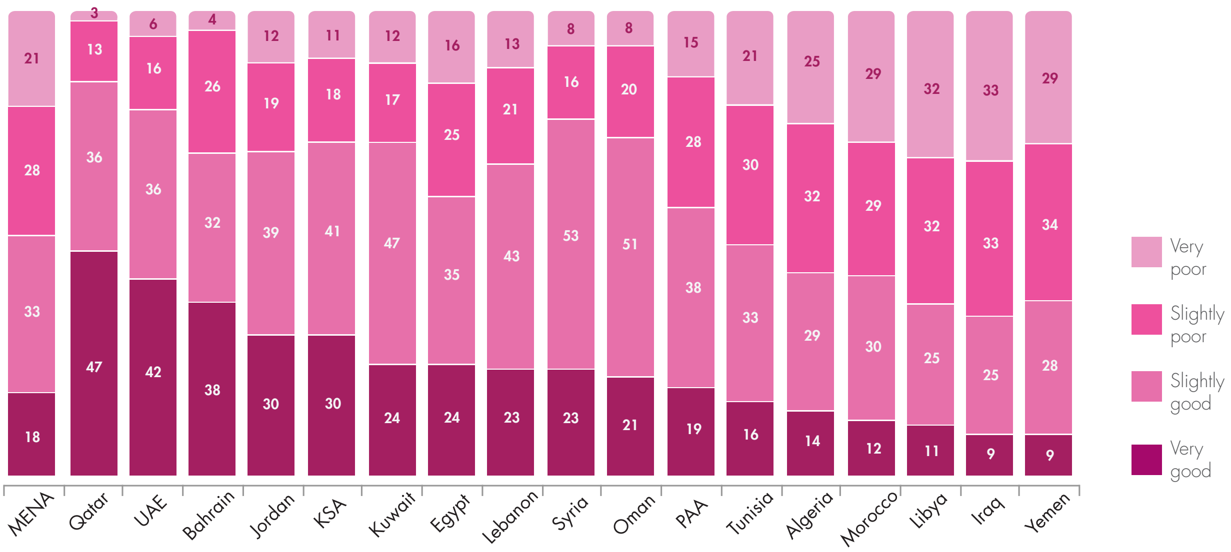
It is becoming more apparent that ICT is an enabler of educational empowerment. Looking at the education system overall in our surveyed region, 51% of respondents believe that the education system available to them in their country is good, whilst the remaining 49% considered it poor and in need of improvement. This assesment across the MENA region as a whole is similar when investigating levels of satisfaction for higher education (courses after school education) and 'training to use technology.' However, a wider picture of satisfaction and discontentment is revealed when examing the results by country.

"We are still lagging behind in the field of modern technology. We cannot really search for jobs via the Internet."

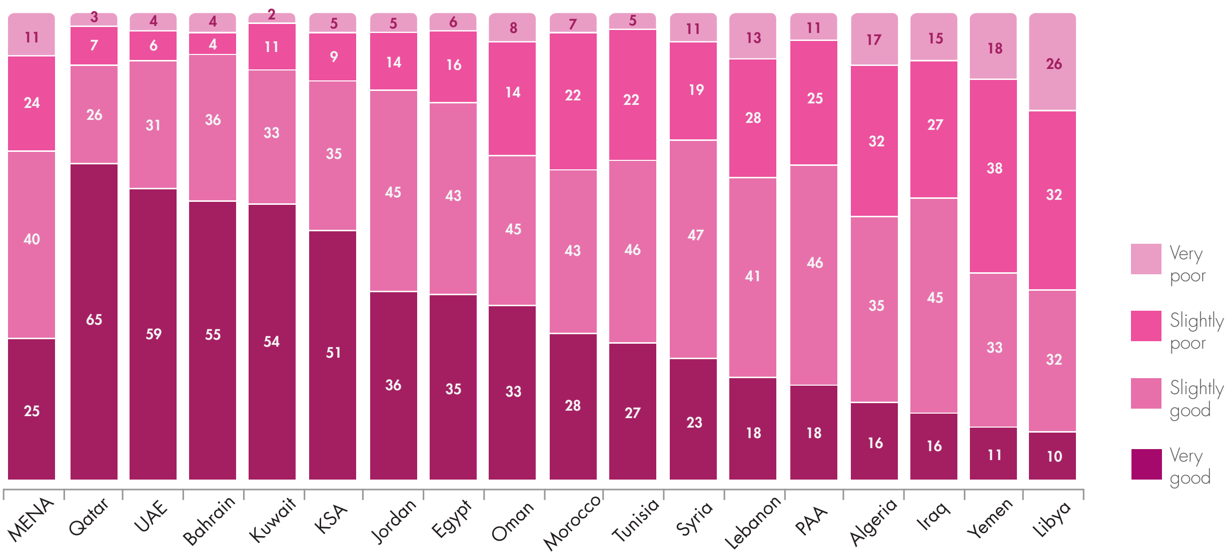
[Morocco respondent]

With half discontented with the overall education system, higher education and ICT training, our respondents are using the Internet as a tool to fill the void with 'global content.' More than 8 in 10 (83%) agree that 'the Internet allows me to continue my education beyond what is possible in my country.'

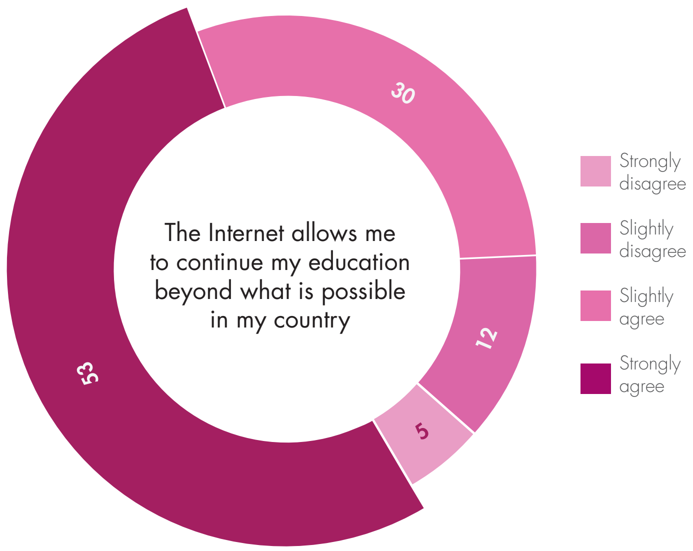
Graph 23: Q. To the best of your knowledge, please rate the Higher Education system in your country of residence (results in %):



Graph 24: Q. To the best of your knowledge, please rate the ICT in your country of residence (results in %):



Graph 25: Q. Please rate how strongly you agree or disagree with the following statement (results in %):



Despite this belief that ICT can help further their education beyond what is possible domestically, the future motivation of participants was highlighted: 30% of respondents have already participated in online courses, but an additional 43% of respondents 'intend' to take an online course in the future. The gap between usage and intention show the challenges that educators have to ensure online courses are readily available, easily accessable, affordable and relevant to youth across the MENA region. Time will tell if this intention is fulfilled or whether barriers appear to obstruct MENA youth from doing so.

Addressing the Gender Balance

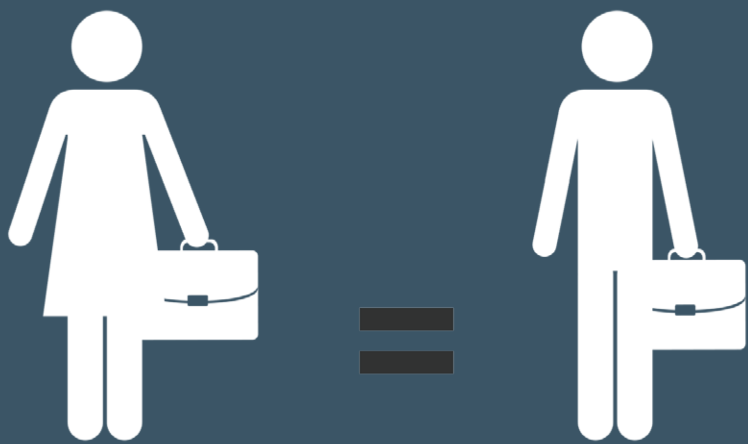
These research results are encouraging for women to help them better understand regional and national support from the media, their country leaders and also from their male counterparts.

Women's aspirations to enter the business arena are the same as men. However, while present employment levels differ largely because of the percentage becoming homemakers, technology can empower them in ways they would previously not have been considered. Half of all our female respondents online across MENA are on the edge of launching into Cloud computing with virtual offices and businesses.

The other challenge is to get more women to take the first step towards getting online in order to match online usage of their male counterparts.

78%

78% of female youth across MENA accessing the Internet do so from home



77%

77% of youth accessing the Internet across MENA believe women should be given the same business opportunities as men and 72% of men agree with this

The research results reveal a lower percentage of women accessing the Internet compared to men across all MENA countries. This difference is most prominent in Iraq and Yemen where 73% of online users are men. In contrast, the North African countries of Morocco, Libya and Tunisia are more balanced between the genders with 58% being men.

An explanation of this could be due to the higher percentage of men connecting via shared devices such as Internet cafés (32%) and at work (29%) compared to women who are significantly more reliant upon just connecting at home (78%).

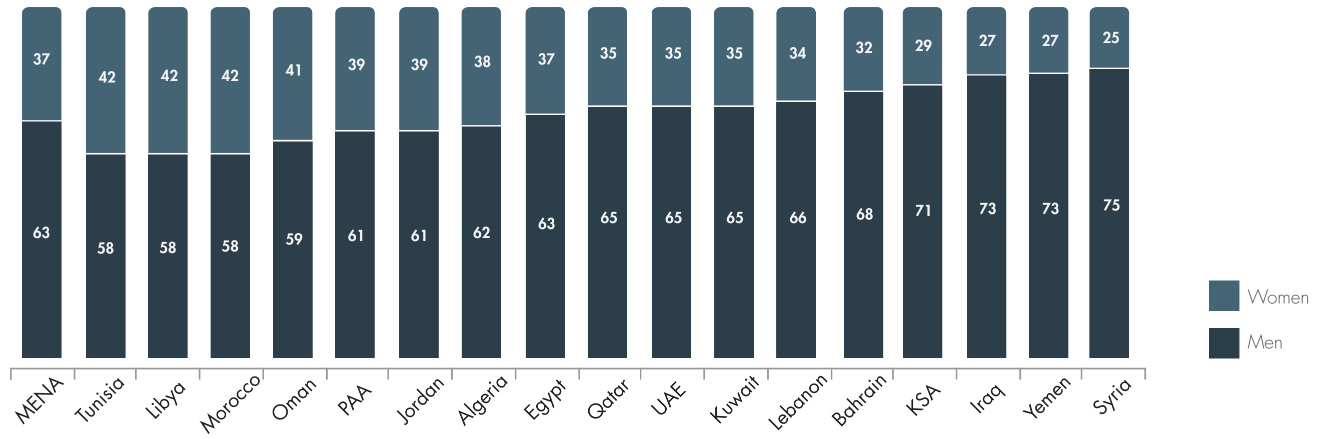
"Women give and spend a great amount of energy in their chosen dedicated fields, and their efforts elevate society."

[Tunisia respondent]

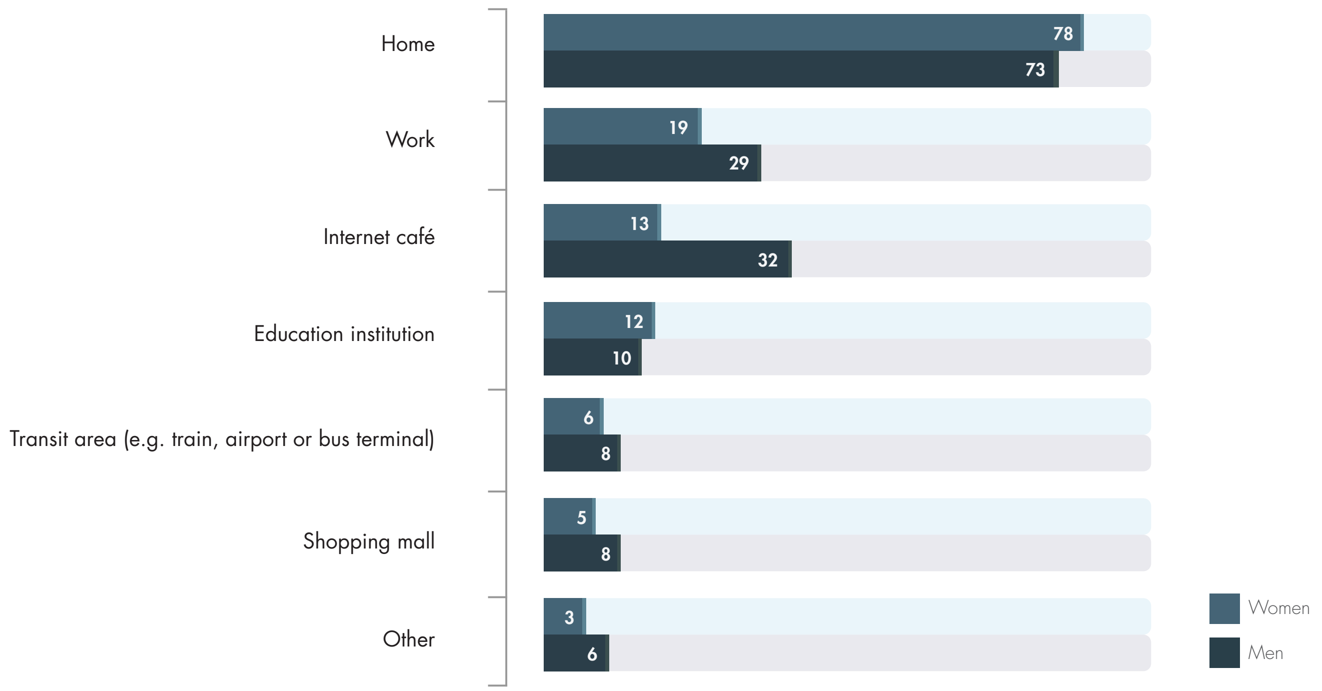
Once they are connected, there is very little difference on the significant impact ICT is having between men and women.

The stereotypical perception of women depending upon the men in their lives to provide the household income is now changing as shown in our research findings from this new generation of youth. 77% of respondents across MENA agree with the statement that 'women should be given the same business opportunities as men.'

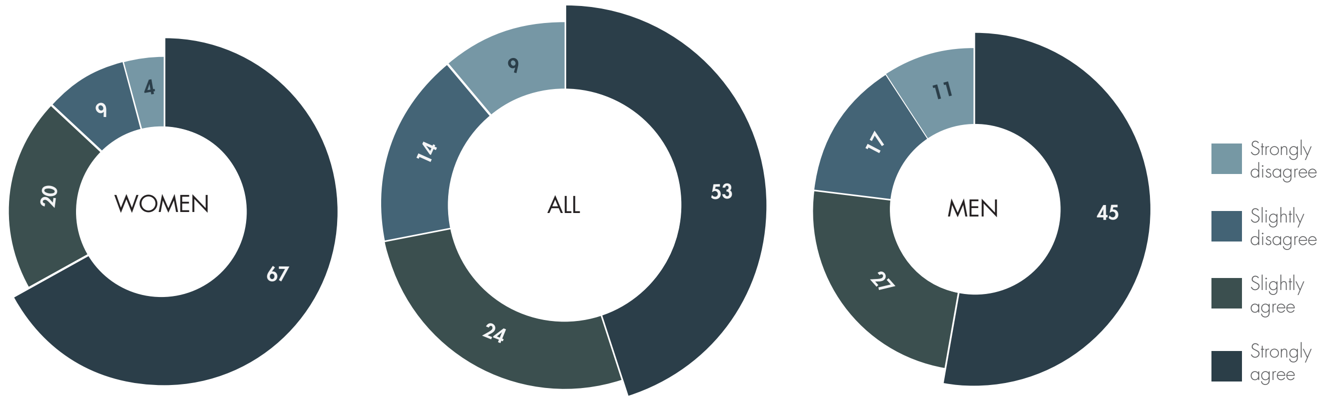
Graph 26: Q. Percentage of online users by each country:



Graph 27: Q. Where do you regularly use a device that is shared with other users to connect to the Internet (results in %):



Graph 28: Q. Please rate how strongly you agree or disagree with the following statement 'Women should be given the same business opportunities as men' (results in %):



Do the opinions of men and women differ on this gender-orientated question? They do, but the same message is conveyed where 72% of men are supportive of the economic opportunities for women. This level of support is interesting and possibly signifies a generational shift in attitudes towards women, as men want their daughters and female relations/spouses/friends to be able to achieve economic empowerment. This challenge is also being embraced by women, where 87% agree that they should be given this opportunity.

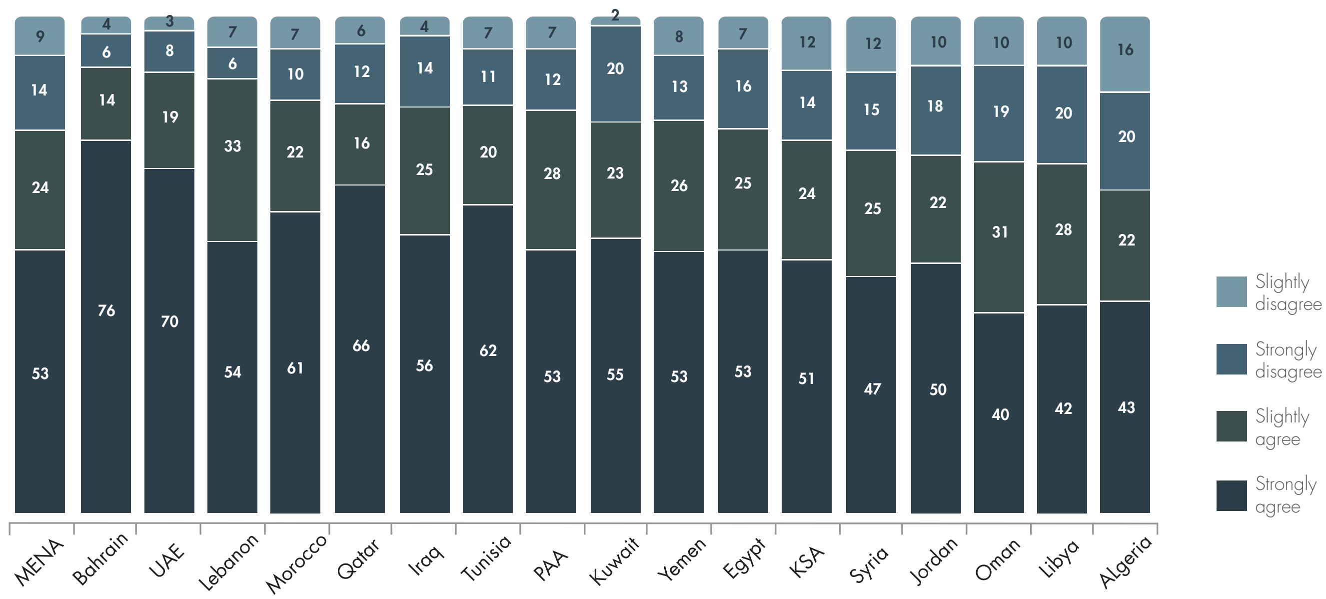
"Women in many societies still live under a lot of pressure. Internally, women suffer with balancing and succeeding in both the home and professional life. Externally they have to deal with harassment and societal pressures. But if women find a wider space in technical domains, many of these problems can be solved."

[Algeria respondent]

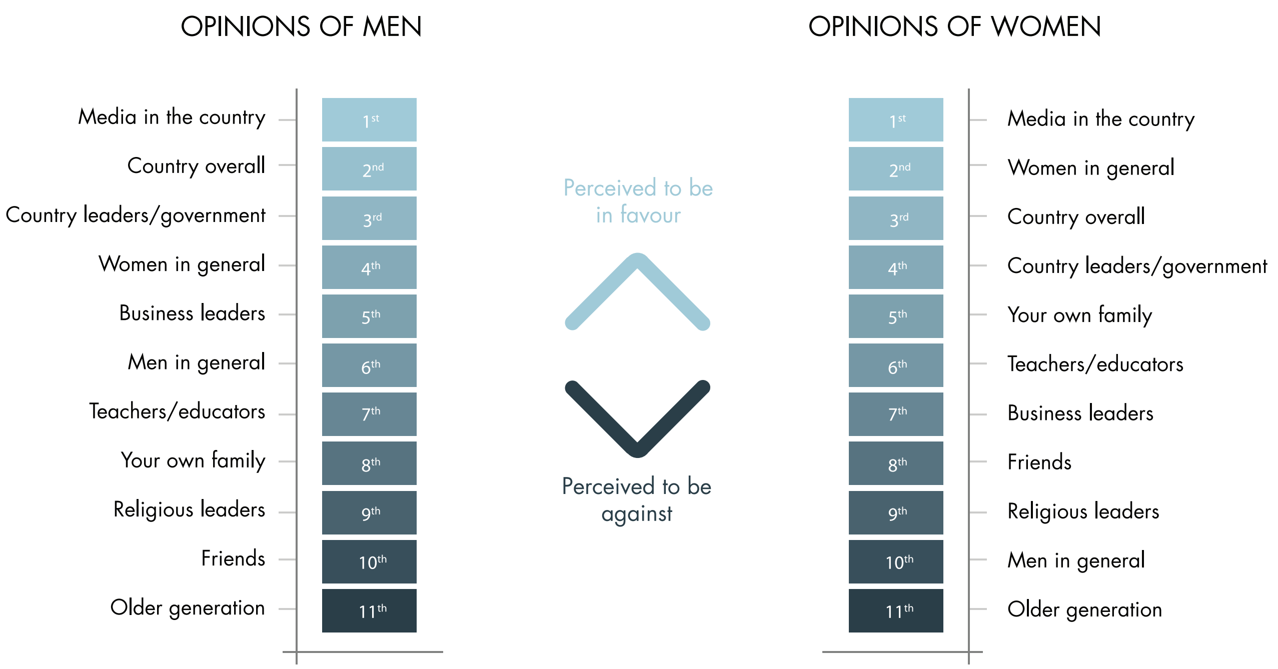
We also examined the opinions across each MENA country, and Bahrain led with 90% supporting women for business opportunities closely followed by those in the UAE and Lebanon (89% and 88%, respectively). The lowest level of support was in Algeria. However, two thirds of Algerian respondents still supported the statement (65%).

Across the MENA region, our respondents identified country leaders and the media as the most active in terms of encouraging change for women in business. However, our younger respondents believe that older generations are thought to be least in favour.

Graph 29: Q. Please rate how strongly you agree or disagree with the following statement 'Women should be given the same business opportunities as men' (results in %):



Graph 30: Q. Which of the following do you think are in favour of women being given the same business opportunities as men?



Women also appear to be under-estimating the level of support men are giving them. In fact twice as many men are actually in favour as compared to the support women believe there is.

Judging by these results, there is a universal desire amongst young adults in the MENA region for women to be allowed to capitalise on business opportunities equally. However there is some catching up to do as present employment rates for our respondents differ significantly by gender. For men, 60% are in some form of employment compared to a comparatively low 38% for women, in part due to 16% claiming to be homemakers.

" Women are half of society. They are equal to men and their participation in technical work is a gain to the entire community."

[Tunisia respondent]

ICT can become the catalyst for empowering women to enter the business world on their terms. 90% of women claim that the Internet encourages them to be more entrepreneurial. Similarly, 91% agree that it is helping create a new generation able to improve their own lives.

Recommendations

To plan for a brighter future, we must better understand what it is that people need and want from ICT and to deliver the best possible solutions that overcome those barriers that limit their ability to access or utilise it to its maximum economic potential.

ICT connects MENA's youth with a wider world. It can be an instrument for peace and understanding, but it can also facilitate economic activity and generate wealth. The younger generation recognises its potential and is increasingly innovative in the way they access and use it.

So what more needs to be done? We have summarised five key priority areas:

1. The MENA region will only remain competitive on a global scale if it continues to invest in the right systems and infrastructure to reflect the demands of youth to overcome environmental and infrastructural hurdles. Providing the physical delivery of an accessible, affordable and fast network that is available in every community will better enable entrepreneurial youth to empower their own lives.
2. There needs to be closer collaboration and understanding between both the public and private sectors and between countries within the MENA region. This will help youth embrace the efficiencies and opportunities presented by operators and ICT companies, and facilitate a more efficient and cooperative environment in areas such as regulation, legal frameworks, trade, transactions and e-commerce.
3. Much more needs to be done to promote and facilitate employment opportunities online. Employers both in the public and private sector should also look to the Internet to promote future employment opportunities to attract the best calibre candidates either on an ad-hoc, part-time or full-time basis with a flexible job market connected online.
4. As an educational tool, the Internet has huge potential to nurture MENA's creative talent, but online systems and processes specific to this region need to be in place to inspire and encourage its future entrepreneurs.
5. Women remain an untapped economic potential. The Internet offers them the flexibility of working remotely and on their own terms. As more women enter the business world and build their own companies using the Internet, they will encourage other women to do the same.

To conclude, young Arabs have embraced ICT as a pillar of a modern society that can motivate, enable and empower individuals to overcome the physical restrictions which may constrain their economic potential to a brighter, more constructive future.

The MENA region shares a common need to promote more partnership and investment into its information, communication and technology sectors. Young people around the region face many challenges, but without opportunity, they will either fail to reach their potential and stagnate or use their skills and talent to seek their fortune elsewhere.

Research Methodology

This research was conducted in two phases. The first phase consisted of exploratory qualitative online focus groups to build our insight with these target groups and this was followed up with the second phase of a quantitative online survey throughout MENA.

Phase 1 – Qualitative online focus group

Key topics impacting upon this target group were identified in 7 online focus group discussions conducted in Qatar, Kuwait, Oman, Algeria, Tunisia, Iraq and Palestine (PAA) from the 14th of July to the 6th of August, 2013, in Arabic and conducted anonymously to each other in order to facilitate a free and open discussion.

Phase 2 – Quantitative online survey

The research was conducted online in both Arabic and English from the 16th to the 26th of August, 2013, with a sample reflective of young adults (18-30 years old) across the Middle East and North Africa (MENA) with access to the Internet in order to assess their usage of it and impact upon them.

A total of 10,642 participated in our research with 3,488 completing our full questionnaire with over 30 questions.

Respondents to the online survey were from 17 countries across the MENA region, with responses from the following countries and regions:

North Africa (n=5,725): Morocco, Algeria, Tunisia, Libya and Egypt.

Levant (n=2,900): Jordan, Palestine (PAA), Syria, Lebanon and Iraq.

Arabian Peninsula (n=2,017): Saudi Arabia, Kuwait, Bahrain, Qatar, UAE, Oman (comprising the Gulf Cooperation Council, GCC) and Yemen.

Please note that the standard convention for rounding has been applied and consequently some totals do not add up to 100%.