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CASE STUDY

THMANYAH: BROADCASTING CULTURAL CONTENT SUCCESSFULLY

This case study is part of a project focusing on Investing in Culture, which is a collaboration of MBSC Case Centre and the Ministry of Culture. The case was developed by Dr Larissa von Alberti-Alhtaybat, Associate Professor of Accounting and Vice Dean at the Prince Mohammed Bin Salman College of Business & Entrepreneurship. It is intended to be used as the basis for class discussion rather than to illustrate either effective or ineffective handling of a management or administrative situation.

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THMANYAH: BROADCASTING CULTURAL CONTENT SUCCESSFULLY

Abstract

Thmanyah is one of the leading content creation companies in the Kingdom of Saudi Arabia. It is a leading example for culture being of great interest to the wider audience, and of learning through this new form of journalism being valuable. It also outlines the importance of maintaining the rich heritage of the Arabic language through creating interesting Arabic content, which is reflected in the impact on the audience, the growing viewer and listener numbers. Maintaining the usage of the rich heritage of the Arabic language is part of objectives of the literature, publishing, and translation commission, and Thmanyah's mission supports this objective. Since its inception in 2015, Thmanyah has been hosting Saudi Arabia's most successful podcast, Finjan. In addition to Fnjan, Thmanyah has been expanding and growing its company, and this case study highlights its growth and expansion strategy.

Case Study

Abdulrahman Abumalih, founder and CEO of Thmanyah, spent the evening of July 13, 2021, in his office in Riyadh, reflecting on the upcoming announcement of the acquisition of 51% of his content-creating company by Saudi Research and Media Group (SRMG).¹ The following day would mark a new phase of business development for Thmanyah, as Abumalih and his team worked towards becoming the largest podcast network in the Arab world.

Business Development

Early Days

In 2015, Abumalih began his broadcasting and content creation career by launching the podcast 'Finjan,' which translates to 'a coffee cup' in Arabic. After being inspired by well-known international podcasts, Abumalih was desirous of offering a similar experience in Arabic. *"We wanted to do it because no other medium resembled us; that is our ideas and interests as younger generations."*² Finjan began as a Skype-based conversation among friends and acquaintances. Still, it grew in popularity when it moved to YouTube, one of the most popular platforms in the Saudi community,

¹ SRMG.com, press release, July 14, 2021.

² Insight provided by the company – company presentation and written answers to questions via email.

where it attracted a larger audience. Initially, podcasts were limited to a niche audience because they were primarily operated in English by foreign entities. However, by creating Arabic-focused content featuring local, regional, and international guests, podcasts became a more mainstream alternative to radio for Arabic-speaking audiences.

Podcast Industry

Podcasting gained a broader audience in the early 2000s thanks to the Internet, which expanded opportunities for content creators and listeners. This led to a shift from localized radio to online content accessible globally. The podcast industry has grown steadily to appeal to advertisers and sponsors as a popular form of entertainment globally.

On average, the most popular podcast has about 11 million listeners per episode,³ making outreach extensive. This industry has been growing steadily, with an estimated annual growth rate of 8% to 10% for the next few years. From 2022 to 2024,⁴ the number of global podcast listeners is expected to be between 420 to 505 million. The podcast industry's global value is expected to reach approximately US\$3.9 billion by the end of 2023. However, this industry is competitive and faces economic challenges, such as competition from other forms of social media engagement and entertainment, waning interest in podcasts, and difficult monetization. Popularity among listeners is critical for sustained success.

Podcasts have gained popularity in Saudi Arabia, and a 2021 report reveals some interesting insights about people's podcast preferences.⁵ According to the report, the most popular platform for podcast listening is Apple Podcast, followed by Anghami and Spotify. The age group of 25 years and above shows a keen interest in listening to podcasts, while younger generations prefer video versions of podcast episodes. It is noteworthy that Arabic is the preferred language for podcast engagement. Despite Arabic constituting only 1% of online content, there are 400 million native Arabic speakers.⁶

From Finjan to Thmanyah

Abumalih observed a scarcity of fascinating Arabic content and recognized the opportunity to promote knowledge and culture through podcasts.⁷ He hosts Finjan, a culture-specific podcast, and releases a new weekly episode. The podcast is designed to be an interactive dialogue between

³ [Alltopeverything.com/top-10-most-popular-podcasts](https://alltopeverything.com/top-10-most-popular-podcasts).

⁴ [InsiderIntelligence Podcast Industry Report 2021/2022](#).

⁵ [Rising Giants Network Podcast Consumption in KSA 2021](#).

⁶ [Statista: Languages most frequently used for web content as of January 2023](#).

⁷ [Al Sharkah Podcast, broadcasted by Thmanyah](#).

Abumalih and a guest with a unique perspective. The guests include notable figures, such as royal family members, ministers, and individuals with extraordinary stories to share. For example, in one episode, Prince Turki bin Talal bin Abdulaziz talked about the impact of culture and tourism on the future of Asir and the South Region.

Amid the growing podcast industry, Abumalih expanded his podcast and created a company called Thmanyah in 2016 with “*the belief in the importance of Arabic content*”⁸ to address the gap between Western and Arabic press.⁹ Thmanyah aims to create influential Arab journalism driven by impact and sustainability. The company's mission is to explore stories, ideas, and experiences that affect Arab communities and contribute to improving society and the Arab nation.¹⁰ Thmanyah also produces content about Saudi culture and cultural developments.

Abumalih reflects on his journey of starting the Finjan podcast in this Al Sharkah episode. He talks about the initial obstacles he faced and shares his experience of launching the broadcast company, a part of the culture portfolio. The podcast also includes a discussion about the creation and launch of Thmanyah as follows:

“Why the name “Thmanyah”?

The truth is that deciding names and labels for projects and products is a challenging task. There are international companies specialized in creating names that suit companies. And because we could not pay vast amounts of money and we were then just a project, we did what everyone does: a name creation workshop.

There were two conditions: the name be Arabic and consist of one word. So, we determined the name Thmanyah because the heavens are seven, and the sky of creativity is Thmanyah (the Arabic word for eight). We were convinced that projects are the ones that make a name in the field rather than the other way around.”¹¹

⁸ Thmanyah Company Presentation, March 2023.

⁹ Al Sharkah Podcast, broadcasted by Thmanyah.

¹⁰ Thmanyah Company Presentation, March 2023.

¹¹ Al Sharkah Podcast, broadcasted by Thmanyah.

Thmanyah in Numbers

Thmanyah has been steadily building its portfolio since its inception. In addition to Audio Production, Thmanyah has introduced Visual Production, Written Production, and Live Production.

**Exhibit I
Thmanyah Products**



Source: Thmanyah Company Presentation, May 2023, provided by Thmanyah

The company has established itself as a highly successful content provider in the Arab world. Its goal is to reach over 300 million podcast listeners and viewers and more than 60 million viewers for its visual productions by the end of 2023.¹² It has a solid digital presence across seven different platforms, with a loyal following of over six million subscribers and followers.

**Exhibit II
Thmanyah’s Digital Presence**

Platform	Subscribers / Followers	Monthly View Rate
Youtube Documentaries	822,000	2,608,939
Youtube Radio	1,850,000	14,626,263
Podcast Channels	1,466,902	3,575,187
Instagram	300,000	1,151,295
Twitter	372,900	1,330,900
Facebook	158,000	2,107,600
Tiktok	1,500,000	35,043,270
Newsletters	35,221	113,059
LinkedIn	35,000	23,531
Total	6,540,023	60,580,044

Source: Thmanyah Company Presentation, May 2023, provided by Thmanyah

¹² Thmanyah company presentation, shared by Thmanyah.

One of its standout features is its Audio Production, boasting a collection of 12 audio products. This category includes podcasts primarily featuring discussions, sit-down interviews, or the host's musings. Although some may be recorded visually, they are intended to be listened to.

Thmanyah has added 11 new podcasts to its collection, covering five fields. Six of the 12 podcasts focus on different aspects of culture, such as Finjan, Socrates, Ashayaa Ghayaratna, Aswat, Al Sharkah, and Murabaa. Two of these podcasts are centered around business, namely Swalif Business and Al Souq, while one, Ehtial, is an investigative podcast. The remaining three podcasts cover sports (Mortada), news (Alfajr), and health (Adam).

Thmanyah's visual productions exclusively focus on cultural themes, such as Siaoq, Fulan, Thmanyah Asala, and Thmanyah Films. The company's written productions mainly include newsletters about culture and finance. Moreover, Thmanyah's live production, Usfurayah, is a community-based event emphasizing art, creativity, and intellectual discourse.

Thmanyah has produced substantial online content since its establishment, which its audience highly appreciates.

**Exhibit III
Thmanyah 2016 – 2023**



Source: Thmanyah Company Presentation, May 2023

Finjan is the most popular podcast in the Arab world and is currently the number 1 favorite podcast on the Apple Podcast Charts. Its most successful product results from over 300 published episodes, which have been listened to by over 128,000 listeners and viewed by over 342,000 viewers per

episode.¹³ The podcast's success is due to its concept of having conversations with fascinating individuals and the participation of numerous well-known guests throughout the years.

The Apple Podcast Chart Top 20 features 5 Thmanyah podcasts; no other content company's productions are represented as often. Additionally, Misk Hub recommends listening to 3 of its productions: Finjan Podcast, Swalif Business, and Socrates.¹⁴

Investment for Growth Strategy

Thmanyah has grown sustainably since the founder's initial equity investment in 2016. However, as of 2021, the business has more significant market potential than it has explored. While Thmanyah's advertising revenues have increased by 83% to SAR4,626,091 (approximately US\$1,233,000) from 2019 to 2020, its profits have decreased to SAR1,156,608 (approximately US\$308,000). Its profit margin dropped from 59% in 2019 to 25% in 2020¹⁵ due to the significant expense increase, reflecting the company's growth investment. To accelerate growth, businesses often need to invest more funds than are available. External funds can be obtained through equity, debt, or grants. Thmanyah preferred equity investment to expand its business.

In July 2021, it was announced that SRMG had acquired a controlling share of 51% of Thmanyah.¹⁶ This 51% share was valued at SAR33 million (approximately US\$9 million), which valued the total business at around SAR65 million (approximately US\$17.4 million). Such cash investment creates significant opportunities for growth, and the business development at Thmanyah is tangible.

The expectations surrounding this acquisition are high and ambitious.

*“We are delighted to join SRMG, a leading source of news, information, and lifestyle content for people in the MENA region and worldwide. In the five years since Thmanyah was founded, we have grown steadily with a clear focus on delivering quality content to the region’s expanding digital audiences through our podcasts and documentaries. We will continue growing and use this investment to create more content and tap into new audiences. I look forward to working with SRMG to produce an even stronger platform that combines our strengths and SRMG’s wide reach to benefit our listeners, viewers, and advertisers,”*¹⁷ stated Abumalih in 2021.

¹³ Thmanyah Company Presentation, March 2023.

¹⁴ Misk Hub Podcasts to Tune Into.

¹⁵ Publicly Available Data as per Press Releases.

¹⁶ Press Releases and Interviews in 2021.

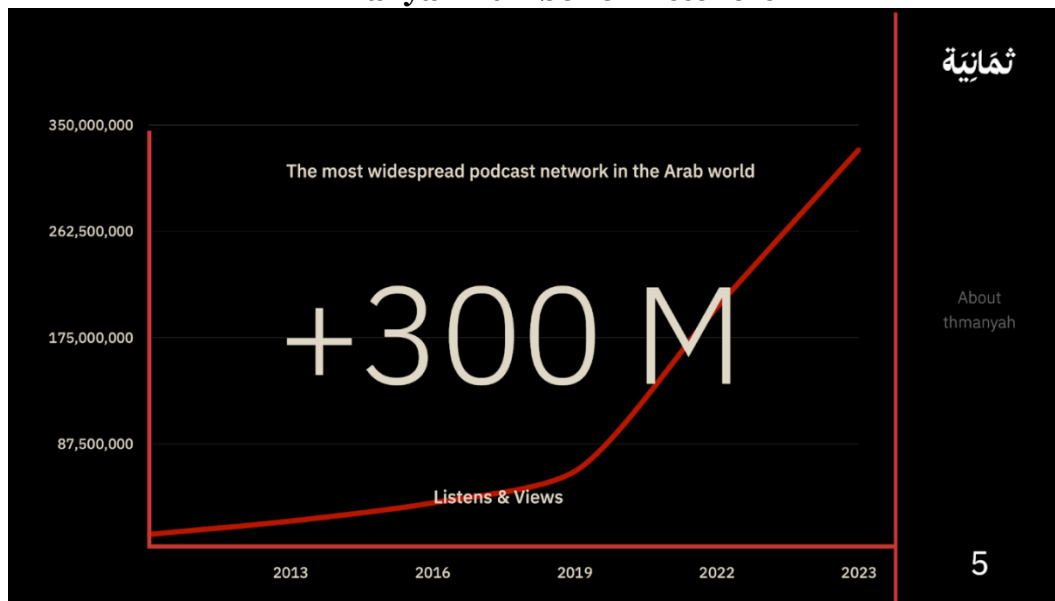
¹⁷ Press Releases and Interviews in 2021.

Thmanyah has recently acquired two new productions: Murabaa Podcast, an audio production part of its culture content line-up, and Fulan Films, a visual production that creates culture-relevant content focusing on Saudi heritage and relevant people. Thmanyah's team has been expanding, with 100 employees and over 30 freelancers by February 2023.

The company's financial performance is affected by such growth, and Thmanyah was projected to not be profitable¹⁸ in 2021 and 2022. Although the company was previously profitable and focused on sustainable growth by reinvesting profits, pursuing rapid growth comes with high costs. This includes increased salary expenses due to a growing team, expenses for new productions, and expenses for hosting productions on relevant platforms.

Partnering with a listed company like SRMG has had a noticeable impact on Thmanyah's performance. This investment has allowed Thmanyah to reach a broader audience of around 390 million listeners and viewers monthly.¹⁹ The number of listeners and viewers has been steadily increasing since 2015, but there was a significant growth spurt between 2021 and early 2023 when the numbers tripled.

**Exhibit IV
Thmanyah Number of Listeners**



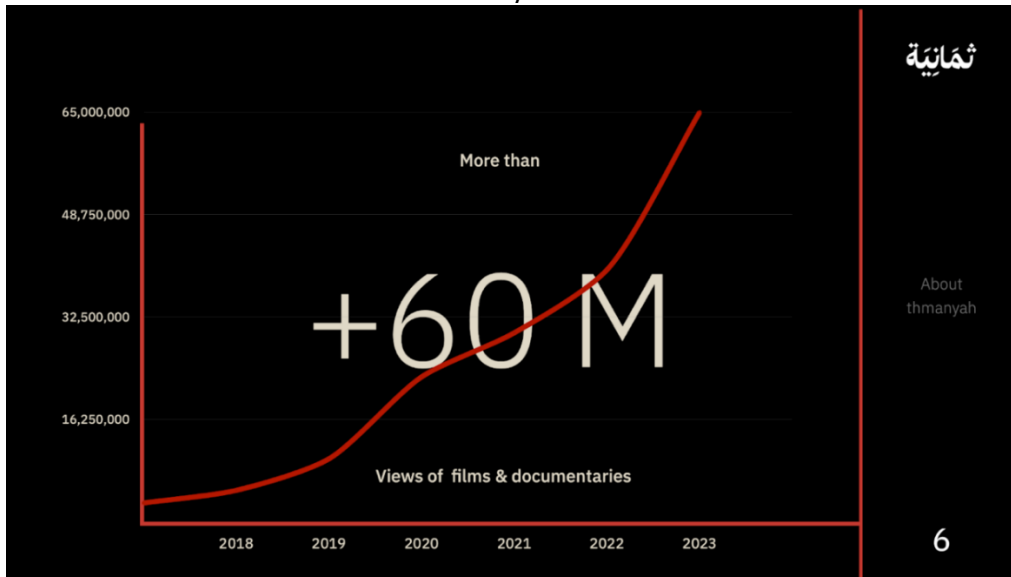
Source: Thmanyah Company Presentation, May 2023 –provided by Thmanyah

In addition, the number of people watching Thmanyah's visual productions has increased four-fold from 2019 to 2022. This indicates its ongoing efforts to create films and documentaries that positively resonate with audiences.

¹⁸ Insight Provided by Company.

¹⁹ SRMG Press Release.

Exhibit V
Viewers of Films/Documentaries



Source: Thmanyah Company Presentation, May 2023 – as provided by Thmanyah

Thmanyah, a significant content company, has come a long way since its founder streamed a single podcast from his room. Faisal Alghamdi, the company's chief business officer, considers the founding of Finjan as the most critical milestone, as it marked the beginning of Thmanyah's journey. In 2018, Thmanyah published its first documentary, signaling its shift toward visual and audio production. The acquisition by SRMG further highlights Thmanyah's success, as SRMG seeks to expand its portfolio to a digital-first, multi-platform approach and identifies Thmanyah as the right partner to do so. Thmanyah launched its 22nd product in 2022, demonstrating its growing portfolio and relevance in the market.

Content Broadcasting Culture

The establishment of the Ministry of Culture in 2018 highlights the significance of culture and heritage. Its main goals include promoting culture as a lifestyle, utilizing culture to boost economic growth, and creating opportunities for international cultural exchange. These objectives support all cultural efforts by organizations and individuals.²⁰

Under Abumalih's leadership, Thmanyah has identified opportunities to contribute to culture and achieve economic growth. The production portfolio managed by Thmanyah has captivated and invested its audience with the cultural "sips" being explored. The audience growth reflects people's

²⁰ Ministry of Culture website.

awareness and interests. As Alghamdi reflects: *“We believe we are lucky to witness unprecedented focus on culture, tourism, and entertainment, and this is what our content is all about.”*²¹

It is crucial to ensure that a broader range of people can connect with and participate in their culture, especially in sectors that are still relatively new and have yet to be fully explored. The Ministry plays a crucial role in driving development by preserving local heritage, creating frameworks for funding, leading cultural transformation, and showcasing Saudi Arabia's rich culture. Since 2021/2022, the Cultural Development Fund has been providing support to the cultural sector through *“supporting cultural activities, facilitating cultural investment, and improving sector profitability.”*²² As stated by Alghamdi: *“Since 2022, the Cultural Development Fund has been doing a great job identifying opportunities that cannot be supported otherwise and then providing its help.”*

Companies in the cultural sector need a sustainable business model and financial support for managing specific projects. This will help them contribute to economic growth and finance their expansion through relevant investment models. Thmanyah's example showcases this effectively.

²¹ **Thmanyah Company team statements.**

²² **Cultural Development Fund website.**