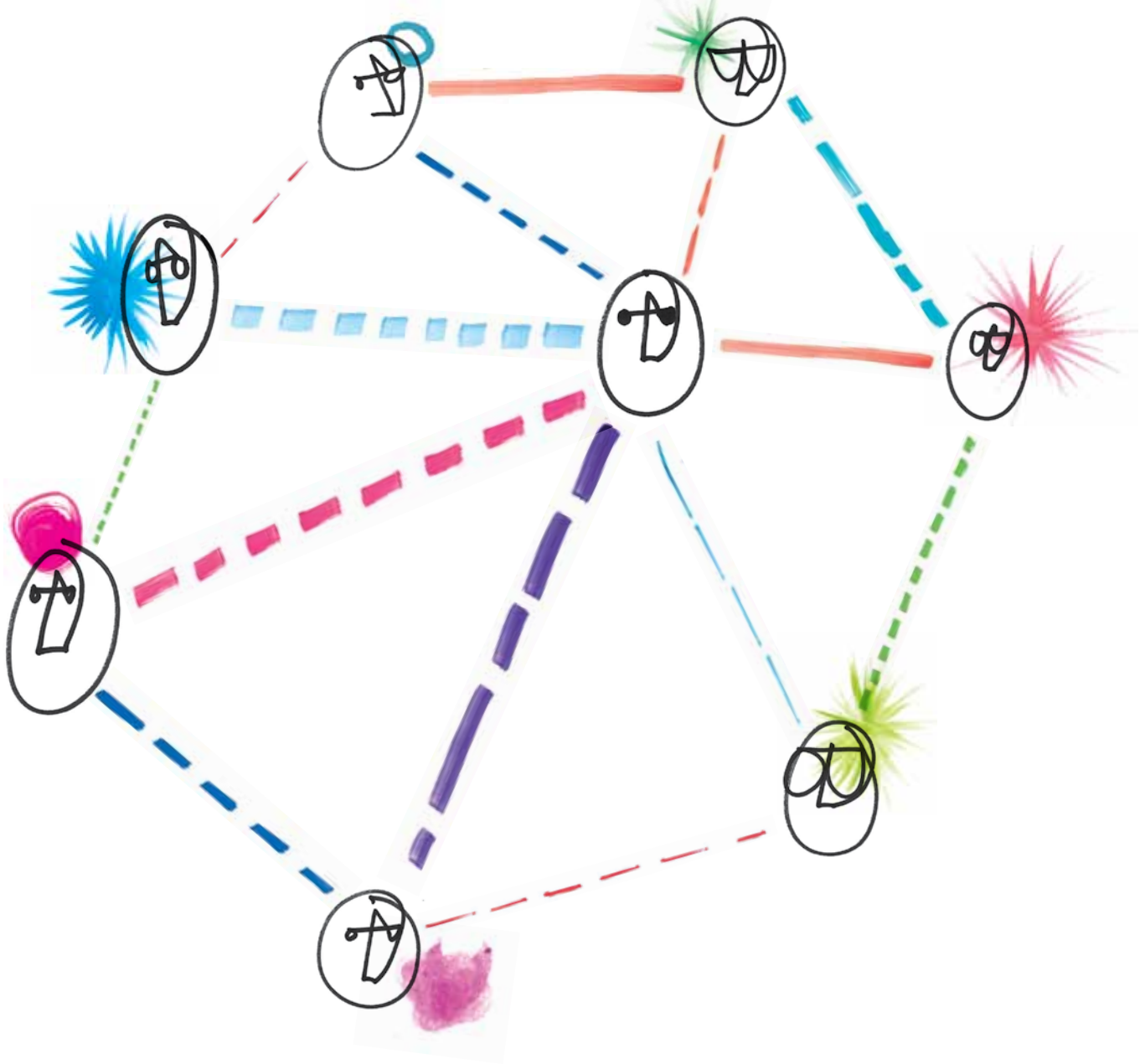


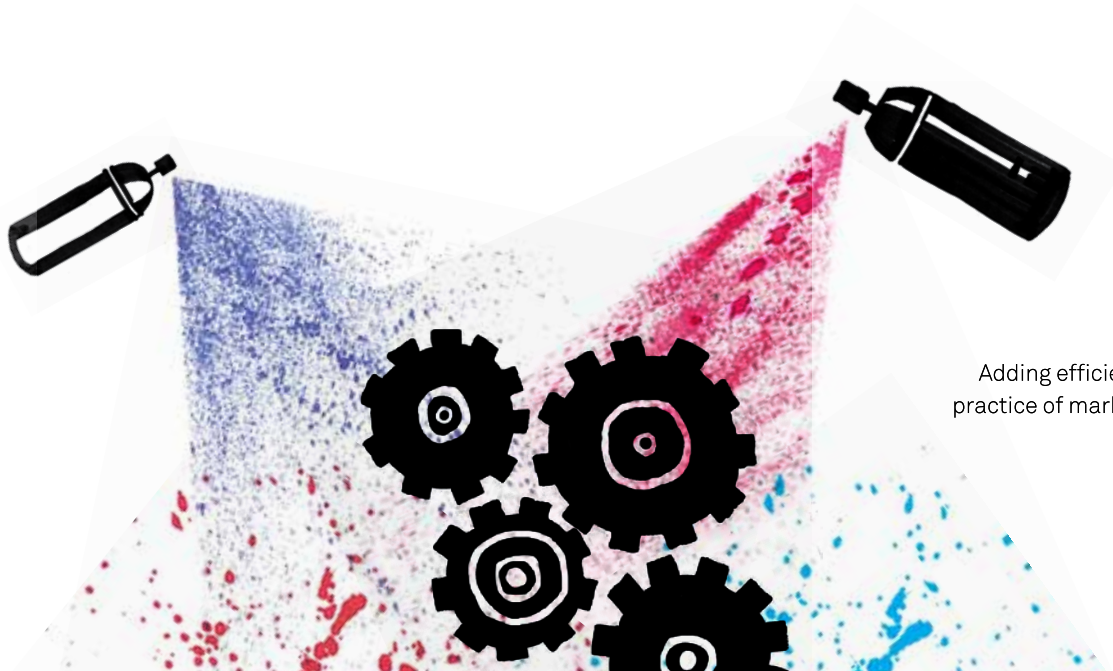
MALAYSIAN ADVERTISERS ASSOCIATION *annual report 2011*



Fostering constructive relationships amongst industry players



Offering members a strong collective voice in advertising and marketing practices



Adding efficiency and value to the practice of marketing communications



Supporting the continuous growth and development of talents for the industry




Developing benchmarks and guidelines to assist marketers in determining fair and reasonable charges for the industry





Improving advertising standards and practices and taking it to a higher level



Hosting talks and training programs for networking, knowledge and key insights





# MALAYSIAN ADVERTISERS ASSOCIATION

ANNUAL REPORT 2011

Cultivating the health development  
in the advertising and marketing  
industries with best practices



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# Council

## President



**Mr Khoo Kar Khoon**  
Nestle Products

**Mr Chow Wei Heng**  
Genting Malaysia



**Ms Margaret Au Yong**  
Tune Group



**Ms Tay Ai Leen**  
L'Oreal Malaysia



## Vice-President



**Ms Chan Sheow Vern**  
Unilever (M) Holdings



**Mr Claudian Navin Stanislaus**  
Baba Products



**Ms Soo Woon Yee**  
Johnson & Johnson



**Ms SuLin Lau**  
DiGi Telecommunications



**En Zulhaimi bin Abdul Hamid**  
Procter & Gamble Malaysia  
*Resigned August 19, 2011*



**Ms Helen Forsyth**  
GlaxoSmithKline Consumer Healthcare  
*Replaced Mr Victor Cheong, November 11, 2011*



**Dato' Dr Vincent Tiew**  
Meda Inc



# President's Report

In the last two years, the Council continued to streamline the organisation and strove to create a vigorous and pleasant environment for Members and partners in the industry. We engaged both parties to help them add value to their work and instituted an array of programmes, with education being and remaining a central pillar in our efforts.

In aiming at growing the industry in a healthy manner through better transparency, the Council firmly believes in collaborative talks and discussions that lead to actions that benefit all parties. In that respect, the Council plays the role of industry consultancy to members and industry partners.

The Council views the Association as a locomotive head: leading the industry on a path of development based on the tracks of consistency and professionalism. As the MAA's role is multifaceted, the Council would focus on the following vision as the way forward:

- Cultivate the health development in the advertising and marketing industries with best practices
- Foster constructive relationships amongst industry players
- Improve advertising standards and practices to a higher level
- Offer members a strong collective voice in advertising and marketing practices
- Adding efficiency and value to the practice of marketing communications
- To develop benchmarks and guidelines to assist marketers in determining fair and reasonable charges in this area
- To host various talks and training programs for networking, knowledge and key insights
- Support the continuous growth and development of talents for the industry

The Council operates on the spirit of volunteerism to achieve all these goals. On that score, we are blessed with Council Members who venture beyond the scope of their duty to devote themselves to the cause. It is their selfless dedication that has allowed the Council to achieve a number of achievements and we are indebted to the Council Members for their contributions.

We are also grateful to have had the mandate of the Association's Members, which has enabled us to move on to solve unresolved issues and make heartening progress on the rest.

The confidence that the Association's Members placed on the Council is a source of great support to us and the same is true in the case of the sponsors (media owners and agencies) of our programmes and activities. Their back up has been immeasurable in times of our need and has served us to overcome hurdles to deliver the objectives and benefits that we had outlined for the Association and Members.

Inspire and bring about better productivity for our industry members



## —REORGANISATION

In 2010, the Council reorganized the long-standing Committees to bring the industry issues that need our attention and action into sharper focus and, at the same time, help advance the governance of Association.

Last May, the Council further realigned the Committees to meet the goals of the Association and helped it remain as the voice of members in issues faced in the marketing and communications industries while reinforcing it to expand across these fields.

The Council resolved to work closely with peer organisations and higher authorities in nurturing new and existing talent, which is vital for the growth of our industries.

The Council has collaborated with the Association of Accredited Advertising Agents of Malaysia (4As) and Media Specialist Association (MSA) as well as government-related bodies in exploring ways that could assist in the development of talent for the industry.

It is our view that we need to create a conducive environment to attract young marketers to join the industries and take it to greater heights. In achieving this, we are also duty bound to discover more values for our current members and promote the interests of the Association or industry to our stakeholders.

These are some of the key priorities of the Council to inspire and to bring about better productivity for our industry members.

We are confident that, with this fortified Committees and renewed focus, our office bearers would have a deeper awareness of common issues faced by members and are steadfast in the pursuit of their solutions.

## —REVAMPED COMMITTEES

The Committees and their fundamental functions are as such:

- **Issues Management Committee** – to promote value of advertising and self-regulation and tackling challenges of an evolving media environment;
- **Industry Relations Committee** – to build and strengthen relationship with Government bodies, Industry Association and other related Associations. The scopes of work also include recruitment of new members and organizing fund raising events for the Association;
- **Professional Development Committee** – to create essential training programs for new talents and members of the Association.



## Realigned Committee to meet the goals of the Association

Our plans for the final two quarters of 2011 included the expansion of the scope of these Committees to address urgent issues pertaining to advertising and achieve their objectives for the Association. Below are the various sub-committees scope of responsibilities:

### **ISSUES MANAGEMENT COMMITTEE**

After previewing the plans for the remaining two quarters of 2011, the Council Members were re-assigned to helm the revamped Committees.

The President, Vice President, Ms Tay Ai Leen, Ms Margaret Au Yong, Ms Sulin Lau, Ms Soo Woon Yee, Mr Victor Cheong and Mr Navin Stanislaus steer the Issues Management Committee as follows:

- a) Issues Management Committee would form a Self-Regulation & Advocacy Sub-Committee to lead and guide the members on issues concerning the industry, government and other regulatory bodies.
- b) An additional scope of work is to create and promote a framework and an environment within which advertisers can increase the effectiveness and efficiency of media as vehicles for marketing communications.
- c) In addition to other concerns, the President said that there was a need to give attention to matters related to the Advertising Awareness campaign to Children. The Vice-President was delegated to look into this matter.

# Promote the interests of the Association or industry to our stakeholders



## **ABC TECHNICAL COMMITTEE**

The ABC Technical Committee will be helmed by the Vice President, Ms Tay Ai Leen, Ms Soo Woon Yee and Ms Margaret Au Yong.

## **INDUSTRY RELATIONS COMMITTEE**

This is composed of the President, Vice President, Ms Margaret Au Yong, Dato' Dr Vincent Tiew, Mr Andrew Leong, Mr Navin Stanislaus and Ms Sulin Lau. The scope of this Committee comprise as follows:

- **Relationship with Government bodies** – President and Vice President
- **Relationship with Matrade** – Ms Margaret Au Yong
- **Relationship with Industry Associations** – President, Vice President and Ms Margaret Au Yong
- **Relationship with other related Associations i.e. FMM, SME, BAM** – President
- **Membership** – Mr Andrew Leong
- **Fund Raising** – Mr Navin Stanislaus, Mr Andrew Leong and Dato' Dr Vincent Tiew

## **PROFESSIONAL DEVELOPMENT COMMITTEE**

This Committee is handled by the President and Mr Victor Cheong.

## **FINANCE COMMITTEE**

As for the Finance Committee, it is in the hands of Dato' Dr Vincent Tiew while Macomm matters is dealt with by the President, Vice President and Dato' Dr Vincent Tiew.

## **MEDIA COMMITTEE**

The Media Committee is made up of the President, Vice President, Ms Margaret Au Yong, Ms Sulin Lau and Ms Tay Ai Leen.

This Committee which has been in the planning was established to lead the transition of audience measurement in the industry to respond to the consumers' intricate media consumption behaviour.

This Committee would also be asked to assess and implement standard basic metrics to allow media options that could be compared and selected with confidence. The areas that determine the effectiveness and efficiency of media planning and buying have been identified as such:

- Media Research requirements
- Management of Media Research
- Financing of Media Research
- Media Planning
- Agency Relations
- Media Buying Practice

The Council is open to the idea of inviting other Association members or non-members to participate in our projects and a number of possible names were considered to facilitate the fulfillment of a larger scope of responsibilities as well as extend their hand in steering our initiatives.

## **—MEDIA RATES AND RELATIONS**

The constant engagement with media partners for a fair timeline be provided to the Members before a hike in the media rates bore its rewards (please refer to the Media Committee Report for details).

The Council managed to secure a general discount on the media rates for members and it is our view that a detailed study on Historical Media Rates must be conducted with the objectives of this study, amongst others, to match rates with audience.

We embarked on a series of dialogue sessions on media issues and relations and visits to the media owners to complement our endeavours in this area and for these purposes:

- To network and cooperate at company and agency levels
- To discuss on integration of opportunities
- Discuss plans for future collaboration of activities;
- Explore new areas to tap from each other in assisting the marketers.

These meetings formed the basis for a stronger relationship between the Council and the media owners and also platforms for the discussion of such matters as media rates and the importance of a credible measurement system.

In the beginning of 2012, the Council has initiated collaborations such as educational programmes and workshops that were in partnership with Sin Chew Media Corporation, AMP and Star Publications while resuming the exchange of ideas with other media owners.

## —INTER-INDUSTRY COLLABORATIONS

The Association is a key advocate for self-regulation in the industry and a Constituent Member of the Advertising Standards Authority (ASA). Our representatives sit on the Council of Communication and Multimedia Content Forum of Malaysia (CMCF) and in the Board of Audit Bureau of Circulations (ABC).

We are also a stakeholder in the Malaysia Effie Awards and work together with the 4As, MSA and in association with MATRADE on improving the industries for the good of all members.

Last year, the Council provided input for the Competition Act through our presentation, which covered fixing of market prices, discrimination in business practice, a level playing field, unfair treatment to consumers and penalties for breaching the Act.

The presentation also touched on related matters that affected competition regulations that were faced by members. The presentation was circulated to all members for their perusal and comments and policy guidelines were prepared in November for the review of all.

Positive breakthroughs were made in the ABC with full support from the Council whose belief and trust in the body have been crucial in its evolution. A larger Board was in keeping with the expanding role of the body and to admit new members of the industry into the fold to facilitate ABC's move into the digital media arena. Please refer to the Issues Management Committee Report for a full account.

The presence of the representatives of the MDA is expected to aid ABC's ventures into digital media auditing – a project that has no precedence in the world – and a common measurement currency for online media sites would materialise under the ABCi if the Association and fellow organisations extend their assistance for it.

## —EFFIE AWARDS 2011

The 2011 Malaysia Effie Awards commenced with a Boot Camp held on May 12, 2011. Catering to young executives in the industry and students, the workshop lured almost 500 participants – 200 more than the original target – that also included media planners, executives from the media agencies, media owners and advertisers numbering more than 500 attended the event.

After the Gala Dinner and Awards presentation in October 12, 2011, Ms Margaret Au Yong provided notice of her removal from this commitment to give her undivided attention to her Audit Committee responsibilities.

The Council records our gratitude to Ms Margaret for her untiring efforts in placing the Effie Awards as one of the most exalted in the industry. This feat is made more remarkable in view of the growing number of dubious awards.

The Council strongly believes that such awards would create confusion and false standards in the industry and feels a pressing need to engage an auditor if the methodology involved gave rise to controversies.

The Council agreed to extend their support to genuine awards events. We are convinced that, with a collective effort from members, relevant associations, media, marketing and trade bodies, the Association would be able to address the problem.

Collaboration with  
peer organisations and  
higher authorities  
to grow our industries



## —MEMBERSHIP AND WEBSITE

An updated Ordinary and Associate membership listing was tabled for review and approval in July. The three-month membership update enabled the Council to separate the passive members from members who would be able to participate and contribute to the advancement of the Association's cause.

This evaluation also provided the Council invaluable feedback from members and it was decided that the membership list would be reviewed periodically to ensure that the Association could count on proactive members. A fresh membership enrollment plan was put into motion to realise this aim.

The Council has always seen the website as a vital platform to not only keep members updated on the developments in the Association and industry but also to open up an easy channel of communications.

Swift and serious work followed the registration of our domain name (*malaysiaadvertisers.com.my*) in February and the hiring of an IT solutions and management firm to help us handle it.

Apart from content on the Association itself, the Council decided to include updates on the supervision of issues that affect the industry, information on brand and marketing education, reports and articles on retail audit, survey and digital media and careers in marketing.

It is the Council's hope that the website functions as a window into the Association as well as a source for news and trends in the marketing and communications industries in Malaysia.

## —FUNDING

The Council thanked and congratulated the Organising Committee of the Malaysian Ad Congress for a splendid job. Numerous positive feedbacks from members of the industry were received for the event, which attracted in excess of 200 participants and garnered huge support from agencies, media owners and advertisers.

The Council is keen in continuing to strive and initiate events that are valuable to the members and aimed to have more flagship events for the Association. This would bring additional funds to the coffers of the Association and the Council is determined to improve the financial footing of the Association and actively seek opportunities to fulfill this and many other obligations.



**KHOO KAR KHOON**  
President

## Scope

- **PROMOTING VALUE OF ADVERTISING AND SELF REGULATION**
  - Content Forum & ASA
- **SECURING FREEDOM TO ADVERTISE**
  - Fast Food ban
  - MIM
  - Billboard
- **TACKLING CHALLENGES OF AN EVOLVING MEDIA ENVIRONMENT**
  - Ownership of media platforms
  - Measurement of media – print, TV, website, radio
  - Media rates
- **ADVANCING ADVERTISER-AGENCY BEST PRACTICES**
  - Professional standards of practice
  - Standards of Advertising Films Production Contract

# Issues Management Committee Report

## Members

The President /  
Vice President /  
Ms Tay Ai Leen /  
Ms Margaret Au Yong /  
Ms Sulin Lau /  
Ms Soo Woon Yee /  
Mr Victor Cheong /  
Mr Navin Stanislaus

## —ADVERTISING STANDARDS AUTHORITY (ASA)

The Chairman, Y. Bhg. Tan Sri Datuk Abdul Kadir of the Advertising Standards Authority (ASA) had requested to revisit the Malaysian Code of Advertising Practice (MCAP) and make the changes deemed necessary. A sub-committee, with each constituent member having a representative on it, was assigned to review the Code on a biennial basis.

Mr Navin Stanislaus representing MAA, heads the sub-committee, and tasked to examine similar international codes to distinguish possible paths. He reported to Council that the British version was more detailed, whereas the American code was very brief.

The latter though places more emphasis on the spirit of the Code and therefore can be more regulated, as it is open to interpretations, Mr Stanislaus recommended to the Council that it retained the current format – which is based on British code – but work towards more frequent review. It was also proposed that the review to be conducted biennial, as even the British Code has evolved somewhat to fit the environment and times.

The Council could, through regular reviews, work towards improving and improvising the Code as it moves forward to meet future expectations and requirements. The Council agreed that it needed an upgrade to recast the board definitions and, at the same time, it was vital that the Code retained the essence of self-governance.

The Council held the view that it was important to lay down clear definitions especially when dealing with government bodies and the industry. The Council agreed to adopt the British Code System, as it is the most pertinent and lucid.

The MCAP Code is currently being revised, seeking updates on specific sections from the relevant Ministries and authorities. An overall review will commence upon receipt of the Committee's final draft in order to proceed with the necessary changes to the Code.

## —MEDICAL PRODUCTS AND SERVICES

Self-regulation for the advertisements of Medical Products and Services was discussed in a meeting between the Committee of ASA and the Ministry of Health officials, representatives from the Pharmaceutical Association of Malaysia (PhAMA) and Pharmaceutical Services Division of the Ministry of Health.

The proposed draft Bill – which would cover the handling of complaints – has not been drawn up yet and PhAMA is expected to revert to ASA on the matter. It was suggested that the Association should study the practice adopted in Australia and New Zealand on the matter.

The Council was also advised to refer to guidelines, if any, from WFA on the matter and was of the opinion that the Association engaged the Ministry of Health and other agencies such as PhAMA to reflect the Association's consolidated voice on the matter at all times.

## —SCOPE AND AUTHORITY

The ASA has ensured that the self-regulatory system that is currently in place works despite constant pressure to its authority while handling ill-disciplined advertisers. However, as an independent body, the ASA had always felt the need to draw strengths from higher authorities to enforce the rules and regulations.

An opportunity to reinforce the ASA's position materialised with the transfer of Dr. Fadhullah Suhaimi Abdul Malek, formerly a Council Member of the Communications and Multimedia Content Forum of Malaysia (CMCF), to Pemandu.

A meeting with Pemandu to discuss setting up a task force to deal with these matters was mooted and it was agreed that the Council attend the meeting with a proposal on gaining more authority for the ASA in hand.



## —COMMUNICATIONS AND MULTIMEDIA CONTENT FORUM OF MALAYSIA (CMCF)

During the Content Code review, the Secretary-General of the Ministry of Information, Communications and Culture suggested to the CMCF that a single Content Code is applied for the industry.

A meeting was scheduled in April to discuss the framework to be proposed to the Ministry and the Committee of the CMCF would be proposing to maintain the status quo.

The members of the Content Forum felt that they should perhaps have the sole responsibility to revert to any point of views requested from the MCMC or any other Government related bodies.

Currently, the Chairman of the Complaint Bureau will reply on their behalf and the Content Forum members believe that the Complaint Bureau's Chairman could only make judgments based on point of law, and may not be able to express the opinion of the Forum.

**Awareness Campaign** – The CMCF had been conducting many road shows, targeting children and schools, to increase their awareness. However, there was a concern that the communication message may not reach these target audience and it was recommended that the road shows to be extended to all schools to promote its awareness campaign.

**CMCF Newsletter** – The CMCF launched its newsletter at their AGM, which was held on March 21, 2012.

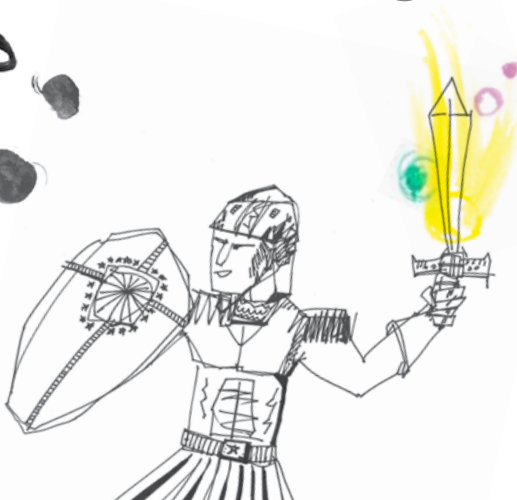
**CMCF Youth Cluster Program** – The CMCF Youth Cluster Program was launched at the CMCF AGM, which was also part of their awareness campaign. The program is in line with the National Union of Teaching Profession. It aims to create exposure and give students a head start on identifying and avoiding negative content embedded in cyberspace as well as guiding them to overcome them at an early age. This could become the feeder team for the complaints in schools and the schools could also drive it. The program's target is to reach all the students in the schools.

**Standard of Procedure (SOP)** – Upon his election as the Treasurer of CMCF, Mr Navin Stanislaus had mooted the development of a Standard Operating Procedure (SOP) – a set of operations and proceedings - for payments and solutions for vendors. The Council was notified that the Chairman of CMCF had proposed implementing this SOP. A discussion and drafting of the SOP began in November and is ongoing.



COMMUNICATIONS AND MULTIMEDIA  
CONTENT FORUM OF MALAYSIA

## Tackling challenges of an evolving media environment





## —ABC MEDIA WORKSHOP

The ABC Media Workshop was successfully organised from March 1 to 4, 2012 in Bandung, Indonesia with 205 delegates in attendance. The great lineup of speakers was made up of Ms Margaret Lim of Aegis Media, Mr Gilles Demptos (WAN - INFRA), Mr Andreas Vogiatzakis (Omnicom Media Group), Encik Malek Ali (BFM Media), Ms Kudsia Kahar (AMP-Astro), Mr Ranganathan Somanathan (Starcom Mediavest Group), Mr Remco Koster (WoodWing APAC), Mr Jason Lo (Tune Talk), Encik Ahmad Izham (Media Prima Bhd) and Mr Sa'ad Hussein (Creative Juice-Sil).



The keynote speaker Datuk Vincent Lee, Executive Deputy Chairman of The Star Group put up a great presentation. Delegates walked away with so much more knowledge at the end of first day itself that they instantly and creatively applied into the sketch performance on the first night of conference!





The Second day of conference continued with a briefing by Ms Margaret Au Yong on importance of ABC and ended with a panel of discussion with 6 youth writers on how to court the youth today and was moderated by the ABC Vice Chairman – Mr Karthi P.

To officially close the conference, 10 groups went on stage to present their ideas on how ABC could obtain more magazines to be audited, and what bigger role ABC should play to stay valuable to the industry. The groups were highly energetic and engaged, and some brilliant ideas came through despite the short amount of time!

With returning delegates from the last workshop in 2009, the conference showed that ABC has managed to deliver what it has promised, and ABC will continue to raise the bar in the next workshop in 2014. The workshop overall was a great success with the support of sponsors and members participation.



## Scope

- THE RECRUITMENT OF NEW MEMBERS
- ORGANISING FUND RAISING EVENTS AND INITIATIVES
- LIAISONS WITH INDUSTRY AND GOVERNMENT BODIES
- THE MAINTENANCE AND DEVELOPMENT OF THE WEBSITE
- SECURING PUBLICITY FOR THE ASSOCIATION AND ACTIVITIES

# Industry Relations Committee Report

## Members

The President /  
Vice President /  
Ms Margaret Au Yong /  
Dato' Dr Vincent Tiew /  
Mr Andrew Leong /  
Mr Navin Stanislaus /  
Ms Sulin Lau



## —MEMBERSHIP

The membership updating exercise, which began in May 2011, was completed in July. The exercise consumed approximately three months of daily follow-ups – via phone calls and emails and, despite the efforts and the closing date for submission set at the end of May, the response was poor.

The frequently asked question amongst potential members was of the benefits of membership while existing members commented that the current benefits were inadequate. The newly appointed representatives, however, requested for justifications for them to recommend membership renewal to their Senior Management.

The Council was presented with the updated Ordinary and Associate membership listing for review and approval in July. A copy of the membership outstanding payment listing for both the Ordinary and Associate was also presented in the meeting.

Members had requested withdrawals and fee waivers, which affected their membership status, and the Council handled these appeals. Half out of the 18 listed Ordinary members had their membership revoked for non-payment of fees while the Council granted request to waive the fees from four members.

In the Associate Membership category, four out of ten listed members were released for the same reason as their Ordinary counterparts while the fees were put aside for one member. The Council considered liaising with other related associations such as FMM, BAM and SME to enlist them as members.

An updated membership report was circulated by the secretaries to the Council in November. A total of 46 Ordinary Members and 30 Associate Members have paid their subscription as of December 2011.

It was brought to the Council's knowledge that RM81,873.67 had been collected from members between June and November 2011. This included payments from several members who had not paid for the period of between two and six years. A new membership recruitment programme was already underway and membership application packages had been sent to prospective members.

## —FUND RAISING

While the Council was always keen on contemplating fresh ideas to raise funds for the Association, they must bear in mind that the Association needs to be selective in the type of programs and the audience they would attract to raise the bar and credibility.

The Council also discussed ways to attract senior level managers to attend the Association's programmes, which were generally round table talks and events that offer vast networking possibilities.

Top brass speakers or book writers were marked down as attractions for these events and it was suggested that the programmes could commence with a talk session and end with a dinner where members, guests and speakers could network and mingle.

Several other schemes and activities to increase funds were also tabled and these included:

- A version of the Malaysian Digital Association's Digital Wednesday: an informal gathering of Association and industry members with the goal of networking and sharing knowledge.
- A forum based on "TED Talk," which encourages anyone with an idea around a theme to share it with a group for an intermingling of better thoughts and feature speakers who are passionate about the idea.
- A series of lectures and talks that offer regular meeting opportunities with members that could be built into a tangible Association activity that meets the need of members and gradually transformed into a major fund raising event.

The organisation of an intensive half-day talk helmed by two noted speakers was mooted to generate funds for the Association and the first of the series was organised in early 2012.



## —MALAYSIAN AD CONGRESS

The Malaysian Ad Congress 2011 was successfully organised between February 18 and 19 at Awana Genting Highlands Golf & Country Resort. Topics and talks revolved around the theme of *What's Next in Marketing?* and ranged from the trends and updates in marketing measurement and accountability, online shopping and brick-and-mortar supermarket retail aisles.

The two-day congress was divided into two segments in an effort to offer a change in direction on the usual format. The *Breakout Deep Dives* delved into individual topics and participants chose a single topic to “dive in” together with an area expert along with between eight and ten other participants who shared a similar interest.

*Live Debate on the Future of Marketing* featured a debate on whether marketing required more scientific logic to survive or does it need to retain more magic to thrive? The debaters were Gaurav Bhasin and Shylendra Nathan (Chief Operating Officer and the then General Manager of Mudah.com respectively), Danny Searle (Chief Creative Officer of BBDO Asia-Pacific) and Ahmad Izham Omar (Chief Executive Officer of 8TV and head of Media Prima Radio Networks).

The talks were helmed by the leading figures in the industry such as Henry Tan (Chief Operating Officer of Astro), who spoke on Family Marketing; Ahmad Izham, who explained the importance of magic in marketing and Zayn Khan (the then Regional Business Strategy Director of Ogilvy & Mather Malaysia) on the lessons from the EFFIE.

Other industry leaders were also on hand to discuss and debate the issues that arose from the theme. Google threw light on search engine marketing, Mudah.my shared with the participants on how they finally made online shopping work in Malaysia and Maxis clues us all in on how convergence in technologies will affect marketers over the next few years.

Accenture elaborated on marketing spend optimisation, Radian 6 showed the utilisation of the digital and social media to provide real-time customer insights; Youth Asia shared their insights into social selling on a large and efficient scale; Ogilvy Action kept attendants abreast on shopper marketing and the ways to win more battles in retail and Admob pushed mobile marketing as a mainstream platform in Malaysia.

The Council has proposed that the next Congress in 2013 be staged in either Sabah or Sarawak for its potential to attract a large group of “brand” participants. The Council is looking at a selection of similarly attractive names to produce another memorable and valuable Congress.

## —MINISTRY OF DOMESTIC TRADE, COOPERATIVES AND CONSUMERISM (MDTCC)

### COMPETITION ACT

The Council was notified that the Interim Competition Unit of the Ministry of Domestic Trade, Co-Operatives & Consumerism would be able to give a briefing on the introduction of the Act and the enforcement issues. Ms Shila Dorai Raj, Head of the Interim Competition Unit in the Ministry was invited to give a briefing on the Competition Act 2010.

In April, the Ministry invited the MAA to attend the ceremony appointing the commissioners for the Competition Commission and in November the Council agreed to commence the drafting of the policy guidelines derived from Competition Act for all the Associations.

### CONSUMER PROTECTION ACT


The Ministry had called for a meeting in March to look into the changes required for introducing the Consumer Protection Act or Akta Perlindungan Pengguna 2010 with the aim of ensuring that the process of producing advertisements were accurate and completed with integrity.

It follows that if the development of advertisements were grounded in high ethics, the rights of the consumers would be protected. A second meeting in pursuance of the amendments was called by the Ministry's Advertising Committee in May and was attended by the President.

### ADVERTISING COMMITTEE MEETING

The Advertising Committee was established by the Ministry to advise the Minister on strategies, policies, laws and current issues related to advertising in an effort to address and solve problems that arise due to advertisements with false statements that mislead the consumer.

The Deputy Secretary General of the Ministry of Information, Communication and Culture (MICC) had clarified in a meeting that the content of advertisements in the electronic and internet media was regulated by the Malaysian Communications and Multimedia Commission (MCMC), under the Communications and Multimedia Act 1998.



The advertisements in the print media, meanwhile, were regulated by the Ministry of Home Affairs under the Printing Presses and Publications Act 1984. It was suggested the Advertising Committee could become a platform to discuss unsettled issues to ensure that regulation of advertisements detrimental and confusing to the public can be managed comprehensively.

The scope of work for the Advertising Committee should not overlap with the jurisdiction of any Ministry responsible of enforcing matters related to advertising. The term of reference of the Advertising Committee shall be updated and submitted to all members of the meeting for feedback and improvements.

In view of the appointment of the alternate members, the Ministry's Legal Department was of the view that the Consumer Protection Act 1999 did not have a provision on the appointment of alternate members. The Legal Department will decide on the appointment of alternate members after consulting the Attorney General's Chambers.

## —WEBSITE

The Council was pleased to learn in February that the website domain, *www.malaysiaadvertisers.com.my* has been registered and made the necessary plans to push it as a crucial avenue of communications with members.

It was agreed that Amphibia Digital to be put in charge of revamping, updating and maintaining the website as well as assist in featuring stories on it. In May, representatives from Amphibia Digital were invited to the Council meeting to present their proposal on the website.

They suggested a simple and easy-to-navigate website and also explained its structure. Proposal to engage with the members, include job listings and feature members' marketing campaign of the month on the website were also suggested.

In the discussion on the contents for the website, the Council suggested that they emulate and make use of selected materials from the World Federation of Advertisers (WFA), which could be beneficial to the members.

The creation of links to relevant trade magazines for latest news was also proposed and it was felt that while it would not be ideal for the Association who has its own Facebook fan page and Twitter, it would be useful to have a LinkedIn account.

The staging site was up for viewing in July and the contents to be uploaded on the site were finalised. These included the history, objectives, vision and mission of the Association; the key issues surrounding the industry and the Association's management of them; brand and marketing education, reports pertaining to retail audit, survey and digital media plus articles and updates on careers in marketing.

Amphibia Digital presented the beta website page in November and reported that the main web design and structure has been completed and awaits further information from the Council to be uploaded.

The Council Member page included photos, brief biographies and logos of the Members' companies and Members who were willing to communicate via the Twitter network – which would help create a constant dialogue between the Association and members - were encouraged to publish their account on the page.

A page to showcase members' campaign of the month was created alongside another to highlight past and upcoming events such as the Effie Awards 2011, WFA APAC Regional Network Meeting, Sin Chew Collaborative Talk and the MAA Lecture Series. It was suggested that the website hosts links to ABC website, all peer Associations and to feature local and global issues that are topical and relevant.

Emphasis was also placed on budding talent within the industry who may turn to the site for information on career options and inspiration and it was proposed that Members share anecdotes and advice for these young marketers.

Ms Sulin Lau, who has been tirelessly spearheading this project, targeted to complete the launch of the website by the end of 2011 with the cooperation of all Council Members. The Council recorded their appreciation for her enormous effort in overseeing the project and its fruition.

On a separate matter, the Council was informed that IT consultant Quibe Solutions Sdn Bhd has been employed to provide consultancy services to the organisation.

Quibe Solutions will conceptualise and design websites and will provide guidance in respect of the composition, setting up an initial management of the IT department of the organisation with the aim of consolidating all the associations' websites.

## Scope

- TO GUIDE THE TRANSITION OF AUDIENCE MEASUREMENT IN THE INDUSTRY TO ACCOMMODATE THE INCREASINGLY COMPLEX MEDIA CONSUMPTION BEHAVIOR OF CONSUMERS
- TO CREATE AND PROMOTE A FRAMEWORK AND CREATE AN ENVIRONMENT WITHIN WHICH ADVERTISERS CAN INCREASE THE EFFECTIVENESS AND EFFICIENCY OF MEDIA AS VEHICLES FOR MARKETING COMMUNICATIONS

# Media Committee Report

## Members

The President /  
Vice President /  
Ms Margaret Au Yong /  
Ms Sulin Lau /  
Ms Tay Ai Leen



## —AUDIT BUREAU OF CIRCULATION (ABC)

The ABC is taking steps to move beyond print media and expand rapidly to other media in the principal objective of providing a transparent, accountable and reliable circulation figures and equivalent, for the benefit of the industry.

While pursuing its vision of being the first in the world of providing common currency across all media under the new leadership of Ms Chan Sheow Vern, the Board of ABC is strengthening the ABC verified and audited circulation figures to be adopted for media planning alongside readership figures.

Additionally, a big review exercise of its 10-year old audit rules and regulations with regards to the Audit of Net Circulation Figures of Print Publications (Newspapers and Magazines) has been implemented with the goal of better serving a more sophisticated industry. This includes the e-edition of print publications, which could mean incremental eyeballs.

To embrace the digital revolution, the ABC Board had proposed to increase the number of Board of Directors from 16 to 20 Members at the last Annual General Meeting and this was approved by the Minister of Domestic Trade and Consumer Affairs in February 2012.

As it stood, ABC Board's composition was made up of eight publishers appointed by the Members, four Members appointed by the Association and two each by the Association of Accredited Advertising Agents of Malaysia (4As) and the Media Specialists Association (MSA).

With the new composition, the Association increases its representation from four Members to five while the MSA now has three Members instead of its previous two. On the Publishers' side, two additional Members representing Digital Publications will be recruited from the industry to sit on the new Board.

These additions were necessary to maintain the equilibrium between the constituent members of the ABC and the publications. An EGM was convened to amend the Articles of Association of the ABC to accommodate the increase in the representation of the Association in the Board of ABC during AGM last June.

In the ABC's Annual General Meeting in June, the Vice-President, Ms Chan Sheow Vern, was elected the Chairman of the Bureau while the President remains an integral part of its Board of Directors.

The Council also expressed appreciation to Ms Margaret Au Yong in her efforts to enhance the reliability of audited circulation figures with her stringent verification on audited circulation returns submitted by its members.

## —ABCI

ABCI has now been revived and has been promptly setting up a standardised framework of auditing digital audience numbers of publishers, along with Malaysian Digital Associations (MDA) who is working towards finalising a digital audience measurement vendor that will be announced by mid-2012. The aim of both parties is to provide a lot more clarity and certainty in a relatively unknown space, compared to traditional media.

The goal of having an authenticated digital auditing under ABCi is achievable with the cooperation of digital publishers and the industry in pursuing a greater degree of transparency and accountability.

The Council defines a "digital publication" as "media in the electronic format" which in itself raises the question of the type of publications that come under this category for membership invitation to be handed out and the formulation of rules on the audit of digital media for the various digital publications.

Mr Koh Weng Wai, a newly appointed Chair of ABCi, was invited to brief the Council on ways ABCi could verify audience data provided by the audience measurement vendor whom MDA endorses.

Mr Koh, attended a briefing at IFABC hosted in Hong Kong last November, confirmed that the standard currency used by digitally advanced ABC countries is "Unique Browsers" rather than "Unique Visitors" which eliminates possible duplication from the same visitor.

This means that website traffic is the more advanced area of digital audit, but rapidly moving into other metrics and platforms like mobile phones and tablet applications.

## —TECHNICAL COMMITTEE

The main focus of this Committee is to have a constant dialogue with the industry's media research company, in our case, Nielsen Media Research, to ensure both the research input was reviewed and conducted according to the change of market needs, and output was delivered to utmost representation of the media consumption of our audiences.

Ms Margaret Lim of Aegis Media is leading the dialogues alongside media partners who are the customers of the Nielsen research.

## —FUND RAISING COMMITTEE

Mr Pattrik Ting of See Hua Group is providing his assistance to help identifying fund raising opportunities, which will aid ABC in carrying out its ambitious vision and agenda for the coming years.

The first would be "Walk The Talk" campaign that will be held at May 20, 2012 where publishers, media agencies, and advertisers come together for a day walk to demonstrate our unity and insisting on truth and transparent circulation numbers.



## —AUDIT COMMITTEE

Audit Committee, headed by Ms Margaret Au Yong, has successfully galvanised the Board and formed special Consultative Committees for both Newspapers and Magazines to review the existing audit rules, to first tighten rules and more importantly provide further in-depth data that could explain the composition of the audited circulation numbers.

In addition to this, there are new and more encouraging criteria for publishers to include numbers, which were previously excluded, which we now think is valuable.

Besides revisiting rules, the Committee has also managed to set up a framework to include the exact replica of the print version on digital platform, which is acknowledged to be a crucial component in circulation for an increasingly digitalised nation.

The rules are in the final stage of draft and are due to be shared with the industry by June for next September's submission deadline.

## —THE MARKETING AND PUBLICITY COMMITTEE

This committee focuses on marketing and publicity of ABC, including the websites which often can be a frequent touch points for the industry, as well as education programs and workshops which aim at improving marketing and communications capability and professionalism.

The Committee is headed by the ABC Vice Chairman, Mr Karthi Palanisamy from 4As, who is also assigned to lead the education program to ensure the importance of the ABC verified audited numbers were understood and applied.

Along with ABC Chairperson, Ms Chan Sheow Vern, ABC will be launching a marketing campaign to aim at changing the perception of ABC from merely a watchdog to a valuable partner for the industry by providing relevant information that supplements verified and audited circulation numbers, as well as connecting all the different stakeholders in the value chain for a healthier and sustainable industry, for established and new publishers.

## —GENERAL MEDIA INFLATIONS

In August, the Council was informed that some key Media Companies had commenced discussions with advertisers and media agencies on new rate structures for 2012. The proposed rate increases were rather substantial and warranted further analysis and discussion with the media owners.

In several discussions with the media owners, the Council counter-proposed new rate structures and they accepted the revised proposals after taking into account the justifications and explanations from the Association as well as the MSA.

## —MEDIA RELATIONS

The importance of MAA as the regulatory-influencing body on media rates inflation to the marketing and advertising industry cannot be understated. In tandem with this belief, the Council led the discussion on the new rate structure for year 2012 and obtained views on the proper measurement system for the industry. The full Council approached this task by unreservedly embarking on a series of dialogues with media owners.

## —MEDIA PRIMA

In July 13 2011, Council Members comprising the President, Mr Khoo Kar Khoon, the Vice President, Ms Chan Sheow Vern; Ms Tay Ai Leen, Ms Margaret Au Yong, Mr Navin Stanislaus and the Secretaries, Ms ShuLing Lau engaged the Senior Management team from the Media Prima Group in a frank exchange on their concerns and future developments to their benefits and secured the media owner's pledge to include the Association's input on diverse matters in the future.

An outcome of this meeting had Media Prima TV holding a discussion with advertisers on the media inflation for year 2012, particularly the TV3 channel rate increase and the introduction of the Run-of-Day-Part (RODP) ROI guidelines.

The Council agreed to review the proposal by MPTV and seek the recommendations from the Media Council and industry. The Council agreed to embark on further negotiation with MPTV, as this is an issue that is absolutely vital for our members.

## —SIN CHEW MEDIA CORPORATION

A meeting with Sin Chew Media Corporation took place on September 27, 2011. The Council – comprising the President, Mr Khoo Kar Khoon, Vice President, Ms Chan Sheow Vern, Committee members Mr Claudian Navin, Ms Tay Ai Leen, Dato' Dr Vincent Tiew, Ms Margaret Au Yong and Mr Victor Cheong – was joined by the Secretariat, Ms ShuLing Lau and Ms Kala Kovan.

The Council was met by the Executive Director of Media Chinese International Ltd Ms Rita Sim and her management team, represented by Mr Koo Cheng (Executive Director of SCMC); Mr Steven Tiong (General Manager of R&D); Mr Eugene Wong (General Manager and Advertising Manager of SCMC); Mr Pook Ah Le (Editor in Chief) and Ms Sharon Chong (Assistant Accounts Manager).



The President reiterated the reasons for the visit:

- *Introducing the MAA Council*
- *Briefing on MAA's history, evolution and state of affairs*
- *To understand the role of Chinese newspapers in Malaysia*
- *To query, if any, an increase in rate*
- *To share information to help educate members*
- *To enlist collaborative programs in the area of education, encourage talent and promote training to benefit the industry.*

The visit included a dialogue session, a guided tour of the premise the company's historical gallery. This meeting also gave members of the Council an opportunity to brief the Sin Chew team on their respective portfolios, in line with the goals and mission of the Association.

Sin Chew will review their media rates in October and the new rates would be applied in 2012. The organisation was more than willing to meet the Association representatives to discuss the matter prior to finalising the rates.

On the issue of audited circulation, Sin Chew expressed its satisfaction on the ABC's firm stand on the submission of accountable circulation. Sin Chew also expressed that publications circulated at no charge should not be combined with that circulated for a consideration.

Both parties reached a consensus that dialogues and educational programs need to be pushed forward with media owners and planners to stress on the importance of auditing their circulations.

Ms Sim also proposed that a collaborative program be organized and the topic *Unmistakably Chinese: Genuinely Malaysian* was agreed and presented by Ms Sim herself on December 2, 2011.

Association members, partner associations, Sin Chew representatives, guests and clients totaling to over 100 participants attended the talk. Sin Chew also launched their publication, entitled *Unmistakably Chinese: Genuinely Malaysian*, authored by Ms Rita Sim, at this event. The event was an overwhelming success.

## —ASTRO

Mr Henry Tan, the Chief Operating Officer of ASTRO, and his management team hosted the Council's delegation, which was led by the President, Mr Khoo Kar Khoon, Vice President, Ms Chan Sheow Vern and Council members Ms Tay Ai Leen, Dato' Dr Vincent Tiew; Ms Margaret Au Yong, Ms Soo Woon Yee and the Secretariat, Ms ShuLing Lau and Ms Kala Kovan on October 17, 2011.

After a very informative and enlightening tour of the premises and facilities, the Council was introduced to ASTRO's AMP Team comprising, Encik Khairul Anwar Salleh (Vice President, Malay Languages Business); Mr Choo Chi Han (Vice President, Chinese Customer Business);

Mr Murugiah Vellay (Senior Vice President, Indian Languages Business); Ms Junaidah Said Khan (Assistant Vice President, English Language Business); Mr TH Chong (Group General Manager Sales); Mr Jeffrey Raymond (Vice President, Promotions and Management, AMP); Mr Nicholas Teh (Head of Sales, Malay Channels) and Mr Kenneth Teo (Vice President Media Sales).

In the ensuing dialogue, Mr Tan touched on advertising opportunities for advertisers as the trend showed increased viewership on all of their channels that was further justified by the increase in subscription base of ASTRO and AMP.

For his part, Mr Khoo expressed MAA's timely visit to focus on the following issues:

- Networking and collaborations at company and agency levels
- Conducting dialogues on media issues and relations
- Discussing the integration of opportunities
- Discussing plans for future collaboration of activities
- Exploring new areas to tap from each other in assisting the marketers



The meeting agreed unanimously that constant dialogues were vital for both parties to provide feedback to members and to each other. Mr Tan's overview of MEASAT operations revealed that there were wide-ranging activities at ASTRO and AMP aimed at reaching the masses.

There was also a strong emphasis on the importance of quality contents, multi channels, multi platforms and serving the needs of their customers in all their programs and activities. Thus, Astro are committed to enlisting "high-quality contents."

The Council raised the possibility of a dialogue between ASTRO and the Association before a rate increase is finalised and published. This would allow the Association to gain a better understanding of the decision and enlighten the members on ASTRO's reasons for increasing the rates.



It was also suggested that it would benefit members if ASTRO could involve Association in the planning stage to cater a way of offering incentives for members who fall in the "small time advertisers" category to add value to their businesses.

It was agreed that in order for the Association to have a better understanding over ASTRO's measurements, a collaborative creative workshop be held for members to provide members with tools on how to interpret numbers and induce clients to advertise in ASTRO and AMP.

This visit culminated in a collaborative creative workshop with the AMP entitled *Ideas that Grow Bigger than Radio*. This presentation for marketers and campaign strategists was held on November 25, 2011 at the Doubletree Hilton Hotel. This half-day event attracted about 100 participants.

# Effie Awards 2011 Report



Profitable from Day One, the Malaysia Effie Awards has become a widely recognised Marketing Communications award as it helps move the marketing industry ahead in Malaysia and to educate the business community on the importance of marketing effectiveness.

The Effie Gala Night was held on October 12, 2011 at the PJ Hilton. Seventy-nine (79) entries were received for this year's Awards and this exceeded the number in 2010 and indicated increasing support for it. The Effie Awards is now considered as a very prestigious event amongst industry players and the high entry fees are no stumbling block in their quest to be judged on the effectiveness of their campaigns.

The Council noted the feedback from the judges on the quality of entries for this year, which had decreased, especially in the area of writing. The Effie Boot Camp held on May 12, 2011 focused on junior level participants and story telling via its Interactive and Effective Communications workshop.

Through the Boot Camp, young executives in the industry and students were required to judge entries while a panel advised them on the merits and strengths of the entries during the interaction session. It was proposed that training in writing skills and grammar to be conducted by the 4As.

It was also proposed that three years worth of case study findings based on actual cases and proof of effective marketing in the Effie Awards be compiled and published into a coffee table book.

The Council were informed in August that the Malaysian External Trade Development Corporation (MATRADE) Chief Executive Officer (CEO), Dato' Noharuddin Nordin, has been appointed as the Director-General of the Malaysian Industrial Development Authority (MIDA).

The Council acknowledged Dato' Noharuddin's contributions and support for the Effie Awards all these years by inviting him to the 2011 Awards, along with his successor, Dr Wong Lai Sum.

Following another winning Effie Awards evening in year 2011, Ms Margaret Au Yong, Organising Chairperson, The Malaysia Effie Awards 2011 and who represented MAA, relinquished her post in 2012, to focus fully on her ABC Audit Chairman responsibilities.

The Council acknowledged Ms Margaret Au-Yong 4 years of spearheading this committee to making the Effie Awards a profitable and successful brand. Special thanks are also in order to the sponsors for their continued support and presence at the Awards.

# AdAsia 2011 Report



The Vice-President, Ms Chan Sheow Vern and Ms Margaret Au Yong represented the Association at the AdAsia 2011 between October 31 and November 3, 2011 in New Delhi, India. The congress, which carried the theme *Uncertainty: The New Certainty*, was very well organised and headed by a group of acclaimed leaders and personalities.

The Vice President handed the gavel to India on behalf of MAA and Malaysia. The opening ceremony was elaborate but interesting and included the launch of Ad Katha – The Story of Indian Advertising, an address by Minister of Information and Broadcasting, Ambika Soni and the raising of AdAsia 2011 flag by the actor, Datuk Shah Rukh Khan. The list goes on ...

The Chairman and CEO of PepsiCo, Ms Indra Nooyi, delivered the closing keynote for the event while Mr Joseph V. Tripodi (Executive Vice-President, Chief Marketing and Commercial Officer, Coca-Cola Company), Mr Will Sansom of Contagious, Mr Lakshim Pratury of Ted/Ink, Mr Tom Doctoroff of JWT North Asia as moderator, Mr Nikesh Arora of Google and Mr Robert Senior (Chairman, Saatchi & Saatchi Worldwide Creative Board) were amongst the speakers.

A summary of learning from AdAsia 2011 were shared with Council Members and some good videos were uploaded by the organiser and can be found at [adasia2011.com](http://adasia2011.com).



# Addendum Report

MAA started the first quarter of 2012 with a big success

## —LAUNCH OF THE MAA LECTURE SERIES

The organisation of an intensive half-day talk helmed by noted speaker was mooted and the event was planned to include a sponsored lunch or cocktail to generate funds for the Association.

Mr Roger Konopasek, a master of transformational leadership and a renowned orator was identified as a speaker.

On February 12, 2012, Council Member Mr Andrew Leong, the Master of Ceremony introduced Mr Konopasek who presented a two-hour talk entitled *Life is a Fishbowl – Creating Powerful Messages for a Disruptive Market* at the Cybertorium in Menara Star.

Mr Konopasek's presentation revolved around the disruptive changes in society, technology and ecology and posed questions such as the driving forces behind visions and aspirations of society and how to operate and succeed in an environment of total information transparency.

He also dealt with issue such as why corporate culture has become the hottest battleground for credibility and market relevance as well as how the business model of the advertising industry will shift to become a cultural innovation hub for their clients.

Mr Konopasek's hands-on and interactive session featured case studies and engaged participants to break through current thought patterns. The talk also challenged them to install new ideas and strategies to stay relevant in the exponentially evolving market landscape.





The talk was by invitation only and the attendees comprised head of Association members in order to promote participation by high-level management and leading agencies and it accomplished in raising the profile of the Association. Thanks to *The Star Publication* who was gracious enough to sponsor the event by providing the venue and refreshment.

The introduction of the MAA Lecture Series was widely hailed, as there was a growing need for such a high level talk amongst senior management members. The success of the first talk has encouraged the Council to embark on preparations for another session with Mr Konopasek.



# Financial Performance Report

The Income and Expenditure for the financial year ended 31st December 2011 was RM806,486 and RM233,213 respectively. Income increased by RM467,930 and Expenditure reduced by RM139,228 in the financial year ended 31st December 2011 compared to that of the financial year ended 31st December 2010.

Dividend received from the Association's investment of 45% in Macomm Management Services Sdn Bhd and the surplus of income over expenditure from organising Malaysia AdCongress 2011 contributed significantly to the Income of the Association for the financial year ended 31st December 2011.

During the financial year ended 31st December 2011, the expenditure of the Association in its normal course of business, remained consistent with that incurred during the financial year ended 31st December 2010. The reduction of 37% in the 2011 Financial Year compared to that of the previous financial year was due to the expenditure of a fund raising project in the financial year ended 31st December 2010.

The Fixed Deposit Accounts and Cash at Bank of the Association as at 31st December 2011 included funds held in trust for Advertising Standards Authority Malaysia (ASA) and the Malaysia Effie Awards. Monies held in trust for ASA was RM53,720 and the net funds generated from the organisation of the Malaysia Effie Award from 2008 to 2011 was RM213,167 were included in the Balance Sheet of the Association as at 31st December 2011.

**DATO' DR VINCENT TIEW**  
Council Member – Finance



# 2012 Global Advertising Outlook

Prepared for Carat Malaysia by aevolve, research & analytics division of Aegis Media  
Source Aegis Media Global Advertising Expenditure Report March 2012



The outlook for 2012 global advertising is positive with a forecast +6.0% increase in ad expenditure. In 2012 North America continues to perform robustly with a projected +5.0% increase in the region, with the US, the world's largest advertising economy up +4.9% and Canada still strong at +5.4%. Latin America continues to have the highest rate +10.7%.

The US advertising market is healthy, with spending gains expected across all media in 2012 with the exception of Newspapers which are down -4.6%. Every category has been investing with Automotives, Retail and Pharmaceuticals leading the charge. Beverages, Financial and Travel/Leisure have also increased their spending. Traditional media, including Out of Home (+6.3%) and Cinema (+3.0%) have proven to be more resilient than many had expected. Radio has shown moderate gains at +5.2% while TV, at +2.8%, remains a key driver of ROI in spite of the fact that spending is migrating to online video platforms. Digital media is seeing significant spending gains at +20% as many use Online Video and Social Media to extend their television messages. The Presidential Elections in 2012 are expected to have the greatest impact on local television, radio and social media.

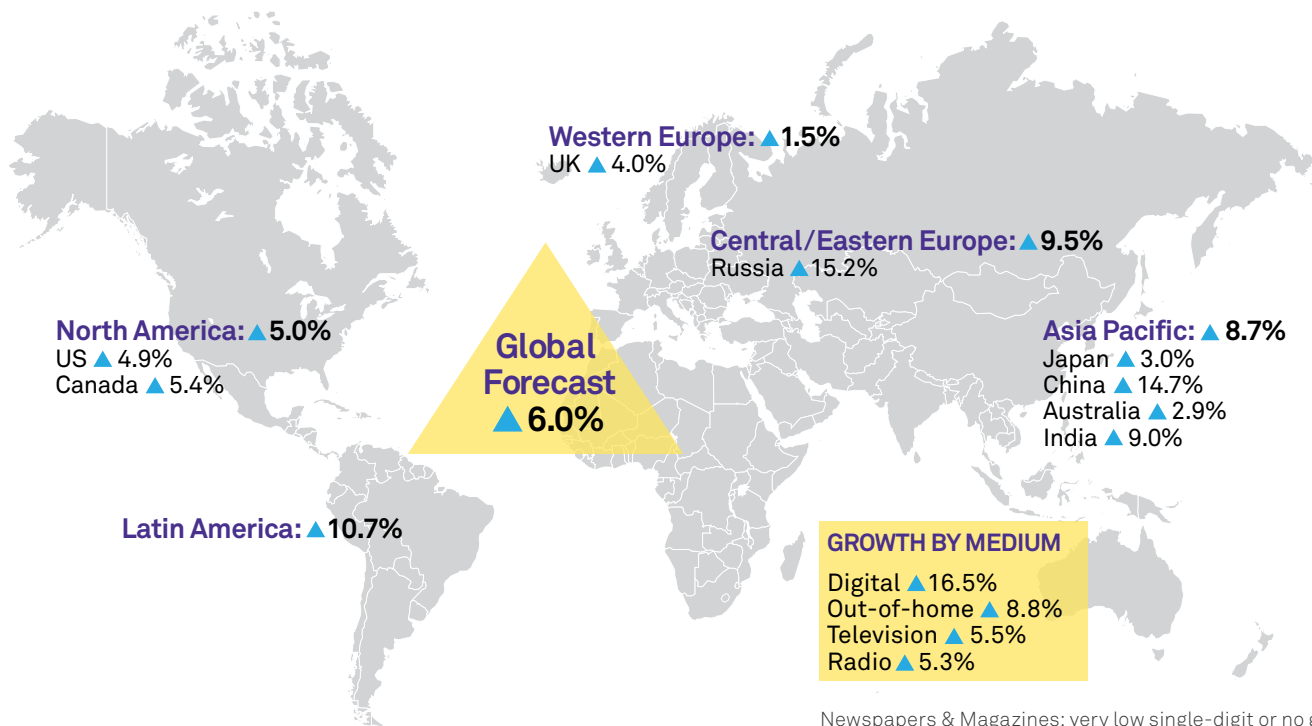
Western Europe continues to feel the effects of economic uncertainty, with low growth of +1.5% forecast for 2012. UK growth forecasts for 2012 are expected to lead the Western European region with a positive +4.0%. By media, Newspapers are expected to decline by -2.0% and Magazines by -3.0% this year. Out of Home looks positive for 2012, with a forecast increase of +6%. This is in light of the heavy ad spend expected in

2012 for the Olympics games in London. TV continues to show steady growth at +3.0%. Digital media remains strong at +10.5% in 2012, with Display, Social Media and Video on Demand all continuing to grow impressively at double digit rates. Digital's share of ad spend in the UK currently stands at +33%. The highest growth rates in 2011 by category were Telecoms at +19.6%, Autos at +10.5% and Travel and Transport at +6.9%. These offset significant declines in Government spend down -11.8% and also in the Food category which was -11.3% lower. The retail sector experienced a small reduction in spend at -3.4% as did Finance at -1.3%.

Central and Eastern Europe continues to perform strongly and is forecast to be up +9.5% in 2012 driven largely by Russia. The Russian advertising market is predicted to increase to +15.2% in 2012.

Asia Pacific remains strong with a predicted +8.7% growth in ad spend in 2012. A major factor in the performance in the region has been the recovery in Japan, returning to predicted positive growth rate of +3.0% in 2012, after four consecutive years of decline. This comes on top of consistent double-digit ad spend growth in China in 2012 – the world's second largest ad market, at +14.7%.

In Australia the advertising market in 2011 performed less well than expected affected by natural disasters and economic uncertainty with six of the top 10 categories reducing spends, including the top two categories of Retail (-2.3%) and Autos (-1.8%). Indicators, however, are for a better year in 2012, with the ad market forecast to increase by +2.9%.



In China, ad spends in 2011 exceeded expectations growing by +15.4%. Similar growth rates are forecast for 2012 at +14.7%. Digital spends grew by a very impressive +34.9% in 2011 with online video growth up +38% as audience shift online for movies and programme content with improving broadband speeds. Mobile adspends saw the highest growth rate +68.6% as smartphones became more affordable. Digital spends, however, make up only 9% of total investment, lower than the global average of 15%, with TV still dominating at 61% share.

In Japan the ad market is expected to return to growth in 2012, up +3%. TV is expected to show a significant recovery, increasing by +2.9% after a decline in 2011 following the devastating earthquake and tsunami. Digital media spends are expected to grow by +9% this year.

India is forecast to grow by +9.0% in 2012. Unlike other major media markets, Newspaper share of spend dominates in India at 39%, followed by TV at 38% and Out of Home at 7.5%. Against this backdrop, Digital media spend still has vast growth potential, with a current 4% share of spend, building on growth rates of +35% this year.

Global Digital ad spend continues to drive the highest growth rates and is set to increase by a forecast +16.5% in 2012, as demand for Search and Display advertising continues and consumer appetite for Online Video and Social Media builds.

From a global perspective Digital's share of ad spend is highest in the developed markets (North America, Western Europe, Australia, Japan and New Zealand) at 18% in 2012. In Asia Pacific the average share of Digital ad spend is 13% but with Australia, Japan and South Korea exceeding 20% and China and India at just 9% and 4% respectively. In Latin America share of Digital ad spend averages 6%.

Both TV and radio continue to be robust with predicted global ad spend growth of +5.5% and +5.3% respectively in 2012 and Out of Home is forecast to perform strongly in 2012 with +8.8% growth in ad spend as the media benefits from the expansion of digital Out of Home platforms. The growth of Digital, TV, Radio and Out of home is at the expense of print media with Newspapers and Magazines set for very low single digit or no growth in 2012.

Overall by share, TV continues to take the lion's share of global ad spend at a predicted 45.9% for 2012. TV's share is dominant most notably in the faster-growing regions – Latin America at 62.9%, Asia Pacific at 49.7% and Central and Eastern Europe at 49.5%.

<b>Media, RM million</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012f*</b>
Television	999	1,301	1,311	1,478	1,799	2,161	2,447	4,840	5,482	6,084
FTA Television	999	1,301	1,311	1,478	1,799	2,161	2,447	2,892	3,014	3,269
PAY Television	-	-	-	-	-	-	-	1,947	2,468	2,815
Newspapers	2,367	2,670	2,778	2,747	3,065	3,321	3,408	3,893	4,359	4,723
Magazines	159	165	161	156	166	156	140	152	148	166
Radio	153	172	180	204	241	291	362	409	428	487
Cinema	13	14	18	20	26	27	22	24	22	24
Outdoor	62	69	76	109	108	96	112	120	119	134
In-Store Media	34	33	39	49	58	74	86	124	141	166
Internet	-	-	-	-	-	33	40	52	64	83
<b>Media Total</b>	<b>3,786</b>	<b>4,424</b>	<b>4,562</b>	<b>4,761</b>	<b>5,464</b>	<b>6,160</b>	<b>6,617</b>	<b>9,613</b>	<b>10,762</b>	<b>11,868</b>

<b>YOY% Change</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012f*</b>
Television	8.4	30.2	0.8	12.7	21.8	20.1	13.2	97.8	13.3	11.0
Newspapers	8.1	12.8	4.0	-1.1	11.6	8.3	2.6	14.2	12.0	8.4
Magazines	0.6	4.0	-3.0	-3.0	6.7	-6.0	-10.6	8.7	-2.7	12.5
Radio	5.8	12.8	4.5	13.4	18.3	20.8	24.2	13.0	4.6	13.8
Cinema	29.0	11.4	27.5	9.5	34.4	4.3	-17.9	5.8	-9.4	10.0
Outdoor	-	11.5	11.0	42.9	-1.1	-11.3	17.1	6.7	-0.5	12.5
In-Store Media	19.0	-2.5	19.2	24.9	18.4	27.8	16.7	43.2	14.0	17.9
Internet	-	-	-	-	-	-	21.6	28.9	22.1	30.4
<b>Media Total</b>	<b>9.7</b>	<b>16.9</b>	<b>3.1</b>	<b>4.4</b>	<b>14.8</b>	<b>12.7</b>	<b>7.4</b>	<b>45.3</b>	<b>12.0</b>	<b>10.3</b>

<b>% Shares of Media</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012f*</b>
Television	26.4	29.4	28.7	31.0	32.9	35.1	37.0	50.3	50.9	51.3
Newspapers	62.5	60.4	60.9	57.7	56.1	53.9	51.5	40.5	40.5	39.8
Magazines	4.2	3.7	3.5	3.3	3.0	2.5	2.1	1.6	1.4	1.4
Radio	4.0	3.9	3.9	4.3	4.4	4.7	5.5	4.3	4.0	4.1
Cinema	0.3	0.3	0.4	0.4	0.5	0.4	0.3	0.2	0.2	0.2
Outdoor	1.6	1.6	1.7	2.3	2.0	1.6	1.7	1.2	1.1	1.1
In-Store Media	0.9	0.7	0.9	1.0	1.1	1.2	1.3	1.3	1.3	1.4
Internet	-	-	-	-	-	0.5	0.6	0.5	0.6	0.7
<b>Media Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source Nielsen AIS / \* aevolve 2012 projection

Adex growth is expected to slow down to 10.3% in 2012 YoY due to weaker consumer sentiment and slower economic growth. Over the near-term, we can look forward to the London Summer Olympics and UEFA Euro Football Championship 2012 to catalyse the next adex bull cycle.

The jump in 2010 adex (+45.3%) is due to the inclusion of Pay TV in Nielsen's monitoring system (12 channels). Without PayTV, the growth is seen at 15.8%.

Throughout the years, television & newspaper account for at least 88% share of the advertising market, and will likely continue through 2012. Newspaper, however, is projected to have the slowest growth among all monitored media in 2012.

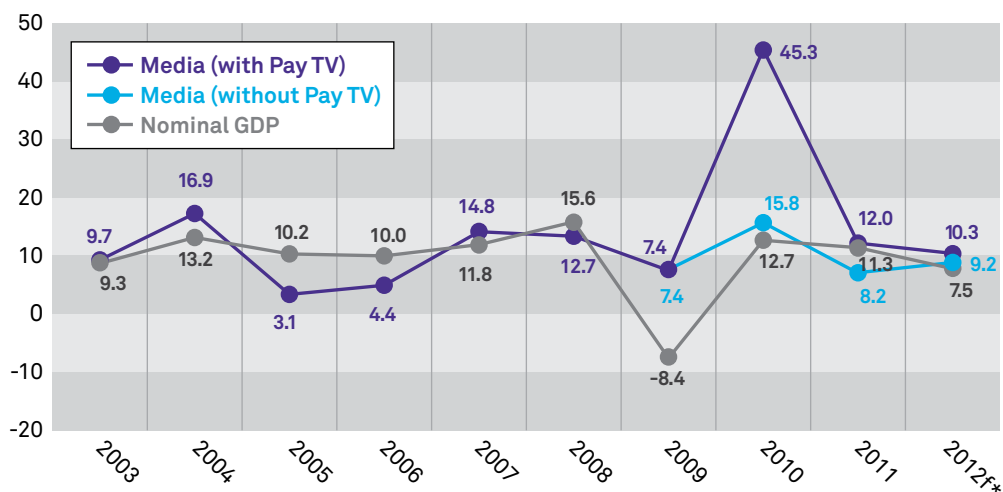
Internet will continue to overwhelm with growth projected at 30% in 2012.

Media, USD million	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012f*
Exchange rate (as at 02/04/2012)	3.0810	3.0810	3.0810	3.0810	3.0810	3.0810	3.0810	3.0810	3.0810	3.0810
Television	324	422	425	480	584	701	794	1,571	1,779	1,975
Newspapers	768	867	902	891	995	1,078	1,106	1,264	1,415	1,533
Magazines	52	54	52	51	54	51	45	49	48	54
Radio	50	56	58	66	78	95	117	133	139	158
Cinema	4	5	6	6	9	9	7	8	7	8
Outdoor	20	22	25	35	35	31	36	39	39	44
In-Store Media	11	11	13	16	19	24	28	40	46	54
Internet	-	-	-	-	-	11	13	17	21	27
<b>Media Total</b>	<b>1,229</b>	<b>1,436</b>	<b>1,481</b>	<b>1,545</b>	<b>1,773</b>	<b>1,999</b>	<b>2,148</b>	<b>3,120</b>	<b>3,493</b>	<b>3,852</b>

Source Nielsen AIS / \* aeolve 2012 projection

## — Media and Nominal GDP

Source Media—Nielsen AIS, Bank Negara Malaysia / \* aeolve 2012 projection / GDP—Bank Negara Malaysia



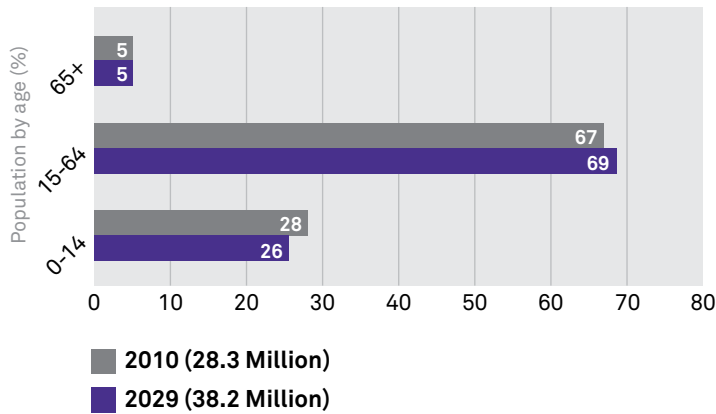
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012f *
Media (with Pay TV)	9.7	16.9	3.1	4.4	14.8	12.7	7.4	45.3	12.0	10.3
Media (without Pay TV)	-	-	-	-	-	-	-	15.8	8.2	9.2
Nominal GDP	9.3	13.2	10.2	10.0	11.8	15.6	-8.4	12.7	11.3	7.5

Analysing historical data over the past ten years, we observe that total adex growth mirrors the rise & fall of GDP, with the exception of 2010 where monitoring of Pay TV began. 2011, however, showed these two measures stabilize.

Malaysia is home to 28.3 million people and we project that the population will expand to 38.2 million in twenty years to 2029. During this period the population will see the younger age (0–14) bracket shrink at the expense of the older 15–64 (assuming constant birth rate at 1.4%).

## —Population

Source Statistic Department / \* aevolve 2030 projection



Population by age %	2010 (28.3 million)	2029 (38.2 million)*
65+	5	5
15-64	67	69
0-14	28	26

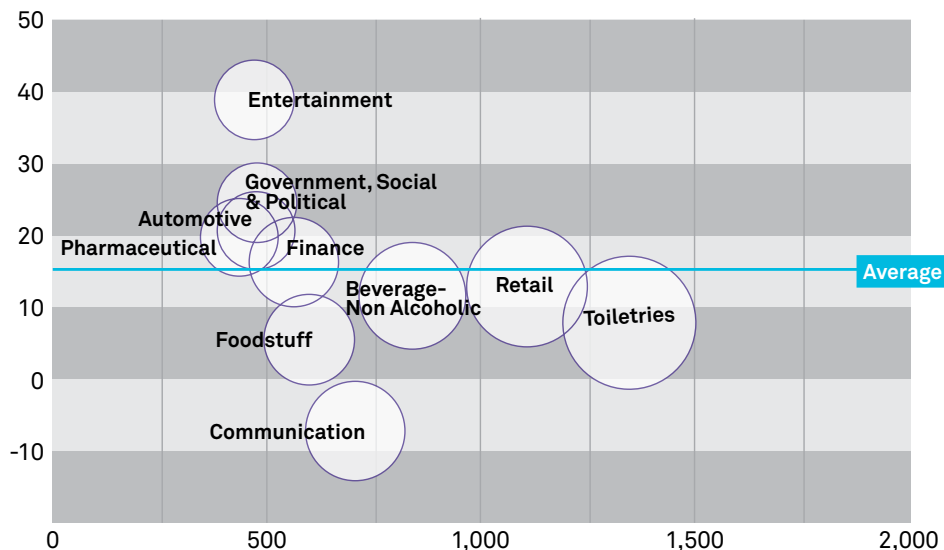
## —Top 10 Categories (2011)

Source Nielsen AIS

Top 10 Categories (2011)	RM million	YOY %
Toiletries	1,373	8
Retail	1,135	13
Beverage-Non Alcoholic	867	12
Communication	735	-7
Foodstuff	623	5
Finance	588	16
Government, Social & Political Org.	498	25
Automotive	498	21
Entertainment	494	39
Pharmaceutical	462	20
<b>Average of Top 10 Categories</b>	<b>-</b>	<b>15</b>

The top two spending categories, toiletries & retail, account for more than one third (35%) of the top 10. Higher growth, however, is seen from the bottom 5 categories—Finance, Government, Automotive, Entertainment & Pharmaceutical.

If this trend continues, there will likely be a reshuffling in the rankings especially with Communications & Foodstuff getting very minimal to no growth.



# —Malaysia Advertising Expenditure

Source Nielsen AIS

Currency: RM'000

## 2009

Medium	Total	Q1	Q2	Q3	Q4
FTA Television	2,446,536	431,580	569,994	707,363	737,598
PAY Television	N/A	N/A	N/A	N/A	N/A
Newspapers	3,407,826	738,344	820,355	910,623	938,504
Magazines	139,545	30,289	33,975	34,168	41,112
Radio	361,818	69,502	85,961	104,054	102,302
Cinema	22,496	5,064	5,367	6,751	5,313
Outdoor	112,250	28,602	26,601	28,085	28,962
In-Store Media	86,300	19,749	21,003	22,790	22,759
Internet	40,446	7,290	9,429	9,963	13,764
<b>Grand Total</b>	<b>6,617,217</b>	<b>1,330,419</b>	<b>1,572,685</b>	<b>1,823,798</b>	<b>1,890,315</b>

## 2010

Medium	Total	Q1	Q2	Q3	Q4
FTA Television	2,892,476	585,932	710,393	765,767	830,384
PAY Television	1,947,443	285,979	564,356	506,991	590,117
Newspapers	3,893,142	854,266	982,034	1,014,726	1,042,116
Magazines	151,735	31,843	37,079	38,241	44,572
Radio	408,871	85,112	98,996	105,376	119,387
Cinema	23,811	4,379	5,180	6,582	7,670
Outdoor	119,745	29,441	30,254	30,689	29,361
In-Store Media	123,620	23,374	26,633	36,122	37,491
Internet	52,149	9,880	16,020	9,515	16,733
<b>Grand Total</b>	<b>9,612,992</b>	<b>1,910,207</b>	<b>2,470,946</b>	<b>2,514,008</b>	<b>2,717,831</b>

## 2011

Medium	Total	Q1	Q2	Q3	Q4
FTA Television	3,014,006	652,770	767,903	797,756	795,577
PAY Television	2,468,336	464,539	620,631	619,616	763,549
Newspapers	4,359,015	985,427	1,093,515	1,141,215	1,138,856
Magazines	147,674	29,346	36,317	37,551	44,460
Radio	427,551	91,678	109,222	114,389	112,262
Cinema	21,584	4,190	5,413	5,574	6,408
Outdoor	119,151	28,613	28,528	29,775	32,234
In-Store Media	140,913	33,998	34,556	35,624	36,735
Internet	63,700	12,309	19,381	16,928	15,082
<b>Grand Total</b>	<b>10,761,928</b>	<b>2,302,869</b>	<b>2,715,467</b>	<b>2,798,429</b>	<b>2,945,163</b>

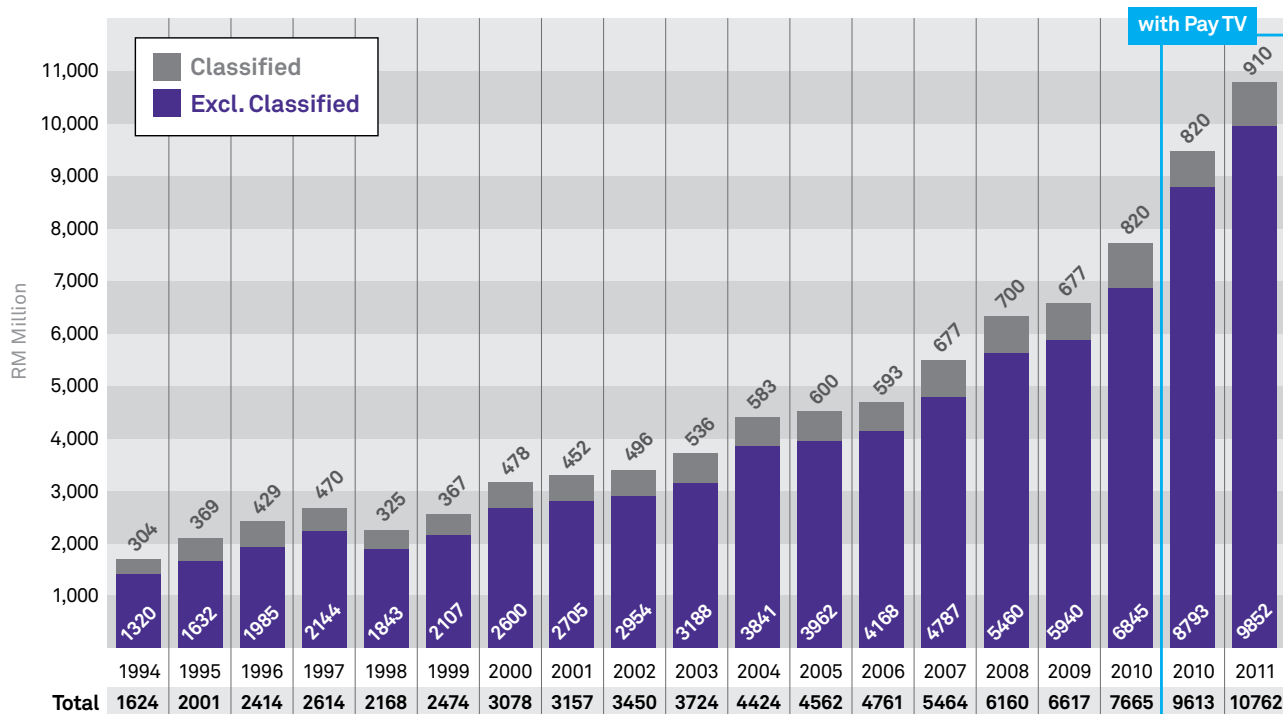
## GRAND TOTAL (2009 — 2011)

Medium	Total
FTA Television	8,353,017
PAY Television	4,415,779
Newspapers	11,659,983
Magazines	438,953
Radio	1,198,240
Cinema	67,892
Outdoor	351,146
In-Store Media	350,833
Internet	156,294
<b>Grand Total</b>	<b>26,992,137</b>

# —Malaysia Advertising Expenditure Trend

Source Nielsen AIS

	'94	'95	'96	'97	'98	'99	'00	'01	'02	'03	'04	'05	'06	'07	'08	'09	'10	With Pay TV	
<b>RM Million</b>																		'10	11
<b>Classified</b>	304	369	429	470	325	367	478	452	496	536	583	600	593	677	700	677	820	820	910
<b>Excl. Classified</b>	1320	1632	1985	2144	1843	2107	2600	2705	2954	3188	3841	3962	4168	4787	5460	5940	6845	8793	9852
<b>Total</b>	<b>1624</b>	<b>2001</b>	<b>2414</b>	<b>2614</b>	<b>2168</b>	<b>2474</b>	<b>3078</b>	<b>3157</b>	<b>3450</b>	<b>3724</b>	<b>4424</b>	<b>4562</b>	<b>4761</b>	<b>5464</b>	<b>6160</b>	<b>6617</b>	<b>7665</b>	<b>9613</b>	<b>10762</b>
<b>YOY Change %</b>																			
<b>Excl. Classified</b>	+12	+24	+22	+8	-14	+14	+23	+4	+9	+8	+20	+3	+5	+15	+14	+9	+15	-	+12
<b>Incl. Classified</b>	+16	+23	+21	+8	-17	+14	+24	+3	+9	+8	+19	+3	-	+15	+13	+7	+16	-	+12



YoY adex have been increasing since 1994 with the exception of 1998 when GDP plunged to -7.5% because of the Asian financial crisis. In fact, the last 5 years was a healthy growth for the industry—the same healthy stretch was last seen prior to the 1998 financial crisis.

As monitoring for Pay TV & digital improves in the future (largely the reason why adex reached the RM10 billion mark), adex will have a better scenario of the industry to aid in brand planning & media mix.

## —Ordinary Members

- ALLIANCE COSMETICS SDN BHD
- BABA PRODUCTS (M) SDN BHD
- BATA MARKETING SDN BHD
- BOUSTEAD PETROLEUM MARKETING SDN BHD
- CANON MARKETING (M) SDN BHD
- CARLSBERG MARKETING SDN BHD
- CELCOM AXIATA BERHAD
- COCA-COLA FAR EAST LTD
- COLGATE-PALMOLIVE MALAYSIA SDN BHD
- CONTINENTAL SIME TYRE PJ SDN BHD
- COTRA ENTERPRISES SDN BHD
- DANONE DUMEX (M) SDN BHD
- DAPAT VISTA (M) SDN BHD
- DIGI TELECOMMUNICATIONS SDN BHD
- FFM MARKETING SDN BHD
- FONTERRA BRANDS (MALAYSIA) SDN BHD
- GENTING MALAYSIA BHD
- GLAXOSMITHKLINE CONSUMER HEALTHCARE SDN BHD
- GOLDEN ARCHES RESTAURANTS SDN BHD
- GOODYEAR MALAYSIA BERHAD
- GUINNESS ANCHOR MARKETING SDN BHD
- HSBC BANK MALAYSIA BERHAD
- JOHNSON & JOHNSON SDN BHD
- JOTUN MALAYSIA SDN BHD
- JULIES'S PROMOTION SDN BHD
- KILANG MAKANAN MAMEE SDN BHD
- KRAFT MALAYSIA SDN BHD
- L'OREAL MALAYSIA SDN BHD
- MALAYSIA AIRLINES SYSTEM BERHAD
- MAXIS BERHAD
- MEAD JOHNSON NUTRITION (M) SDN BHD
- MEDA INC BHD
- MITSUBISHI MOTORS MALAYSIA SDN BHD
- MOBLIFE.TV SDN BHD
- NESTLÉ PRODUCTS SDN BHD
- PANASONIC MALAYSIA SDN BHD
- PENSONIC HOLDINGS BERHAD
- PEPSICO (MALAYSIA) SDN BHD
- PERMANIS SANDILANDS SDN BHD
- PERODUA SALES SDN BHD
- PETRONAS DAGANGAN BERHAD
- PIZZA HUT RESTAURANTS SDN BHD
- POS MALAYSIA BERHAD
- PROCTER & GAMBLE (MALAYSIA) SDN BHD
- PROTON HOLDINGS BERHAD
- PUBLIC BANK BERHAD
- RHB CAPITAL BERHAD
- ROYAL SELANGOR INTERNATIONAL SDN BHD
- SCOMI GROUP BHD
- SPICERS PAPER (MALAYSIA) SDN BHD
- TELEKOM MALAYSIA BERHAD
- TUNE GROUP SDN BHD
- UMW HOLDINGS BHD
- UNILEVER (M) HOLDINGS SDN BHD
- WIPRO UNZA (M) SDN BHD

## —Associate Members

- ACORN MARKETING & RESEARCH CONSULTANTS
- ASTRO-MEDIA SALES
- BATES (M) SDN BHD
- BBDO MALAYSIA SDN BHD
- BIG TREE OUTDOOR SDN BHD
- CD ADVERTISING SDN BHD
- DRAFTFCB SDN BHD
- DYNAMIC SEARCH SDN BHD
- ESPN STAR SPORTS
- EXPOMAL INTERNATIONAL SDN BHD
- GOLDEN SCREEN CINEMAS SDN BHD
- HI-Q MEDIA (M) SDN BHD
- MCCANN-ERICKSON (M) SDN BHD
- MERGE MEDIA HOLDINGS SDN BHD
- MONGOOSE PUBLISHING (M) SDN BHD
- NANYANG SIANG PAU SDN BHD
- NANYANG PRESS HOLDINGS BHD
- NIELSEN AUDIENCE MEASUREMENT SDN BHD
- OGILVY & MATHER (M) SDN BHD
- POS AD SDN BHD
- PRS PRODUCTIONS SDN BHD
- PUBLICIS COMMUNICATIONS MALAYSIA SDN BHD
- RECORDING INDUSTRY ASSOCIATION OF MALAYSIA
- READER'S DIGEST ASIA PTE LTD
- RUNCIT MEDIA SDN BHD
- SABAH PUBLISHING HOUSE SDN BHD
- SCREENMEDIA SDN BHD
- SIN CHEW MEDIA CORPORATION BHD
- SISTEM TELEVISYEN MALAYSIA BHD
- STAR PUBLICATIONS (M) BHD
- TAYLOR NELSON SOFRES MALAYSIA SDN BHD
- THE NEW STRAITS TIMES PRESS (M) BHD
- UNITED BORNEO PRESS GROUP SDN BHD
- UTUSAN MELAYU (M) BHD
- VISION FOUR MEDIA GROUP
- YTL INFOSCREEN SDN BHD



## —Aims and Objectives of MAA

- 1 To enable Members through the Association to speak with one voice and act with one purpose on advertising matters.
- 2 Holding meetings for the discussion of matters of interest to members.
- 3 Promoting or opposing legislative and other measures capable of affecting advertisers as a body.
- 4 Providing an official voice whereby members can collectively make known their wishes to media owners and advertising agents (either as individuals or associations) and thereby seek recognition of just claims.
- 5 To maintain good relations with all other bodies and organisations connected with advertising as a whole or for any particular purpose and to cooperate with them for the benefit of advertising.
- 6 Prosecuting or defending any suits, applications and proceedings before any court or tribunal whatsoever as may be deemed necessary or expedient in the interests of the Association or its members.
- 7 To raise funds by means of subscriptions of Members and levies on Members or otherwise for all the purpose and objects of the Association in such amounts and in such manner as is provided for in the Rules.
- 8 To promote, hold, sponsor or assist in the promoting, holding or sponsoring of Exhibitions of advertising matter or connected with such other objects as may be considered by the Council to be allied to or in conformity with all or any of the objects of the Association.
- 9 Advocating the complete and accurate disclosure of circulation figures by proprietors of all printed advertising media and of audience or viewers by the proprietors of radio, film, theatre slide and outdoor media; and supporting the establishment of an Audit Bureau of Circulation and Circulations Audit Board.
- 10 Promoting the elimination of fraudulent, untruthful, misleading or otherwise objectionable advertising, increasing thereby the public confidence in advertising and in advertised goods and services.
- 11 Advocating the standardisation and simplifications of advertising rate cards.
- 12 Entering into any affiliation with, or promoting or assisting in the promotion of any association, having objects similar to those of the Association, or calculated to benefit generally the members of the Association.
- 13 Printing and publishing newspapers, magazines, periodicals, newsletters and memoranda for the spreading of information on any matters related to the objects of this Association, and for other like purposes.
- 14 Being at all times of continual service, and supplying information to members on all matters germane to advertising.
- 15 Investing the funds for the Association in such manner and in investments of such kind and nature as the Council may think fit.
- 16 Acting as arbitrator or mediator in settlement of disputes arising out of advertising transactions.
- 17 To organise, promote, sponsor and participate in educational and training programmes in advertising and related fields, either on its own or jointly with academic, vocational, cultural and professional organisations.
- 18 Generally to promote further and protect the mutual interest of Members and to do all such other lawful things as are or may be incidental or conducive to the attainment of the above objects or any of them.

[www.malaysiaadvertisers.com.my](http://www.malaysiaadvertisers.com.my)



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