



MALAYSIAN **ADVERTISERS** **ASSOCIATION**

Annual Report 2014

BUILDING THE PILLARS OF THE INDUSTRY

Malaysian Advertisers Association

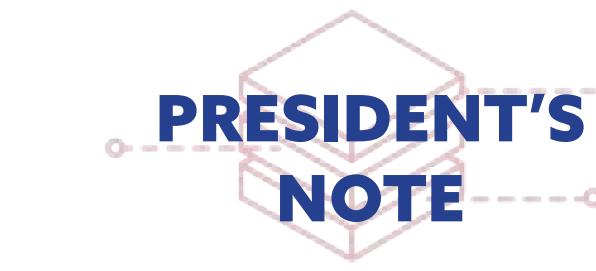
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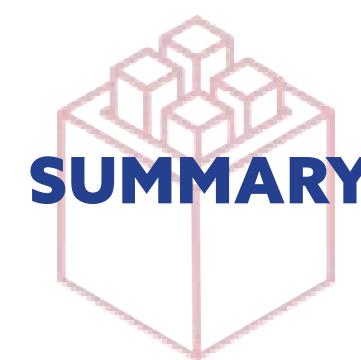
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INDUSTRY RELATIONS COMMITTEE REPORT



PRESIDENT'S NOTE



SUMMARY



GLOBAL ADVERTISING OUTLOOK 2015



REGULATORY COMMITTEE REPORT



ORDINARY & ASSOCIATES MEMBERS

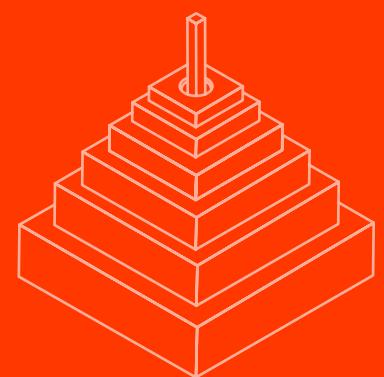


COUNCIL MEMBERS



TRAINING & ADMINISTRATION COMMITTEE REPORT

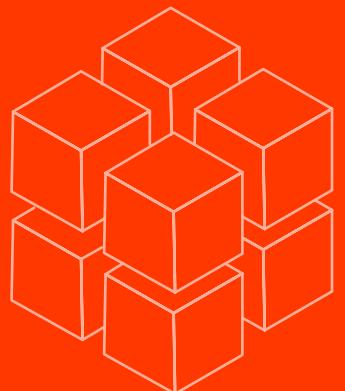
COUNCIL MEMBERS



PRESIDENT

**Ms. Margaret
Au-Yong**

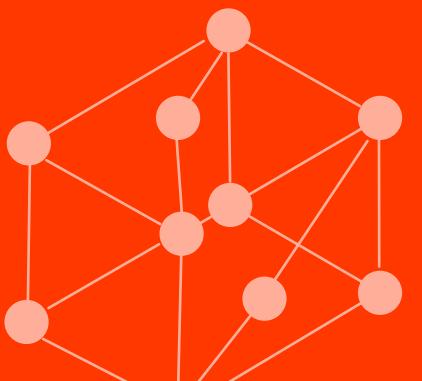
TUNE GROUP



VICE-PRESIDENT

Ms. Chan May Ling

DIGI TELECOMMUNICATIONS



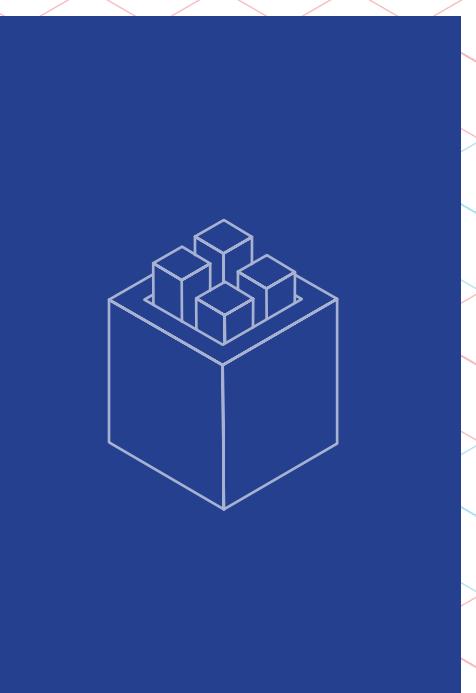
SPECIAL ADVISOR

**Mr. Khoo
Kar Khoon**

NESTLE PRODUCTS

—
ALT: EN. KHAIRUL SYAHAR
BINTI KHALID

COUNCIL MEMBERS



**Mr. Bruce
Ryan Dallas**

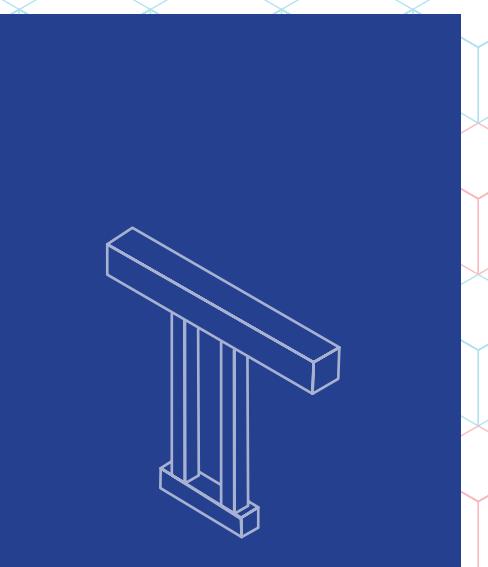
GUINNESS ANCHOR
—
ALT: MS. JESSIE CHUAH
CHENG EAN

**Mr. Claudio
Navin
Stanislaus**

BABA PRODUCTS
—
ALT 1: MR. GANESAN
NARAYANAN
ALT 2: CIK SALWANI SAIDI

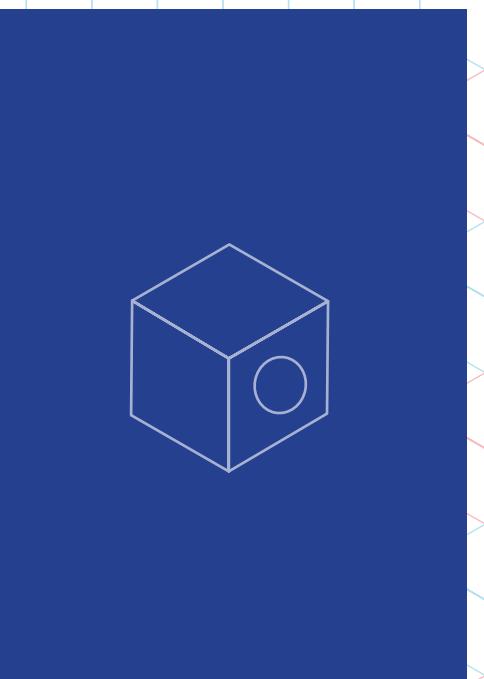
**Ms. Chan
Sheow-Vern**

UNILEVER MALAYSIA
—
FROM JAN 2014
— OCT 2014



Ms. Emily Lim

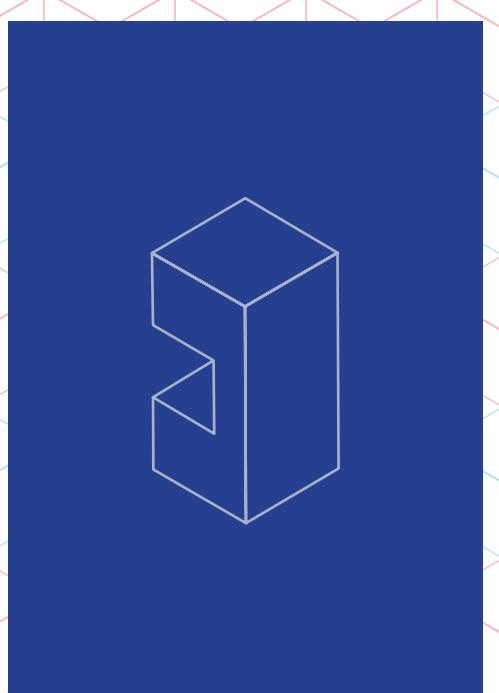
L'OREAL MALAYSIA



**En. Mohamed
Kadri
Mohamed Taib**

COCA COLA FAR EAST
—

ALT: MS. CINDY LIM
POH IMM



**Ms. Yong
Aik Hwa**

DANONE DUMEX
—

FROM JAN 2014
— NOV 2014

**En. Zulhaimi
Abdul Hamid**

PROCTER & GAMBLE
(M) SDN BHD
—

FROM JAN 2014
— FEB 2015

Ms. Sulin Lau

MAXIS MOBILE

SERVICES
—

ALT 1: MS. FONG AI PENG
ALT 2: MR. BERNARD LEE

COUNCIL MEMBERS UPDATES

Ms. Connie Ng

L'OREAL MALAYSIA

—
NEW ALT: MS. EMILY LIM

(L'OREAL)

AS OF FEBRUARY 2015



Mr. Javed Jafri

UNILEVER

—
REPLACED: MS. CHAN

SHEOW-VERN (UNILEVER)
AS OF JANUARY 2015



Ms. Shazlina Bt Mohd Sufian

MAYBANK BERHAD

—
REPLACED: MS. YONG

AIK HWA
(DANONE DUMEX)
AS OF JANUARY 2015

Ms. Zatalini Zulkiply

PROCTER & GAMBLE

—
REPLACED: EN. ZULHAIMI

(P&G)

AS OF FEBRUARY 2015



PRESIDENT'S NOTE

“MAA has witnessed significant transitions since the change in leadership in 2011, which implemented structural changes and a shift in direction towards a more member-centric body. MAA is now more widely recognised as authoritative and responsive to member needs”



Current MAA President, Ms. Margaret Au-Yong

The image of an increasingly dynamic Association emerges when we look back at the past four years. In championing issues ranging from self-regulation to harnessing bilateral inter-industry relations, the Association has been transformed into an influential organisation in the industry.



MAA President, Mr. Khoo Khar Khoon, April 2010 to April 2014

The key to these achievements is both the Council Members and Members. The Council unreservedly embraced the overhaul of the Association to reshape it into a forward-looking body. Four main pillars now sustain the Association and provide it with a comprehensive framework that plugged previously visible gaps and offer various benefits for Members.

The changes have enabled the Association to execute initiatives and place in motion strategies which favour members' interests.





Furthermore, the Association is seen as a valued and collaborative partner by the authorities and industry bodies in developing a spirit of community on a national scale.

Mr. Khoo Kar Khoon had served the maximum two presidency terms from April 2010 to April 2014. Mr. Khoo is largely responsible for initiating the overhaul of the Association. He, along with colleagues in the Council, raised the original seven pillars that defined the Association's new responsibilities and deliverables.



SPECIAL ADVISOR

This allows the Association to respond to the evolution of technology and need for the industry to self-regulate. The Association also spearheads the way in strengthening and standardising marketing measurement and metrics.

Mr. Khoo's leadership also advocated a broader understanding of the Association amongst industry players and government agencies through initiatives and programmes that were implemented in maintaining self-governance.

The Council was unanimous in its deep appreciation of Mr. Khoo's incalculable contributions and appointed him as Special Advisor with effect from April 2014, thus continuing his contribution to the Association.

“Mr. Khoo’s leadership also advocated a broader understanding of the Association amongst industry players and government agencies”



4E'S

The Association's roles and responsibilities were reviewed. In June a proposal, containing four major objectives, was tabled for the 2014/15 Term. These included increasing the membership in the Malaysian Retail Chain Association (MRCA) and Small and Medium Enterprises (SME) sectors; initiating digital research on standard measurement metrics; providing valuable content to advertisers as well as consistent platforms for senior marketers to collaborate.

The prescribed goals will be fulfilled with the aid of the Council's Four "E" motto, which exemplifies the Council's philosophy in serving Members and the industry.

Efficiency refers to our prompt reaction to issues affecting Members; **Effectiveness** is our unremitting push for issues to find their closure; **Ethics** guide us to take the ideal direction in resolving issues while **Excellence** marks out our achievements.

The Council also underwent changes in its portfolio. Ms. Chan Sheow-Vern and Ms. Yong Aik Hwa left with the gratitude of the Council for their efforts and input. The Council welcomed Ms. Shazlina Mohd Suffian, representing Malayan Banking Berhad, and Mr. Javed Jafri (Unilever Malaysia) with the hope that they would actively help the Council to reach its goals.

In the last year, the streamlined committees will be driven by 4Es:



PILLAR

1



This pillar encompasses Membership, the Co-CREATE Series, EFFIE 2014 and Malaysian AdCongress. The President takes the lead with support from Ms. Sulin Lau, Ms. Chan May Ling and Encik Mohamed Kadri Mohamed Tahir.

The Association's membership stood at approximately 100. In the past, withdrawals were traced back to the lack of incentives or gains for Member companies or inactivity of the Association itself.

MEMBER RELATIONS COMMITTEE

A review of the Association's constitution was done to ascertain if there was a possibility of inviting other associations such as the Federation of Malaysian Manufacturers (FMM) and Small Medium Enterprise (SME) to join the Association as Associate Members followed.

The Council is eager to partner the Malaysian Retailers Association (MRCA) to further strengthen the Association's presence in the retail category. Similarly, partnership with Business Network International (BNI) which is the largest referral organisation of its kind in the world has 600 members in Malaysia and 70,000 globally will bring new blood to the Association.



The Council has proceeded to establish working relationships with these associations and access the large pool of potential members. While the Council is keen to expand the membership, the stress on quality rather than quantity will always be maintained.

The Council has been successful in the last 2 years in member recruitment and recognised the need to maintain this momentum so that the Association can make an impact in the market place.

Currently in its 7th year, the Effie Awards is indeed an achievement for the achievement. The higher number of entries is proof that, the Effie Award is recognised as the gold standard in measuring the effectiveness of marketing campaigns. The theme for 2014, Journey to Greatness, referred to the evolution of the Effie Awards in Malaysia. Since its introduction, the quality of entries and the standard of the winners has improved tremendously as the Council alone the implementation of entry pre-screening and online judging.





The Council also decided to postpone the Malaysia Ad Congress (MAC) to 2016 so that there would not be too many "Speaker Series" competing with each other within a 1 year time frame. For 2015, the Council will concentrate on the Effie Awards is that so due justice could be given to making it a highly successful and relevant event. Similar dedication will be applied in 2016 for the MAC.



PILLAR

2



The MRSM, Media Specialists Association (MSA), Communication and Multimedia Forum of Malaysia (CMCF) and Media Relations are located under this pillar. Mr. Khoo Kar Khoon, Mr. Claudian Navin Stanislaus, Encik Mohamed Kadri Mohamed Tahir, Encik Khairul Syahar Khalid, Ms. Sulin Lau, Ms. Chan May Ling and Encik Zulhaimi Abdul Hamid assist the President on these tasks.

The importance of authentic and transparent data cannot be overstated in a marketplace that is leaning towards an assortment of digital channels and further fragmentation of media buying.

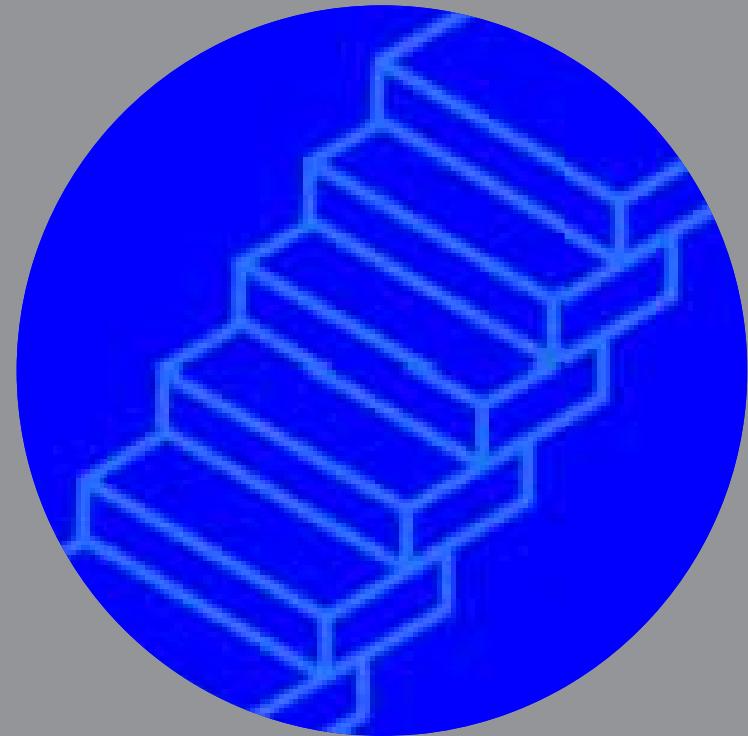
INDUSTRY RELATIONS COMMITTEE

The Council has been always ready to explore options that could lead to solutions in this field, as exemplified by our engagement of the Marketing Research Society of Malaysia (MRSM) last year.

The goals here are to create an independent single digital currency that is beneficial to advertisers (for paid media) and recommend a panel of social listening tools that are endorsed by the Association.

PILLAR

3



The President and Vice-President head this pillar, with support from Mr. Khoo, Mr. Bruce Dallas, Ms. Emily Lim and Mr. Jeffrey Khoo. Mr. Claudio Navin Stanislaus heads Finance.

To motivate Members to be a knowledgeable workforce and meet current and future business challenges are the principal aims of this pillar. Towards this end, the Council built on the foundations that were laid in 2013 with the initiation of programmes at selected institutes of higher learning.

TRAINING, ADMINISTRATION & FINANCE COMMITTEE

The MAA University Series talk was launched at IACT with encouraging feedback from the college while a suitable time frame has to be worked out with Universiti Teknologi Mara (UiTM) for the Council to roll out a similar programme. Both institutes agreed to introduce to the Council's a Real Campaign Brief as part of their students' semester assignment.

The Council also recognises the need to mentor young SME entrepreneurs in areas of branding, marketing and public relations, which are needed to achieve Vision 2020. Therefore, disseminating the Effie Awards case studies would be a good platform to start off this partnership.

One of the successful projects in the area of development is the Co-CREATE CEO Series attended by 250 guests. Besides providing networking opportunities, this series creates a platform for the guests to learn from renowned marketing gurus by viewing winning campaign from the Effie Awards.

In the area of Inter-Industry Relations, the Association has made its presence felt:

MAA has been tasked with regional responsibilities when invited to join the Asian Federation of Advertising Association (AFAA) membership in this internationally recognised world body, bringing regional recognition for the Association. Special Advisor, Mr. Khoo Khar Khoon was endorsed as the Association's representative.

The President and Vice-President had the privilege to attend DigiAsia 2014, the first-ever international digital conference in Taipei. Special Advisor, Mr. Khoo Khar Khoon, was one of the moderators for the panel discussion titled, "App Marketing Trend in East & South East Asia".

The WFA-IMC Forum which dealt with common issues such as ways to expand multiple creative expressions in branding & marketing despite silo thinking, lack of budget and zero alignment.

FMM Marketing and Branding Conference 2014 where a paper entitled "Positioning for a Price-Sensitive Market. A Local Brand's Approach" was presented by Council member, Mr. Claudio Navin Stanislaus.

PILLAR

4



Mr. Claudio Navin Stanislaus and Encik Mohamed Kadri Mohamed Tahir led this Committee, with support from, , Encik Zulhaimi Abdul Hamid, Ms. Cindy Lim, Ms. Emily Lim, Mr. Jeffrey Woo, Ms. Foong Ai Peng, and Special Advisor, Mr. Khoo Kar Khoon

The Regulatory Committee aspires to be a key contributor to industry policies by initiating relevant dialogues and managing regulatory issues.

REGULATORY COMMITTEE

In principle, the focus of this pillar is to liaise with the Ministries of Health and Communications and Multimedia to manage and resolve industry and regulatory issues. In 2014, this centred on the Marketing of Infant Foods and Related Products and National Advertising Policy.

On the inter-industry front, the Council continued to underscore the need for credible and accurate data with its involvement in the Audit Bureau of Circulation (ABC) and Audit Bureau of Circulation Interactive (ABCi) quest to complete a definitive Auditing Standard to include the digital newspaper replicas.

Official Launch Ceremony of the Malaysia Pledge on Responsible Advertising to Children by

YB Datuk Seri Dr S Subramaniam
Minister in charge



Furthermore the Association also volunteered to work with the council that is set up to develop the National Advertising Policy (NAP).

Advertising standards enforcement, a long-running saga at the Advertising Standard Authority of Malaysia (ASA), could possibly see a closure if the Council's ideas to fund their operations bears fruition.

GST TECHNICAL COMMITTEE

Heads of the Association of Accredited Advertising Agencies (4As), Malaysian Newspaper Publishers Association (MNPA), Media Specialist Association (MSA) and Outdoor Advertising Association of Malaysia (OAAM) formed a Technical Committee to address other matters arising from the implementation of the GST in the second quarter of 2015.

The MNPA helms the Technical Committee Chair. The current task of the Committee is to request the Ministry of Finance (MOF) to either allow an installment payment on the GST for service providers and media owners or to stretch the credit limit.

One of the most pressing concerns raised at the Council's Goods Services Tax (GST) talk titled, “*GST for the Advertising Industry*” in December was the impingement of service providers’ cash flow due to delayed payment by clients as the Association’s members are required to settle GST dues every 30 days.



Education is the key to understanding the mechanics of the GST and its effects on businesses. The Committee will finalise plans to update Members on the GST via monthly electronic direct mails, talks and a GST guidebook.



The Technical Committee will consult and engage with the industry and collate its feedback on the execution of the GST and submit recommendations based on case studies to the Customs Department.



INTERNATIONAL RECOGNITION

WFA Global Marketer Conference brings together marketing leaders from 30 nations, including representatives from the world's A-list brands, and top speakers to share their views on brand building and marketing.

The Association, which holds the ASEAN Chair, is honoured to be only the third WFA Member from the Asia-Pacific (APAC) to be invited to helm such a prestigious event, after Beijing and Sydney, and the first ever Member from Southeast Asia to be handed such an opportunity.

Worldwide recognition was attained when the World Federation of Advertisers (WFA) confirmed that the Association would host the annual WFA Global Marketer Conference in Kuala Lumpur between March 14 and 18, 2016.

“The Association, which holds the ASEAN Chair, is honoured to be only the third WFA Member from the Asia-Pacific (APAC) to be invited to helm such a prestigious event”

This is not only a tribute to the Association's track record in organising major events but also Malaysia's status as a fast growing advertising market as well as an acknowledgement of APC holding 30% of the global advertising spend.

The Association's links to global bodies such as the WFA and Asian Federation of Advertising Agencies (AFAA) open up avenues into leveraging on international case studies, benchmarks and knowledge. This would be used to nurture and empower our young marketers to compete in the global marketplace.

MAA LOGO REDESIGN

The Council responded to views that the Association logo does not stand out – partly as the Association's initials are similar to other bodies — and agreed to refresh it to adopt a more contemporary and vibrant design.

The new logo incorporates the Association's four "E" motto, which guides the Council as it strives to fulfill its objectives.

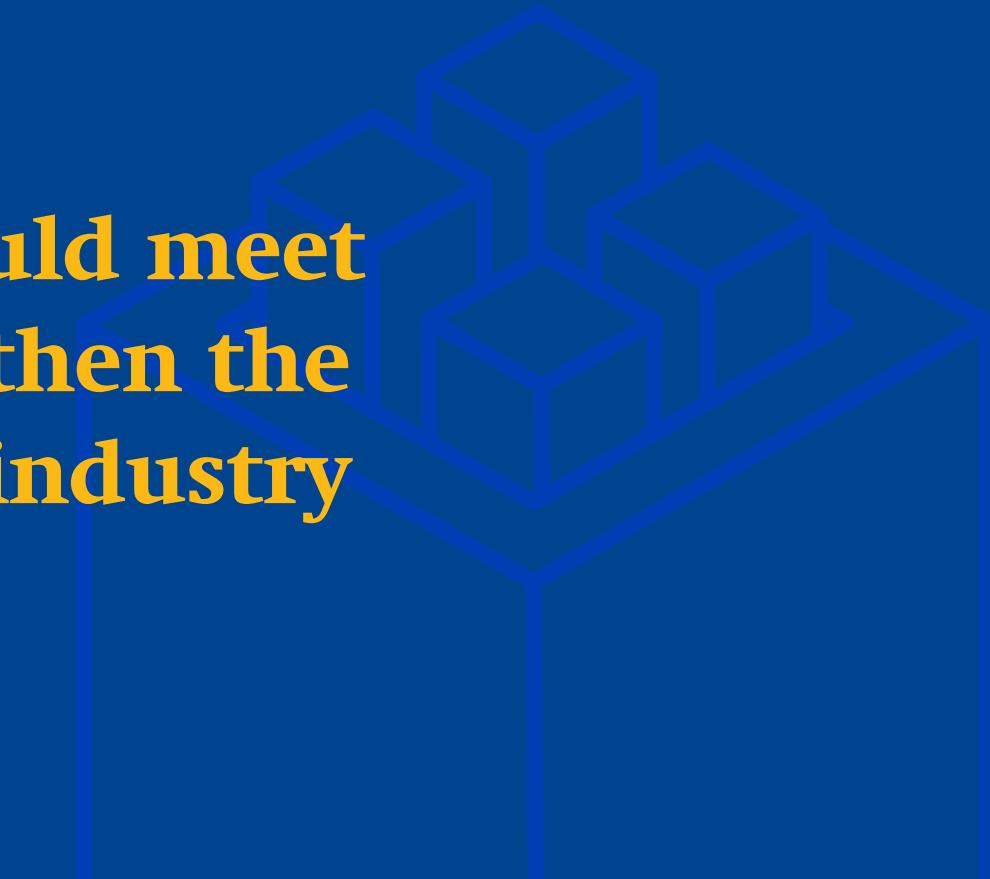
These values are:

- Efficiency
- Effectiveness
- Ethics
- Excellence



SUMMARY

The realignment of the Committees would meet the goals of the Association and strengthen the Association's status as the voice of the industry in issues faced in our industry.



The Council backed its resolve to work closely with peer organisations and authorities in finding solutions on matters of mutual interest and take on more initiatives in facilitating dialogues and cooperation.

These efforts are vital to the growth of the Association and industry. Similarly, it is incumbent upon the Association to construct a conducive environment for would-be, young and experienced marketers by arming them with the necessary skills to progress and help the industry scale higher heights.



“A great debt is owed to Council Members for volunteering their time and resources to take the lead to drive their respective Committees. It is the Council’s belief that, with this reinforced Committees and renewed focus, the dedication to discovering more benefits for our current members and protect and promote the interests of the Association will increase”

MEMBER RELATIONS

COMMITTEE REPORT

OBJECTIVES

Improving the quality & knowledge of members

MEMBERSHIP

“The Council looked into providing incentives to encourage more advertisers to join the Association”

LED BY: The President **SUPPORTED BY:** Ms. Sulin Lau, Ms. Chan May Ling, Encik Mohamed Kadri Mohamed Tahir

NEW MEMBERSHIP & RECRUITMENT DRIVE

The emphasis, as the Council continues its efforts to recruit new members, is on maintaining a membership of quality. A priority list was drawn up and approaches were made to the Federation of Malaysian Manufacturers (FMM) and Small Medium Enterprises (SME), which have large membership databases.

— JANUARY 2014

Ms. Sulin Lau volunteered to conduct a survey on membership withdrawals and requested a list of members for the purpose while the Association's Member Survey forms were sent to all Members for their feedback.

Ms Foong Ai Peng will be facilitating a meeting with the Malaysia Retail Chain Association (MRCA) - which has 20,000 members - to discuss a collaboration to help strengthen the membership.

Mr. Claudio Navin Stanislaus raised the issue of the eligibility of Members who had joined the Association a month before the AGM to vote. In the past, Members who had not paid their subscription attended and participated in the AGM. Mr. Stanislaus added that the Rules do not take account this concern and the Council agreed to review it in the future.

The Council looked into providing incentives to encourage more advertisers to join the Association. Ms Chan Sheow-Vern (Council member from Apr 2014 – Oct 2014) suggested that the Council offer a free seat to new Members for the coming Malaysian AdCongress 2015 (MAC 2015) or for the Co-CREATE series.



“The Council has had great success in the last two years in the area of member recruitment and it was agreed that the Association’s portfolio needs to be strengthened to maintain this momentum”



MALAYSIA RETAIL CHAIN ASSOCIATION (MRCA) & BUSINESS NETWORK INTERNATIONAL (BNI)

The Council is eager to work with the Malaysian Retailers Association (MRCA) and Business Network International (BNI) to further strengthen the Association's portfolio in the retail category. The MRCA is a structured and active association with their own in-house training and counts leading business proprietors in the nation as its members.

The MRCA has 250 principal retail brands with 20,000 outlets nationwide while BNI has the largest referral organisation of its kind in the world, boasting 600 members in Malaysia alone and 70,000 members globally.

The Council is on course to enlarge our membership in 2015. Plans are in place include Malaysian Retail Chain Association (MRCA) and Business Network International (BNI) as Associate Members.

“The Council is eager to work with the Malaysian Retailers Association (MRCA) and Business Network International (BNI) to further strengthen the Association’s portfolio in the retail category”

A meeting was held with the MRCA in November to explore areas in which both associations could share expertise, network and knowledge. The MRCA was equally keen to carry out joint events and activities with the Association.

The MRCA also requested to have an affiliation with the Association. The Council agreed to verify if this was permitted under the Association's constitution and, in the interim, will further explore the partnership. The MRCA also requested to have an affiliation with the Association. The Council agreed to verify if this was permitted under the Association's constitution and, in the interim, will further explore the partnership.

MEMBERSHIP NAME CHANGE

A detailed report of two Associate Members' request for a membership name change was tabled and the Council approved the change as follows:

- 
- a. Merge Media Holdings Sdn Bhd to Mainstream Mediacomm Sdn Bhd**
 - b. Measat Broadcast Network Systems Sdn Bhd replaced by ASTRO – Media Sales**

SMALL MEDIUM ENTERPRISE (SME)

The Council was in accord that the Association needs to play a pivotal role in helping SMEs. A programme to mentor young entrepreneurs in global and local branding, marketing and public relations – key areas that are currently missing in our government's goal to achieve Vision 2020 - should be implemented.

The Association could share real case studies, and insights from media owners, agencies and strategic planners with the SMEs. Disseminating the Effie Awards case studies would be a good platform to start off this partnership.



CO-CREATE CEO SERIES

“As the event was also a fundraiser for this Co-Create CEO Series, the Council was pleased to note that Members and Non-Members had no qualms in forking out a nominal fee to hear Encik Shakir”

LED BY: Ms. Sulin Lau **SUPPORTED BY:** Ms. Chan May Ling and Mr. Jeffrey Woo

PROFESSIONAL DEVELOPMENT
CO-CREATE CEO SERIES

This series was mooted to attract senior high-level speakers and managers and provide a platform for networking opportunities at a high level and exclusive talk with a nominal fee charged for participation.

Encik Mohamed Kadri mentioned that Encik Shakir was a crowd puller. He recalled the Association's invitation to him to deliver a talk a few years ago when the Association

had to switch the venue to the PJ Hilton Ballroom to accommodate the increase in the number of participants signing up for the talk.

“Mr. Shakir Moin, the Vice President and Chief Marketing Officer of Coca-Cola (Asia), was asked to kick off this series by speaking on the topic of Marketing Challengers in the 21st Century”





“Mr. Shakir was the brand manager of Coca-Cola Malaysia before moving on to head the company’s marketing operations in China, South Korea and Taiwan”



“The Council decided on Black Box White Box Republica, which holds 250 guests, as the venue for the inaugural Co-CREATE CEO Series on May 15, 2014. As the event was also a fundraiser for this Co-CREATE CEO Series, the Council was pleased to note that Members and Non-Members had no qualms in forking out a nominal fee to hear Encik Shakir”



The Council congratulates the organising team for the successful debut of the Co-Create CEO Series plus Guinness Anchor Berhad and Coca Cola for sponsoring the drinks for the evening.

CO-CREATE SOCIAL SERIES

Ms. Sheow-Vern briefed the Council that the Co-CREATE Series was initially focused more on highlighting award-winning materials that can be shared with the industry. It was suggested that the winning entries are showcased during the Co-CREATE Social for students after the Effie awards.

The timing of the series, however, was too close to the Effie Awards and the Council believed that efforts should be channeled towards this event. The Vice President and the committee will share their Co-CREATE

Social ideas and settle on a more suitable date. The Vice President also enquired on the availability of the funds that have been set aside for development of the Effie Awards for this event.



“The Vice President and the committee will share their Co-Create Social ideas and settle on a more suitable date”

MALAYSIAN AdCONGRESS 2015 (MAC)

“The Council agreed to concentrate on the Effie Awards to make it a highly successful event. The Council also decided to have one major event a year only and to postpone the MAC to 2016 until Effie Awards is handled by the 4As”

LED BY: Mr. Ang Chong Lee **SUPPORTED BY:** Ms. Chan May Ling

MALAYSIAN AdCONGRESS 2015 (MAC)

In the past, the biennial MAC was necessary for the Association to raise funds but since the Effie Awards supplies another source of revenue for the next two years, the Council has postpone the MAC to 2016 to make the Effie Awards a highly successful event.

The Council decided there will be only one major event organized annually for better milleage and quality.



The Vice Chairman commented that there were too many “speaker series” competing with each other in the industry. It is now a huge strain to source participants for these events and cited the ABC Media Workshop and Effie Boot Camp as examples.

EFFIE AWARDS 2014

“Mr. Khoo Kar Khoon suggested that the Council produce an analysis for the Effie Awards organised by the MAA in 2011 and the recent event. He added that the analysis would help create a benchmark to further improve the next Effie”

LED BY: Ms. Chan Sheow-Vern **SUPPORTED BY:** Ms. Chan May Ling

EFFIE AWARDS

The Effie Awards consists of four major components: Boot Camp; Call for Entry, Judging and Award Night. The Council stressed that the Effie was an important award that allows the industry to benchmark the advertising expenditure (Adex) performance of the market.

Ms. Sheow-Vern reported that the Effie Boot Camp - themed ***Let Nothing Stand Between You and Greatness*** - concluded with positive feedback from attendees. A target of 130 participants was set for the event.

Ms. Sheow-Vern (Council Member from Apr 2014 – Oct 2014) reported that the EFFIE Awards judging adhered to strict qualification criteria and a fixed timeline though a pre-selection window can be arranged.



"The theme for 2014, Journey to Greatness, referred to the evolution of the Effie Awards in Malaysia"



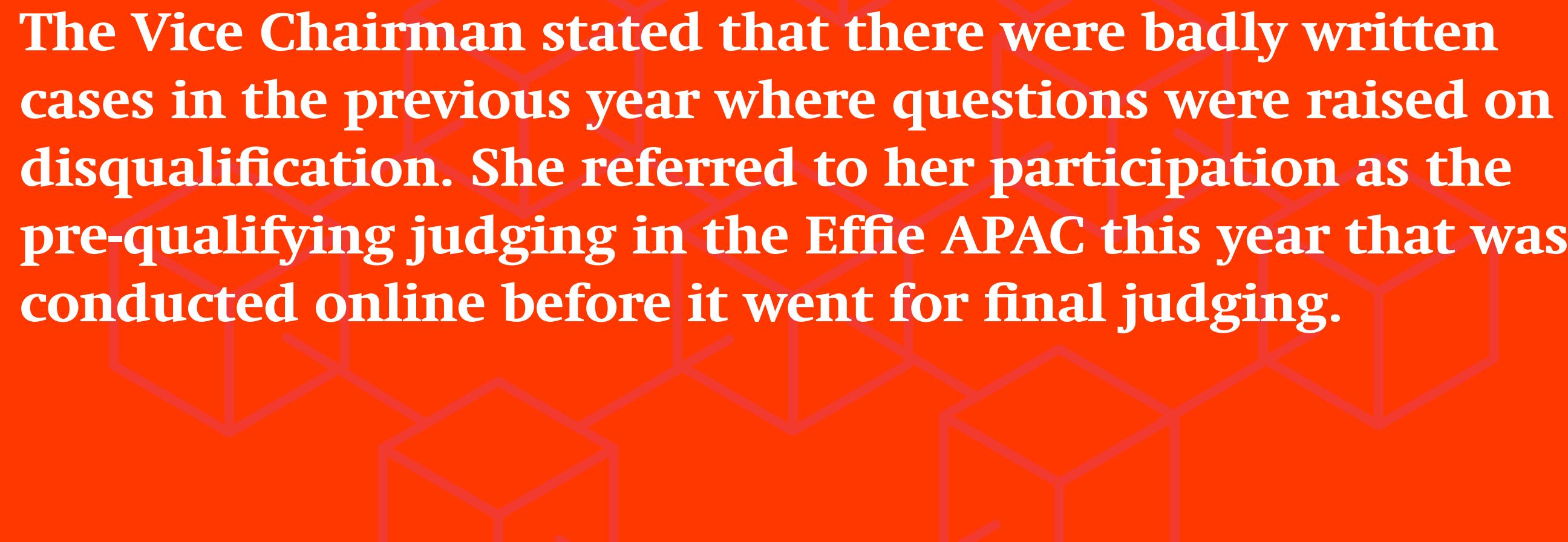
“In the seven years since its introduction, the quality of entries and winners has improved tremendously in spite of the challenges placed before these competitors”



JUDGING

Ms. Sheow-Vern explained that a different process was ideal for Effie APAC as the judges were from all over the world and therefore judging has to be conducted online. Ms. Lau proposed that pre-screening entries to minimise complaints and technical issues would be the key to encourage transparency and a high quality of work for Effie Awards.

The Vice Chairman stated that there were badly written cases in the previous year where questions were raised on disqualification. She referred to her participation as the pre-qualifying judging in the Effie APAC this year that was conducted online before it went for final judging.



The Vice Chairman stated that there were badly written cases in the previous year where questions were raised on disqualification. She referred to her participation as the pre-qualifying judging in the Effie APAC this year that was conducted online before it went for final judging.

The Council ruled out online judging this year. Effie Malaysia, however, awaits EFFIE APAC in Singapore to explain their management of online judging and share their experiences. The Council extended the mandate to Ms. Lau to take charge of the judging process and at the same time to inform Effie New York.

Ms. Foong Ai Peng shared ten reasons for disqualification during the pre-screening stage in a presentation to the Council and reiterated that the pre-screening before the final judging saved time for the Jury and also allowed errors to be highlighted.





Ms Sheow-Vern reported that 88 out of 90 entries have qualified for the final judging. She suggested that disqualified entries were given a first warning letter to ensure that they do not repeat the same mistakes.

“Mr. Simon Kann was appointed as the Chief Judge. Ms. Michelle Achuthan (BBDO), Mr. Bruce Dallas (GAB), Mr. Girish Menon (GroupM), Ms Wong Siah Ping (ASTRO) and Mr. Albern Murty (DIGI) assisted Mr. Kann as the Jury Leaders”

ACTION

She added that the event was held near the end of the year - which also lowered sponsorship contributions - and suggested that the date is pushed to earlier in the year for the Effie in 2015.

Fifty tables were allocated for last year's gala evening - 15 tables were reserved for VIPs while the rest for guests – and the sale of the tables was not very encouraging. Ms Sheow-Vern explained that this could be due to the same agencies winning multiple awards.



“Mr. Khoo Kar Khoon suggested that the Council produce an analysis for the Effie Awards organised by the MAA in 2011 and the recent event”

“Mr. Khoo also volunteered to be in charge of the finance for Effie 2015. The Council agreed to have the Vice Chairman and Ms. Lau co-chair Effie Awards 2015”





Mr. Khoo Kar Khoon suggested that the Council produce an analysis for the Effie Awards organised by the MAA in 2011 and the recent event. He added that the analysis would help create a benchmark to further improve the next Effie.

The Council records its appreciation to the President for securing the sponsors; Ms. Lau for managing the whole judging process, which was a vital pillar to uphold the EFFIE reputation and Ms. Chan May Ling and Mr. Jeffrey Woo for assisting with the Gala Dinner.

INDUSTRY RELATIONS

COMMITTEE REPORT

To maintain constant engagement with all the advertising related groups

To ensure transparent and fair deliveries

OBJECTIVES

To regularly meet key associations to maintain close collaboration on issues of mutual interest

To enhance networking and business development

MARKETING RESEARCH SOCIETY OF MALAYSIA (MRS M)

“Mr. Khoo Kar Khoon, the Association’s Special Advisor and Council Member, proposed to recruit his colleague Encik Khairul Syahar Khalid, who has extensive digital background, to drive this initiative”

LED BY: Encik Khairul Syahar Khalid **SUPPORTED BY:** Ms. Sulin Lau And Ms. Chan May Ling

**MARKETING RESEARCH SOCIETY
OF MALAYSIA (MRSM)**

In 2013, the Council agreed to contribute towards the MRSM's National Social Economic Status Classification for Malaysian Population project. This market research industry project research gauges the SES status (social economic status) of our population beyond the income metrics.

The ongoing engagement with the MRSM was not only to ensure any funds spent on research data were authentic and transparent but to also unearth valuable leads on digital data that could be used for simple corridor research.

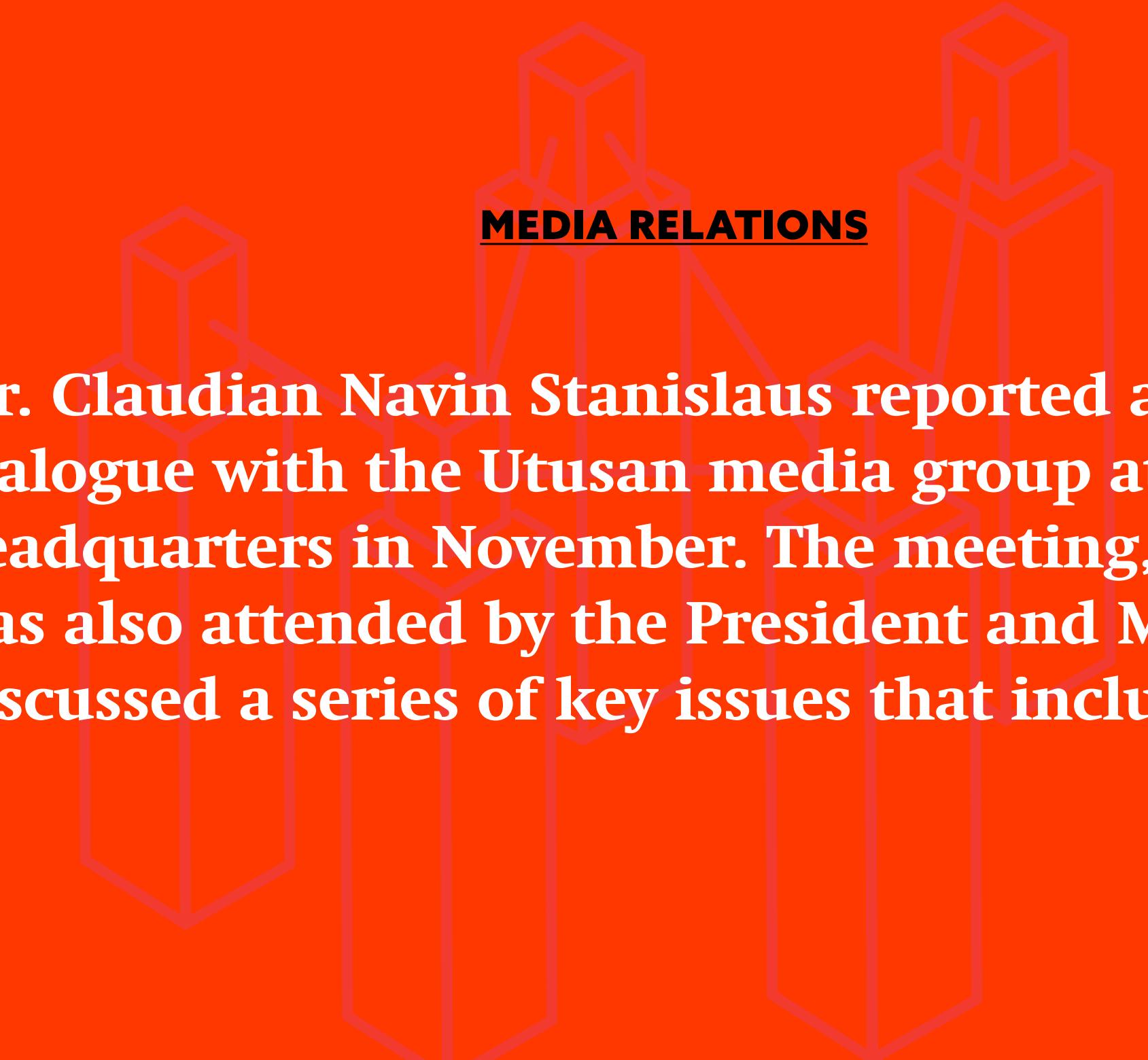
Research agencies are not prepared to go into this type of research, which is becoming increasingly important and, unlike peer on the global level, our industry leaders have been slow in harnessing the potential of mining such data.

Mr. Khoo Kar Khoon, the Association's Special Advisor and Council Member, proposed to recruit his colleague Encik Khairul Syahar Khalid, who has extensive digital background, to drive this initiative. Ms. Lau Sulin and Ms. Chan May Ling will support him.

MEDIA RELATIONS

“Utusan Biz Desk proposed a free column on Branding 101 articles submitted by Association Members. Articles, limited to 400 words each, will be in Bahasa Malaysia and appear once or twice a month for a period of between six months and a year”

LED BY: the President **SUPPORTED BY:** Mr. Khoo Kar Khoon



MEDIA RELATIONS

Mr. Claudio Navin Stanislaus reported a productive dialogue with the Utusan media group at its headquarters in November. The meeting, which was also attended by the President and Mr. Khoo, discussed a series of key issues that included:



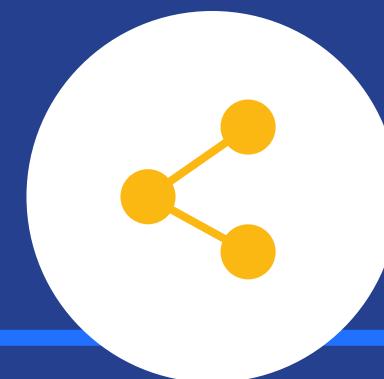
Utusan's direction in banishing negative perception amongst advertisers and readers

Once the brand name is damaged, it takes a longer time to rebuild. As such, the organisation is working on meticulously probing consumer issues and complaints before they are printed or reported for a true account to prevail.



Working out a better partnership with advertisers and SMEs

Utusan agreed to increase engagement with advertisers for mutual benefit.



Sharing its new and existing digital platforms

There was no awareness of the group's various digital platforms, which is attributable to agencies being oblivious to these offerings or neglecting to inform the advertisers.



Reaching out to the younger generation through content and social media platforms

Council representatives shared the strengths and weaknesses of print media and digital platforms. The parties agreed to ascertain common dipstick values and to work out the boundaries.

Utusan Biz Desk proposed a free column on Branding 101 articles submitted by Association Members. Articles, limited to 400 words each, will be in Bahasa Malaysia and appear once or twice a month for a period of between six months and a year. Council Members were asked to list out the topics for Branding 101 and the project would commence as soon as the feedback is compiled.

MEDIA SPECIALISTS ASSOCIATION (MSA)

“It is important for the Association and MSA to drive this Committee and to establish a stable and strong company with research background”

LED BY: Ms. Chan Sheow-Vern **SUPPORTED BY:** Encik Zulhaimi Abdul Hamid

MEDIA SPECIALISTS ASSOCIATION (MSA)

The MSA President, Mr. Girish Menon is driving the Technical Committee.

The MSA is looking at a new currency that would also measure digital ADEX and will be meeting with The Nielsen Company for this purpose.

It is important for the Association and MSA to drive this Committee and to establish a stable and strong company with research background, as Nielsen is not measuring up to industry standards. The Council agreed to request the MSA to set a timeline to make certain that the process is no longer delayed.

INDUSTRY AWARDS, ENDORSEMENT & PARTNERSHIPS
MALAYSIAN MEDIA AWARDS (MMA) 2014

The MSA invited three representatives from the Council to be part of the Jury Panel of the MMA 2014 and the Council thanks Encik Mohamed Kadri Mohamed Taib, Ms. Yong Aik Hwa and Mr. Chow Wei Heng for their contributions to the event.

CMO ASIA SUMMIT 2014

Encik Mohamed Kadri Mohamed Taib, who represented the Association at this conference, circulated a written report for the reference of the Council and for it to be uploaded on the Association's website for the information of Members.

The conference attracted elite buyers and sellers and offered top marketing professionals and agencies and consultants an intimate environment for a focused discussion on the key drivers of marketing effectiveness.

Though 50% of the speakers were directly selling their services, Encik Kadri found quality presentations from a handful of individuals, including Mr. Chris Jacques, Chief Executive Officer of M&C Saatchi Asia.

OUTDOOR ADEX

Advertising Inspection Management Research Sdn. Bhd. (AIMS Research) presented details on their outdoor research capabilities in comparison to Nielsen in August.

The main objective of the presentation was to seek the Association's support to use the data released by AIMS Research on Out-of-Home (OOH) advertising, which is absent from the Nielsen report, as the parameter for the outdoor industry.

AIMS Research believed Nielsen did not accurately reflect the actual advertising expenditure for the outdoor segment and claimed that it had more than two hundred media owners on its database compared to Nielsen's five.

As AIMS Research was not able to release the data directly to the industry, it sought the assistance of the Association, MAA, MSA and 4As to disseminate it to their members and the media. AIMS Research also added that it would also be able to customise data for each client based on their requirements.

The Council opined that, in the absence of reliable OOH advertising data, AIMS Research offers an acceptable way forward as its service was relevant to the industry and encouraged AIMS Research to approach the 4As and MSA too. AIMS Research was asked to send over a quarterly summary report for the Association's perusal.

“The main objective of the presentation was to seek the Association’s support to use the data released by AIMS Research on Out - of - Home (OOH) advertising”

DYNAMIC TELEVISION AUDIENCE MEASUREMENT (DTAM)

Mr. Rahul Thappa, Ms Wong Siah Ping, Ms Janet Low Siew Ping, Mr. Nick Burfitt and Mr. Philip Jones of Astro/Kanta Media presented the Dynamic Television Audience Measurement (DTAM) system to the Council Members in October.

The Astro/Kanta Media team is currently working on making DTAM into a world-standard audience measurement currency and explained the design, benefits and initial insights from the system.

Astro pledges its commitment to the cause of transparent, impartial, and comprehensive audience measurement and this assurance helps Malaysian advertisers extract maximum returns from their marketing investment. The Council offered to connect Astro/Kanta Media with Media Prima Berhad to explore the idea of having a single reporting system in the industry.

COMMUNICATION AND MULTIMEDIA CONTENT FORUM OF MALAYSIA (CMCF)

“The CMCF is drafting the definition with the intention of requesting the MOH to endorse it so as to compel all parties to adhere to it.”

LED BY: Mr. Claudian Navin Stanislaus **SUPPORTED BY:** Encik Mohamed Kadri Mohamed Tahir

COMMUNICATION AND MULTIMEDIA CONTENT FORUM OF MALAYSIA (CMCF)

The CMCF had an introductory meeting with the Malaysian Communications and Multimedia Commission (MCMC) Chairman on the issue of rewriting the Code. The CMCF conveyed its view that it is not necessary to revise the code as it can be reviewed from time to time and guidelines added based on best practices.

The MCMC requested CMCF to take a stand on a “non-contentious” issue, which to date is still rather ambiguous in practice. This is due to the deluge of requests received by MCMC regarding such advertisements on electronic media.

The CMCF cited weight loss or “slimming” products and services as the most case example. The Content Code is clear on its prohibition of such advertisements while the Ministry of Health (MOH) has imposed a similar sanction.

LEGAL COMMITTEE WORKING GROUP (LCWG)
GUIDELINES ON SLIMMING
PRODUCT'S ADVERTISEMENT

The 2014 Content Code Consultative Initiative was created to address such issues that needs further elaboration or review such as, Part 3 of the Malaysian Communications and Multimedia Content Code (Content Code), Para 4.1 (xviii) (q) concerning slimming products, whether it is used orally or physical application.

The formulation of a new set of guidelines and/or industry best practice note will serve as an industry guide that may be more explanatory concerning existing provisions within the Content Code. CMCF's LCWG had drafted a guideline/industry best practice with regard to the initiative being the "2014 CMCF Regulation On Slimming Products". The final draft was then given to the Ministry of Health (MoH) for their feedback and review.

Ministry of Health (MOH) via the Medicines Advertisement Board (KKLIU) have completed their review of our draft revision to the Content Code on Slimming Provisions (Recommendation). They have approved our Recommendation; confirming that it complies with both the Content Code and their Guidelines on Medical Products and Appliances. MCMC had give a suggestion that for the issue on slimming product's advertisements, MCMC can make it as an instruction to the Broadcasters to follow the guidelines which CMCF had proposed, should the CMCF wish to expedite the implementation of the new slimming guidelines prior to it being included in an updated version of the Content Code.

“They have approved our Recommendation; confirming that it complies with both the Content Code and their Guidelines on Medical Products and Appliances”

CMCF INTERNET SAFETY PROJECT

CMCF is planning to create a ‘i-Mark’ certificate for Communications and Multimedia Contents as one of the upcoming projects.

The ‘CMCF i-Mark’ certificate would ensure that online Contents are suitable for Malaysian users but may differ in the level of Content exposed based on age group. The target pilot audience for the ‘CMCF i-Mark’ will be the Malaysian industry since the scope of the authority is limited.

A special team will be assigned to initiate the process for R&D and monitoring. A 6-months or annual fee will be charged onto the certification based on the elements of the website which is now still under discussion. Thus, the ‘CMCF i-Mark’ might have the possibility to provide a safer online environment for our future and the future of our children.

TRAINING, ADMINISTRATION & FINANCE

COMMITTEE REPORT

OBJECTIVES

To guide and
motivate Members
to be a part of a
knowledgeable
workforce

To develop an
employment
development
strategy

To create a diverse
environment that
allows Members to
meet current and future
business challenges

UNIVERSITY COLLEGE INITIATIVE

“The Council agreed to develop a real campaign brief for students to work on and present their ideas to the client in a real case study”

LED BY: Ms. Emily SUPPORTED BY: Mr. Bruce Dallas

UNIVERSITY COLLEGE INITIATIVE

The Council had learned that there is a shortage of trained students in various sectors in the industry. Syllabuses used in institutes of higher learning have been found to be outdated and this could be a reason for the students' inability to cope with the practical side of their chosen profession.

The groundwork to collaborate with universities and colleges to promote programmes in the advertising field was laid in 2013. UiTM and IACT were open to proposals ranging from hosting talks from industry figureheads to accepting modules developed by the Association for planning and implementation in their degree programmes.

This initiative will travel beyond the Council and Members volunteering their time to participate in the activities to be drawn up. Members will be able to select or even draft out-of-the-box topics and sign up for the proposed speaker series in an active engagement with the institutes.

IACT

IACT agreed to establish a partnership under this scheme and the MAA University Talk Series flagged off the collaboration. Mr. Bruce Dallas spoke on Semi Dark Marketing at the college's amphitheater in May and attracted 30 students.

The low turnout was due to the short deadline to execute the talk: at two weeks, there was not much time for promotion to be effected to create ample publicity for the talk. The response and value of the event, however, were sufficiently encouraging for both parties to extend it throughout the year.

Mr. Nicholas Lee, IACT's Academic Director, was eager to explore other options and weighed panel sessions and debates to engage the students' lively participation in topics such as digital marketing, crisis management and e-commerce.



“Mr. Nicholas Lee, IACT’s Academic Director, was eager to explore other options and weighed panel sessions and debates to engage the students’ lively participation in topics such as digital marketing, crisis management and e-commerce”

REAL CAMPAIGN BRIEFS

The Council agreed to develop a real campaign brief for students to work on and present their ideas to the client in a real case study. The winner — student or group, will then execute the campaign accordingly and gain rewards that could include:

1. A short term internship with Association Members.
2. A full year scholarship or work position.
3. Participation in management training programmes.
4. Association Certification of Award to the university and students.

The Council proposed to implement this proposal to coincide with the semester programmes and to be mindful that it does not replicate similar collaborative ventures that the 4As has with the universities.

En. Khairul Syahar Khalid reported that Nestle had consented to approach IACT and UiTM with a brief for a new product and this was tabled to both institutions. UiTM agreed for the brief to be implemented as part of their semester in early September but the programme was held back due to the postponement of the product launch.

Associate Professor Dr Kiranjit Kaur of the Faculty of Communications and Media Studies and a key person in this alliance with the Association requested for a list of confirmed topics and speakers to be included into their system for the upcoming semester.

The Council would prefer that the request for guest speakers on specific topics, the details of talks and dates to be preferably provided three months in advance.

It was also suggested that the universities provide the modules in order for the relevant topics to be structured and for industry knowledge in the field shared as required.

ASIAN FEDERATION OF ADVERTISING ASSOCIATIONS (AFAA)

“The AFAA membership is valuable as the umbrella body is recognised internationally and such a representation would add strength, force and recognition regionally for the Association”

LED BY: Mr. Khoo Kar Khoon **SUPPORTED BY:** the President and Mr. Bruce Dallas

INTER-INDUSTRY RELATIONS **ASIAN FEDERATION OF ADVERTISING AGENCIES (AFAA)**

The AFAA membership is valuable as the umbrella body is recognised internationally and such a representation would add strength, force and recognition regionally for the Association.

Membership also helps the Association to expand on networking in terms of implementing collaborative programmes and exposure. The Council agreed to nominate Mr. Khoo to represent the Association and the endorsement was conveyed to the AFAA President.

Mr. Khoo Kar Khoon reported that he was invited to serve in the AFAA Council by its President, Mr. Pradeep Guha, during the Council's meeting in China. Mr. Khoo suggested that he represent the MAA as an Association in the AFAA Council.



DIGIASIA 2014

The President, who attended the conference with the Vice-President in Taipei between November 11 and 14, reported that the conference drew 450 participants but lacked rich data to be shared with the delegates.

The Association's Special Advisor and Council Members, Mr. Khoo, was one of the panelists at DigiAsia 2014. Two other notable speakers were representatives from Google APAC and Chunghwa, Taiwan's largest telecommunications group.

The Vice-President stated that Taiwan's digital platform is still in its infancy and the nation has only recently launched 4GLT whereas Malaysia introduced it two years ago.

Digi Asia is the first-ever international digital conference to be held in Taipei and aims to offer opportunities for market leaders and practitioners to share ideas and information. The conference will be staged once in two years to avoid clashing with Ad Asia Conference.

INTERNATIONAL ADVERTISING ASSOCIATION (IAA)

IAA ADVERTISING CONGRESS

Mr. Khoo, who represented the Association at the IAA Advertising Congress in Beijing, which concurrently hosted the AFAA Council Meeting, remarked that the noteworthy speakers were locals, principally due to their remarkable take on advertising and marketing.

China has the second highest advertising expenditure (ADEX) in the world and the government promotes advertising through its entire provinces and major cities. The government has established huge hubs to build colleges, agencies and studios which free-lance practitioners are encouraged to use for a fee.

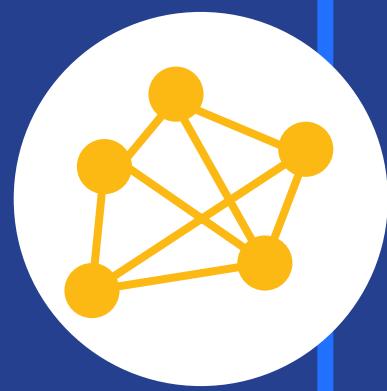
Another area of interest is e-commerce where the penetration for total retail sales was 7.9% against the United States' six percent. The annual volume in 2012 amounted to US\$200 billion in e-commerce only where, in a single day for example, US\$5 billion was raised with the online sale of snacks alone.

The growth of retail power and the changing relationship between retailers and consumers were also visible because a substantial number of manufacturers are constricted by profit margins and thus have turned to e-commerce to enhance their bottom line.

Mr. Khoo stated that in China, "big" was no longer beautiful as the small players ride on e-commerce to compete against the established players. Other interesting areas presented and discussed at the Congress were:



**Internal communication
on data planning:
how to coordinate both**



**Global
and local
structures**

**Growth of
government:
the biggest
advertisers today**



**Relative power
of finance and
procurement**



**Acceptance of
social responsibility**

Another issue of note was mergers, where after companies are bought, the culture and values that helped make it attractive to buyers in the first place are discarded.

The final significant debate was the classic East versus West confrontation. The West insisted that content is still the king while China, leading the charge for the East, claimed that content without the context amounted to nothing. This is an appealing dispute that is yet to run its course.

“The growth of retail power and the changing relationship between retailers and consumers were also visible because a substantial number of manufacturers are constricted by profit margins and thus have turned to e-commerce to enhance their bottom line”

**FMM MARKETING AND BRANDING
CONFERENCE 2014**

The President attended the conference where Mr. Claudio Navin Stanislaus, representing the Association, presented a paper entitled Positioning for a Price - Sensitive Market — A Local Brand's Approach.

She commented that it was a very interesting paper and requested Mr. Stanislaus to share his presentation deck with Members and for it to be uploaded onto the Association's website. The Council agreed to credit both the company and the presenter in the communications materials.

AD:TECH ASEAN 2014

En. Syahar briefed the Council that the conference was well organised and focused on such issues as e-commerce, mobile content, big data and analytics. Over 100 speakers presented these and other topics, delivering more than 40 keynote lectures, panel discussions and breakout sessions.



The event, held between July 8 and 9 July in Singapore, attracted in excess of 2,000 digital marketing professionals from 34 countries around the world. En. Syahar was disappointed that there were no agency representatives from Malaysia at ad:tech Asean 2014 and strongly urged the Council to promote the 2015 edition to Members.

WORLD FEDERATION OF ADVERTISERS (WFA)

“Ms. Jesse Chua reported that the common issues shared were ways to expand multiple creative expressions in branding and marketing despite the prevalent issues in silo thinking, lack of budgets and zero alignments”

LED BY: the President SUPPORTED BY: Mr. Bruce Dallas

WFA-IMC FORUM

Ms. Jesse Chua reported that the common issues shared were ways to expand multiple creative expressions in branding and marketing despite the prevalent issues in silo thinking, lack of budgets and zero alignments. There was no conclusive direction during the sessions and materials and insights gained from the forum were forwarded for circulation to Members.

ASSOCIATION WEBSITE

“After agreeing to this cost-saving exercise, the Council asked Encik Syahar to commence discussions with Mr. Jeremy Lim of the ABC on the work scope and deliverables needed for the respective sites”

LED BY: the Vice-President **SUPPORTED BY:** Mr. Jeffrey Khoo

MAA WEBSITE

Mr. Matt Bellotti, the Business Development Director of Mongoose Publishing and a Member of the Association, was recommended to the Council for the task of revamping and maintaining the site.

Mongoose Publishing has good references to be reputable and reliable. Based on this assessment, the Council asked the firm to present their proposal. Another vendor was engaged to upload information on the site as the Council awaited a response from Mongoose Publishing.

The Council also deliberated on the Audit Bureau of Circulation (ABC)'s call for the Association to consider collaborating with the ABC to secure a single website maintenance provider for the sites.

After agreeing to this cost-saving exercise, the Council asked Encik Syahar to commence discussions with Mr. Jeremy Lim of the ABC on the work scope and deliverables needed for the respective sites.

FINANCE

“The proposed procurement guidelines were confirmed by the President and Vice-President in August and were to be implemented immediately”

LED BY: Mr. Claudio Navin **SUPPORTED BY:** the President



FINANCE

In June, the Council was informed that the lease for the current secretariat office was ending and the appointed property agent has earmarked a six-storey building at Block B in Phileo Damansara for purchase.

The proposed procurement guidelines were confirmed by the President and Vice-President in August and were to be implemented immediately. Unfortunately, a bank loan could not be secured in time and the Council deferred the purchase to 2015.

Mr. Khoo reiterated that the Association must secure a steady income rather than register losses in its account. He added there must be a benchmark set for events organised to make certain the Association continues to generate such income.

Ms. Sheow-Vern reported that this year's Effie Boot Camp revenue loss was due to the lack of participants and recommended doubling the size of the next Boot Camp to ensure there will be a gain in revenue.

REGULATORY COMMITTEE REPORT

OBJECTIVES

To establish a strong relationship with key government and industry bodies through the initiation of regular dialogues

To manage regulatory issues

To be a key contributor to industry policies

GOVERNMENT

“The Nutrition Division of the Ministry invited the Association to help and advise it in improving the implementation of healthy food promotion campaigns”

LED BY: Mr. Claudian Navin Stanislaus and Encik Mohamed Kadri Mohamed Tahir

SUPPORTED BY: Encil Zulhaimi Abdul Hamid, Ms. Cindy Lim, Ms. EMily Lim, Mr. Jeffrey Woo, Ms. Foong Ai Peng and
Special Advisor, Mr. Khoo Kar Khoon

MINISTRY OF HEALTH (MOH)
RESPONSIBLE ADVERTISING TO CHILDREN PLEDGE

Encik Kadri commented that nothing much has been executed to follow-up on the pledge by the industry since it came into force.

The Council reiterated its view that the Ministries and NGOs would claim that the whole exercise was a publicity stunt and little was seen in the promotion of self-regulation.

"The President proceeded to deliberate the framework of Association's pledge on the marketing of food and beverage to children in Malaysia with the Federation of Malaysian Manufacturers (FMM)"

HEALTHY FOOD PROMOTION CAMPAIGN

The Ministry did not respond to the Council's call and it appeared that the focus has shifted to the Ministry's proposed implementation of a healthy choice logo. The Council suggested that Encik Kadri set up a task force comprising industry members to actively address the issues on health promotion campaigns.

The task force should also include FMM but the Association must take the lead on this initiative. This plan will potentially avoid any Ministry directives in the future that may lead to the imposition of untenable policies.



The Nutrition Division of the Ministry invited the Association to help and advise it in improving the implementation of healthy food promotion campaigns. The Council requested the Ministry to share their materials for a review and to make appropriate suggestions on enhancing them.

MARKETING OF INFANT FOODS AND RELATED PRODUCTS

In October, Encik Zulhaimi, along with representatives from the Malaysian Newspaper Publishers Association (MNPA) and Media Prima, discussed the inclusion of the media's ethical practices in the existing Code of Ethics for the Marketing of Infant Foods and Related Products.

The status quo is that only advertisers and medical practitioners could be penalised for any violations of the Code. The Ministry has proposed to hold media owners responsible as well for not only publishing the advertisements but also potentially misleading editorials.

Editorials based on press releases from advertisers could be possibly excluded though not those that are created through partnerships between the company and the newspaper. The Council is aware that media revenues may be impacted if this cooperation between advertisers and newspapers is barred.

In December, the MNPA officially informed the Ministry that its members (MNPA) should not be subjected to the Code of Ethics for the Marketing of Infant Foods and Related Products.

The MNPA reasoned that advertisers or product owners should be held accountable for not adhering to the Code as MNPA members are not responsible for the advertisements and editorials submitted by the advertisers or product owners for publicity and promotion.

“The Ministry has proposed to hold media owners responsible as well for not only publishing the advertisements but also potentially misleading editorials”

OVERLAP OF JURISDICTIONS

The Council Cadbury managed and monitored the halal issue concerning a chocolate brand, which affected a Member, Mondelez Malaysia.

The Council held the view that the matter was more reactive than active.

Jakim has the authority to handle all halal matters and it was inappropriate for the Ministry of Health to order the removal of the products from shelves. The Council suggested a dialogue session with various parties after the matter was resolved to learn and avoid such incidences in the future.

MINISTRY OF COMMUNICATION & MULTIMEDIA
NATIONAL ADVERTISING POLICY

The Ministry of Communications and Multimedia has been pressing on for a single set of content guidelines under the National Advertising Policy (NAP), which also aims to develop local industry and culture. Encik Zulhaimi briefed the Council that both RTM and the Censorship Board has their own guidelines and governed by one body.

The 4As, MSA and the Association assessed the feedback on the impact of the NAP from each association and reasons for why it should not be implemented. In December, RTM

reviewed the CMCF's Content Code and confirmed that it will be using it. The relevant industry organisations attended a workshop on the NAP organised by the Ministry.



INTERNATIONAL SEMINAR ON ISLAMIC ADVERTISING (ISIA)

Mr. Stanislaus reported that the seminar covered the principles of halal advertising, with the emphasis on values rather than practical aspects. The seminar delegates agreed that a Technical Committee should be set up with the goal of framing guidelines rather than drafting directives. The Council suggested that the Association assumes the lead in championing this issue and brings the MSA, 4As, ASA and CMCF into this Committee.

AUDIT BUREAU OF CIRCULATIONS (ABC)

“The ABC revamped the whole Auditing Standard to include the digital replica to supplement the downward circulation trend”

LED BY: Ms. Yong Aik Hwa **SUPPORTED BY:** Mr. Chan Sheow-Vern, Ms. Emily Lim, Mr. Jeffrey Woo, and Ms. Foong Ai Peng

BOARD APPOINTMENTS

Ms. Shazlina Bt Mohd Sufian (Maybank Berhad) and Mr. Spencer Lee (AirAsia Berhad) will be replacing Ms. Chan Sheow Vern and Ms Yong Aik Hwa on the ABC Board respectively. Mr. Jeffrey Woo, who was the alternate to the Vice President and represented the Association on the ABC Board, resigned from Digi. A replacement will also be found.

AUDIT COMMITTEE

The Audit Committee has moved to Digital Replica and Digital Edition auditing. This initiative was an indication to the market and publishers to move in that direction and another incentive to widen the Association's membership.

ABCi

The ABC revamped the whole Auditing Standard to include the digital replica to supplement the downward circulation trend. The figures are capable of rising if the content is attractive and newspapers may well emulate the evolution and survival of magazines worldwide, which have advertisements supporting their digital versions.

Magazines are more content-oriented and focus less on numbers and many in Malaysia still rely on advertisements in the hard copies, as their digital versions are not marketed as aggressively as those abroad.

In order to conduct an audit in Malaysia, the industry needs to combine data from the tag and panel. The ABCi urged more to be tagged by comScore for them to have a larger pool to represent them. The Malaysian Digital Association was also engaged to share their plans with comScore and to vigorously recruit members.

The Chairman revealed that she was also corresponding with the IFABC in England and the ABC's counterpart in the United States to see if they are placing demographics with circulation as also practiced in certain countries.

In December, ABCi held a meeting with Mr. Joe Ngugen, the comScore head, to discuss auditing comScore while the ABC approached the Audited Media Association of Australia (AMAA) to understand their process in auditing comScore.



“The Malaysian Digital Association was also engaged to share their plans with comScore and to vigorously recruit members”

MEDIA WORKSHOP 2014

The ABC Media Workshop took place in Ho Chi Minh (Vietnam) from May 22 to 25 and attracted approximately 140 participants. The theme Economics of Media Convergence revolved around digital media diluting the efficiency of traditional media and leading to further fragmentation in media buying.

The President, as the Chairwoman of the Audit Committee, shared the second half-year 2013 (July to December 2013) top line circulation figures at the workshop.

The Council thanks Members for their participation and contribution in kind and cash for the conference. The forum helped in equipping participants to be aware of their choices and priorities in handling technology-savvy consumers.

ADVERTISING STANDARD AUTHORITY MALAYSIA (ASA)

“The ASA also considered the suggestion to join hands with the CMCF as both parties deal with the complaint and claims”

LED BY: Encik Zulhaimi Abdul Hamid **SUPPORTED BY:** Mr. Claudio Navin Stanislaus, Ms. Cindy Lim

COMPLAINT RESOLUTION PROCESS

Members are aware that the time consumed to process complaints was lengthy and, due to this, the party charged with violation of the Code escapes with impunity as the campaign ends by the time arbitration could commence.

Since 2013, the ASA have put in place a number of measures to reduce the complaint resolution process, including the removal of the lodgment fee of RM750 per-complaint to encourage the public and organisations to assist in identifying advertisements that were in breach of the Code.

Mr. Claudio Navin Stanislaus, who had served in ASA, opined that the body needs adequate funding to be fully functional. The CMCF has a whole team to run their affairs while the ASA, in the print media segment alone, monitors each title in the market. A single individual was not sufficient and will not resolve the issue at hand.

In the past, the ASA had entertained the proposal to farm the work to the IACT or other universities/colleges under a programme to source interns to help pre-screen the complaints. Another option tabled was to crowd source to monitor the complaints and followed by a final review for action.

The Chairman also commented that if funds were an issue, the relevant associations have to organise an event to raise funds for ASA on an annual basis in order for the body to effectively operate or it will eventually become an ineffective organisation.

“Another option tabled was to crowd source to monitor the complaints and followed by a final review for action”

“The ASA also considered the suggestion to join hands with the CMCF as both parties deal with the complaint and claims”

The ASA also considered the suggestion to join hands with the CMCF as both parties deal with the complaint and claims. Encik Zulhaimi Abdul Hamid briefed the Council that ASA and CMCF could not be seen working together due to a conflict of interest.

The CMCF was under the Ministry of Communications and Multimedia while ASA was a self-regulatory body. The organisations, however, may leverage on Macomm Management Services for holding discussions, as Macomm was an unofficial but related party.



ENFORCEMENT

One of the reasons for the slow resolution of complaints was that the ASA does not have the authority to initiate an action and need the public or organisations to voluntarily alert it.

The ASA will form an understanding with the Ministry of Domestic Trade that, in the event ASA has any difficulty with complaints, it will refer them to the Ministry for action as they have the authority to act.

Mr. Stanislaus explained that the ASA's main concern centred on splitting the code again. The ASA originally handled advertising matters in broadcast and print and the functions was broken up with the materialisation of the CMCF Content Code.

At present, 90% of the discussion is on content while 10% is on advertising hence the focus has shifted to the former. The Council believed that the Association must be seen as playing an active role as a failure to effectively manage the issue will invite the Ministry to impose regulations that could be unfavourable for the industry.

Penalties must be imposed on recalcitrant advertisers. The problem is acute amongst smaller companies that, unlike corporations who are always conscious of any possible damage to their brands, are willing to take the risk of violating the rules on advertising.

The Council requested Mr. Stanislaus to forward proposals to overcome these issues based on his full understanding and experience of working with the ASA and CMCF.

“The Council believed that the Association must be seen as playing an active role as a failure to effectively manage the issue will invite the Ministry to impose regulations that could be unfavourable for the industry”

CMCF CODE

All advertisers follow the CMCF Content Code in producing their advertisements. However, when an advertisement copy reaches the Censorship Board (Lembaga Penapisan Film or LPF), the requirements of the CMCF Content Code are ignored and the LPF employs their own rules to arrive at decisions.

Council Members concurred with Encik Zulhaimi's report and stated that the LPF is inconsistent with the application of policy. There were cases in which approved advertisements were re-designated as unapproved without a plausible reason.

The Association has been urged to seek clarifications from the CMCF to verify the effectiveness of its Code and to also ask for an audience with the LPF to highlight that their decisions are based on interpretation and not established rules.

“The Council agreed that there has to be reference points in the decision-making process and existing rules must be consolidated to avoid inconsistency”

The Council agreed that there has to be reference points in the decision-making process and existing rules must be consolidated to avoid inconsistencies. It was also suggested that the Council write to select Association Members to obtain their feedback and updates on the LPF.

Mr. Stanislaus will bring this matter to the CMCF's attention. Encik Zulhaimi also reported that the Cosmetic, Toiletry and Fragrance Association of Malaysia (CTFA), is facing similar concerns and could decide to join forces with the Association.

COMPLAINT MANAGEMENT

It was agreed that a letter be sent to U Mobile to highlight the matter and urge them to be more responsible in their advertising. Similar letters were issued to Abbot Laboratories and Hong Leong Assurance querying as to why there were incorrect claims in their advertisements.

On a complaint by the Malaysia Hindu Sangam on a billboard advertisement that touched on the sensitivities of religion and conversion, the ASA informed the organisation that it can only act on commercial advertisements. Their objection does not fall under this category.



The ASA tabled an advertisement by U Mobile that appeared in the September 2014 issue of the FHM magazine that claimed its postpaid plan came with “Free Internet Roaming Across Asia Everyday.” The company’s website, however, listed only seven countries in Asia that were covered under this plan.

MEDICAL DEVICE AUTHORITY (MDA)

During a visit from the Medical Devices Authority (MDA)'s Puan Salbiah Yaakob, the ASA Committee was informed that the MDA is in the midst of drafting a framework and Code on regulating advertising for medical devices.

The MDA is mulling over the establishment of a complaints resolution panel to review complaints on medical devices advertising which will comprise of external parties and the MDA. Puan Salbiah invited the ASA to sit on this panel.

The ASA Chairman suggested that it would be good if the MDA were to be part of the

ASA Committee when there were cases involving breach of advertisement of medical devices.

Puan Salbiah believed that there might be issues over jurisdictions. Although the external ASA/MDA panel adjudicates an advertisement, the final round of adjudication will be conducted internally by the MDA.

She agreed to discuss this with her colleagues. In the meantime, the MDA will be conducting a seminar on advertising of medical devices in early November 2014 and an invitation will be sent out to the ASA.

MAA Representatives

- Ms. Margaret Au-Yong
(President)
- Mr. Claudian Navin
Stanislaus (Council)
- Macomm Management
Services (Secretariat)

FINANCIAL REPORT

The Income and Expenditure for the financial year ended 31st December 2014 was RM324,748 and RM235,368 respectively.

MAA successfully organised three events last year namely, the Co Crete Series, Effie Awards and the GST for the Advertising Industry Talk which generated a surplus of RM29,063, RM90,098.66 and RM21,025 respectively. The Effie Boot Camp however had a deficit of (RM12,948.07).

Ordinary membership grew by 2% and Associate membership grew by 3% resulting in increased subscriptions. The Council are pleased to report that expenses were kept under control and in line with previous financial years.

The Association funds are managed prudently. The Unrestricted Liquid Funds as at 31st December 2014 was RM813,830 as compared to RM796,191 in 2013.



CLAUDIAN NAVIN STANISLAUS

GLOBAL ADVERTISING OVERVIEW 2014 AND FORECAST 2015

Analysis and Figures courtesy of GroupM

Global advertising grew by an estimated 3.9% in 2014, to USD 513 billion. This is a downward revision from the midyear forecast of 4.5%.

The decline was driven by 5 countries, i.e. China, where our forecast was revised down from 10% to 8% and ad growth is presently trailing nominal GDP; Brazil, where a big World Cup and election year did not have the desired impact on ad spending; Israel, for obvious geopolitical reasons; Nigeria,

where spending estimates partly reflected the nation's disappointing World Cup performance, as well as a late start to election campaigning, and natural volatility; and finally Russia, also for obvious geopolitical reasons. The USA is a small drag on our 2014 forecast, with 2014 growth revised down to 3.1% from the earlier forecast of 3.4%.

We forecast 4.9% growth in 2015, just a fraction below our 5% midyear forecast, taking measured global ad investment to USD 538 billion. The principal sources of acceleration are China, where we predict ad growth will recover to just under 10%; the USA, picking up to 3.9%; Brazil, the UK, Japan and India.

The UK has been in relatively strong economic and advertising recovery since 2013. The market is presently driven by strong demand for traditional and on-demand TV and for online display inventory generally. With forecast ad growth of 6.3% in 2014 and 5.7% in 2015, the UK leads the major mature consumer markets.

Japan ad growth is low-single-digit (3.2% forecast for 2014 and 2.6% for 2015) but like the USA and China exerts a lot of leverage because it is the world's third-largest ad market. (USA 2014 USD 170 billion; China USD 76 billion; Japan USD 39 billion.)

Meanwhile, India has staged a return to double-digit ad growth prospects amid the high hopes for the new Modi administration.

We are also noting the slowing down of the 'faster-growth' markets. Comprising around 44% of the world's economy in 2014, they are still growing very quickly by the standards of the mature markets, and will contribute 57% to global ad growth in 2015 – but this is down from rates in the 70s in the period 2010-2013, peaking at just under 80% in 2013.

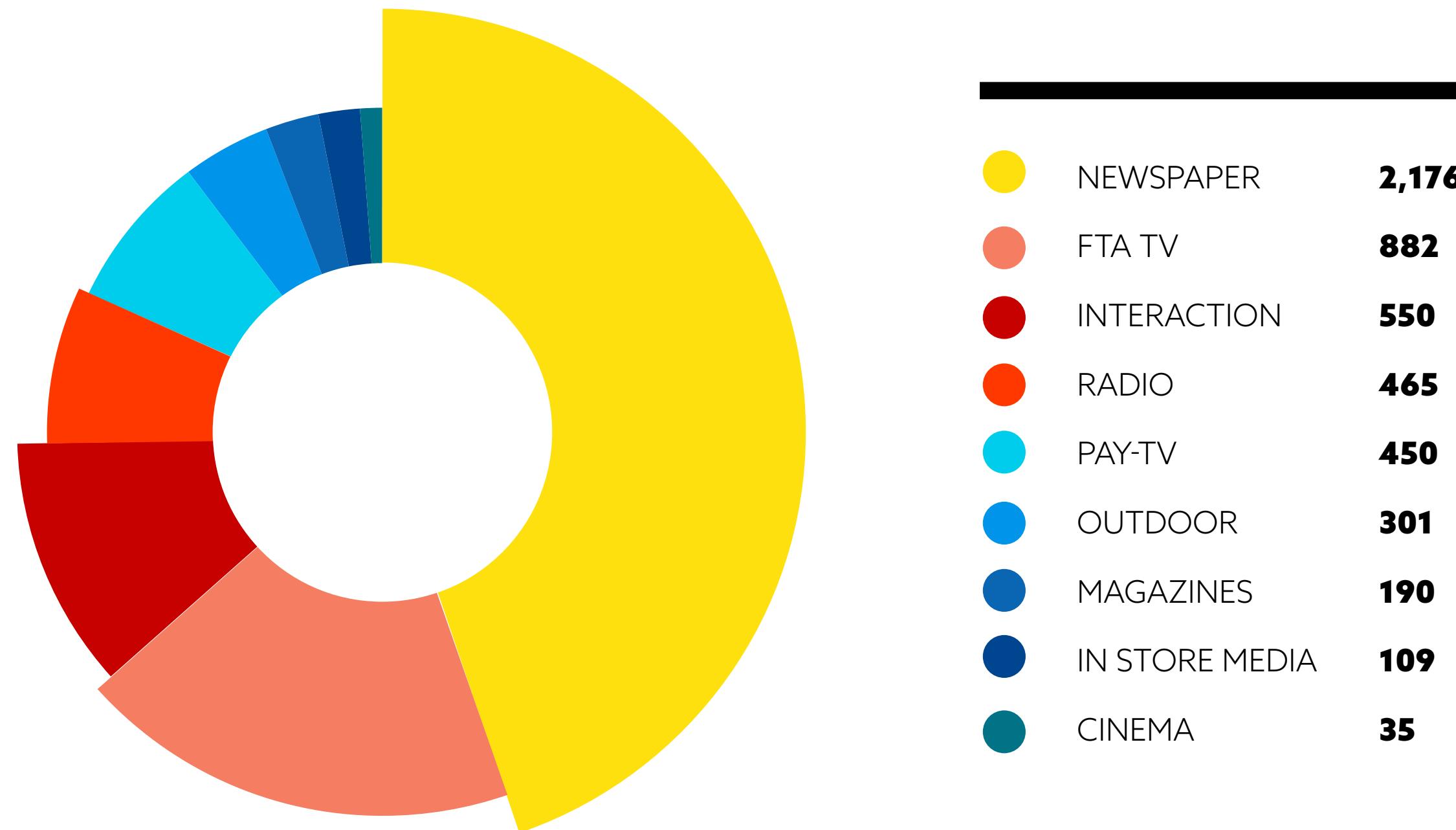
One trend which continues is migration of ad budgets to digital. Digital ad spend continues to gain around two points of share every year, to stand at 24.7% in our new forecast for 2014, and onwards to 27.6% in 2015. Print media (newspapers and magazines) have lost ad share at a similar rate for many years to stand at 21% in 2014 and 20% in 2015, but for the first time our forecasts are also showing that traditional

TV's share might finally be falling too, riding a peak of around 43% for the long period 2010-2014, but dropping a point to 41.8% in 2015. This is however heavily influenced by China's rapid ad migration from TV to digital, as also in other parts of SE Asia and North Asia. This is a trend to watch closely in the USA and UK in particular.

The UK has the world's highest online share of advertising, at 47.8% (including paid search) in 2014 and expected to be 50.6% in 2015. It is also unusual in that display advertising has since 2013 now taken over from paid search as the main driver of online advertising (for brand building), and this lead appears to be growing wider.

MALAYSIA ADVERTISING OVERVIEW 2014 AND FORECAST 2015

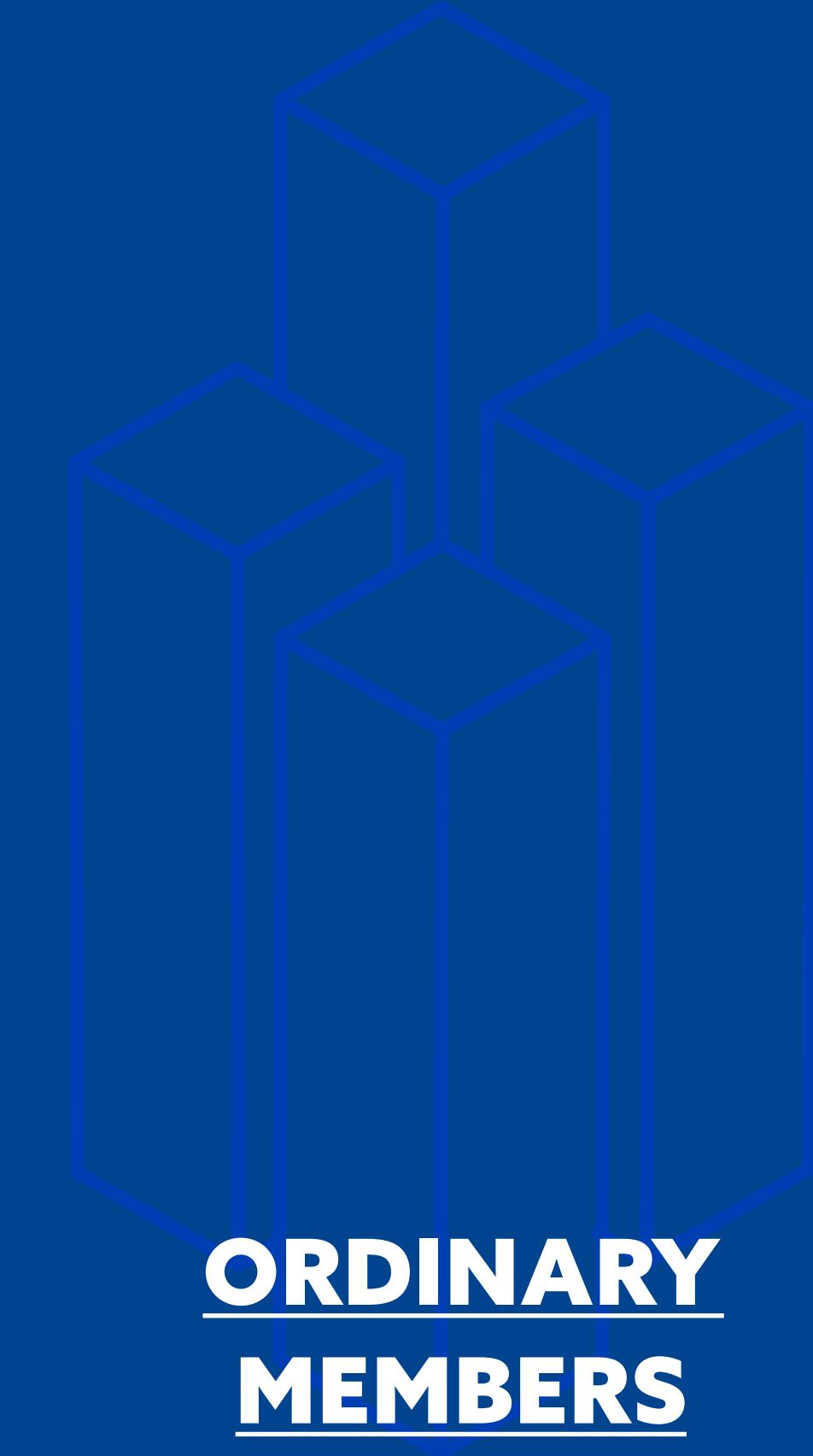
MALAYSIA ADEX 2014 (DISCOUNTED)



In Malaysia, 2014 was a landmark year as digital spends crossed the 'magic mark' of 10% of total advertising expenditure. It was also a landmark year for a different reason, i.e. total advertising expenditure shrank (by about 4%) for the first time in this century. Growth came from digital media (growing by nearly 40%) and cinema advertising (growing by about 16%), while radio showed a marginal growth of 2%. Almost all other major media channels showed declines, in spite of major sporting events like the FIFA World Cup, Commonwealth Games and Asian Games.

2015 is expected to show a mild rebound back to positive growth, estimated at +4%. The first 2 months of 2015 have continued the soft trend of Q4-2014, but this is expected to firm up after the GST launch in April. Digital will continue to lead growth, although at slightly lower levels of 30% as most major advertisers have already been migrating large chunks of budgets to digital over the past 2 years.

1. Alliance Cosmetics Sdn. Bhd.
2. Air Asia Berhad
3. Baba Products (M) Sdn. Bhd.
4. Bata Marketing Sdn. Bhd.
5. Bison Stores Sdn. Bhd.
6. Boustead Petroleum Marketing Sdn. Bhd.
7. Carlsberg Marketing Sdn. Bhd.
8. Celcom Axiata Berhad
9. Coca Cola Far East Ltd
10. Colgate Palmolive Marketing Sdn. Bhd.
11. Continental Sime Tyre PJ Sdn. Bhd.
12. Cotra Enterprises Sdn. Bhd.
13. Danone Dumex (M) Sdn. Bhd.
14. Digi Telecommunications Sdn. Bhd.
15. Disposable Soft Goods (M) Sdn. Bhd.
16. Divazz International Sdn. Bhd.
17. Dutch Lady Industries Berhad
18. FFM Marketing Sdn. Bhd.
19. Fonterra Brands (M) Sdn. Bhd.
20. Genting Malaysia Bhd.
21. Glaxosmithkline Consumer Healthcare Sdn. Bhd.
22. Goodyear Malaysia Berhad
23. Golden Arches Restaurants Sdn. Bhd.
24. Guinness Anchor Marketing Sdn. Bhd.
25. Hong Leong Bank Berhad
26. HSBC Bank Malaysia Bhd.
27. IBM Malaysia Sdn. Bhd.
28. Johnson & Johnson Sdn. Bhd.
29. Jotun Malaysia Sdn. Bhd.
30. Julie's Promotion Sdn. Bhd.
31. Kilang Makanan Mamee Sdn. Bhd.
32. Kimberly Clark Trading (M) Sdn. Bhd.
33. L'Oreal Malaysia Sdn. Bhd.
34. Malaysia Airlines Systems Bhd.
35. Maybank Banking Berhad
36. Maxis Mobile Services Berhad
37. MEAD Johnson Nutrition (M) Sdn. Bhd.
38. Mondelez Malaysia Sales Sdn. Bhd.
39. Nasim Sdn Bhd
40. Nestle Products Sdn. Bhd.
41. Pensonic Holdings Bhd.
42. PepsiCo (M) Sdn. Bhd.
43. Permanis Sandilands Sdn. Bhd.
44. Perodua Sales Sdn. Bhd.
45. Petronas Dagangan Berhad
46. Pizza Hut Restaurants Sdn. Bhd.
47. Pos Malaysia Berhad
48. Procter & Gamble (M) Sdn. Bhd.
49. Proton Holdings Bhd.
50. Public Bank Berhad
51. Royal Selangor International Sdn. Bhd.
52. R3 Asia Pacific Pte Ltd
53. SC Johnson & Son (M) Sdn. Bhd.
54. Shell Malaysia Trading Sdn. Bhd.
55. Spicers Paper (M) Sdn. Bhd.
56. Telekom Malaysia Bhd.
57. TUNE Group Sdn. Bhd.
58. Unilever (M) Holdings Sdn. Bhd.
59. Wipro Unza (M) Sdn. Bhd.



1. Acorn Marketing & Research Consultants
2. Astro- Media Sales
3. Asia Digital Ventures Pte. Ltd.
4. Bates (M) Sdn. Bhd.
5. Big Tree Outdoor Sdn. Bhd.
6. CD Advertising Sdn. Bhd.
7. Dynamic Search Sdn. Bhd.
8. Expomal International Sdn. Bhd.
9. FCB Sdn Bhd
10. Fox Sports Sdn. Bhd.
11. Google Malaysia Sdn. Bhd.
12. Golden Screen Cinemas Sdn. Bhd.
13. Hi-Q Media (M) Sdn. Bhd.
14. Lion Digital Malaysia Sdn. Bhd.
15. Mainstream Mediacom Sdn. Bhd.
16. McCann-Erickson (M) Sdn. Bhd.
17. Mongoose Publishing (M) Sdn. Bhd.
18. Nanyang Press Holdings Bhd.
19. Nanyang Siang Pau Sdn. Bhd.
20. Nielsen Audience Measurement Sdn. Bhd.
21. Ogilvy & Mathar (M) Sdn. Bhd.
22. Phar (Singapore) Partnerships Pte. Ltd.
23. Pos Ad Sdn. Bhd.
24. PRS Productions Sdn. Bhd.
25. Publicis Communications Malaysia Sdn. Bhd.
26. Reader's Digest Asia Pte. Ltd.
27. Redhot Media Sdn. Bhd.
28. Rev Media Equity Holdings Sdn. Bhd.
29. Runcit Media Sdn. Bhd.
30. Sabah Publishing House Sdn. Bhd.
31. Screenmedia Sdn. Bhd.
32. Sin Chew Media Corporation Bhd.
33. Sistem Televisyen Malaysia Bhd.
34. Star Publications (M) Bhd.
35. Taylor Nelson Sofres Malaysia Sdn. Bhd.
36. The New Straits Times Press (M) Bhd.
37. TMI Media House Sdn. Bhd.
38. Unilink Platform Sdn. Bhd.
39. United Borneo Press Group Sdn. Bhd.
40. Utusan Melayu (M) Bhd.
41. Vision Four Media Group
42. YTL Infoscreen Sdn. Bhd.
43. 59Motorads Sdn Bhd



AIMS AND OBJECTIVES OF THE 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

MACOMM MANAGEMENT SERVICES SDN BHD

UNIT 706, BLOCK B
PUSAT DAGANGAN PHILEO DAMANSARA 1
NO. 9, JALAN 16/11, OFF JALAN DAMANSARA
46350 PETALING JAYA, SELANGOR, MALAYSIA

TEL 603 7660 8535
FAX 603 7660 8532
EMAIL MAA@MACOMM.COM.MY