



Bulletin

A quarterly MRSS newsletter Issue 4, December 2005

MRSS wishes all members a Merry X'Mas & Happy New Year of the Dog!

MRSS X'MAS PARTY

The MRSS X'mas Party was held at Gatsby on 14th December 2005 and all who attended had a night of great food, fun, games and the highlight of the night - winning the top lucky draw prize – 2 tickets to The Crazy Horse.

We would like to thank the sponsors for all the great lucky draw & games prizes..



The "Right Family" Game



Dinner cum Chit-Chatting



The Cotton Ball Game



While waiting for the winner to be picked



synovate

Research reinvented

Research finds mobiles are like 'remote controls' for life

SYDNEY - A new Synovate qualitative study, called 'Me, myself and my mobile' and released this week at the inaugural Nokia Media Summit in Sydney, found that mobile phone users in Australia and Korea think of their mobiles as an extension of themselves.

Speaking at the Nokia Media Summit: Sydney Agenda 2005 seminar themed 'Power to You', Synovate's Managing Director for Sydney Dean Harris, said that study participants in Sydney, Perth and Seoul overwhelmingly felt their mobile phones were personalised - and highly personal - items.

"In all markets, people felt their mobiles were an extension of themselves - they feel uncomfortable if they leave the home without it and it's considered a more inconvenient tool to lose than a wallet. People carry a great deal of personal information on the phone, as well as personalise it with ringtones, wallpaper and pictures.

"Our study showed that consumers focus on three Ps when they consider their mobiles - personal, portability and permission.

"In Australia and Korea alike, they think of the phone as personal as another 'limb', enjoy the advantages of portable communication and entertainment and wish people and brands to seek their permission before interacting with them via their mobiles."

Mobile technology is social technology

The role of the mobile phone has changed tremendously over the years. This study echoes the mobility phenomenon that Nokia's Senior Vice President for Customer & Market Operations, Asia Pacific, Urpo Karjalainen, outlined in his welcome address at the Nokia Media Summit.

Mr Karjalainen said: "In the era of digital convergence, mobile technology is becoming social technology - shaping the way we communicate with each other, enjoy our free time and the way we work. Our experiences are

being transformed with the possibilities of listening to music, capturing moments in still and video, watching TV and browsing the internet on our mobile devices.

"In today's converged and connected world, social technology is now empowering the individual more than ever with converged devices, services and solutions available at their fingertips," he said.

Mobile marketing - Intimacy, immediacy and interactivity

Mr Harris said that the Synovate study found the mobile phone offers three key advantages to marketers.

"First, the mobile phone is an intimate mode of communication. This is not a wide-ranging broadcast tool. Messages are seen as 'just for me'.

"Second, the phone provides a unique sense of immediacy. The majority of the participants in our study felt that when a message arrived on their phone, they needed to act on it straight away.

"And the third advantage is interactivity. The phone provides a mechanism for a two-way conversation between a consumer and a brand.

"These add up to a powerful opportunity for marketers. Getting the right message at the right time to the right consumer is a potent proposition," Mr Harris said.

What consumers want from mobile marketing

The two markets studied showed differing perspectives on mobile marketing, with the Korean experience providing some guidelines and warnings for Australian marketers. Mr Harris said that Australians expect brand-to-phone marketing in the near future but will only engage brands of their choice.

"As with any high reward activity, the downside is high risk. The intimacy of receiving a personal message – and the compelling wish to act on things immediately – means that the right message will be seen in a very positive light. However, the wrong message will be viewed as annoying and the consumer's relationship with the brand will suffer.

"Korea is a few years ahead of Australia in terms of digital mobile platforms and content - and therefore mobile marketing. Most of our Korean respondents reported the majority of messages sent to their phone were unsolicited and unwanted and they became irritated with the companies behind the marketing.

"However, even in these circumstances, study participants were positive about the idea of targeted and useful messages from brands that they chose to include in their lives," he said.

A two-way value exchange

Study participants had high awareness of the potential for interactive marketing via the mobile phone.

Mr Harris said that most felt mobile marketing must be two-way to be successful. "The mobile ads that are annoying people in Korea are still following the traditional, one-way broadcast form of advertising – suitable for television and mass media, but not considered appropriate by consumers for the mobile format.

"In both Australia and Korea, consumers are open to marketing that is a two-way interaction. They are happy to receive advertising or marketing messages – but after granting permission and as part of a value exchange. Consumers want to get something back for allowing a brand into their life – be it discounts, special offers or other VIP treatment." Mr Harris said that marketers could take this one step

further by ensuring they provide relevant and timely information.

"When marketers are able to do this, consumers evolve their description of the activity from 'marketing' - the company is selling me stuff - to 'service' - the company is serving me well. The consumer starts to see the company as a partner, helping to make purchase decisions," he said.

The mobile as a 'remote control' for life

When asked about various media, respondents classified the mobile phone as very different to traditional media like television, radio, print, outdoor and even the internet.

"Most people did not think of phones as a medium at all," said Mr Harris.

"This is interesting for marketers as it implies the whole approach must be different to other forms of marketing. One theme from the focus groups was that mobile phones have the potential to be the 'mortar' between the 'bricks' of the other media – something that glues a marketing campaign together.

"Consumers could point their mobiles – like remote controls – at interactive billboards as they move around and, with the touch of a button, request information, change the scene on the billboard and interact with the brand. There is high potential and receptivity for creative marketing campaigns," he said.

Respect for me, respect for my phone

"The overwhelming message from the study was that the mobile is an extension of the individual and – as such – people would like it treated with respect. There is a place for marketing to the mobile and getting it right will be powerful marketing indeed," Mr Harris said.



EMBARGOED UNTIL JANUARY 1st 2006

OUTLOOK FOR 2006 IN ASIA: OVERALL POSITIVE SENTIMENT ALTHOUGH UNEMPLOYMENT A CONCERN

For the second consecutive year, citizens of China and Vietnam are *the* most optimistic in the world when it comes to outlook for 2006, according to findings from leading market information company, TNS and Gallup International. Three quarters of Vietnam’s citizens (75 per cent) are feeling positive about the year ahead - exactly the same number as in Beijing. Ousting Hong Kong from its position as one last year’s top three most optimistic countries is India where nearly two thirds of respondents (61 per cent) are looking forward to a brighter 2006.

AROUND ASIA PACIFIC: 2006 A BETTER YEAR THAN 2005?

Top 3 Optimists: 2006 BETTER than 2005		Top 3 Pessimists: 2006 WORSE than 2005	
Vietnam	75%	Philippines	50%
Beijing	75%	Australia	29%
India	61%	South Korea	25%

The survey of more than 50,000 people, which was conducted between November and December 2005 in 62 countries around the world, shows that prospects for 2006 in Asia Pacific are considered to look better than 2005 in 12 out of the 13 territories surveyed regionally. Even in South Korea, which retains for a second year a position in the top 3 most pessimistic countries regionally, the dramatic decrease by nearly half in the number of respondents who believe 2006 will be worse than 2005 (from 45 per cent to 25 per cent) represents a significant upswing in positive sentiment.

However, not everyone is so upbeat and for the third consecutive year, the Philippines is the most pessimistic country in Asia Pacific with 50 per cent of its citizens expecting 2006 to be worse than 2005.

ECONOMIC PROSPECTS

Echoing the region’s largely positive outlook for the forthcoming year, the feeling is that 2006

will see either similar or better economic performance than 2005. On average just two in ten citizens (20 per cent) across the region predict that the coming year will be one of economic difficulty – down slightly from last year’s 22 per cent. Notably buoyant about economic prosperity are Vietnam and Beijing where the majority of people (69 per cent and 64 per cent respectively) are looking forward to a prosperous New Year. Unsurprisingly, it is in the Philippines where most respondents (61 per cent) report sensing economic difficulties ahead.

UNEMPLOYMENT & JOB SECURITY

The issue of unemployment remains a widespread concern throughout Asia Pacific - unchanged from last year’s findings. Although no other territory foresees the threat of increased unemployment as strongly as in the Philippines, the overall numbers predicting a significant increase in 2006 has nearly doubled to 29 per cent from the 16 per cent who predicted it for 2005.

Despite this, of those who are employed, nearly two thirds of respondents regionally (61 per cent) and the majority in each of the 13 Asia Pacific countries surveyed – even including the Philippines, report feeling safe in their present jobs. And in the event that they were to be made unemployed, the news is not all bad with an average 4 in every 10 citizens (42 per cent) believing that it wouldn't be too long before they were back in the workforce and that they would find a new job quite quickly.

A PEACEFUL OR TROUBLED YEAR AHEAD?

As to whether 2006 will be a peaceful or troubled year internationally, the prevailing opinion throughout the region is that the coming 12 months will be no different to the last 12 with just slightly fewer than three in ten envisaging trouble (28 per cent). Interestingly, it is in Australia where the highest proportion of respondents foresee trouble ahead (51 per cent) and in Indonesia - one of the world's hardest hit countries in recent times, where least (8 per cent) predict an unsettled 2006.

In spite of the devastating effects of the many natural disasters we have seen in the region over the last twelve months as well as continued threats from terrorism and the H5N1 virus, the mood around the region remains largely upbeat. This is in the most part due to continued economic recovery throughout Central and South East Asia however, the undeniable contribution made by the irrepressible spirit of the people around Asia cannot be underestimated.

Ralf Matthaes, TNS Vietnam Managing Director comments, "In the mid to late 1980's, Vietnam was one of the poorest countries in the world, due to a century of warfare within its borders. With the introduction of the Economic Renovation policy – or 'Doi Moi', in 1988 Vietnam has struggled to catch up to the rest of the developing world. However, since 2001, with the advent of the free enterprise law and increased foreign direct investment, Vietnam's economic future has become much brighter. Vietnam's GDP is experiencing unprecedented growth at 7+ percent per year. Add to this the inevitable WTO accession in 2006 and it's easy to understand why Vietnamese are so optimistic about 2006."

Singaporeans are Receptive to Buying – Online

Airlines/Travel Reservations and Books Top the List of Internet Purchases, according to ACNielsen's Online Survey

Singapore, November 5, 2005—Singaporeans are receptive to shopping online with more than 8 in ten *online* survey respondents (81%) having shopped on the net.

The twice-yearly global ACNielsen Online Consumer Opinion Survey, the largest of its kind, polled over 21,100 respondents in 38 markets from Europe, Asia Pacific, North America, Latin America and South Africa (See Table 1 for market breakdown). The study asked Internet users around the world about their online shopping experiences including when they last made an online purchase, what items were last purchased (see Table 2 for a list of items covered), the method(s) of payment used, what payment card was used the most for online purchases and the most preferred payment method when shopping online.

Across the globe, the most popular items purchased by internet consumers online are Books (34%), followed by Videos/DVDs/Games (22%), Airline Tickets/Reservations (21%) and Clothing/Accessories/Shoes (20%). In Singapore, Airline Tickets/Reservations generate the biggest online market (36%), followed by Books (19%), Clothings/Accessories/Shoes (16%), and DVDs/Videos/Games (16%). (Chart 3)

In Asia Pacific, where the average number of purchases in the past month is five, online shoppers in markets like Singapore, Taiwan, Australia and China, made an average of five to six purchases in the past month. South Korea, which has the highest proportion (92%) of online shoppers in Asia Pacific, generated an average of four purchases last month.

The world's biggest online shoppers are in Germany and UK, averaging seven and six purchases respectively in the past month. Along with Austria, Germany and the UK also have the highest incidence of online shopping with at least 95 percent of Internet users having purchased online.

It is not surprising that online purchases relating to travel rank high in Singapore, as

Singaporeans are known to be avid holiday seekers. Holidays/vacations ranked 2nd amongst Singaporeans when asked how they intend to spend their spare cash in the same survey.

"In addition to Singapore, airlines and online travel agents would be wise to target markets like Malaysia (55%), New Zealand (40%) and Australia (35%) for which Airline Tickets/Reservations are a common online purchase," said Ashok Charan, Managing Director of ACNielsen Singapore.

What people buy varies widely by market. "International book sellers would want to make sure their websites accommodate Korean and Chinese languages as Books top the list of items purchased by the Chinese (56%) and South Koreans (50%). This represents tens of millions of consumers in those markets and this is growing rapidly," said Mr Charan.

Meanwhile, in Japan, Groceries (26%) are the second most popular item purchased online after Books (30%). With an average of four purchases in the past month and over 69 million estimated online shoppers, Japan presents a big opportunity for online book sellers and grocery sites.

Over half of South Korea's 29.4 million online shoppers have purchased Clothing/Accessories/Shoes online. South Koreans are also the most likely to buy Cosmetics/Nutrition Supplies online (34%), three times higher than the global average of 10 percent.

For most of these online purchases, credit card (59%) or bank transfer (23%) was used to make the payment. In Singapore, payment via credit card is undoubtedly the most popular and preferred method of internet transactions, far surpassing all the other payment options—72 percent of Singaporeans surveyed cited credit card as their top payment method, while half said it is their preferred choice. (Chart 4)

The most often used payment card here is Visa, used by seven in 10 respondents here. Mastercard follows with 21 percent, while American Express is used most often by six percent of the people who have made online purchases.

Singapore Internet Consumers ...What they Buy over the Internet

Items Purchased Online by Singaporeans

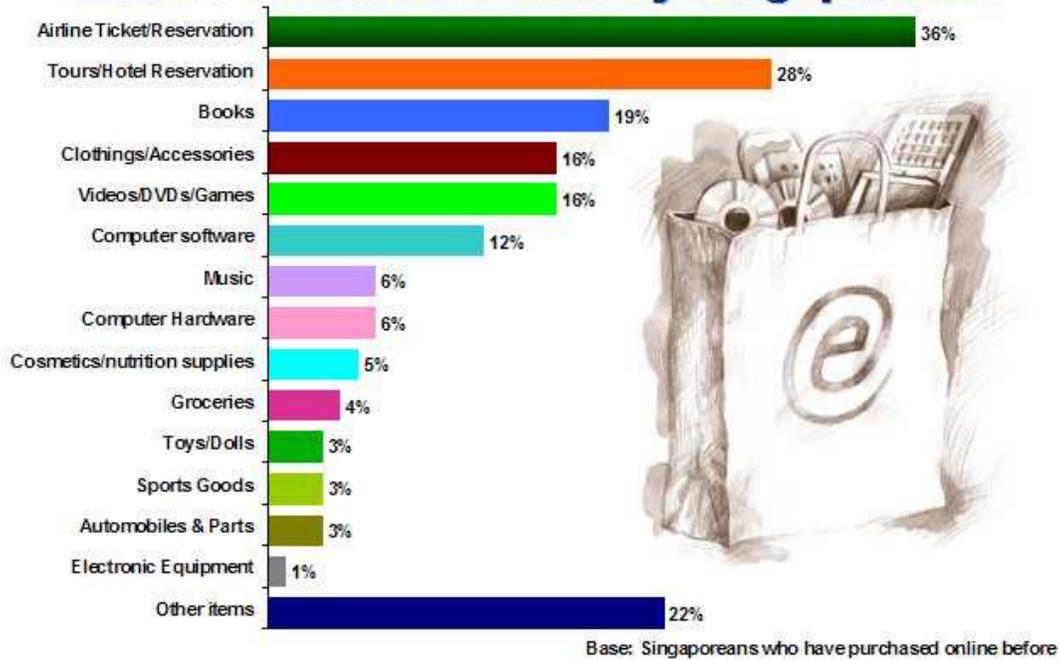
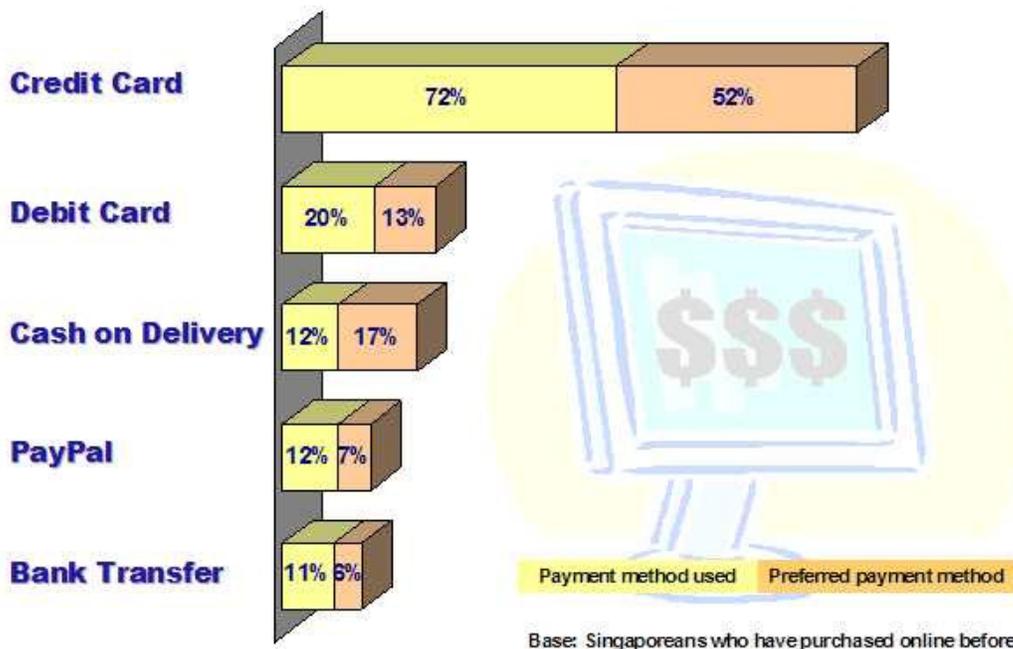


Chart 4

Online Payment Modes



Synovate survey shows ascending Singaporean spending power

SINGAPORE - Synovate, a leading global market intelligence company, today released information from the 2005 Synovate PAX media survey that showed rises in wealth, product and service ownership and improvements in lifestyle across Singapore's affluent residents.

The Synovate PAX survey tracks media, prosperity and influence in eleven markets across the Asia Pacific region - Singapore, Hong Kong, Korea, Malaysia, Thailand, Indonesia, Philippines, Taiwan, India, Australia and Japan.

Wanda Gill, Media Director for Synovate in Singapore said that the affluent of Singapore were enjoying high confidence and spending power. "In just the last few months, our constantly-updated tracking has enabled us to watch Singapore's ever-increasing confidence translate into higher product ownership, increasing purchase intentions and improving lifestyle."

The Synovate PAX results for 2005 show that the average monthly household income of the Lion City's affluent residents has risen from US\$4,826 to US\$5,456 - a 13% relative change.

"With greater household wealth, these Singaporeans are rewarding themselves with purchases of top tier luxury and consumer items and steady increases in property ownership and investment," Ms Gill said.

The Synovate PAX survey allows marketers to get a full picture of Singapore's affluent consumers - what they watch, read, buy and how they feel about advertising and branding - enabling them to target their marketing efforts. Ms Gill said that the 2005 results painted a picture of Singapore as the quiet powerhouse in relation to other markets in the region.

"While Hong Kong's wealthy are conspicuous consumers and buy items for their fashion status, Singaporeans tend to be more considered in distributing the fruits of their labours. Singapore's elites still spend - and

spend a lot - but our data shows they won't get their wallets out on a whim.

"Marketers must appeal to this lack of pretension and realise Singaporeans are not as status-conscious as people from Hong Kong or as acquisitive as the wealthy of other South East Asian economies which are less mature. Singaporeans are comfortable in their skins and are more likely to buy to make their lives easier," Ms Gill said.

The Synovate PAX survey delves into peoples' attitudes to brands and advertising via a series of psychographic statements. Some of the findings for Singapore were:

- 11.5% of Singapore's elites agreed with the statement that they are among the first to buy a new product or gadget. This is below the regional average, showing that Singaporeans are less in a rush than other markets, waiting to see if the item fits into their lifestyle.
- More than two thirds of Singaporeans agree that paying for quality is worthwhile.
- 46.9% wealthy Singaporeans prefer to buy well known brands, well over the regional average of 41.1%.
- Singaporeans show a focus on lifestyle with 41.5% agreeing that a home with modern appliances is important to them - this compares to the regional average of 38.7% and 28.9% in Hong Kong.
- There's an indulgent streak across affluent Singaporeans, with one of the highest levels of agreement to the statement "I sometimes like to treat myself to something special". 58.2% of PAX respondents agreed in Singapore, with only Sydney-siders more indulgent (62%). The regional average is 48.5%.

Synovate PAX also covers product and service ownership, purchase intention over the twelve months to June 2006 and lifestyle.

- As a major regional business hub of Asia, it would be expected that a great deal of business travel originates here. However, from June 2004 to June 2005, we have seen a 22% increase in Singapore's affluent taking off on one or more business trips. Around 28% of these PAX respondents travel for business. But Singapore's elite still find time to relax - more than 50% have taken one or more leisure trips in the year to June 2005 too.
- An all-time high number of 38.6% of affluent Singaporeans now own laptops or notebooks, up from 31.9% in June 2004.
- Likewise, ownership of a mobile phone with Internet access hits an all-time high – it stands at 37.7% and shows steady increases for every quarter measured. This continuing trend is good news for mobile manufacturers and 3G networks and service offering planners. Indeed, more than 92% of affluent Singaporeans own a mobile with or without Internet access - they are here to stay and all these people will upgrade as mobile content becomes more and more compelling.
- Digital dominance seems more and more inevitable as we observe relentless increases in Singaporean ownership of devices like MP3 players (up to 23.1%, a rise of a quarter over the year before), digital video cameras (43.7% now own these, up from 35.9%) and digital still cameras (more than half of affluent Singaporeans own these - an increase from 41% in 2004). Indeed, the love affair with digital is truly blossoming.
- It's fair to say that the marketers of LCD or plasma televisions have enjoyed a

good year. They close to doubled their market size, with the number of wealthy Singaporeans already owning one of these TVs rising from 7.6% to 12.7%. And there's still a great deal of upside, with 10% expressing the intention to purchase this top tier item in the next 12 months.

- Car ownership impressively jumped for the second consecutive year. At the end of June 2005, 60% of cashed up Singaporeans owned one, up from 56.6% at the same time last year. This is an especially good sign of confidence in this very expensive place to own one - the reduction in COEs would play a significant role in this as well. And indicating that the trend is set to continue, 11.7% of respondents intend to purchase a private vehicle over the next twelve months.
- Singapore's love affair with football / soccer continues - a third of PAX respondents read about it, watch it or attend games. This is up from 29.5% last year. In fact, Singapore is really getting sporty - tennis, badminton, basketball and golf all showed higher levels of interest too.
- With more disposable income, Singaporeans have also been getting cultural. More people have attended a concert, opera, ballet, live theatre, art gallery and museums.
- The interest in quality wine continues to gain momentum. Spending on quality wine has dramatically increased from US\$144 in 2004 to US\$223 in 2005. This is a massive 55% relative increase.
- The number of elites of the island state who own a second property is up to 10.6%. Increases in people living in an owned property have been registered as well - 22.9% of PAX respondents own their homes.

This issue is coordinated by Synovate Pte Ltd