



Bulletin

A quarterly MRSS newsletter

Issue1/07, APRIL/MAY 2007

ASIA PACIFIC 2007

ESOMAR WORLD RESEARCH CONFERENCE
KUALA LUMPUR / 12-14 MARCH

NEW REALITIES



In co-operation with



MRSS at the ESOMAR Asia Pacific Conference Kuala Lumpur

As part of the MRSS objective to gain regional/global exposure, we worked in cooperation with ESOMAR at the 2007 AP Conference.

The MRSS stand was well visited by conference participants. Many expressed interest in our activities, especially in the Education Seminars. This has prompted us to be more aware of the regional needs for MR education and the role MRSS could play.

It was an interesting 3 days. There were several workshops and the Conference went well with speakers from Asia, Australia, the US and Europe. We enjoyed the networking with our colleagues from the other market societies in the region.

MRSS members were entitled to ESOMAR member conference rates. A total of 30 Singapore delegates attended the Conference.

MRSS AT THE ESOMAR AP CONFERENCE





MRSS BREAKFAST TALK
11 MAY 2007

‘How to Talk to Humans’

by Robert Campbell

Robert Campbell (Regional Creative Brand Planner for Young & Rubicam Brands) provided a morning of entertaining and challenging thoughts at the MRSS Breakfast Talk on 11 May. His presentation was entitled ‘How to Talk to Humans’ and addressed the researchers in the room with a challenge to not just look and read data we gather from traditional research methods, but to think outside the box to more culture and life trends in order to deliver insights.

Robert’s perspective is that despite greater consumer choice, wider distribution opportunities, massive levels of consumer research, media channel overload and outrageous levels of marketing expenditure, we have greater levels of consumer cynicism than at any point in history. The devolution of marketing can be attributed to many things, but forgetting how to really communicate with the masses has to be one of the most destructive. This speech was a gentle reminder of how to really talk to humans again and build bigger, more profitable and adored brands as a result.

Robert knows what he’s talking about having worked on many projects with some of the most creative companies in the World including Apple, Dreamworks, Egg Bank, Bang&Olufsen, ADIDAS, IKEA, Virgin, Coke, Tabasco and Hummer to name a few.

Robert provided many interesting case studies such as a car radio company. Instead of relying on traditional research methods, the team engaged the use of some video arcade games with driving car games in them. Using two of these games, they projected radio music form one and left the other in silence. When asked how long they had been driving for, the consumers in the cars with the music consistently felt that they had been driving for a shorter time period. This eventuated in a campaign around ‘music makes the drive quicker’ Robert’s challenge to us all was that people need messages with an emotional experience in order to connect with it.

Contributed by: Karen Stanton Managing Director, Colmar Brunton Asia Pacific

AMERICANS LEADS THE WORLD IN CAR OWNERSHIP, CHINA AND INDIA FAST CATCHING UP IN ABSOLUTE NUMBER OF CARS OWNED

AUTOMOTIVE MANUFACTURERS TAP INTO THE ENORMOUS CHINA MARKET DEVOTING CLOSE TO HALF THE REGION'S AUTOMOTIVE ADVERTISING SPEND

May 21, 2007, Singapore – As economies continue to thrive hand in hand with consumers' propensity to spend, the race to drive car ownership is on, according to a 2006 Media Index study published by The Nielsen Company.

As the Study reveals, nearly nine in 10 Americans claim to own a car, representing 190.3MM people, making it the world largest in terms of car penetration and absolute numbers. Further, the USA has enjoyed an increase of eight percentage points in penetration over the past five years – the highest recorded growth globally. Saudi Arabia follows the USA with the second highest car ownership (86%)¹. (Chart 1)

In the Asia Pacific region, New Zealand, South Korea and Australia have the highest automotive ownership in the region, at 82 percent, 74 percent and 70 percent respectively. Car penetration in New Zealand ranks third after the USA and Saudi Arabia. Australia and Malaysia have enjoyed increases of seven percentage points over the past five years – outperforming the other markets where year on year car penetration has remained quite stable.

According to Nielsen Media Index, close to one in five residents in Singapore owns a car. The country ranks seventh in the region, ahead of Hong Kong (16%), in penetration rate. "Densely populated city states like Singapore and Hong Kong have relatively lower penetration of cars ownership, thanks to the cheap, convenient, and efficient public transport system," commented Ms Rebecca Tan, Executive Director of Nielsen Media Research Singapore, The Nielsen Company.

The real opportunity lies with the two fastest growing countries: India and China. While having seemingly low penetration, India (9%) and China (6%) rank among the world's top markets in absolute numbers of cars owned. (Chart 2, 2.1)

Chart 1

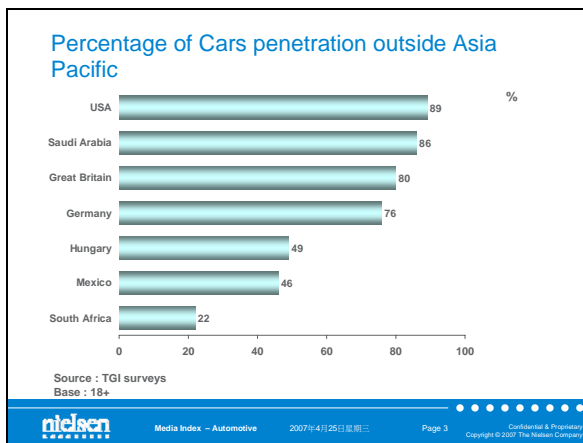


Chart 2

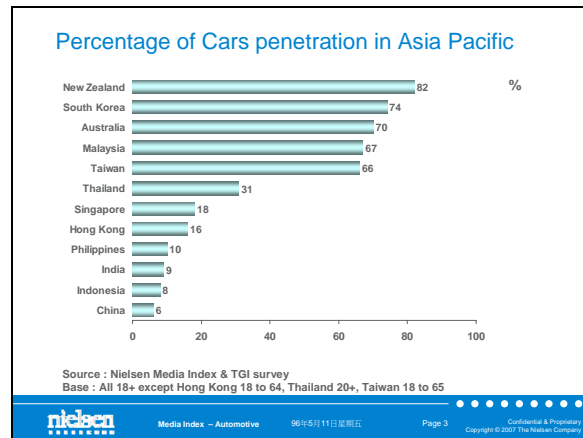


Chart 2.1

Country	Penetration(%)	'000	Base	RANKING (ABSOLUTE NUMBER)
USA	89	190,305	18+ people	1
Germany	76	46,937	18+ people	2
Great Britain	80	36,959	18+ people	3
South Korea	74	22,261	18+ people	4
Thailand	31	14,077	20+ people	5
Mexico	46	14,023	18+ people	6
Australia	70	11,002	18+ people	7
Taiwan	66	10,083	18-65 people	8
Saudi Arabia	86	9,691	18+ people	9
Malaysia	67	8,063	18+ people	10
India	9	5,815	18+ people	11
China	6	3,848	18+ people	12

Chart 3

Automobile Advertising Expenditure Total Spending

Country	US\$000's	Share (%)
China	1,855,653	47.0
Australia	677,257	17.2
India	577,770	14.6
South Korea	216,840	5.5
Thailand	118,531	3.0
New Zealand	111,875	2.8
Hong Kong	98,189	2.5
Malaysia	73,762	1.9
Indonesia	67,648	1.7
Taiwan	64,863	1.6
Singapore	55,628	1.4
Philippines	27,369	0.7
Total Automobile Spending	3,945,385	100.0

Source : Nielsen Advertising Information Services (AIS)
Period : Jan to Dec 2006

nielsen Media Index - Automotive 2007年4月25日星期三 Page 7 Confidential & Proprietary Copyright © 2007 The Nielsen Company

“With these kinds of numbers, China’s market for car parts and accessories is already huge, and car manufacturers will be tapping into that potential. In addition, with current penetration sitting at the world’s lowest, the opportunity to entice the emerging and growing affluent Chinese consumers into car ownership is immense,” said Mr Richard Basil-Jones, Managing Director, Asia Pacific, Nielsen Media Research, The Nielsen Company. “And because of China’s size, increasing penetration by one or two percent would bring tremendous rewards for the automotive industry.”

According to Nielsen’s Advertising Information Service, the world’s car manufacturers invested a sizeable US\$1.85billion on advertising in China alone in 2006 – amounting to nearly half the region’s total automotive advertising - to grow their share of the country’s valuable, and burgeoning, car market.

“Affordability is obviously a consideration in some countries: as economies rebound, people are likely to indulge themselves by acquiring a car or upgrading to a new model,” said Mr Basil-Jones.

In total, automotive and related companies spent over US\$3.95 billion on advertising in 2006, of which China took the lion’s share of 47 percent, followed by Australia (17%), India (15%) and South Korea (6%). Car manufacturers invested the least in the Philippines, spending only US\$27MM on advertising in 2006, followed by Singapore (1.4%) (Chart 3)

The top 10 car brands contributed to one half of the total automotive advertising expenditure in 2006 with Toyota, the region’s biggest advertiser in automotive-related advertising in 2006, spending US\$292MM, followed at a distant second by Hyundai (\$197MM) and Nissan (\$154MM) in third place. In Singapore, Nissan, Hyundai, and Toyota are most likely to catch the attention of the locals as they made up the three top most advertised automobile brands in the market last year.

A BAD HAIR DAY IS OUT OF THE QUESTION WHEN IT COMES TO LOOKING GOOD

Eight in 10 Singaporeans Feel the Pressure to Look Good

Body Massage, Facial Treatment and Hair Care - the ultimate indulgence for Singaporeans if money was no object

June 6, 2007, Singapore: To maintain or enhance their looks, two thirds of the world's consumers focus on taking care of their hair - in conjunction with a daily skin care regime and regular facial treatment – and if money were no object, they would continue to care for their hair, but would spend more on body massages and teeth-whitening, according to a study released by The Nielsen Company.

In a Global Consumer Report on Personal Grooming, Nielsen surveyed 25,408 internet users in 46 markets¹ from Europe, Asia Pacific, North America and the Middle East about their attitudes to personal grooming, what and how often they invested in beauty products and treatments, and what they would spend, and on what, if money was no object.

“According to the world's consumers, having a bad hair day is simply not an option when it comes to looking one's best. Sixty-four percent of consumers invest in daily, weekly or monthly hair care, compared to just over half (53%) of those who follow a similar skin care regime,” said Ms Vicky Santos, Executive Director, ACNielsen Singapore.

In Singapore, over half are currently ‘investing’ on skin care and hair care. Facial treatment is the third most popular personal grooming option that Singaporeans do monthly or more regularly to maintain or enhance their appearance. (Chart 1)

“The pressure is on for people to look good these days, and in Singapore 82 percent of respondents admitted that the pressure to look ‘good’ is much greater than it was in their parents’ generation,” Ms Santos added.

Chart 1

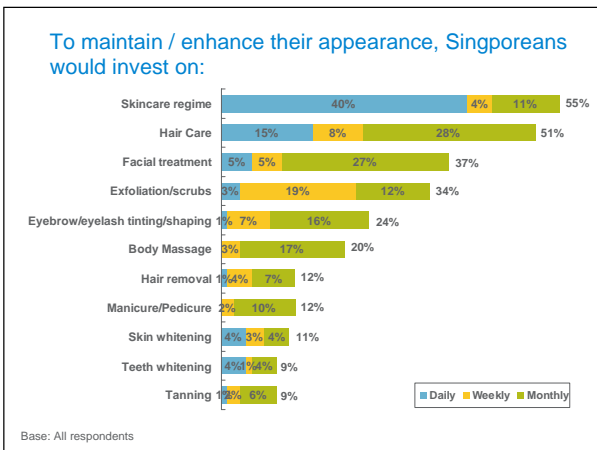


Table 2:

Frequency of different personal grooming activities (monthly or more often) - Singapore

		%	Men	Women
1	Skin care regime	55	37	73
2	Hair care	51	44	58
3	Facial treatment	37	24	50
4	Exfoliation / Scrubs	34	18	51
5	Eyebrow / Eyelash tinting / shaping	24	5	45
6	Body massage	20	31	38
7	Manicure / Pedicure	12	6	20
7	Hair removal	12	5	20
8	Skin whitening	11	6	18
9	Tanning	9	13	5
9	Teeth whitening	9	10	7

¹ **46 Markets Covered:** Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, China, Czechs Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, India, Indonesia, Ireland, Italy, Japan, Korea, Latvia, Lithuania, Malaysia, Mexico, Netherlands, New Zealand, Norway, Philippines, Poland, Portugal, Russia, Thailand, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, Turkey, UAE, United Kingdom, US and Vietnam.

People in Asia Pacific -- China, Vietnam, Thailand and the Philippines in particular -- make a greater effort to enhance their appearance monthly or more frequently through hair care (66%), skin care (57%), facial treatment (40%) and a host of other applications such as body massages, skin whitening and teeth whitening, compared to their counterparts in North America, Europe and Latin America.

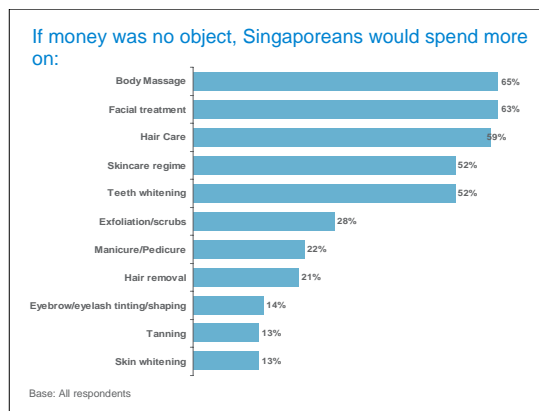
When broken down by gender, however, nearly three quarters of women considered a regular skin care regime to be as important as regular hair care when it comes to looking well-groomed. Here in Singapore, women are more into skin care regime with 73 percent claiming to invest on it every month or more often in order to look good; followed by hair care (58%) exfoliation / scrubs (51%) and facial treatment (50%). Singaporean men place more emphasis on hair care (44%), followed by skin care (37%) and body massages (31%). (Table 2)

When Money Is No Object...

When it came to what types of personal grooming consumers would spend more on if money were not object, body massages ranked foremost as the ultimate indulgence (54%), particularly for South Africans (76%), Austrians (73%), Czechs (71%), Hungarians (71%) and Chileans (71%).

In Singapore, in line with the global findings, two-thirds covet a body massage the most (65%), followed closely by facial treatment (63%) and hair care (59%). Globally, Singaporeans ranked third in wanting to spend more on facial treatment if money were no object (65%), after Thailand (80%) and Korea (66%). Skin care regime and teeth whitening are the next personal grooming activities Singaporeans look forward to; in fact, more than half (52%) said they would like to invest on skincare and teeth whitening if money were no object. (Chart 3)

Chart 3



Teeth whitening was particularly popular – if money were no object – for around two-thirds of Chileans, South Africans and South Koreans....and more than half the teens and those in their 20s.

Skin whitening is on this wish list of respondents in Korea (52%), Taiwan (51%), Philippines (28%), China (26%), and Singapore (13%) if money were no object.

“Consumers around the world are becoming more sophisticated, which is reflected in their attitude to personal grooming, making personal care an increasingly competitive sector for manufacturers,” added Ms Santos. “In particular, hair and skin care is considered very important for all, generating huge market potential for manufacturers. According to Nielsen Media, manufacturers of hair care and skin care products spent more than US\$6billion on advertising in Asia Pacific in 2005-6, representing a 12 to 15 percent increase year on year.”

COMPANY NEWS



Kadence Develops its Network in SE Asia, 'Client and Talent Driven'.

Kadence, the specialist global business research firm, is significantly increasing its reach in SE Asia through the opening of new offices in Kuala Lumpur and Jakarta.

In Kuala Lumpur, where Kadence has operated for around 6 months, the company will be moving to larger offices at Northpoint, Mid Valley. This office will feature an in-house call centre with state-of-the-art browser-based CATI technology, a national field force, and focus group studio facilities. The local executive team will be expanded with additional staff, formerly holding research and fieldwork positions in Malaysia with GfK and Synovate.

In Jakarta, the new office in Menara Kuningan will be run by Vivek Thomas, a seasoned marketing professional who has worked at some of Asia's leading marketing and research companies including Wipro, InsightAsia and Acorn Singapore. The new Jakarta office will, like Malaysia, feature a national interviewing team and in-house focus group facilities. The Jakarta office will also be the Centre of Excellence for Kadence's regional product testing research.

Vivek, who has extensive consulting experience with some of Asia's leading FMCG companies, said "we are really excited about building a strong team here equally capable in qualitative and quantitative research, with a specialty in product testing and a solid grounding in the FMCG and service industry verticals. We believe Kadence's excellent QC standards combined with its world renowned solutions will provide companies, here in Indonesia, with one of the strongest independent marketing research offerings".

Piers Lee, Managing Director of Kadence in Asia, will be working closely with both offices. Piers commented "Over the last 2 years, Kadence has been attracting experienced and talented research professionals to the Group who bring with them specialism in key industry sectors including IT, telcoms, financial services, and consumer goods. Our ability to attract staff in this way is helping us to develop our business very quickly throughout the region".



**Vivek Thomas, Managing Director
Kadence Indonesia**



**Piers Lee, Managing Director
Kadence Asia Pacific**