



The Asian media
landscape is turning
digital

How can marketers maximise
their opportunities?

nielsen
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Is digital becoming traditional?

Consumers throughout Asia Pacific, and around the world are showing a voracious appetite for media, particularly in emerging markets where media consumption outstrips many developed markets. While television still dominates, time spent online is rising rapidly and is becoming an important touch-point for advertisers. Higher motivation to use smartphones is opening up new possibilities and research undertaken by Nielsen shows the highest return on investment (ROI) is achieved via digital marketing channels in Asia Pacific.

In this dynamic media environment marketers in Asia Pacific need to move quickly - the region lags global levels on digital spends - however, there are important rules to remember when optimising media plans to include digital. Television cannot be forgotten, particularly for new product launches, but digital can provide the incremental reach. Understanding regional nuances is critical to fine-tuning media strategies to local needs.

Media consumption is shifting. Fast

Nielsen's global media consumption index shows that Asia (excluding Japan) and BRIC nations surpass Europe and western markets on television viewing and video consumption via internet or mobiles.

Increasing ownership of internet-enabled devices has also resulted in simultaneous media consumption or 'media multi-tasking'. In Southeast Asia, accessing the internet whilst watching television is the most common media multi-tasking activity, occurring at least several times per week.



Number of Hours Watched

	Top Five Users	Lowest Five Users
Home TV Usage Index	<ol style="list-style-type: none"> Hong Kong (109) Brazil (108) China (108) India (108) Philippines (107) 	<ol style="list-style-type: none"> Japan (84) Sweden (83) France (82) Hungary (81) Belgium (74)
Online Video Usage Index	<ol style="list-style-type: none"> China (126) Indonesia (126) Philippines (124) India (121) Mexico (121) 	<ol style="list-style-type: none"> Germany (50) Belgium (47) France (46) Japan (46) Denmark (30)
Mobile Video Usage Index	<ol style="list-style-type: none"> Philippines (182) Indonesia (173) China (173) India (164) Singapore (155) 	<ol style="list-style-type: none"> Denmark (27) Canada (27) Hungary (18) Belgium (18) Germany (9)

Source: Nielsen Global How We Watch Report, Global Online Survey-2010

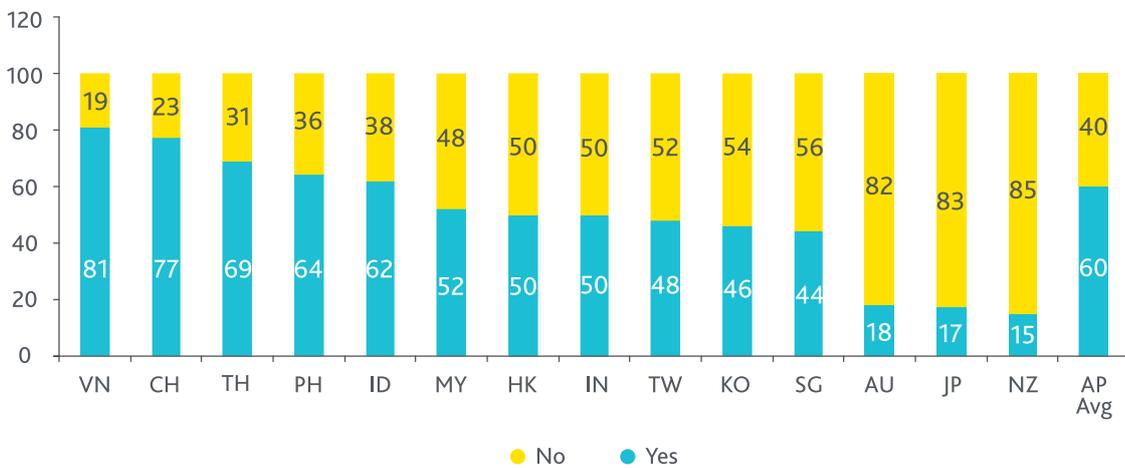
Strong trust in social media

Although television still reigns (9 out of 10 people in Southeast Asia watch 'Free to Air TV'), online has grown rapidly in reach and influence in the last decade and according to Nielsen's 2010 Global Online survey 40 percent of online consumers in Asia Pacific claim to view online product reviews for purchase decisions. Even more interesting is the strong influence of social media in developing markets such as Vietnam, China, Thailand, Philippines and Indonesia, where more than 60 percent of respondents profess to the influence of social media - much higher than mature markets like Japan, Australia and New Zealand.

Mobile phones - The next frontier

With many markets in the region restricted by broadband infrastructure limitations and low access to computers, the ubiquitous mobile phone is predicted to change the game. Latin American and Asia Pacific consumers demonstrate the highest inclination to possess smartphones and use mobile phones for transactions.

I Use Social Media Sites To Make Purchase Decisions

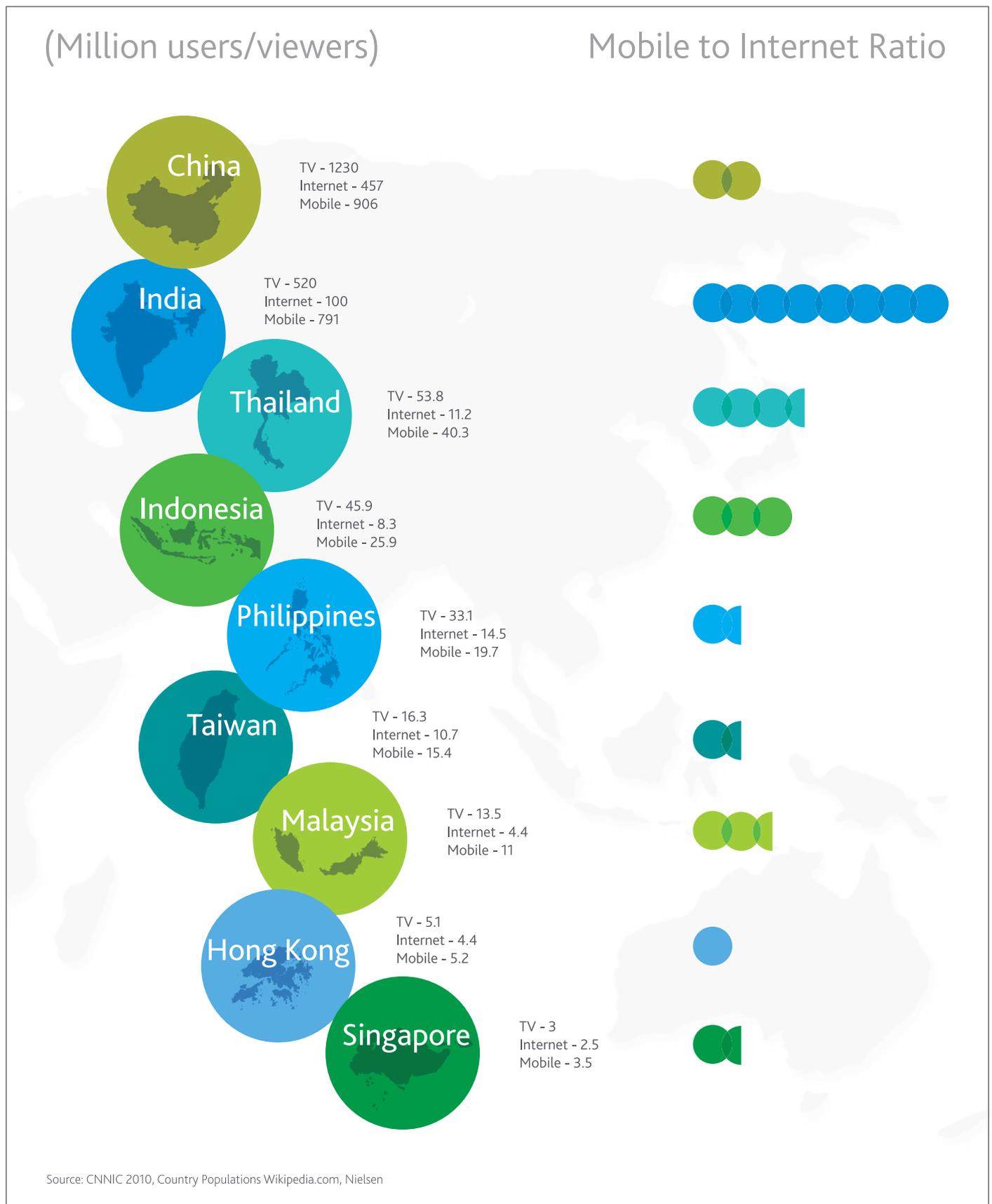


Source: Nielsen Global Online Survey - April 2010



Source: Nielsen Global Online Consumer Survey - 2010

As mobile phones evolve to become online advertising platforms, internet audience reach has the potential to multiply by as much as eight-fold for India, three - to four-fold for Thailand and Indonesia and double in China.



The region needs to fast-track online advertising

Globally 14 percent of advertising expenditure goes towards digital¹. The Asia Pacific region is trailing behind and, with increasing consumer eyeballs turning to digital media, allocation of marketing budgets needs to reflect the new reality.



How can marketers **optimise** their advertising spend in a **changing media** landscape?

Regional Ad Spend Shares - 12 Months to June 2011



Source: Nielsen Southeast Asia Advertising Index

¹Source: PriceWaterhouseCoopers, 2010, US AdAge

Online advertising achieves a higher return on investment

Research undertaken by Nielsen in 2009 was already indicating a high digital return on investment for the region. For every marketing dollar spent in Asia Pacific, return on digital was 1.78 dollars, higher than other options excluding return on trade. In China the return was nearly 3:1. Marketers must leverage this knowledge and ensure digital is part of their media plans to optimise returns.

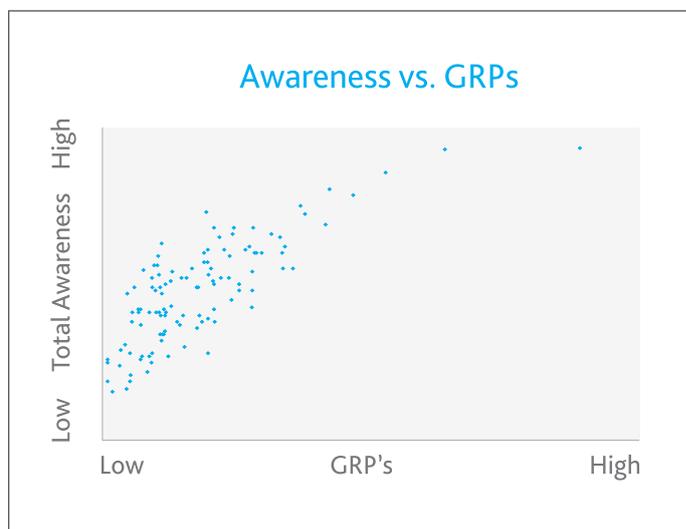
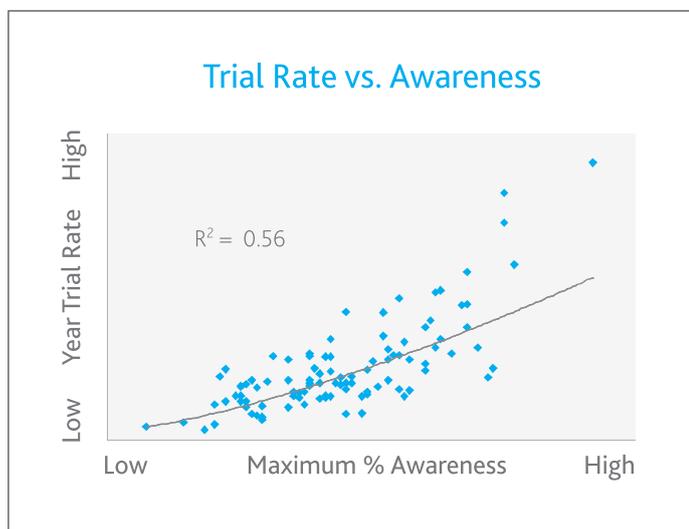
Where does this leave television?

Television still reigns supreme, particularly for new product launches where trial is critical for launch success. Trial itself is strongly linked to awareness and awareness to GRPs. Nielsen research shows television ranks as the second highest source of awareness (after in-store) for new product introductions. The effectiveness of the internet as a source for raising awareness has been increasing and can complement television for an optimal media mix.

Marketing return on investment

	TV	Print	Out of Home	Digital	Trade
Asia Pacific	.89	.93	.45	1.78	1.97
China	1.31	1.37	.7	2.8	1.82
United States	1.36	1.47	.72	3.7	1.28
Europe	.95	1.26	.9	2.63	1.32

Source: Nielsen Advance Analytics Consulting - 2009



Avoiding a battle for share of voice

Whilst television remains highly successful for raising awareness of new products, for maturing or highly competitive categories share of voice battles can be counter-productive, resulting in brand noise 'clutter', low brand recall, and minimal brand impact. Modelling and analysis undertaken by Nielsen reveals that heavy investment in GRPs does not necessarily translate to increased sales results. For those operating within this environment, balancing marketing spend across television as well as digital and other media can be an effective approach in circumventing the competitive brand melee.

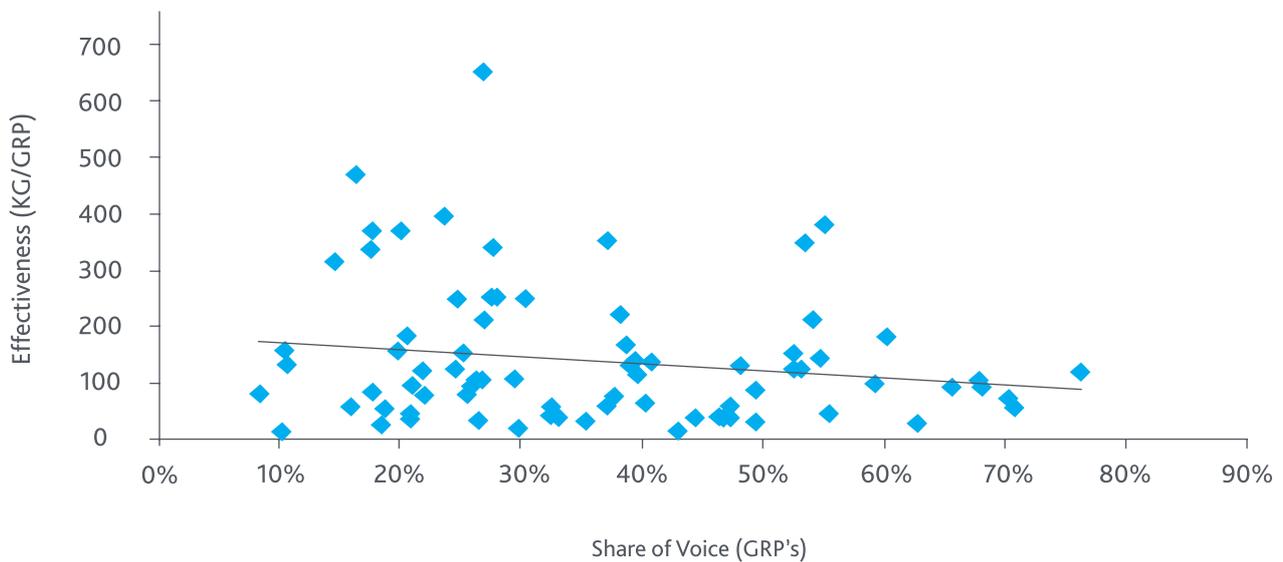
Where are the biggest opportunities?

Young and emerging middle-class consumers will lead and drive change. Emerging markets in Asia such as China, India and Indonesia have witnessed significant shifts in consumers' media consumption habits, driven by rising affluence, proliferation of internet-enabled mobile devices and affordable data plans.

This emerging group of consumers are young, they have grown up as a digital generation, and most have bypassed traditional technologies such as fixed line telephones and desktop computers.

Marketers need to identify and then gain an in-depth understanding of drivers and priorities of the digital generation in order to tap into their psyche and gain their trust.

Television advertising effectiveness



Source: Nielsen AAC analysis/only shows on-air week

One size does not fit all

Methods of accessing the internet and online media consumption vary significantly throughout the Asia Pacific region. Before planning a campaign it is imperative to understand category touch-points by market and demographic.

Example: Females, 15-34 years, Malaysia and Indonesia

Online penetration is higher in Malaysia (42%) than Indonesia (30%). Once online, 83 percent or more use the internet several times a week. Malaysian women are more likely to access the internet at home or at work (via computers) whilst two thirds of Indonesian women access the internet via a mobile.

Online activities are dominated by social media, with social networking activities accounting for as much as 78 percent of time spent online in Malaysia and 82 percent in Indonesia. There is also a strong tendency for women in Malaysia to download music and video.

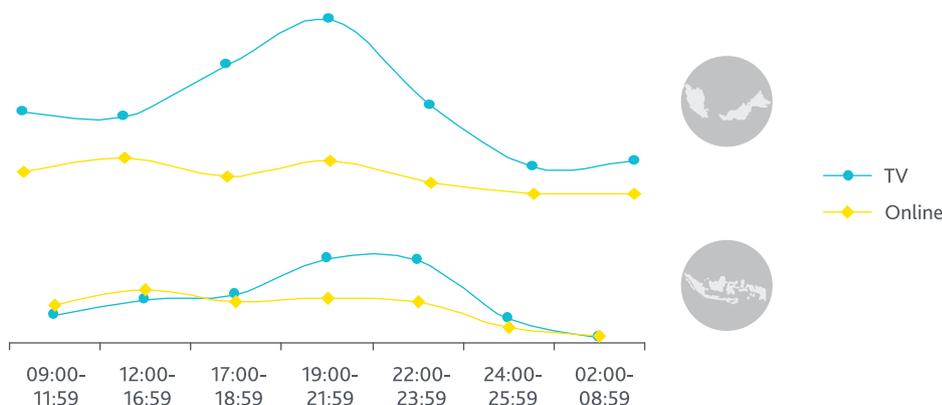
In a typical day, Malaysian women show consistent online usage and television viewing peaks at prime-time. Indonesian online usage peaks at lunch-time and television peaks during prime-time.

Understand regional **demographics** and media usage when **planning** your campaigns

Online Behavior: Females 15-34 years

	Malaysia	Indonesia
Online penetration	42%	30%
Weekly frequency	92%	82%
Online access	More home & work	More mobile
Online activity	Social networking (78% of usage) Education, jobs, buying products, music & video downloads	Social networking (82% of usage) Education, jobs, buying products

Percentage Using TV vs Online Across the Day



Source: Nielsen

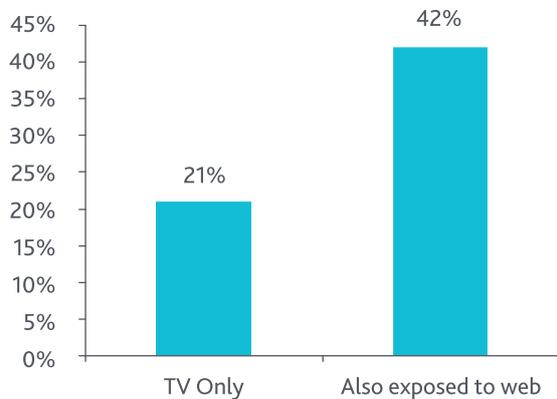
Strategy Implications:

- Use digital to reach women during the day and to compliment television in the evening
- Leverage mobile usage in Indonesia for incremental reach

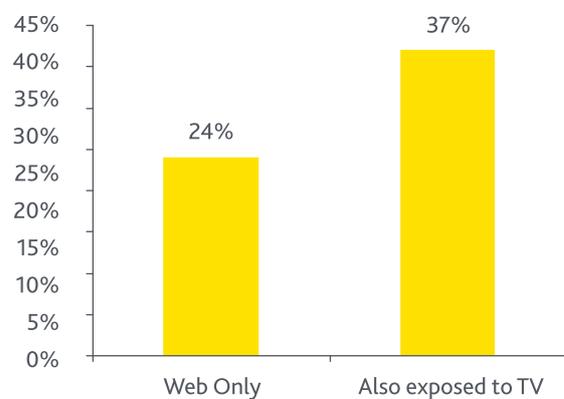
Simultaneous media consumption opens up new possibilities

Nielsen's 2011 Southeast Asia Digital Consumer Report reveals 71 percent of digital consumers in Malaysia and 45 percent in Indonesia watch television and use the internet at the same time. There is evidence suggesting campaigns that reach the same audience through both the internet and television perform better in terms of branding. There are many opportunities for advertisers to leverage this shift to media multi tasking for deeper and more interactive engagement with these audiences.

Brand Recall of TV ad



Brand Recall of Web ad



Source: Nielsen

Conclusion

Throughout Asia Pacific media consumption habits are changing at a rate not seen for many years. Brand experience sharing through social media, online product reviews and opportunities to buy online are changing the game. Similarly, consumers' exposure to marketing messages delivered via new and emerging media such as the internet, rich media (for example, online video), and smartphones is resulting in an expanded number of touch-points where brands can engage. These changes present endless opportunities for marketers, the key is staying one step ahead and anticipating where the market will move to next. This can only be achieved when marketers have a clear understanding of exactly who their target audience is, how they are consuming media and, ultimately, how their media consumption habits are impacting on their purchase decisions.

About Nielsen

Nielsen Holdings N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence, mobile measurement, trade shows and related properties. Nielsen has a presence in approximately 100 countries, with headquarters in New York, USA and Diemen, the Netherlands. For more information, visit www.nielsen.com.