

2ND AGM OF THE MALAYSIAN DIGITAL ASSOCIATION  
2009-2011



Creating Value for the Digital Industry  
through standardized practices



MALAYSIAN DIGITAL ASSOCIATION

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# COUNCIL MEMBERS OF MDA

**PRESIDENT**  
Terence D. Dorairaj  
*Digital Five Sdn Bhd*



**VICE-PRESIDENT**  
Rene E. Menezes  
*Media 2.0 Sdn Bhd*



**TREASURER**  
Meera Thuraivel  
*Mkini Dot Com Sdn Bhd*



**SECRETARY**  
Gary Tay  
*Amphibia Digital  
Sdn Bhd*



Warren Tan  
*Integricity Corporation  
Sdn Bhd*



Serm Teck Choon  
*Star Publications  
(M) Bhd*



Andreas Vogiatzakis  
*OMD (M) Sdn Bhd*



Paul Moss  
*Alt Media Sdn Bhd*



Shylendra Nathan  
*Mudah.my Sdn Bhd*



M. Kanashan  
*Ogilvy One Worldwide*



Roy Tan  
*Carat Media Services  
(M) Sdn Bhd*



Shelly Ng  
*Pixel Integrated Media  
(M) Sdn Bhd*

# MDAA



*Prashant Kumar  
IPG Media Brands Sdn Bhd*



*Jordan Khoo  
Eyebaster (SEA) Sdn Bhd*



*Joanne Chen  
GroupM Malaysia*



*Timothy Tiah  
Nuffnang Sdn Bhd*

## Two Honorary Auditors:



*Mohd Yusni Hj Abdul Ghani  
Perfio Solutions Sdn Bhd*



*Peter Yoong  
Yellow Brick Road Sdn Bhd*



*Victor Soo  
i-Pixel Sdn Bhd*

# MDA HISTORY REPORT

## Making History

The idea of a Malaysian Digital Association (MDA) was first mooted in mid 2008, amongst the leading publishers and a few agencies. After several meetings, it was agreed that the MDA should be represented by all segments of the industry i.e media owners / publishers / representatives / networks, media agencies, creative agencies and services / specialists.

A Pro-tem Committee was formed and meetings held in the succeeding months to discuss the formation of the association, which culminated in a town hall gathering of industry peers on December 27, 2008 at the Star Cyberitorium. The objective was to gauge the interest of the industry in forming an association. The response was overwhelming.

The Pro-tem Committee then derived the 4 pillars objectives of the MDA: Audit & Research, Technical & Governance, Creative and Knowledge. The first initiative by the MDA was to focus on creating an official currency and standard for online measurement in Malaysia.

A monthly event called “Digital Wednesday” was initiated to bring together all the relevant industry players, provide an educational platform for relevant speakers to bring insight, knowledge and information and an opportunity for networking.

## The MDA Committee

Members will nominate individuals for the offices of President, Vice-President, Secretary and Treasurer and thirteen (13) Ordinary Members as Members of the Council. The Council Members elected at an Annual General Meeting shall hold office for one (1) term of two (2) years until the election of the new Council.

The MDA Council shall consist of a President and sixteen (16) Council Members from the following Categories in the numbers as stated:

- (i) Online Publishers – Eight
- (ii) Digital Service Provider/Specialists – Eight

## Election Results

The 1st Annual General Meeting for the MDA was held on Friday, April 23rd, 2010 at the secretariat's office, Macomm Management Services in Phileo Damansara. The Council Members for year 2010 – 2012 elected were:

### **President**

*Mr. Terence Declan Dorairaj - Digital Five Sdn Bhd*

### **Vice-President**

*Mr. Rene E. Menezes - Media Two Point Zero Sdn Bhd*

### **Secretary**

*Mr. Gary Tay - Amphibia Digital Sdn Bhd*

### **Treasurer**

*Ms Meera Thuraivel - Mkini Dot Com Sdn Bhd*

### **Council members**

*Mr. Paul Moss - Alt Media Sdn Bhd*

*Mr. Serm Teck Choon - Star Publications (M) Bhd*

*Ms. Shelly Ng - Pixel Integrated Media (M) Sdn Bhd*

*Mr. Timothy Tiah - Nuffnang Sdn Bhd*

*En. Mohd Yusni - Perfisio Solutions Sdn Bhd*

*Mr. Shylendra Nathan - Mudah.my Sdn Bhd*

*Mr. M. Kanashan - Ogilvy One Worldwide*

*Mr. Jordon Khoo - Eyebaster (SEA) Sdn Bhd*

*Mr. Roy Tan - Carat Media Services (M) Sdn Bhd*

*Mr. Warren Tan - Integricity Ventures Sdn Bhd*

*Ms. Joanne Chen - GroupM Malaysia*

*Mr. Andreas Vogiatzakis – OMD Malaysia Sdn Bhd*

*Mr. Prashant Kumar - IPG Mediabrands Sdn Bhd*

In accordance with Clause 24(a), which calls for the appointment of Honorary Auditors for a period of two years, the Council identified Mr. Peter Yoong of Yellow Brick Road Sdn Bhd and Mr. Victor Soo of i-Pixel Sdn Bhd to hold these posts.

Messrs Ahmad Abdullah & Co was appointed as auditors for the ensuing year.

# PRESIDENT'S REPORT

Malaysia's advertising expenditure (ADEX) grew by 16% to RM7.66 billion in 2010 from RM6.61 billion in 2009. The most interesting feature of this progress was that, according to figures by Nielsen Advertising Information Services, Internet advertising grew approximately 29% to RM52.15million.

According to Effective Measure, Malaysia had over 17million Internet users in the year 2010 and a single user spent an average of 39.5 minutes daily on the Internet consuming content. The figure would definitely be higher as this tabulation excludes the time Malaysians spent on more intimate social media platforms such as Facebook, emails and chats.

The advertising expenditure growth forecast for 2011 is positive, which is partly fuelled by the anticipated spending in digital media. PwC's 11th Annual Entertainment & Media outlook report released last year conclusively confirmed that revenues have been migrating towards digital formats and platforms. This will continue to gain momentum over the next five years.

There was a pressing need in Malaysia for the formation of a body that represented the digital industry. The idea of a Malaysian Digital Association (MDA) was first mooted in mid 2008, amongst the leading publishers and a few agencies. After several meetings, it was agreed that the MDA should be represented beof the industry i.e. media owners, publishers, representatives, networks, media agencies, creative agencies and service specialists

Having officially formed in October of 2009, we set about focusing on our encompassing objectives, which were to create a common standard of measurement, audited and published statistics, education and growing the knowledge base and establishing creative and technical guidelines.

Our immediate deliverable was to select a single standard for measurement. This standardization will bring much needed credibility and will be a catalyst for growth of the digital advertising expenditure (ADEX). We also finalized our four pillars or objectives: Measurement & Audit, Technical Governance, Creative and Knowledge. Head for each of these pillars were appointed:

- Measurement & Audit Advisory Council – Mr. Serm Teck Choon
- Technical Governance Advisory Council – Mr. Jordan Khoo
- Creative Advisory Council – Mr. Warren Tan
- Knowledge Advisory Council – Mr. Gary Tay



## A Milestone Achieved

Taking a page from traditional media companies who have successfully used standardized measurement to further grow their respective businesses and industries, the MDA was set about setting the criteria for online measurement in Malaysia. After a long 6 months of meetings, discussions and going through data a tender was called to which The Nielsen, comScore and Effective Measure responded to.

The MDA achieved a significant milestone in October 11th, 2010 selecting Effective Measure as the Official Internet Audience Measurement currency for Malaysia. Effective Measure now provides Malaysian industry stakeholders with the first truly hybrid Internet measurement system, combining website page tagging methodology, with a digital panel based system, offering a unified view of the Internet landscape in Malaysia.

The media conference held on October 11, 2010 at the Eastin Hotel in Petaling Jaya was well received by the media, which subsequently afforded the MDA generous coverage for this initiative.





## PEER SUPPORT

We were grateful and pleased to have received the support of fellow associations in the industry. They included the Audit Bureau of Circulations Malaysia (ABC), Media Specialists Association (MSA), Malaysian Advertisers Association (MAA) and the Association of Accredited Advertising Agents of Malaysia (4A17).


The 4As – which launched their Digital Division in September to tackle on pitch fees, management of the creative aspects of the digital division and to manage talents and avert staff poachingSource : GroupM Knowledge Malaysia & Nielsen Media Research – invited the MDA to sit in the committee in recognising our presence and role. Our representative is assigned to ascertain how both committees could work together for the betterment of the industry.

The MAA are keen on having further discussion with the association on the technical and governance for specifications, advertisement formats, sizes and weight. They also share our belief of working closely with the related Government bodies for the wellbeing of the industry. The MAA informed the Council that it is planning to organise a digital event that focused on social engagement and digital interactive campaigns by first quarter of 2011.

## MOVING FOWARD

Our focus for 2011 and 2012 must be to grow our membership, as this will strengthen our association. We must continue to find ways to deliver value directly to our members and the industry - the reformatting of Digital Wednesday's is a good start. We must also make stronger progress to our other pillars - Knowledge, Creative and Technical.

On a personal note, I thank my fellow Council members for their support and urge everyone to work towards delivering on our objectives.



# ADVISORY COUNCILS' REPORT

## MEASUREMENT AND AUDIT ADVISORY COUNCIL REPORT

### MEMBER

Mr. Terence Dorairaj, *President*

Mr. Serm Teck Choon

Mr. Roy Tan

Mr. Shylendra Nathan

### DIGITAL MEASUREMENT

*One of the primary objectives of the MDA upon formation was to officialise a standard currency of measurement for Malaysian sites. Nielsen Malaysia, Effective Measure and comScore were asked to present their audience measurement proposals to the Council in June 2010 for the purpose of furnishing a measurement solution for the association.*

### NIELSEN COMPANY

En. Danyal Abdul Malik and Ms Kerry Brown presented the Internet Audience Measurement Service and the current media index scenario.

Nielsen's studies also showed that online revenue was not keeping up with the consumers' behaviour as these trends were not translating to the advertising revenue and online have only an estimate of 1.3% share of the total advertising revenue.

One of the reasons for this miniscule share was the low confidence of advertisers in online advertising. Nielsen held the view that advertisers perceived online advertising as a medium that may not give them the expected return on investment (ROI) and sales when compared to the traditional media.

Traditional media had market accredited currencies – which are the Television Audience Measurement (TAM), TV and Radio Audience Measurement and Media Index – whereas online advertising has yet to have a marketed accredited currency to provide the effectiveness studies and transparency in advertising spend figures.

Nielsen believed that the industry needed to change the situation by implementing an audience measurement system that was developed for the Malaysian market, built to currency accredited standards and comparable to other media measurement tools.

Nielsen shared their roadmap to the members and proposed implementing a Hybrid Audience Measurement called Nielsen Digital Ratings. The measurement would have two-phase methodologies: Tagging and Panel-based.



## ComScore

Mr. Joe Nguyen briefed the Council on panel methodology. ComScore had recruited a representative sample from the target universe, applied projection and published reports of market data based on projections of individuals. They had monitored various enumeration sources to identify the most reliable source for universe estimates.

ComScore recruited panellists exclusively online in two ways: The Affiliate Program (Permission Research) and Third Party Application Providers (TAP). In 2008, comScore launched a new recruitment appeal for both Permission Research and TAP panellists called Tree for Knowledge. This was to promote a campaign: to plant a tree for new members that joined the panel.

He also shared on the fundamental concept on measuring unique visitors from the home and work panel – on how the methodology analysed the usage rate and the size of the audience.

The comScore Media Metrix would have:

- Insight core reports such as key measures, demographic profile, cross visiting, media and target trend
- Media dashboard and monthly summary reports
- Other Tools – reach & frequency, video metrix and media planner.

Com.Score presented the unified digital measurement proposal offered to the association whereby they will offer free MMX 360 tagging for all publishers sites. Thus a member of the association would be receiving email and web support, direct metrics and dashboard report for their own site. ComScore also offered a few variations of media metrix reports.



## Effective Measure

Mr. Russell Conrad provided an overview of the company before giving details on a methodology, Digital Helix™, which they had developed and was capable of supplying a more accurate, more representative view of the digital market place.

Effective Measure had been a pioneer in addressing key industry concerns surrounding unique browsers calculation and cookie deletion. Recently they had secured their position as South East Asia's leading provider of Digital Audience Measurement, which were measuring over 150 thousand representative demographics and over 65 million browsers per month across Thailand, Philippines, Singapore, Vietnam, Indonesia and Malaysia.

The main module recommended would be the Audience Reach Module, which defines and measures the overall reach of any publisher or website in providing an accurate de-duplicated audience figure. The second aspect of their products was Mobile Handset Detection and Effective Measure would collect and report on both web and mobile usage across all publishers and websites.

Lastly, the Digital Helix Methodology – a combination of both a first and third party cookie - were used to prevent the overstatement of audience due to cookie deletion of a website. This methodology would provide a greater level of accuracy for publisher and website rankings.

Effective Measure understood the importance of providing a whole of market and digital universe to the market, thus they had developed a Hybrid Measurement Solution. By the end of the survey, they would invite users to participate in its opt-in panel survey.

Effective Measure shared their product road map for the year 2010 with the Council and proposed a business model to the association. Their core Audience In-Sight product would be a free service to agencies and advertisers and publishers would have a three-month free trial.

As an incentive to encourage publishers to join the association, Effective Measure will offer MDA members a 10% discount to the pricing.



## Selection

The Council discussed the proposals presented by each of the measurement companies, with considerations given to the cost, coverage, technology and levels of reporting.

The Committee agreed to narrow down the selection to comScore and Effective Measure. In July, a set of the following requirements were sent to both companies:

Free Dashboard Type Report for publishers and Free Tagging exclusively to MDA members

Dashboard report detail requirement: total monthly page views, unique visitors, top 10 content pages, geographic locations, browser profile, and demographic profile

Joint monthly press releases and joint releases on other industry happenings

To assist and support MDA in knowledge based initiatives

To secure four speakers slots – one per quarter at the Digital Wednesday event and to present Quarterly Malaysian Market summary to the members

To ensure proper service level to all association members

Open to third party auditing on basic dashboard reports





Effective Measure was the only company that agreed to all of the MDA's requirements. The MDA then officiate the selection of Effective Measure as the Standardized Measurement Solution for the industry:



Effective Measure agreed to provide Dashboard Reports to all Malaysian Publishers with every data requirement detail that the association had requested for.



There would be no cost for the data for a basic level report and the offer applied to association members only. This is a significant advantage to the association as it may increase the association's membership base and the basic dashboard too was critical for standardisation. It would put all parties on an equal level playing field and agencies may not have to debate on the credibility of the statistics.



The credibility of the demographic data: the surveys completed by Effective Measure were on publishers' sites on actual users and not on a random sample size. Publishers were able to view local and global traffic.



Standard rate card was priced very reasonably and a further 10% discount was offered to association members.



Effective Measure offers a publisher reward program that would allow publishers to be rewarded for surveys completed on their respective websites.



Effective Measure offer is free to agencies. Agencies have also given positive feedback and they had no objection to endorse Effective Measure as the standard currency for the measurement solution.





The Council was advised that Effective Measure will be moving towards providing a panel solution to the industry members and they will be asked to provide a roadmap for the international ranking.

Another benefit that Effective Measure had was the methodology of how the data was collected. Once a user filled out a survey on a section of a site, an ID would be attached to the browser. They would be able to attribute their demographic profile to the particular page, wherever the user would be.

It was felt that measurement solution would set benchmark for the industry and raise the level of expectation for the basic report. The contract with Effective Measure will not be permanent and it would be reviewed if other measurement companies improved on it in the near future.

The Council stressed that the industry must also improve on its advertising expenditure (ADEX) reporting for total online measurement to be accurately representing the digital industry in Malaysia.

## Inter-industry cooperation

The Malaysian Advertisers Association (MAA) requested a dialogue with the Council before any decision was made on the currency standard and it was decided that the dialogue be expanded to include the Media Specialists Association (MSA), Audit Bureau of Circulations (ABC) and Association of Accredited Advertising Agencies (4As).

The meeting with MSA and MAA went well and both were supportive the association's decision to engage Effective Measure. They also shared similar concerns on whether Effective Measure had plans to set up office in Malaysia, was audited by ABCe and accepted by media agencies.

ABC and ABCi will invite the association to be involved on the initiative to audit digital edition of print media. The objective was to audit the circulation of digital edition of print media. This initiative would be a partnership between ABC and MDA.



# KNOWLEDGE ADVISORY COUNCIL REPORT

## Members

Mr. Terence Dorairaj, President  
Mr. Rene Menezes, Vice-President  
Mr. Gary Tay, Secretary  
Mr. Paul Moss

## Online advertising survey

Online advertising expenditure (ADEX) has remained shrouded in secrecy and the Council feels that all publishers should report it to boost online ADEX. A sub-committee on the matter was set-up under the aegis of Mr. Roy Tan and Mr. Shylendra Nathan.

In August 2010, the Pulse Group agreed to work with the association on the online advertising survey at no cost but had requested for a joint release on the partnership, which also includes the Malaysian Advertisers Association (MAA).

The Pulse Group, represented by Ms Mandy Chee and Cik Tengku Aishah Munirah, discussed the online advertising survey questionnaire with the sub-committee in September. A number of issues pertaining to the survey were fine-tuned and it was agreed that survey should be completed by the final quarter of 2010.

A timeline was proposed for the survey. The association believed that it requires at least 100 to 200 samples for the survey while the Pulse Group was of the view that they would need a larger contact base to obtain more responses. The databases of the MAA and MDA were forwarded to the Pulse Group in response to this request.

The committee also liaised with ADOI to ascertain whether it would be possible to use its database for the survey and how the cost involved for the email marketing. The final survey link prepared by the Pulse Group would be circulated to association members for distribution to its clients' portfolios. The association also advised the Pulse Group on the pre-and-post marketing activities to be incorporated with the fieldwork.

In November, the Council was informed that the survey should be able to target 300 respondents after merging the databases from the MAA, ADOI, MDA and Pulse Group. DiGi stepped forward with the sponsorship of one unit each of Garmin and Blackberry Torch while the association contributed an iPad as rewards to encourage participants to take part in the survey and will receive a full report of the survey.

A draft of the email blast that would be sent over to respondents was shared with the Council Members and the Pulse Group will launch the survey as soon as they had received the finalised press release and email blast.



## Educational initiatives:

The Council entertained proposals on digital and educational workshops, dialogues and seminar plus internship program with agencies, educational institutions and associations such as the Malaysian Advertisers Association (MAA), IACT College and Malaysian Association of Private Colleges and Universities (MAPCU) that would help enhance the skills and knowledge of our members.

The Council were of the opinion that industry trainings for advertisers and agencies were imperative, as it would help to grow the digital advertising expenditure. It was agreed that the Council convene sub-committees to work on initiatives proposed, with each member having a significant role to play.

In January 2011, the Council was briefed on Click Media's proposal to collaborate with the association to organise industry workshops. Click Media suggested a one-day workshop to bring participants up to date on digital marketing tools in 2011 and mooted Digital Marketing Innovations 2011 as its theme. The workshop's focus would be on search engine marketing and social media marketing.

Click Media claimed that they could invite speakers from Google, Yahoo and Facebook. In addition to these speakers, industry experts would also participate in the workshop to share their thoughts from a specialist practitioner's point of view. Click Media planned to have the workshop in April 2011 and a proposal from the company on the collaboration was requested.



# TECHNICAL GOVERNANCE ADVISORY COUNCIL REPORT



## MEMBER

Mr. Terence Dorairaj, *President*

Mr. Jordan Khoo

Mr. Serm Teck Choon

Ms. Joanne Chen

## Governance Compliance:

The MDA's objective with technical and governance is to reduce numerous advertisement sizes and reduce the costs and inefficiencies associated with the planning, buying and creating online media and addressing the matter of whether to include the standards of the third party advertisement serving in the compliance to avoid future discrepancies.

A sub-committee to work on these issues was established. They will liaise with media agencies to attain feedbacks on the issues that they had experienced. There would be four phases in implementing the governance compliances:

**Phase 1** – The Council was briefed on the IAB Ad Standard. IAB had reduced the number of advertisement sizes to a set of four sizes, namely Universal Ad Package (UAP). This has been widely adopted and publishers who were Universal Ad Package (UAP) compliant are awarded the UAP Compliance Seal. There were too many “standard” advertisement units in the marketplace and it was felt that the list of standard units should be kept to a minimum. The Council agreed to adopt the four advertisement standard sizes as stated in the UAP.

**Phase 2** – To implement a few default sizes for the publishers to comply.

**Phase 3** – On the question on whether to loop or not to loop advertisements, the Council felt that this depends on the publishers and also the creative concept. The general consensus is that never-ending looping advertisements could be annoying and there were publishers who do not allow looping advertisements.

**Phase 4** – To address file sizes as file sizes for ads had not been changed in many years.





In October, the Council's attention was drawn to the IAB Ad Unit Guidelines. There were eighteen standard ad units that the IAB had later reduced to accommodate the Universal Ad Package (UAP). The UAP consist of a set of four advertisement sizes that all compliant member publishers had agreed to support and below are the gist of the proposed standard advertisement units for the industry:

i. Current Universal Ad Packages specifications:

	Recommended Maximum Initial Download Fileweight	Recommended Animation Length (sec)
300 x 250 IMU - Medium Rectangle	40k	: 15
180 x 150 IMU - Rectangle	40k	: 15
160 x 600 IMU - Wide Skyscraper	40k	: 15
728 x 90 - Leaderboard	40k	: 15

ii. Proposal as follows:

File Size on Initial Load:

- Increased from 30kb to 40kb (IAB)
- Extended to 50kb (for our market)

Duration of animation length:

- To increase the length from 15seconds (IAB) to a maximum of 20 seconds
- To allow auto loop function

Advertisement functions:

- To allow replay function (agreed)
- Music must be user initiated (agreed)


The video proposed is in auto play

To back up GIF: 40kb was proposed


All sites to carry at least one UAP size on each page

UAP Compliance Seal – Publishers who were UAP compliant will be awarded the UAP Compliance Seal.





The Council will continue to review and conduct research as the market evolves. The Council agreed with the following:



(i) UAP Compliance Seal – Publishers who are MDAMembers must adhere to the standards and will be awarded the UAP Compliance Seal.

(ii) File size on initial load is up to 40kb and there is no auto loop.

(iii) Duration of animation length is kept to 15 seconds and there is no auto loop.

(iv) Advertisement functions:-

- To allow replay function
- Music must be user initiated
- We agreed to allow video auto play unlike the IAB, which does not allow video auto play.
- Back up GIF was agreed at 40kb


Standardising Rectangles & Pop Ups: most publishers do not allow pop ups and seven advertisement formats were presented. Publishers who comply with the standards must adhere to the standardised formats.



## Framework for Video Advertising

The IAB had launched two new video media standards, Digital Video Ad Serving Template (VAST) and Digital Video Player-Ad Interface (VPAID) in the United States. The council was informed that there was no uniform measurement and compliance currently in the industry.

It was proposed that the Council implement a new framework for video playing for the industry members to adopt. Compilation of information pertaining to this matter had commenced.



# CREATIVE ADVISORY COUNCIL REPORT



## MEMBER

Mr. Warren Tan  
Mr. Timothy Tiah  
Mr. Andreas Vogiatzakis

## Digital Awards

How could our association's Digital Award stand out in view of the numerous industry awards? This was the conundrum facing the Council as we contemplated having an awards event to call ours.

The organisation of three-pronged award festival – where they could recognise talents, creative and impart knowledge – was entertained. The Council also explored a community award, with the community involved in the judging. Two-award categories were proposed:

- To be recognised by industry
- People's Choice category

The Council discussed the structure, format, objectives and goals of the MDA Digital Awards as well as a list of potential sponsors and a suitable timeline for the event. The stress, amidst the excitement and bullish spirit, was on organising a credible digital award.


Members felt that the Council's resources were scarce and we should not rush into organising an award. The association should focus on other goals – perhaps educating and nurturing talents – and, following a drawn out discussion, it was decided that a digital award will be considered in due time.

There were many innovative digital people in the industry who have yet to be recognized and it was proposed that the association hold a smaller scale event – perhaps merge with Digital Wednesday where they could recognise the "Best Blog of the Month," Best iPhone application" and such "categories."

This could be organised in an interim stage and it could also increase a greater awareness and value for Digital Wednesday. In January 2011, a proposal on the digital award was presented to the Council.

It was opined that there could be duplications in terms of the judging criteria and the Council was advised that they could perhaps look into judging of a product and its application to target audiences.






The Council was also informed that the 4As have yet to discuss on the criteria and evaluation procedure for the award, which was slated for March 2011, and a meeting with the 4As digital award was sought to further discuss the matter.

The Council's attention was brought to the FWA (Favourite Website Awards), an industry recognised Internet award program established in 2000, which garners thousands of nominations each month from a global audience.

It was proposed that the association organise a similar award, with users submitting entries online and a judging panel selecting a monthly entry as a winner. The association will promote the winners via newsletter, press releases, social networking sites, forums or blogs and also invite them to the Digital Wednesday events.

## Website



In July 2010, the website's framework was presented to the Council and a number of suggestions were made to enhance its content. It was recommended that information on the association's four pillars were added to the website.

The Council felt that the site should be fairly static and informative as we were of the view that members may not have the time to submit updates consistently. Other information on product launches, new campaign initiatives, company credentials were also proposed for the site.

The Council asked the members to send their corporate logos which must abide by a standard logo guideline for the website, considering a number of publishers may have more than one website. They also had to ensure that all publishers' sites were tagged and audited to avoid future discrepancies.

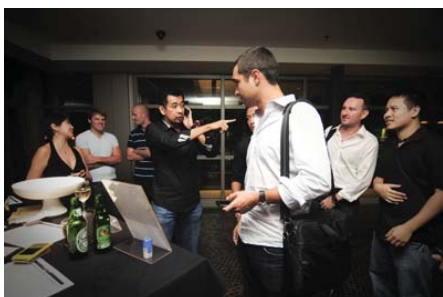
In November, the revised website was shared with the Council and minor adjustments were recommended and the website is scheduled go live after this revision.

# DIGITAL WEDNESDAY REPORT



## MEMBER

Mr. Rene Menezes, *Vice-President*  
Mr. Jordan Khoo



Digital Wednesday brings together in one monthly gathering all the relevant players in the digital industry - digital media owners, publishers, media agencies and creative agencies.

The MDA has organized 20 Digital Wednesday's (DW) since 2009. The monthly event (which happens the 1st week of every month) has gained popularity as a regular monthly gathering for those interested in the Digital media marketplace. The event attracts up to 100-160 industry professionals.

The primary agenda of the Digital Wednesday's is to present relevant speakers who bring insight, knowledge and information to the industry. Brands/Advertisers are also allowed an opportunity to promote their relevant products and services. It is also a fantastic networking opportunity.

Running DW each month proved to be challenging. The committee decided to explore outsourcing the management of the event to an event management company to run Digital Wednesday in a more professional and profitable manner.

The Council also considered that the association may not require an event organiser at this stage but agreed that looking after management cost, event logistic, administrative support are beyond the resources of the MDA Members.

In May 2010, three event management agencies were invited by the Council to present their proposals on managing the Digital Wednesday (DW) event: Scoop Events Sdn Bhd, Magical Networks and Advertlets Sdn Bhd.

It was the Council's view that Scoop Events presented the type of innovations that may elevate Digital Wednesday to the next level while the appointment of Advertlets, which has a strong understanding of the industry, could bring entertainment and life to the event.

The Council agreed to conduct a trial of Scoop Events and Advertlets. Both companies were briefed on the requirements and expectations for the event. Scoop Events and Advertlets were to organise the Digital Wednesday event in the month -of September 2010 and October 2010 respectively.





After experiencing working with a 3rd party and going through the first trial run, the council decided against awarding the management of DW to another party. It was agreed that the secretariat – MACOMM should retain primary responsibility for organizing DW's and that MDA members would assist in whatever capacity possible.



A new working committee was formed under the leadership of the MDA's Vice-President. The Vice President recommended a new DW format, which comprised of a speaker presentation, a moderated panel discussion followed by a networking session. It was agreed that a suitable venue would need to be sought to ensure value to the speakers and attendees.



The 20th Digital Wednesday was held on March 9th, 2011 at IACT College, Petaling Jaya followed by the networking session at Muse Bar. There were over 150 people in attendance. Despite a power outage at IACT, the event continued at Muse Bar where Effective Measures presented the quarterly ranking results for Malaysia as well as their research and findings on Social Networks activity in Malaysia. This was followed by a moderated panel discussion on the topic "Is Social Media Dead?"

The MDA celebrates another successful Digital Wednesday with many more to come!



# EFFECTIVE MEASURE DATA TRENDS IN DIGITAL MEDIA IN MALAYSIA

## DEMOGRAPHICS OF INTERNET USERS IN MALAYSIA IN 2010

### Gender



Gender	Percentage	Index	Count
Male	62.84%	100	11,136,202
Female	37.16%	100	6,585,316

Malaysia Average

### Age



Age Group	Percentage	Index	Count
15-17	4.06%	100	719,4940
18-20	8.81%	100	1,561,266
21-24	15.85%	100	2,808,861
25-30	21.99%	100	3,896,961
31-34	12.04%	100	2,133,671
35-40	13.31%	100	2,358,734
41-44	6.83%	100	1,210,380
45-50	8.26%	100	1,463,797
51-54	3.86%	100	684,050
55-60	3.27%	100	579,494
>60	1.71%	100	303,038

Malaysia Average

### Primary Language



Language	Percentage	Index	Count
Bahasa Malaysia	58.44%	100	10,356,455
Bahasa Indonesia	0.76%	100	134,684
Thai	0.23%	100	40,760
Chinese	15.75%	100	2,791,139
Vietnamese	0.12%	100	21,266
Filipino	0.19%	100	33,670
Indian - All Dialects	1.62%	100	287,089
English	19.79%	100	3,507,088
Other	3.09%	100	547,595

Malaysia Average

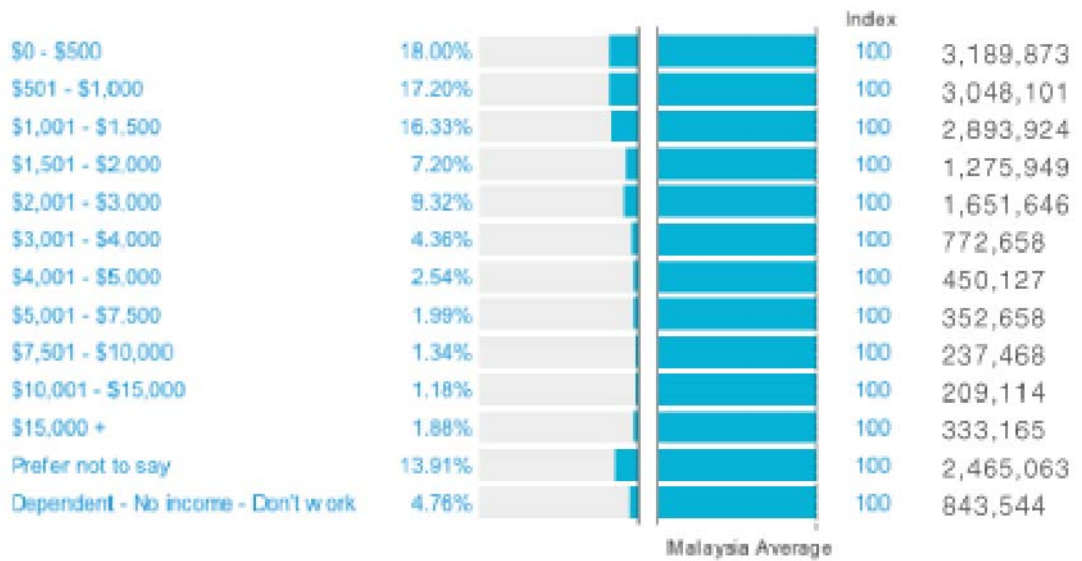
### People in Household



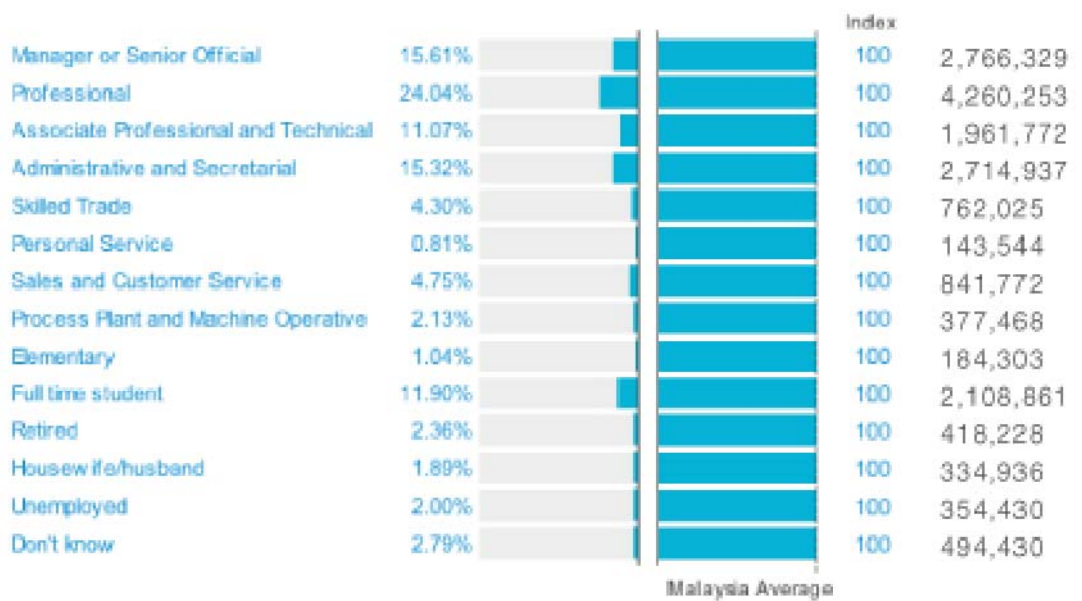
Number of People	Percentage	Index	Count
1	3.51%	100	622,025
2	10.90%	100	1,931,646
3	16.11%	100	2,854,937
4	20.35%	100	3,606,329
5	19.86%	100	3,519,494
Over 5	29.27%	100	5,187,088

Malaysia Average

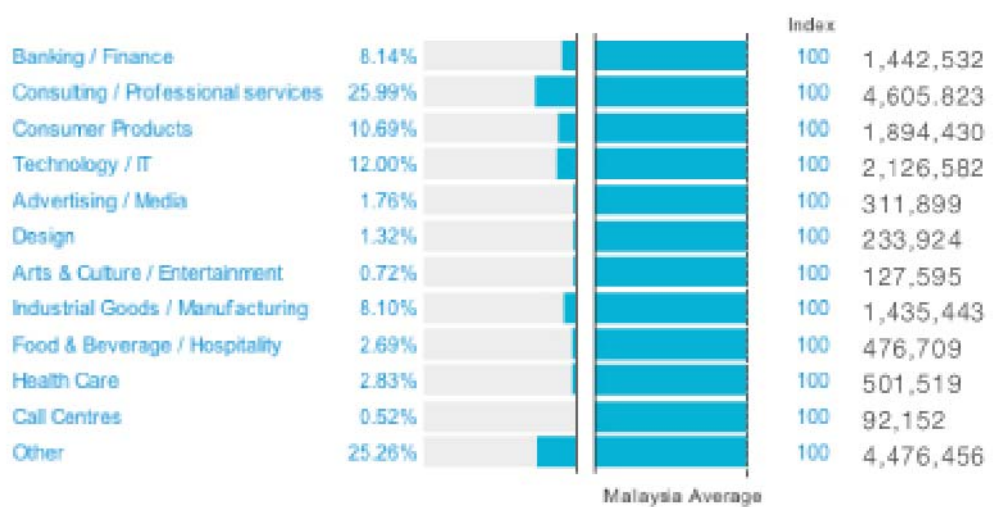
## Monthly Household Income (\$US)



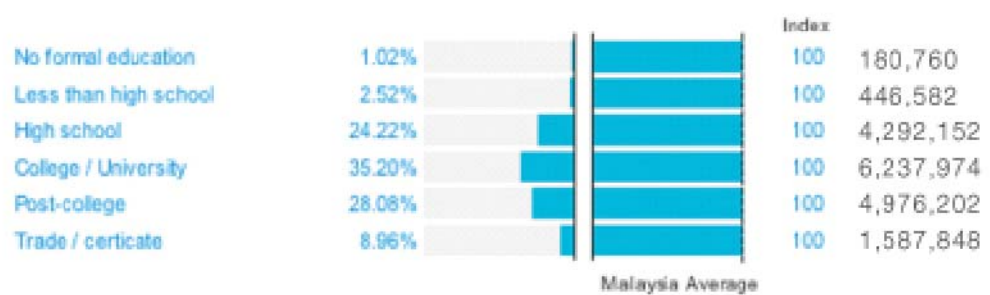
## Occupation



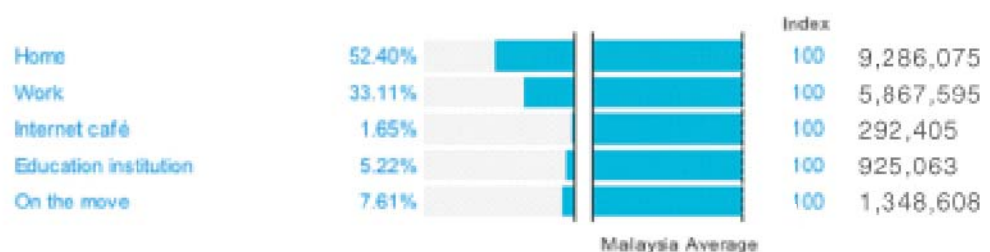
## Occupation Industry



## Education Level

















## Accessing From



## Access Internet from Mobile phone?



	<b>Connector</b>	?	42.37%	Index 100		7,508,607
Malaysia Average						
	<b>Free Spender</b>	?	31.71%	Index 100		5,619,493
Malaysia Average						
	<b>Early Adopter</b>	?	49.28%	Index 100		8,733,164
Malaysia Average						
	<b>Health Conscious</b>	?	38.21%	Index 100		6,771,392
Malaysia Average						
	<b>Mavens</b>	?	64.51%	Index 100		11,432,151
Malaysia Average						
	<b>Salesperson</b>	?	49.19%	Index 100		8,717,215
Malaysia Average						
	<b>Fashion Conscious</b>	?	32.83%	Index 100		5,817,974
Malaysia Average						

### Residential Location



Rural / Countryside	28.08%		Index 100	4,976,202
Large City	41.66%		100	7,382,784
Capital City	30.26%		100	5,362,531
Malaysia Average				



## Summary

There are more male compared to female in the Internet Audience in Malaysia


- Young working adults, age group of 25-30 is the highest Internet Audience in Malaysia
- Population online is quite similar to the ratio of population in general with over 50% of the people use Bahasa Malaysia as their primary language.
- Over 50% of the Internet Audience in Malaysia comes from the income group of below USD \$1,500
- Over 70% of the Internet Audience in Malaysia has at least tertiary education.
- Most of the users access the Internet from home.
- Majority of the Internet users are located in Cities.



## User Behaviour Analysis

Internet users from Malaysia spends an average of 39.5 minutes per day on the internet consuming content. (excludes Facebook, Email, Chat) While they are online, the most visited content category are Lifestyle related sites. Other visit sites for work related purposes, such as Technology and Business sites.

The Top 5 content consumed by internet users in Malaysia are:

1. Lifestyle - General
  2. Sports
  3. Portal - Music, Entertainment, Sports, Lifestyle, News
  4. Information Technology
  5. Business & Finance
- 

# MALAYSIA ADVERTISING EXPENDITURE REPORT

**MEDIA:** FFTA TELEVISION, PAY TELEVISION, NEWSPAPER, MAGAZINE, RADIO, CINEMA, OUTDOOR, POINT OF SALE, INTERNET RM'000

## MEDIA ADSPEND BY QUARTER (2009-2011)

	2009			
	Q1	Q2	Q3	Q4
FTA Television	431,580	569,994	707,363	737,598
Pay Television	N/A	N/A	N/A	N/A
Newspapers	738,344	820,355	910,623	938,504
Magazines	30,289	33,975	34,168	41,112
Radio	69,502	85,961	104,054	102,302
Cinema	5,064	5,367	6,751	5,313
Outdoor	28,602	26,601	28,085	28,962
In-Store Media	19,749	21,003	22,790	22,759
Internet	7,290	9,429	9,963	13,764
<b>GRAND TOTAL</b>	<b>1,330,420</b>	<b>1,572,685</b>	<b>1,823,797</b>	<b>1,890,314</b>

	2010			
	Q1	Q2	Q3	Q4
FTA Television	585,932	710,393	765,767	830,384
Pay Television	285,979	564,356	506,991	590,117
Newspapers	854,266	982,034	1,014,726	1,042,116
Magazines	31,843	37,079	38,241	44,572
Radio	85,112	98,996	105,376	119,387
Cinema	4,379	5,180	6,582	7,670
Outdoor	29,441	30,254	30,689	29,361
In-Store Media	23,374	26,633	36,122	37,491
Internet	9,880	16,020	9,515	16,733
<b>GRAND TOTAL</b>	<b>1,910,206</b>	<b>2,470,945</b>	<b>2,514,009</b>	<b>2,717,831</b>

	2011			
	YTD FEB	Q2	Q3	Q4
FTA Television	409,180			
Pay Television	289,929			
Newspapers	569,647			
Magazines	17,516			
Radio	58,628			
Cinema	3,126			
Outdoor	19,417			
In-Store Media	22,880			
Internet	5,931			
<b>GRAND TOTAL</b>	<b>1,396,254</b>			

Source : GroupM Knowledge Malaysia & Nielsen Media Research

# MDA FINANCIAL PERFORMANCE

MALAYSIA DIGITAL ASSOCIATION

## BALANCE SHEET – 31ST DECEMBER 2010

	NOTE	2010 RM
<b>CURRENT ASSETS</b>		
Sundry receivables		261
Fixed deposit	3	80,000
Cash in hand and at bank		26,222
		<u>106,483</u>
<b>CURRENT LIABILITIES</b>		
Other payables & accruals	4	29,083
Taxation	5	-
		<u>29,083</u>
<b>NET CURRENT ASSETS</b>		77,400
<b>REPRESENTED BY:</b>		<u>77,400</u>
<b>ACCUMULATED FUND</b>		
<b>SURPLUS FOR THE PERIOD</b>		77,400

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MDA

MOHAN KUMAR &  
ASSOCIATES (AF 1028)

Chartered Accountants

No. 12, Jalan 5/33,

46000 Petaling Jaya, Selangor

Tel No: 03-79540292 /3

Fax No: 03-79540294

## AUDITORS' REPORT TO THE MEMBERS OF MALAYSIAN DIGITAL ASSOCIATION

We have audited the financial statements of the Malaysian Digital Association, which comprise the balance sheet of the Association and the Notes to the Financial Statements as at 31st December 2010, and the Statement of Income and Expenditure and the statement of Receipts and Payments for the period ended on that date, as set out on pages 4 to 8.


### Executive Committee's Responsibility for the Financial Statements

The Executive Committee of the Association are responsible for the preparation and fair presentation of these financial statements in accordance with Private Entity Reporting Standard in Malaysia. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.



The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the Association's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates by the Executive Committee, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## OPINION

In our opinion:

- a) the financial statements have been properly drawn up so as to give a true and fair view of the financial position of the Association as at 31st December 2010 and of its income and expenditure and of its receipts and payments for the period ended on that date, and
- b) the accounting and other records have been properly kept in accordance with the rules and regulations of the Association.

## OTHER MATTERS

This report is made solely to the members of the Association, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.



MOHAN KUMAR AND ASSOCIATES  
NO. AF 1028  
CHARTERED ACCOUNTANTS



MOHAN RUTHIRA KUMAR  
NO. 1715/01/12 (J)  
CHARTERED ACCOUNTANT

*Petaling Jaya,*

*Date: 23 FEB 2011*

# STATEMENT OF INCOME & EXPENDITURE

FROM 30TH OCTOBER 2009 (DATE OF REGISTRATION) TO  
31ST DECEMBER 2010

	<b>2010</b>
	<b>RM</b>
<b>Income</b>	
Entrance fee	29,000
Subscription	114,000
Contribution	16,000
Fixed deposit interest	391
Digital Wednesday	34,756
	<u>194,147</u>
Less :	
<b>Expenditure</b>	
Formation & registration expenses	5,000
Pre-operating expenses	26,250
Digital Wednesday	21,734
Administration charges	35,500
Bank charges	20
Audit fees	1,500
Service tax	2,775
Industry networking	5,000
Postage & courier	69
Travelling and transport	285
Telephone, fax & email	1,443
Refreshments	1,529
Filing fee	10
Printing, stationery & photocopying	1,312
Website development & maintenance	12,000
Awareness campaign	2,320
	<u>116,747</u>
<b>SURPLUS OF INCOME OVER EXPENDITURE BEFORE TAXATION</b>	<b>77,400</b>
Less:	
<b>TAXATION</b>	<u>-</u>
<b>SURPLUS OF INCOME OVER EXPENDITURE AFTER TAXATION</b>	<b><u>77,400</u></b>

The accompanying notes form an integral part of these financial statements

# MEMBERS' LISTING

## Ordinary

Digital Five  
Media 2.0  
Amphibia Digital  
Mkini Dot Com  
Integricity Corporation  
Pixel Intergrated Media  
Star Publications  
Ogilvy One Worldwide  
Nuffnang

Mediamind  
Alt Media  
GroupM Malaysia  
Carat Media Services  
Perfisiso Solutions  
IPG Mediabrand  
OMD (M)  
Mudah.my  
i-Pixel

Yellow Brick Road  
JWTi  
AMP  
Fireworks Solutions  
Star Reacher Advertising  
Tequila-Myalo Malaysia  
Vivaki Malaysia  
Youthsays  
Catcha Digital

## Associate Tier 1

Arachnid  
Proximity Marketing Services  
Tribal DDB  
MNC Wireless  
Vision Animation  
Rapp Malaysia  
Measat Broadcast Network Systems  
Innity  
iProperty

## Associate Tier 2

Euro RSCG  
Monster Interactive

# AIMS & OBJECTIVE OF MDA

## The Objectives for which the Association is established are:

- To enable Members to speak through the association with one voice and act with one purpose on digital publishing and advertising matters.
- To unify all sectors involved in the various aspects of digital media and advertising as a profession and as a business and thereby represent and secure the long term interest of the digital publishing and advertising industry in Malaysia.
- To organize the industry to set standards, ethics and guidelines that make the internet an easier medium for agencies and marketers to buy and capture value.
- To co-ordinate programs to secure a better understanding and appreciation on the part of the business world as a whole on the effectiveness of digital publishing and advertising whereby increasing the share of advertising and marketing dollars that digital media captures in the market place.
- To prove, promote and educate advertisers, agencies and marketers on the effectiveness of digital advertising.
- To promote and encourage high standards of service, conduct and performance by its members.
- To be the primary advocate for digital marketing and advertising industry in the regulatory environment.
- To research and analyze trends in online media and marketing and gather the best research from leading market research firms to identify trends, offer insights and advice
- To provide a membership forum for the collection, distribution and exchange of essential information relevant to the online publishing and advertising industry.
- To take all steps to undertake, improve, systematize and co-ordinate training resources appropriate to the needs of the industry.
- To work with other industry bodies on issues relevant to the industry.
- To do all such other things within Malaysian law as are conducive or incidental to the attainment of the above objectives or any of them.
- To procure contributions to the funds of the Association in the form of donations, grants, legacy, subscription with prior approval of the Registrar of Societies and relevant authorities, where necessary.