



## MRSS Events

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### Recent Events

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#### Breakfast Talk 22 August 2008

#### "Looking In: The Survey of the Research Industry in Asia "

**Piers Lee**, Managing Director of Kadence Asia, presented results from a recent survey commissioned by *Asia Research*, the publication for the market research industry in Asia.

*Asia Research* surveyed 134 research buyers and 27 business heads of research companies in one of the most comprehensive industry wide surveys undertaken in the region.

The Buyer survey focused on the purchasing behaviour of clients, and satisfaction with their suppliers. The corresponding survey of research companies measured overall sentiment pertaining to the prospects for the research business in Asia, and the types of challenges facing agencies and their staff going forward.

Piers presented key takeouts from these two surveys, and the implications for the research business.

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### Forthcoming events:

Pen in your diary:

**MRSS Breakfast Talk - 12 November, 2008**

**Nite at the Races**

**5 December, 2008** at the Singapore Turf Club

**MRSS Education Seminars 2009 4 – 9 April 2009**

## Market Probe acquires “Up-Point” in China



Market Probe acquires “UP-Point” China, a well-known market research firm and a long-term market research partner to many MNC and large-scale Chinese enterprises. The new business entity will be known as “Market Probe China”. According to Market Probe CFO, Karen Ethington, “Revenues for 2007 were 8 million RMB (USD \$1.2 million). While only a modest addition to our global revenues, this acquisition gives us entry into a very important and huge market.” With support from Market Probe’s global resources, the new entity will promote Market Probe’s Stakeholder Satisfaction & Loyalty Measurement Research capabilities among Chinese companies, as they compete with American, European and Asian enterprises in the domestic Chinese market. Market Probe will leverage Up-Point’s on-the-ground experience to understand what works and

what doesn’t work in China.

With 8 years experience in the rapidly emerging Chinese market and more than 300 studies to its credit, UP-Point’s acquisition brings with it extensive research experience in the fields of Telecom, IT, Industrial products, FMCG, Construction, Real-estate. Some of their clients include Petro China, Nokia, Guizhou Mobile, Foton Motor, Foxconn Electronics, Samsung.



Led by Dr Jingkui Xu, UP-Point’s professional team - consisting of 3 research directors, 20 research managers, and 60 field supervisors, overseeing 800 interviewers – is highly experienced in conducting custom research, customer satisfaction research, mystery shopping, public opinion and social behavior research.

Up-Point holds a Chinese Government A-level foreign affairs-related research license and maintains a cooperative relationship with 180 industrial associations including the China Association for Science and Technology.

In 2005, UP-Point was named “the most influential marketing planning agency” by the Chinese Strategic Planning Association (CSPA).

## Market Probe climbs in its Global Rankings Now rated #2 in its growth rate among global marketing research firms

Market Probe posts a five-year growth rate of 154% in global revenues, positioning the agency as the 2nd fastest growing global Market Research firm, from amongst the 34 largest market research firms. Source: Inside Research Magazine.

## Dr TR Rao - President and CEO of Market Probe Honored at a White House ceremony



Dr TR Rao, President & CEO of Market Probe, said he is encouraged by the steady rise in the company’s growth rate, considering the overall economic climate and the average industry growth of 57% for the same five-year period. “By combining acquisitions with organic growth,” he said, “we have made significant increases in our total revenue. I expect our focus in the remainder of 2008 and 2009 will build a diversified client base for future growth, and consolidate our acquisitions.”

The US Pan Asian American Chamber of Commerce (USPAACC) listed Market Probe amongst the 50 Fastest Growing Asian American Businesses in the US.

Dr TR Rao, President & CEO of Market Probe, received recognition at a special presentation at the White House on May 28 during USPAACC’s CelebrASIAN Business Opportunity Conference '08 in Washington, D.C.

The latest census figures show over 1.1 million Asian-American owned companies, with over \$326 billion in business revenues, and more than 2.2 million employees. Sharing this recognition internally, Dr Rao reiterated that “this is a sizable contingent from which to be singled out for this honor”.



## THE NIELSEN COMPANY NAMES CHRISTOPHE CAMBOURNAC PRESIDENT OF NIELSEN ASIA, PACIFIC AND INDIA

September 19, 2008, Hong Kong: The Nielsen Company today announced the appointment of Christophe Cambournac to the position of President, Nielsen – Asia, Pacific & India. Mr. Cambournac succeeds Nonoy Niles who will be leaving The Nielsen Company.

In his new role, Mr. Cambournac will lead Nielsen in Asia, Pacific & India working closely with Nielsen's regional leadership team. He will be based in Singapore and report to David Calhoun, CEO, The Nielsen Company.

Mr Cambournac joined Nielsen in Europe in 2004. Prior to his most recent appointment, Mr Cambournac was Managing Director for BASES Asia Pacific, for which he relocated to Hong Kong in 2007. Mr. Cambournac brings to Asia Pacific over 15 years' experience in market research and business consulting. He brings a broad perspective of Nielsen's business to his new position from earlier roles and has extensive experience in handling global client relationships. Before joining Nielsen, Mr. Cambournac worked in France.



## RESEARCH NOW **Extends its Reach**

Research Now has extended its online panel reach for researchers with the launch of their latest series of online panels in Asia. The panels, in China, Japan, Singapore, Malaysia, Taiwan, Hong Kong, South Korea and India, have been built as research-only online access panels. They follow the highly successful Valued Opinions model of panel build and management which has been used by Research Now to build panels across Europe and North America.

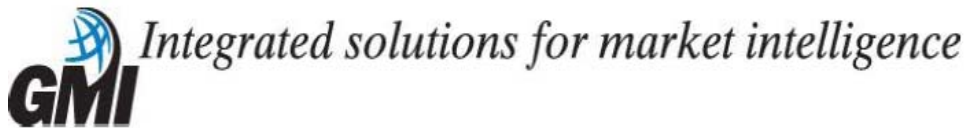
The panels have been built as stand-alone, proprietary panels which have been localised with country-specific language and incentive scheme choices. In addition, they have been built in accordance with industry-leading panel quality guidelines.

Further details are listed below:

The company also has plans to develop two new operations in Asia, the first in Shanghai through a 75% Research now owned joint venture and the second in Singapore through a wholly-owned subsidiary. Jason Buchanan, Managing Director of Research Now Asia Pacific explains:

"We are extremely excited to be rolling out our proven panel model in Asia. Establishing offices on the ground in Asia will enable us to extend the highest quality level of service to new and existing clients local to the region. Expansion into Asia will give us true proprietary panel coverage across each of the major regions of the world, a presence in Singapore and entry into China, fast becoming one of the world's largest research markets."

China	Simplified Chinese	Dianzhong	<a href="http://www.valuedopinions.cn">www.valuedopinions.cn</a> <a href="http://www.dianzhong.net">www.dianzhong.net</a>
Singapore	English/ Simplified Chinese	Dianzhong Valued Opinions	<a href="http://www.valuedopinions.sg">www.valuedopinions.sg</a> <a href="http://www.dianzhong.sg">www.dianzhong.sg</a>
Malaysia	Bahasa Melayu / English	Valued Opinions	<a href="http://www.valuedopinions.com.my">www.valuedopinions.com.my</a>
Japan	Japanese	Valued Opinions	<a href="http://www.valuedopinions.jp">www.valuedopinions.jp</a>
South Korea	Korean	Valued Opinions	<a href="http://www.valuedopinions.co.kr">www.valuedopinions.co.kr</a>
Taiwan	Traditional Chinese	Dianzhong	<a href="http://www.valuedopinions.tw">www.valuedopinions.tw</a>
Hong Kong	Traditional Chinese / English	Dianzhong Valued Opinions	<a href="http://www.valuedopinions.hk">www.valuedopinions.hk</a> <a href="http://www.dianzhong.hk">www.dianzhong.hk</a>



## **Speedo Sponsorship Delivers**

**Speedo swimming suits** were worn by many Olympians from different countries in Beijing and 94% of all swimming gold medals were won by swimmers wearing Speedo. How does this impact on the Speedo brand?

Pioneering research agency MESH Planning and Speedo – have just completed a research project to understand the effect of Speedo's strategy during the Beijing Games.

Millions of pounds are invested in sponsorship packages which include advertising, logo placement and other communications, but research has shown that 56% of Speedo's interactions with a sample of Chinese consumers coming from GMI's panel, (Global Market Insite, Inc.), a leading provider of global market intelligence solutions, during the Beijing Olympic Games were generated by people seeing athletes actually wearing the product. This was true for all the sports brands surveyed but Speedo recorded the highest amongst all the other sports brands involved in the Games (56%) due to its singular association with the swimming pool.

The second biggest touchpoint for these brands was online which accounted for 14% of all brand interactions. Clearly the take up of online branding has come a long way in China!

It appears that the strength of the association comes from the relationship with the sport and not with the country which the athlete represents. Chinese consumers were positive about seeing the brand worn by an athlete whether that person was Jiao Liuyang, the Chinese butterfly swimmer, or Michael Phelps of the USA.

These stats were generated by using a revolutionary real-time approach to tracking where participants use their own mobile phones to text whenever they see, hear or experience anything related to the brand and how positive or negative that particular touchpoint made them feel.

Shruti Singh, Head of Consumer Insight at Speedo comments: "Speedo has always supported and contributed to the success of high profile athletes and this TROI project has shown the massive ROI generated from our brand associations".



## 7 Point Plan to Maximize Research Dollars – A Topline Summary

### When research and management disconnect...

Many companies fail to optimize their research dollars because they don't have a process in place for getting the most out of their studies

Strategic research offer various paths and perspectives, hence results don't point to 1 clear path for action

Next steps are not clearly identified

No champion to monitor and take responsibility for next steps

Key stakeholders are not sufficiently involved from start to finish which means (1) research is forgotten because the decision makers are focused on other priorities; (2) Resources and budget to follow through with recommendations are not allocated

**The list below gives a topline view of the 7 field proven steps to making sure research counts in management strategy:**

1. **Edit your questionnaire without mercy.**  
80% of the time, no more than 80% of the questionnaire is fully exploited. A concentrated questionnaire sends the message that research is sharp, efficient and to the point. No superfluous details that waste time and effort – just pithy actionable insights that can be extracted quickly and painlessly. A shorter questionnaire also means cheaper, faster, more accurate fieldwork and better analytical focus. Gather stakeholders, agree on the strategic questions, establish a baseline and then get down to work on crafting a questionnaire that distills the essence of the subject at hand.
2. **Get commitment to the measurement plan from stakeholders from the very start.**  
For example, in a customer satisfaction research, this would mean working with heads of marketing and sales, production, information systems, human resources, etc. Agree on why this research needs to be conducted and why this is a priority (i.e., feed into business plan, identify key metrics to track, development of service and training manuals, and so on). Then block their time for any participation needed at project milestones.
3. **Create a buzz. Make research findings exciting.**  
Work with your research agency to create presentations and reports that are inspiring, attractive, simple and focused. Incorporate actual company data alongside research data to compare and contrast and stimulate discussion. Build in business intelligence data to give research a 360 perspective. Where relevant, hold an interactive workshop broken down into several modules if necessary with breaks for participants to refresh and recharge. Have cookies, brownies and coffee at hand to promote sugar spikes for energetic participation. Work to build a lively, fruitful and open atmosphere. Beware of organizing “just another meeting”.
4. **When fieldwork and analysis is done, email a teaser topline to incite interest.**  
A half page bullet point list of key findings organized by stakeholder interest. Attach a blank proposed action sheet when you circulate the topline, and suggest that they write down their first thoughts. Tell recipients that this sheet will be used for discussion on an appropriate action plan during the presentation.
5. **Use the presentation to kick off action plans.**  
At an appropriate time – during or after the presentation, write down ideas / action plans on a board for all to see. Brainstorm new ideas as you go. Rank the ideas: (1) Priority – actionable now; (2) Nice to have – revisit at next board meeting; (3) Category and market learning – to disseminate in department newsletter...
6. **Champion the process.**  
Someone needs to be held responsible for action points that have been identified as a priority. At realistic intervals, the champion should meet personally with the action takers to review agreed action plans to determine whether they are still on target and going forward.
7. **Constant monitoring**  
... to ensure action plans are on track or need to be reviewed. Many companies put a substantial amount of energy into initiating these programs and then let them fizzle as other priorities surface. It takes commitment and discipline to maximise research dollars.

(Article contributed by **Cataliz Research Asia** Diana Tan, Managing Director and Nicolas Duffau, Senior Project Manager)



## The Ups and Down of Air Travel

Put 300 plus people in a really small space for a number of hours; expect many of them to sleep upright; feed them en masse (or not at all if it's budget); subject them to each other's snores, coughs, laughter, slurps and worse – and you're going to have a hard time keeping everyone happy. Sounds quite tough when you put it like that.



Airlines with strong brands are invariably forgiven more, but do passengers even care about branding when all they want to do is get from A to B?

Synovate spoke with more than 10,000 respondents in 13 markets across the world to find all about whether air travel was pleasure or pain, the impact of fuel costs and surcharges, easy-on-the-eye flight attendants, the frustrations of sitting near other people's children (without underestimating the frustrations of sitting near your own children) and chatty fellow passengers.

What became fairly clear, fairly quickly, was that for most people travel is all about getting from A to B, and the pleasure to pain ratio is determined by your seat.

### Transactional travel or sky-high service?

Synovate quizzed people who had travelled by air about the one thing they best liked about being on a plane. For the majority, it's all about getting from point A to point B, with 56% choosing 'It's fast and it gets me where I need to be quickly' as the thing they most like about air travel.

The highest score for this attribute was from people in the United States (US), with 84% agreeing. Of course this may also be because air travel in the US is not always packed with comfort anyway...

### The seat of power

Much of what the survey highlighted was that the seat of all power for airlines is, well, the seat. Here's a little of what we found:

- Two thirds of all respondents who had travelled by air disagreed with the statement 'I have no preference when it comes to seating' – the least fussy were the Filipinos (64% agreed) and the most particular were the Thais (89% disagreed).
- Forty-one percent say they are 'really fussy about my seat and a bad one can ruin my flight experience'.

- Three quarters say 'I would like to have an option which allowed me to change seats if I was unhappy'.

A massive 89% of Taiwanese, 87% of Americans, 84% of Thais and 83% of UK travellers agreed they would appreciate a seat swap if they were less than thrilled with where they were asked to park their posteriors.

And it's not always obvious things that drive the likes and dislikes of nationalities. Some of the Thai respondents' trepidation about seating can be attributed to culture, says Synovate's Managing Director for Thailand, Steven Britton.

"One of the things you are taught in Thailand – and is reinforced all the time when you are growing up – is that you should not step over people. Thais will do nearly anything to avoid this. Airline seats are so tightly packed together in economy that a Thai stuck in a window seat would probably refrain from visiting the bathroom for hours rather than step over several people."

So airlines are dealing with people in uncomfortable seats, as well as uncomfortable people in seats!

### Up in the air about intimacy

Very much related to the seat issue is who you sit next to... Who hasn't fearfully glanced up the aisle waiting to see who will be your new neighbour for the next several hours of your life?

Scott Lee, Executive Director of Synovate in Hong Kong, said the crux of the issue here for most people is the forced intimacy.

"Sharing your personal space with strangers is not something that many people look forward to. Still, air travellers in some markets seem quite ok with it – perhaps even relishing the chance to meet new people – while people in other markets like Hong Kong seem to want to shut down and avoid others."

The study asked people to agree or disagree with a series of statements, one of which was 'I prefer sitting next to someone of my own sex'. Overall, a little over one third of respondents agreed with this (34%). The highest agrees were from Hong Kong (65%), Malaysia (57%) and Thailand (53%).

Of course it's interesting to see a gender breakdown on this... and sure enough, women are far more likely to answer in the affirmative than men. Forty-four percent of all women travellers say they want to sit next to someone of their own gender, while only 24% of men do. In Hong Kong, 78% of women want to sit next to another woman.

But not everyone avoids social contact. The study also asked whether respondents agreed with the statement 'I enjoy making conversation with the people sitting next to me' and, overall, 57% agree. People from Malaysia and the Philippines most like a chat (77% and 74% respectively) and those from Thailand (60% disagreed), Taiwan (58%) and Hong Kong (57%) do not.

It turns out that flying in Asia is a minefield of potential mile-high mishaps.

### Children shouldn't be seen, or heard

You know the scene... a harried mother tries to shut one child up, while the other child happily kicks the seat in front. Sit near this and tensions are running high before you've even seen the safety demonstration.

It turns out not everyone hates it. In good news for paranoid parents, two thirds of our air traveller respondents disagreed with the statement 'I get frustrated when sitting next to or near children'. But travellers in some markets are quite intolerant... who hates it most?

Britons were found to be most intolerant of children on planes with 55% agreeing they find sitting near the smallest travellers to be frustrating. They were closely followed by Hong Kongers (52% agreed). Least likely to get frustrated were German travellers with only 15% agreeing.

Looking at the results by gender, it is not too surprising to see that overall women are far more tolerant of air-borne kids. However, in the United Arab Emirates (UAE), 48% of women agreed they find sitting near children frustrating and only 24% of men did.

### Air travel to nose dive?

But will people even get on planes in the current economic environment? Across the markets surveyed, Synovate asked air travellers to choose one answer that best summed up the effect of fuel surcharges and increased costs of air travel for their situation. The study was conducted in July and, in cautiously good news for airlines, the highest overall answer was 39% who said 'I would consider looking for airlines offering cheaper flights'. This was the highest in Brazil at 62%, followed by Canada and the United Kingdom (UK) at 48%.

Eighteen percent of Thais, 17% of Germans and 16% of Britons and Americans said they would now consider alternative modes of transport for their travel.

### How can an airline fly high?

Pleasing people is tough. Pleasing people at 30,000 feet is even tougher. So how does an airline stand out?

Scott Lee says brand positioning is critical to loyalty, but the basics have to be in place first.

"Before anything else, an airline needs to treat people like human beings and quickly, efficiently and safely get them to where they are going. It's certainly not rocket science but some carriers are not always able to deliver on this.

"One thing that stood out in this survey was that in markets where the national carrier was strong on service and reputation, places like Dubai, Hong Kong and Thailand, people had higher expectations. They expect more because they get more.

"These carriers are then able to build the emotional connection that creates committed loyalty. There are people in Hong Kong who will do just about anything to take all their flights on a particular airline, describing themselves as 'emotionally dependent'. The bond is strong, they feel secure, and that's what carriers should work towards." he said.

#### ✦ About the Synovate global air travel survey ✦

This In:fact survey looked at air travel and covered more than 10,000 respondents in 13 markets around the world – Brazil, Canada, Egypt, France, Germany, Hong Kong, Malaysia, the Philippines, Thailand, Taiwan, the United Arab Emirates (UAE), the United Kingdom (UK) and the United States of America (USA). Of the 13,000 surveyed, 6,900 said they had travelled by air and these people answered the majority of the questions. The study was conducted in July 2008 using online, telephone and face-to-face methodologies.

## Social Networking Myths and Facts

**Online social networking.** It's huge. More than 132 million people visited Facebook in June of this year and 117.5 million landed on MySpace<sup>1</sup>. And that's merely two of the English-language social networking sites, albeit the most popular ones.

### It seems everyone is social networking. Or are they?

Synovate spoke with over 13,000 respondents in 17 markets around the world to find out who's connected and who's not, as well as attitudes and online behaviours. Some of what we found surprised us... like just how many people are losing interest in social media. And how many people do not even know what it is!

### Let's start at the very beginning... (It's a very good place to start)

When you're in the world of marketing — reading about it, planning campaigns, researching people — it's sometimes easy to overlook the basics. So we started our study by simply asking 'do you know what online social networking is?'

And that's where our first myth was debunked. It turns out social networking is not taking over the world. Across the 17 markets surveyed, 42% of people know what online social networking is, which leaves 58% in the dark... either saying 'no' or 'don't know'.

The Dutch were most likely to know the term with 89% answering 'yes', followed by Japan at 71% and Americans with 70% answering in the affirmative. Still, that leaves three in every ten Americans (the home of social networking) outside the world of digital friends and relationships.

The implications for marketers are clear and, yes, basic. Know your audience. But you knew that.

### Who's in the in-crowd?

If you don't know what social networking is, chances are you're not a member of a site! Synovate looked into who were members of sites, or not, and which sites they belonged to. Perhaps the biggest out-take here is the debunking of myth number two. Social networking is definitely not US-centric.

Overall, 26% across the markets surveyed are members of social networking sites. This peaked with the Netherlands at 49%, United Arab Emirates (UAE) at 46%, Canada at 44% and the US at 40% (though keep in mind that's 40% of a huge population).

### Sites of choice

The survey then asked social networkers to name the sites they belong to. Some markets seemed to favour multiple memberships and some seemed to stick to one or two major ones. The markets where social networking aficionados favour signed up for many sites are UAE, India, Indonesia, and Bulgaria.

Showing the vast array of social networking niches, our open-ended question about site membership attracted responses naming around 150 sites across the 17 markets surveyed, but naturally some sites stood out as more popular.

Almost unanimously, 91% of Japanese social networkers are on a Japanese-language site called mixi. Synovate's Managing Director of Japan, Rika Fujiki, points out that attitudes and thinking on social networking are impacted by the site that created the boom in each market. "In Japan, social networking has become very popular in a short period of time due to mixi, especially among younger people.

### Poking around social media attitudes

In a series of attitudinal statements we asked whether people agreed or disagreed with statements about communication, language and friendship. The findings well and truly explode the myth that online social networking is all-consuming.

Synovate's global head of media research, Steve Garton, says that respondents who are members of social networking sites have a balanced on- and offline existence.

"Most people online, regardless of culture, have a very strong appreciation of being in the real world. Their attitudes and behaviour show us that the virtual world of social networking can complement relationships, but not replace them. There is no substitute for real life, real friends and real relationships."

Findings for each statement include:

**"Online communication is as meaningful as face-to-face communication."**

Not surprisingly, when you look at the results for people who are members of social networking sites versus those who are not, you get big differences. Forty percent of people who engage in social networking agree that online communication can be just as meaningful, versus 26% of people who are not members of any of these sites.

***"Online social networking is better than not interacting at all."***

Members of social networking sites are far more likely to agree (75%) than non-members at 51%. Highest agrees among social networkers are France (86%), Indonesia (84%) and the US and Russia (both 83%).

Comparatively few Taiwanese agreed. Indeed, social networkers were fairly split on the issue and Synovate's Managing Director in Taiwan, Jenny Chang, attributes this to the spread across ages.

"In Taiwanese society there is a constant merging of the old and the new – and sometimes these clashes... particularly around strong traditions like eating together, socialising, worship and dedication to family.

While Taiwan's youth is connected in the online world, older Taiwanese may see this as being at the expense of other family and social commitments."

***"It's easier to make friends online than in person."***

Among social networkers in the markets surveyed, almost half (46%) agree with the statement. Only 28% of non-social networkers agreed. Highest agrees among social networkers were Taiwan (65%) and India (64%); most likely to disagree were social networkers in Russia (74%) and Japan (66%).

***"I get more enjoyment from my online friendships than my friendships in the 'real' world."***

When you look at people who are members of social networking sites, only 14% agree. Highest agrees come from UAE (37%), Indonesia (36%), India (32%) and South Africa (24%).

Twenty-one percent agree in Taiwan and Jenny Chang says: "As well as indoor time and online access, cultural and social constraints may well feed this attitude in Taiwan. Many young people live at home with parents until they are married and tend to have more family and work commitments. Online friendships are likely to offer a form of escapism for some Taiwanese."

The highest disagrees among social networking members were Germany at 97%, Serbia 96% and Japan at 92%. Harald Hasselman says: "Personal friendship has a very high value in Germany. Germans take some time to make friends, and when they do, it is seen as serious and basically 'forever' so online friendships can seem quite superficial by comparison."

**Is social media a marketing dream?**

Assuming you have determined that many of your target market are, indeed, social networkers and you know where they can be found, is it worth getting your brand online? Synovate's global head of media research, Steve Garton, says an emphatic 'yes', but do it quietly...

"These strategies work best when the brand listens to social networkers, insinuating the product or service into lots of quiet conversations. One example is BMW on Facebook, where people can drive the car themselves and invite their friends... virtually of course.

"Brands do not want to be overt here."

We asked social networkers around the world whether they noticed site sponsors, advertisements and interactive profile pages. The results were encouraging.

Overall, 53% of social networkers notice site sponsors. In good news for the sponsors, these seem to have the greatest impact in the US (where 66% notice), Serbia (65%) and Russia and Germany (both 64%). Bob Michaels says: "Americans go straight to the web when looking for information about products and services. When they do, they like to know which companies and organisations are associated with the site so they can judge if the information they are viewing is credible."

In addition, two thirds of site members notice advertisements for products.

They are most noticed in Indonesia (86%), Poland (83%) and South Africa and Germany (both 80%). They are least noticed in the Netherlands (52%), Taiwan (49%) and France (40%).

Thirty-one percent of social networkers notice interactive profile pages featuring brands, but 26% say they don't know whether they do or not, so these results are a little more opaque. These pages are most likely to be noticed in Serbia (69%) and Indonesia (61%). Robby Susatyo of Indonesia says: "This makes sense given that so many people in Indonesia are 'brand-minded'. They aspire to owning goods with an internationally-reputed brand.

With Asia now the world's most connected continent and other emerging markets coming online fast, the mind can barely wrap around just how many people out there are connected with others in myriad languages courtesy of cyberspace. Marketers are constantly urged to get their brands on these sites... and fast.

[+ About the Synovate social networking survey +](#)

Conducted in June 2008, this social networking survey covered more than 13,000 respondents in 17 markets around the world – Brazil, Bulgaria, Canada, France, Germany, India, Indonesia, Japan, the Netherlands, Poland, Russia, Serbia, Slovakia, South Africa, Taiwan, the United Arab Emirates (UAE) and the United States of America (US).



## Global Consumer Confidence Falls to Record Low: Nielsen

### OVER HALF OF GLOBAL ONLINE CONSUMERS BELIEVE THEIR COUNTRY IS IN RECESSION CONFIDENCE LEVELS PLUNGE FOR SINGAPORE CONSUMERS

**Singapore, August 20, 2008:** Over half of global online consumers think their country is currently in recession and consumer confidence worldwide has fallen to its lowest since 2005, according to the Nielsen Global Consumer Confidence Index, which measures the confidence, major concerns and spending habits of online consumers in 51<sup>1</sup> markets around the world.

The latest Nielsen Consumer Confidence Index dropped to 88 - down six points in the last six months - the largest single drop the Index has recorded in the last three years.

"Consumer confidence fell in 39 out of 48<sup>2</sup> countries in the past six months, with New Zealand, USA and Latvia suffering the deepest declines," said Vicky Santos, Executive Director for The Nielsen Company, Singapore.

Across the regions, the US suffered the biggest fall in its Confidence Index, dropping 17 points, while in Europe, the Nielsen Consumer Confidence Index dropped six points to 83. Nielsen Consumer Confidence Indices dropped three points in Asia Pacific and EEMEA, and two points in Latin America.

#### The optimistic few

Only Taiwan bucked the global trend of economic gloom, posting a buoyant 14 point increase in Nielsen's Consumer Confidence Index in the past six months - up to 83 from 69 points.

Other countries posting an increase in consumer confidence were the Netherlands (+5), Russia, Poland, Czech Republic (+3), Brazil (+2) and Belgium (+1).

Norway, India, Indonesia and Denmark topped global rankings as the most optimistic nations in Nielsen's Consumer Confidence Index, while Portugal, Korea and Japan languished at the bottom of rankings as the world's most pessimistic nations.

#### The pessimistic majority

In the last 12 months, consumer confidence in the world's second largest economy has plunged 19 points and Japanese consumers are not expecting things to improve anytime soon. There are also extreme levels of consumer pessimism in New Zealand, Latvia and Spain.

"Among the 39 markets recording a drop in consumer confidence, 15 fell by double-digits, including Singapore, which saw a 12-point decline."

"Since the inception of Nielsen's half-yearly Consumer Confidence Index in 2005, Singaporeans' confidence levels have been on a steady rise until the latest survey. This is the first time we are seeing a decline—and at an index of 102, this is by far the lowest recorded level here," Ms Santos added.

"The last six months have been the most turbulent period for the global economy in several decades. The USA sneezed at the outset of the sub prime disaster a year ago - and the rest of the world quickly caught a cold. Consumers around the world are inevitably struggling with the same global issues that are impacting their daily lives."

For many emerging countries in Eastern Europe and Asia that have enjoyed the fruits of economic growth and boom in recent years, the last six months have been a stark wake-up call as consumers find themselves struggling with a double-digit inflation, rising unemployment rates and stagflation for the first time in a decade.

A similar picture is painted in Singapore—one of the 12 markets in Asia Pacific experiencing flagging consumer confidence. "In the face of a 25-year high annual inflation rate and the rising cost of basic necessities—food, petrol, transportation—it would be unrealistic to expect Singaporeans' confidence to be sustained at previous levels," said Ms Santos. (Chart 1)

In addition to escalating global issues, many countries are grappling with serious domestic troubles of their own - increasing immigration concerns in the UK and Italy, power shortages and rising crime in South Africa, loss of confidence in political stability and strikes in Europe, and the devastating effects of natural disasters in Asia.

#### No spare cash once all the basics covered

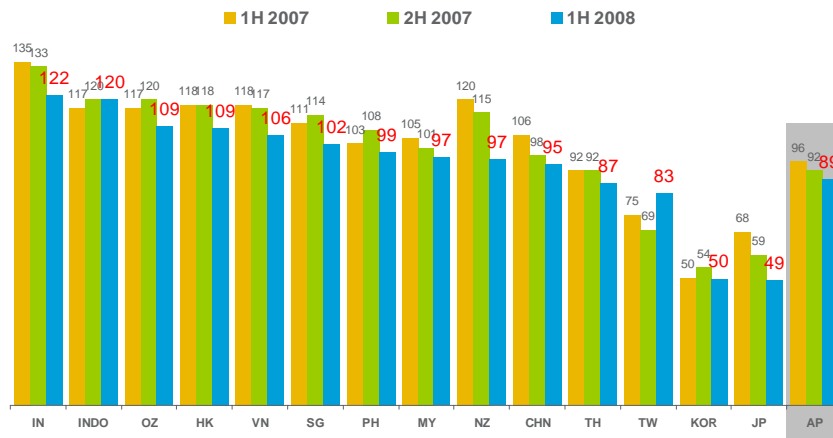
The latest Nielsen survey also indicated that consumers' wages and pay packets have been stretched like never before, especially among consumers in the US and Europe. In Singapore, those who claimed not to have any spare cash remained at seven percent.

<sup>1</sup> **51 Markets Covered:** Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, China, Colombia, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, India, Indonesia, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, Malaysia, Mexico, Netherlands, New Zealand, Norway, Pakistan, Philippines, Poland, Portugal, Russia, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, UAE, United Kingdom, US, Venezuela and Vietnam.

<sup>2</sup> Three markets - Colombia, Venezuela & Israel - added in April 2008; no trend data available from previous survey.

Chart 1

## Consumer Confidence Index



Base: All Respondents

nielsen

Consumer Confidence Survey – 1H 2008

Page 1

### But only one in 10 consumers anticipate a global recession in 2009

Among the 44 percent of global consumers who do *not* think their country is currently in recession, only 26 percent said they expected to see a full blown global recession in the next year.

Topping global rankings for least expecting a global recession are Russians, South Koreans and Vietnamese – about 60 percent said they do not expect a global recession in the next year.

Over eight in 10 Singaporeans do not think their country is in recession at the moment, but amongst these consumers, close to half (47%) are bracing themselves for one.

Even the Nordic nations of Denmark (50%), Norway (46%) and Finland (45%) – countries that have always topped the Nielsen Consumer Confidence Index for their optimism – are most expectant that the world will be plunged into a global recession in the coming year.

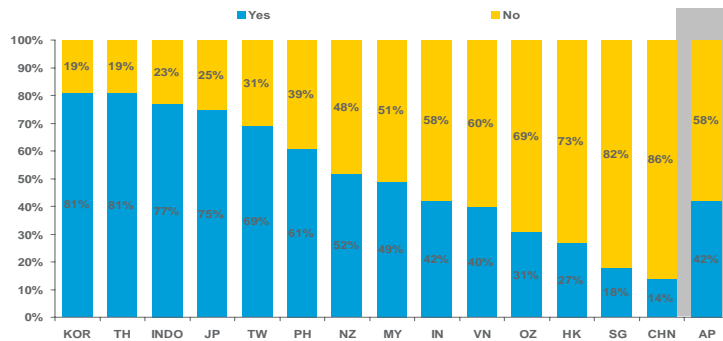
And if a recession happens, what would local consumers be most worried about?

During times of economic slowdown, while global consumers ranked *inflation* (61%) as their biggest concern followed by *unemployment* (53%), findings reflected for Singapore were vice versa. Close to three quarters of the respondents here claimed their biggest fear to be *unemployment*, followed by *inflation* (69%)—making these the two most fundamental issues amongst locals in the event of a downturn in the local economy. (Charts 2 & 3)

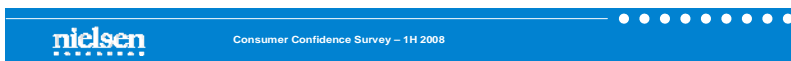
Regionally, consumers in EEMEA (69%) and APAC (67%) lead the world as most concerned about *inflation* during an economic downturn, while Latin Americans are most concerned about *unemployment* (62%) and *interest rate rises* (32%). Not surprising, North Americans topped global regions for concern about *falling property prices* (24%) while one in 10 (11%) Europeans said they would also be concerned about *strikes*.

**Chart 2**

Do you think your country is in an economic recession at the moment?

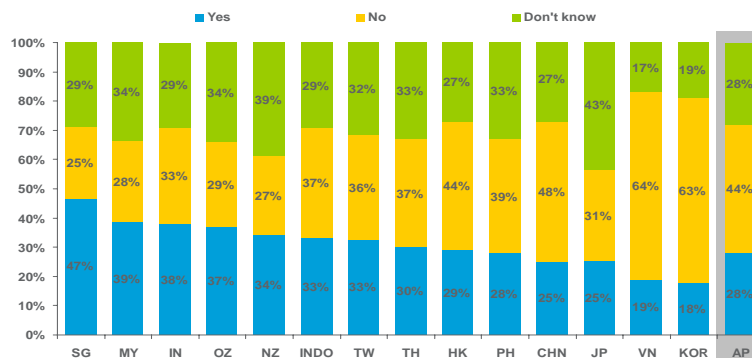


Base: All Respondents

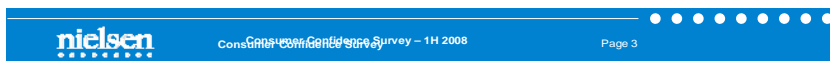


**Chart 3**

Do you think we will have a global recession in the next 12 months



Base: Respondents who do not think their country is currently in economic recession



About The Nielsen Global Online Consumer Survey

The Nielsen Global Online Consumer Survey, conducted by Nielsen Customized Research, was conducted in April 2008 among 28,253 internet users in 51 markets from Europe, Asia Pacific, North America and the Middle East. The largest half-yearly survey of its kind, the Nielsen Global Online Consumer Confidence and Opinion Survey provides insight into current confidence levels, spending habits/intentions and the major concerns of consumers across the globe. The Nielsen Consumer Confidence Index is developed based on consumers' confidence in the job market, status of their personal finances and readiness to spend.



## THESE DAYS, MORE GLOBAL CONSUMERS ARE CHECKING NUTRITION LABELS ON GROCERIES, BUT STILL NEED HELP UNDERSTANDING THEM!

### MORE ASIAN CONSUMERS ARE CHECKING FOOD LABELS

### 'PRESERVATIVES' REMAINS ASIAN CONSUMERS' LEADING CONCERN, SINGAPOREANS MOST WARY OF FAT AND TRANS FATS

**Singapore, 15 September 2008** - Two in three (66%) global online consumers say they take notice of packaged goods labels containing nutritional information compared to two years ago but less than half of consumers (44%) claim to *mostly* understand what they're reading – according to findings from an Internet survey on Food Labeling and Nutrition conducted in 51 countries, released today by The Nielsen Company.

According to the Nielsen survey, one in five (24%) global consumers said they *always check nutritional information when buying packaged goods* and more will do so when *they are thinking about buying a product for the first time*. While 68 percent of Asia Pacific consumers say they take notice of the nutritional information on packaging more now than two years ago, the figure for Singapore is slightly below the regional average, at 61 percent.

Singaporeans have not yet cultivated the habit of regularly checking nutritional labeling—only one in five (19%) claims to always check food packaging labels. However, consumers here tend to pay more attention to food labels in specific situations,—when they are *buying a product for the first time* (39%) or when *buying certain food types* (36%). Other scenarios which warrant greater attention from Singaporean consumers are when *they are on a diet or are trying to lose weight* (19%), and when they are *buying the products for their children* (16%).

One in five (20%) only check nutritional information on the food package when they *have the time*, while for close to one in ten (8%), it's *never!* (Chart 1)

“Our survey findings clearly demonstrate the degree to which health and diet have taken a pivotal role in our lifestyles,” said Joan Koh, Director for FMCG Research for The Nielsen Company Singapore. “The need for clear and educational labeling has become one of the most debated and controversial topics in recent few years and the pressure is on the food industry to take greater responsibility for educating people about what they're eating.”

Consumers in Asia Pacific have quickly caught up with the global food labeling trend in the past three years. In 2005, 21 percent said they will *always* check the nutritional information on the package when they buy packaged food, compared to 25 percent this time round. In the 2008 survey, 34 percent of Asians said they checked nutritional information when they're thinking of buying a product for the first time and 27 percent said they checked when buying certain types of food.

“The development of supermarkets and the modern trade in emerging markets in the last 10 years has brought a plethora of new packaged products to consumers. As such, nutritional information on packaging serves to educate shoppers on what they are buying and eating,” said Ms Koh.

**Chart 1**

**When you are buying packaged food, when would you check the nutritional information on the package?  
- Singapore Vs Regional average**



Base: All Respondents  
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Labelling and Health Survey

Fieldwork: 21/4/08 – 6/5/08

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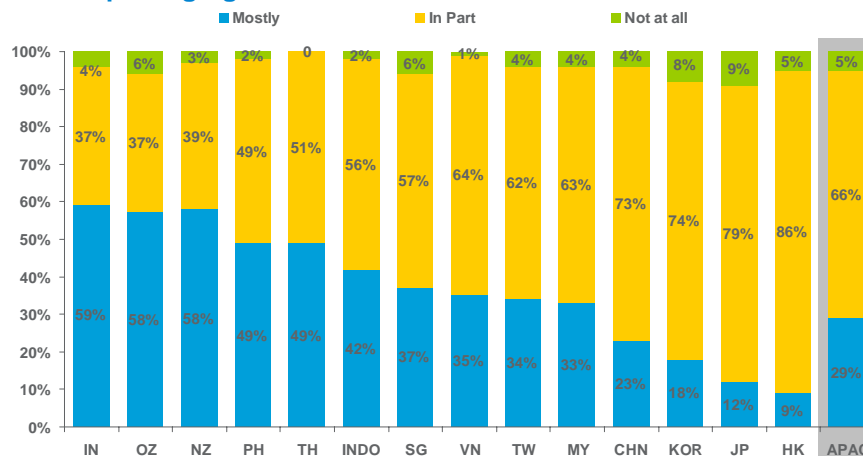
Trying to lose weight seems to be a key motivation for consumers to check the nutritional labels, especially for Australians (24%) and Kiwis (20%) in Asia Pacific. Interestingly across Asia Pacific, only one in 10 said they would check food labels when they are buying for their children.

Across the region, seven percent of consumers in Asia Pacific said they never check the nutritional labels on the package, showing little improvement from three years ago when the same survey was conducted. (Chart 1)

Consumers interested in the nutritional content of the foods they buy, and food manufacturers' effort to provide more information is one thing. Understanding the labels is something else altogether. Globally, less than half of consumers - and less than a third in Asia Pacific - say they *mostly* understand the nutritional information on food packaging. The majority shows partial understanding of food labels. India, Australia and New Zealand are home to the most 'conversant' consumers in the region, with over half claiming to *mostly* understand food labels. (Chart 2)

**Chart 2**

**How well do you understand the nutritional information panels/labels on food packaging?**



Base: All Respondents  
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Singapore was among the top 10 countries with most people claiming to understand food labels. Close to two in five (37%) claimed to comprehend most of the info, whereas a majority (57%) understands it in part. Compared to 2005, there does not seem to be much improvement in Singaporeans' understanding of food labeling. (Charts 2 & 3)

**Fat, Calories and Preservatives: the three big "look-outs" for global consumers**

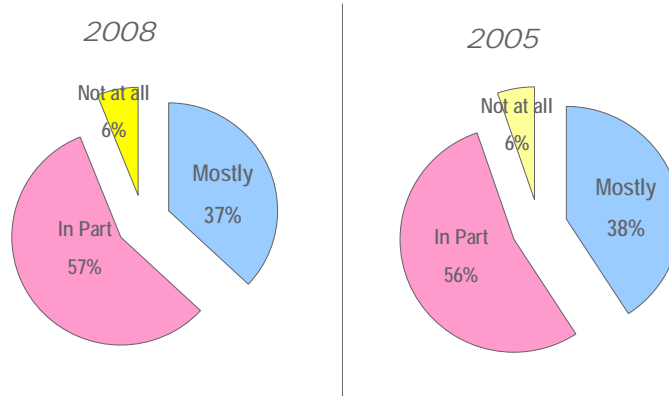
Globally, it's the fat content that drives nearly half of all consumers to check the labels on food packaging. 47 percent say they check food labels for fat, followed by calories (44%) and preservatives (42%). Interestingly, checking for preservatives has overtaken sugar (40%), indicating a shift in consumers' concern from sugar to preservatives.

This resonates with findings from another global survey conducted in 2007 by Nielsen on functional foods - according to a global Nielsen organic and functional food survey conducted in 2007, two in five (38%) global consumers considered a product with full sugar but no artificial flavours/ colours/ additives to be healthier than a product reduced in calories but with artificial substitutes.

"Singaporeans are showing greater concern towards their health by actively seeking more information on what they are consuming," observed Ms Koh. "In the past five years there has been unprecedented coverage of health, diet and lifestyle issues in every kind of media. Never before have consumers been so obsessed with healthy living, and savvy marketers have realized that adding an element of "healthiness" to any product is fundamental to sales success," said Ms Koh.

**Chart 3**

**How well do Singaporeans understand the nutritional information panels/labels on food packaging?**

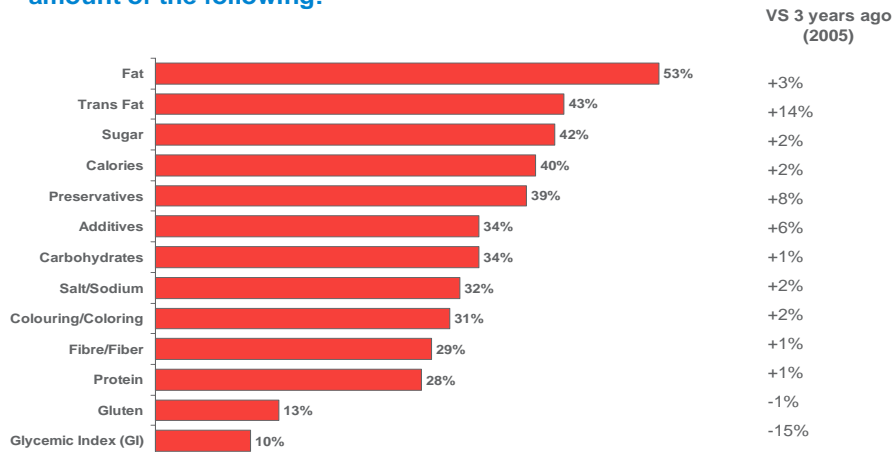


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**nielsen** Labelling and Health Survey Fieldwork: 21/4/08 – 6/5/08

**Chart 4**

**Singaporeans who always check food labeling for the content or amount of the following:**



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**nielsen** Labelling and Health Survey Fieldwork: 21/4/08 – 6/5/08

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This edition of MRSS Bulletin is put together by:

