

ASIAN ADVERTISING 2007

In Commemoration of the 50 years of AdAsia and 30 years of AFAA

50^{AdAsia}

30^{AFAA}



ASIAN ADVERTISING 2007

9th Floor Korea Advertising Culture Center, 7-11,
Sincheon-dong, Songpa-gu Seoul 138-921, Korea
Tel 02-2144-0750 Fax 02-2144-0759

Published in 2007 by Asia Federation of Advertising
Associations (AFAA).
Printed in the Republic of Korea (South Korea).
Editorial design by TFT, Seoul, Korea

No part of this book may be reproduced in any form
without permission in writing from the writers whose
names appear in individual reports and at the back
of the book.

This book was published with a grant from the
Broadcasting Development Fund and DENTSU INC.

CONTENTS

Foreword	Chairman's Message	4
	AdAsia 2007 Congratulatory Address	6
	Acknowledgments	8
	A Few Words from the Coeditors	9
Chapter 1	Asian Advertising Congress (AdAsia)	
Chapter 2	Asian Federation of Advertising Associations (AFAA)	
	※ Chapter 1 and Chapter 2 are included on the CD.	
Chapter 3	Development of Asian Advertising 1958 – 2007	13
	Development of Asian Advertising - Executive Summary	14
	Development of Asian Advertising - Nepal	16
	Development of Asian Advertising - Philippines	24
	Development of Asian Advertising - India	46
	Development of Asian Advertising - Indonesia	50
	Development of Asian Advertising - Japan	72
	Development of Asian Advertising - Korea	76
	Development of Asian Advertising - Malaysia	82
	Development of Asian Advertising - Singapore	94
	Development of Asian Advertising - Taiwan	97
	Development of Asian Advertising - Thailand	102
	Development of Asian Advertising - China	109
Chapter 4	Current Status of Advertising	119
	Current Status of Advertising - Nepal	120
	Current Status of Advertising - Philippines	129
	Current Status of Advertising - India	137
	Current Status of Advertising - United Arab Emirates	146
	Current Status of Advertising - Japan	152
	Current Status of Advertising - Korea	165
	Current Status of Advertising - Malaysia	178
	Current Status of Advertising - Singapore	198
	Current Status of Advertising - Taiwan	204
	Current Status of Advertising - Thailand	220
	Current Status of Advertising - China	228
Appendix	Movers and Shakers in the Development of Asian Advertising	243
	About the Writers	287

▶ Chairman's Message



Sang Jo Nahm / Chairman

Asian Advertising - 2007 is published in commemoration of 50 years of the Asian Advertising Congress (AdAsia), held every other year, and 30 years of the Asian Federation of Advertising Associations (AFAA). For this reason, I wish to invite all our colleagues to reminisce a few minutes on the development of Asian advertising during the last 50 years.

Half a century ago, in 1958, a few dedicated visionaries in marketing communications in Japan pulled their forces together and launched an Asian Advertising Conference in Tokyo. Altogether, there were slightly over 100 delegates, including eight from five foreign countries. Two years later, 35 overseas delegates from five countries participated in the conference. It became a congress instead of merely a conference.

Manila was the host city for the Third Congress, in 1962, followed by Hong Kong in 1964, and the Fifth Congress was held in Taipei and blessed by none other than Generalissimo Chiang Kai-shek, setting precedent for the chief-of-state to address the Congress. The Fifth Congress also adopted an important resolution calling for the formation of the Asia Pacific Advertising Association. The realization of this resolution took a while to materialize, but the idea bore fruit a little over a decade later and the Asian Federation of Advertising Associations (AFAA) was born in 1978, thanks to the late Antonio De Joya's tireless and dedicated work.

When the International Advertising Association, IAA, launched its landmark survey on international advertising expenditures in 1960, there was only one country reported in Asia: Japan. Eight years later, the number of countries included in this important report increased to twelve in Asia. The 1968 IAA survey showed total Asian advertising expenditures at US\$1,719.8 million, of which 85 percent was for Japan, and Asia (called East Asia in the report) represented 6 percent of the world's total advertising, which amounted to \$30,866 million.

The survey is now conducted by a few leading media and research companies, among which ZenithOptimedia is one. Its latest forecast (December 2006) shows that the 2007 Asia-Pacific share now stands at 21.3 percent of the world's total. In volume, the Asia-Pacific region accounted for \$96 billion of the total world, which stood at \$451 billion. In short, the volume of advertising in the Asia-Pacific region grew by around 56 times while the total world figure showed roughly 15-times growth during the 40-year span of 1968 to 2007. Meanwhile, China and Vietnam, the two former socialist economies, have switched to the market economy.

With the support by the Asian advertising industry, AdFest is held in Pattaya, Thailand every March. It is not only an award-winning event but also a training ground for young aspiring advertising professionals. The impressive event is only 10 years old but it has grown by leaps and bounds. When it was launched amidst the Asian financial crisis of 1998, it drew 200 professionals and the number of entries was 778. In 2006, there were 1,400 participants and 4,738 entries. Another noteworthy project is underway: the Asia Pacific Media Forum, held annually in Bali, Indonesia. Only two years old, the APMF has a bright future and draws future media professionals meeting the mounting challenges.

Asian Advertising - 2007 is a humble book (and CD), but it is a record of the tremendous development of Asia's past 50 years of advertising. It is the result of hard work given voluntarily by AFAA representatives, many writers, contributors and staff involved in the production. My sincere appreciation to all of them.

Before closing, I wish to express my deepest appreciation to Dentsu for its grant, without which this book would not have seen the light of day. On behalf of AFAA and its members, I wish you to join me in congratulating the publication of *Asian Advertising - 2007*.

Viva Asian Advertising!

Sang Jo Nahm
Chairman

▶ AdAsia 2007 Congratulatory Address



Joseph Ghossoub
Chairman and World President IAA

Dear Friends,

What an exciting time to be an ad man (or woman) in Asia. This is one of the largest, most exciting and promising markets worldwide for our industry, and I am thrilled to be thrust into the thick of it with the AdAsia 2007 forum in Jeju.

For the better part of the last century, AdAsia and the Asian Federation of Advertising Associations have convened these wonderful platforms for the exchange of information and ideas, strategies and insight, in locations as diverse and dynamic as India, the Philippines, Thailand, Taiwan and Singapore.

I believe this same diversity and dynamism is what continues to propel the Asian marketing and advertising industry relentlessly forward, through the economic, political and social crises of recent years. Economic growth is good but twinned with the relentless drive to be ever better, to innovate and to keep pace with the cutting edge, it is unstoppable.

There is no question about the quality of the creativity in this region. From Cannes to Clio, Asian agencies and Asian advertising professionals continue to be singled out for top international accolades.

There is also no question about the growth potential in this region. Recent media consumption surveys show promising patterns with rapid take-up in online, and strong numbers in television, radio, newspapers and magazine. These factors, combined with the promise of Asia's growing population, make for a heady combination indeed.

I believe the international advertising community can learn a great deal from Asia: lessons on successfully reaching ethnic communities, bridging cultural divides and retaining agility and speed without compromising on quality. I am confident this commemorative book will help spread those lessons around the world.

I would like to thank AdAsia, first and foremost, for recording and sharing these lessons for the last 50 years - a half century of great work. What began with a small but prominent group of individuals has grown into an organization with representation in 15 nations. The first AdAsia conference in 1958 drew 130 Japanese delegates, and an addition 10 from five other countries. We certainly have come a long way since then!

I would also like to extend my congratulations to the Asian Federation of Advertising Associations (AFAA), for all that they have done and continue to do. The IAA has a history of cooperation with the AFAA over these last 30 years, and I look forward to reinforcing these bonds.

In closing, I would like to extend my appreciation to all those who worked to bring this conference to fruition, and to thank our friends in the ad community in Korea and the Korean people for hosting us in this wonderful city.

Thank you and congratulations

Joseph Ghossoub
Chairman and World President IAA

► Acknowledgments

First and foremost, we wish to thank the following writers and contributors (in the order in which they appear on the AFAA membership list) for *Asian Advertising - 2007*:

Dr. Pradeep Bhattarai, Nepal
 Ramon Faustino L. Dolor II, Cynthia S. Jacinto and Raymond K. Nacino, Philippines
 Ramesh Narayan, India
 Indra Abidin, Indonesia
 Tanvir Kanji, UAE
 Japan Advertising Federation, Japan
 In Sup Shin and Dong Hyun Kim, Korea
 Nantha Kumar, Malaysia
 Eddie Chan, Singapore
 Jonathon Chen and Cheng Tzu-leong, Ph.D., Taiwan
 Saravudh Anantachart, Ph.D., Thailand
 Wen Chunying, Ph.D., China

We thank many AFAA representatives who gave their support to this significant publication. Also our sincere appreciation to contributors in the Movers and Shakers section, who played important roles for the development of advertising in Asia during the past half a century. The hard work of carrying out the many tasks involved in coordinating this effort, carried out by James Matthews, AFAA Secretariat, deserves our word of thanks.

We wish to express our deep appreciation to Mr. Hwan Kim, Deputy General Manager, and Miss Yeon Joo Lee of KFAA, who gladly gave so much of their time for the book far beyond their duties. Our appreciation to Gary Rector for his help and advice on English.

Last but not the least, our sincere appreciation to Mr. Shinzo Okamoto, Senior Executive Officer, Corporate Communications Division, Dentsu, Japan, and his staff for their dedicated support in tracing and discovering archive records of the launch of Asian Advertising Conference in Tokyo 50 years ago in 1958. A brief summary of the early records appears in a four-page article in “Asian Advertising Congress -How It Started.”

In Sup Shin
 Visiting Professor
 Hallym University
 Coeditor

Dong Hyun Kim
 Vice Chairman
 Korea Federation of Advertising Associations
 Coeditor

► A Few Words from the Coeditors

A few words are in order to help readers understand the book and CD.

Asian Advertising -2007 is published in commemoration of 50 years of the Asian Advertising Congress (AdAsia) and 30 years of the Asian Federation of Advertising Associations (AFAA). *Asian Advertising - 2007* is composed of two parts: the book (orange cover) with the CD inserted in the jacket and another book (blue cover).

The book (orange cover) consists of:

- Chapter 1: Photo collections of Asian Advertising Congresses (AdAsia)
- Chapter 2: Asian Federation of Advertising Associations (AFAA)
- Movers and Shakers featuring prominent persons who contributed to the development of advertising in Asia.
- About the Writers

Another book (blue cover) consists of:

- Chapter 3: Asian Advertising Development since 1958 when the first conference (congress) was held in Tokyo, Japan
- Chapter 4: Current Status of Advertising
- Movers and Shakers featuring prominent persons who contributed to the development of advertising in Asia.
- About the Writers

The book (orange cover) is more or less a collection of photographs of AdAsia held in different Asian countries and AFAA activities. The CD covers the entire text. A limited number of the book (blue cover) is published to help interested professionals and academia as well who prefer a book format.

Every effort has been made to include information on all 16 AFAA member organizations, but some members have failed to respond and as a result there are countries missing in the book. This is true with Chapter 1, which covers AdAsia. Although the biennial AdAsia has been held 25 times since 1958, there are many congresses for which we were not able to obtain any records.

While the initial intention was to present articles in standardized format, we found it quite difficult to do so because of different stages of advertising development in various AFAA member countries. Also, we accepted the texts just as they were submitted by individual contributors.

Although China is not an AFAA member, we included China in view of its importance in Asian advertising development.

Meanwhile, coeditors tried to maintain the text as submitted unless they found factual errors, so as to keep the original “flavor” of the articles.

While coeditors primarily relied on articles and materials provided by writers arranged through AFAA representatives, they also used articles and materials collected or contributed by individuals. In such cases, the source is stated.

The order of texts in the book and the CD follows the AFAA member list.

AFAA Member List

1. Accredited Advertising Agencies Association Sri Lanka
2. Advertising Agencies Association of Bangladesh
3. Advertising Agencies Association of Nepal
4. Advertising Board of the Philippines (AdBoard)
5. Advertising Council of India
6. Indonesian Association of Advertising Agencies
7. International Advertising Association UAE Chapter
8. Japan Advertising Federation (JAF)
9. Korea Federation of Advertising Association (KFAA)
10. Malaysia Advertisers Association
11. Mongolian Advertising Association
12. Pakistan Advertising Association
13. Singapore Advertisers Association
14. Taipei Association of Advertising Agencies
15. The Advertising Association of Thailand
16. The Association of Accredited Advertising Agents of Hong Kong

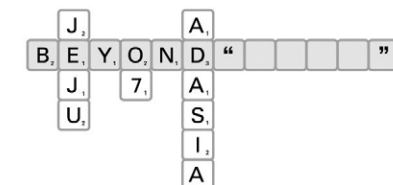
In Sup Shin
Visiting Professor
Hallym University
Coeditor

Dong Hyun Kim
Vice Chairman
KFAA
Coeditor

Congratulations on the 50th anniversary of AdAsia and 30 successful years for the AFAA.



dentsu



C H A P T E R

Development of Asian Advertising

1958 – 2007

Advertising Agencies Association of Nepal

Advertising Board of the Philippines

Advertising Council of India

Indonesian Association of Advertising Agencies

Japan Advertising Federation

Korea Federation of Advertising Associations

Malaysian Advertisers Association

Singapore Advertisers Association

Taipei Association of Advertising Agencies

The Advertising Association of Thailand

China

C H A P T E R 3

Development of Asian Advertising

Executive Summary

This is a very brief look at the development of advertising industry in Asia since 1958 when the first Asian Advertising Conference was held in Tokyo, Japan.

In late 1950s, International Advertising Association (IAA) launched an ambitious project, a survey of world advertising expenditures. As it turned out, Japan was the only country where advertising expenditures data were available in the whole of Asia, then. It was 106.5 billion yen or around \$296 million in 1958.

Although IAA continued its survey on the world's advertising expenditures, it was not until 1968 that findings on 64 countries were published in U.S. dollars in a 38-page brochure. It was now possible to compare ad outlays in different countries.

East Asia, as the region was called at that time, included 11 countries. Australia and New Zealand were listed under a separate region. The total advertising expenditures for the 11 stood at around US\$1.7 billion or 6% of the world's total of \$30.9 billion.

Some 40 years later in 2007, the estimated

advertising expenditures for Asia Pacific were reported to be \$88.8 billion according to Advertising Expenditure Forecasts (March 2006), a survey by ZenithOptimedia, a media agency under the Publicis Groupe of France.

Put it another way, Asia Pacific advertising recorded some 40 times growth in the four-decade period while the world's total ad expenditures increased to \$428 billion from \$30.9 billion, or 14 times growth between 1968 and 2006. The ZenithOptimedia data include only seven media: newspapers, magazines, television, radio, outdoor, cinema and the Internet. Therefore, actual expenditures for all media should be higher than the above figure.

A couple of significant developments during the past 50 years may be worth mentioning. The first is the emergence of NICS (Newly Industrialized Countries) or Four Dragons in the 1970s: Hong Kong, Singapore, South Korea, and Taiwan, as they were so called then. Total advertising expenditures for the four countries in 1970 stood at around \$126 million which increased to \$1,036 million by 1980 reaching eventually \$5,572 million by 1990 according to IAA data, or 4,422% growth in a 20-year-period!

World Advertising Expenditures 1968 and 2006 by World Regions

Advertising Expenditures, Million US\$ (Share in %)

Region	1968	Region	2006
U.S. and Canada	18,860 (61)	North America	182,209 (43)
Europe	8,531 (28)	Europe	113,010 (26)
East Asia	1,720 (6)	Asia Pacific	88,819 (21)
Latin America	1,092 (3)	Latin America	19,754 (5)
Australia/New Zealand	451 (1)	Africa/Middle East/ \ Rest of the World	24,581 (6)
Middle East & Africa	211 (1)	Total	428,373 (100)
Total	30,866 (100)		

Source: 1968- World Advertising Expenditures, IAA. 2006; Advertising Expenditures Forecasts March 2006. ZenithOptimedia. Please note figures are rounded.

Another equally eye-opening development was the emergence of China. Its advertising expenditures in 1981, the first year when such data became available, were 118 million yuan or US\$40 million and 0.024% of GDP, probably the lowest in the world. That figure truly galloped to US\$17 billion in 2005 and close to 1% of GDP making China probably the fifth largest advertising market in the world after U.S., Japan, Germany and United Kingdom. Less striking in number but still impressive is India, catching up fast on its advertising growth. Advertising started to thrive in Vietnam, too.

According to the survey published in March 2006 by ZenithOptimedia, world's total in 2008 is estimated to be around \$478 billion for 7 major media, newspaper, magazine, radio, television, cinema, outdoor and internet. Breakdown by region shows 41.4% for North America, 25.8%

for Europe, 21.4% for Asia Pacific and 11.5% for Latin America and the rest of the world. As mentioned earlier, the share of East Asia (Asia) in 1968 was 6% and Australia/New Zealand, 1%, or 7% for Asia Pacific. Growth of Asia Pacific is indeed striking. In short, Asia Pacific is expected to triple in its share of the world advertising outlay in four decades between 1968 and 2008.

Despite such a growth, the region with an exception of a few countries, is not without problems to reach the level of sophistication.

In Sup Shin Dong Hyun Kim
Coeditor Coeditor

Cover page, IAA World Advertising Expenditures survey 1968. This brochure was the first study of world advertising expenditures in 64 countries expressed in U.S. dollars.



Advertising Expenditures Forecasts, March 2006 of ZenithOptimedia.

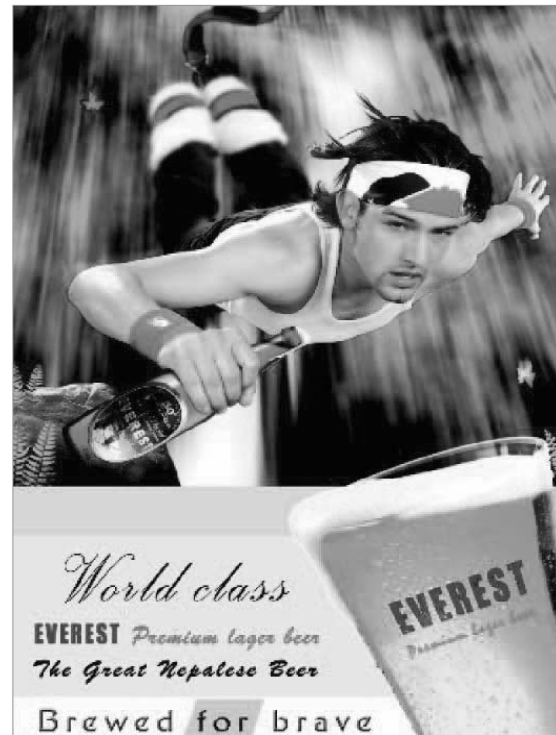


C H A P T E R 3

Development of Asian Advertising - Nepal

by Dr. Pradeep Bhattarai

Nepal is a beautiful Himalayan country situated in South Asian sub-continent, between China and India. It is well known in Asia but in the West, there is still confusion, whether it is Naples of Italy or it is a part of India. But, when we talk about Mount Everest, the highest mountain in the



world and the Lord Buddha, the founder of Buddhism, which both belong to Nepal, then the misunderstanding of the minds end and people start to pay their respect towards Nepal. This confusion is there either colonial factor of India remaining in their minds or our limitations to figure out our country in the West. Whatever the confusion or limitations, we Nepalese people proudly say that we belong to Nepal, the only one independent country in this sub-continent which was never a colony of any superpower of any era.

Basically, Nepal is a developing country based on agro-economy, not industrialized, and we must say somehow poverty is still there. This is the crux of the matter that we are not in a position to say that we have a substantially developed advertising industry. Now we are in a comfortable position to say that the Nepalese advertising industry is in an emerging state, ready to move forward in a very giant leap.

Nepalese advertising since its primitive stage can be divided into two parts by era, means and medium.

- Ancient Advertising
- Modern Advertising

※Note: Text as provided by the writer except the years shown in Gregorian calendar.

Ancient Advertising

Although we don't have the authentic history about when ancient advertising started in Nepal, the historians have a hunch that it might have started from the practice of publicizing notices from the kings. Customs like 'jhyali pitaune', 'Top Padkaune', 'Bigul Fukne', etc. might have been the various practices in the development process of advertising. It is believed that the beginning of ancient advertising in Nepal had also been in the non-commercial form as it was in the history of world advertising. In fact, our advertising started from the 'Bhat' custom, which was

non-commercial. As far as commercial advertising is considered, we have the history of the people shouting aloud and selling their products in the *Haat bazaar*. This can be treated as the starting point of commercial advertisements. The evolution of ancient Nepalese advertising has also the same order of development, i.e., from voice medium to picture or graphical to the script medium.

As for the era of this advertising, we can say that starting before the documented era of advertising, our ancestors had enjoyed the ancient concept of advertising, means and medium, whatever the possibilities.

Ride Your Attitude

Come test ride the NEW BAJAJ Pulsar DTS-1

Introductory Price: 150 cc (Self Start & Disc Brakes) - Rs. 137,900/-, 180 cc (Self Start & Disc Brakes) - Rs. 148,900/- | 2 Years Warranty | 5 Years Free Service

Enhanced Power	Enhanced Fuel Economy	Enhanced Comfort	Enhanced Looks
DTS-1 engine	Exhaust TEC	Nitrox Shock Absorber	Alloy Wheels

Sole Authorised Dealer:
Hansraj Hulaschand & Co. Pvt. Ltd.
Tiku Road, Kathmandu.
Ph. No: 4220094/ 4230001 / 4261200

BAJAJ
NEPAL'S LARGEST SELLING BIKES

Dealers: Bhaktapur Super Market Complex, Tel: 4438104; Dillibazar Exchange, 4441042; Bhaktapur, Tel: 9811777; Pokhara, Tel: 522315; Narayangarh, Tel: 523639; Butwal, Tel: 523637; Hetauda, Tel: 524336; Lalaha, Tel: 561087; Biratnagar, Tel: 524476; Janakpur, Tel: 521100; Dharan, Tel: 52582; Damai, Tel: 58106; Dang, Tel: 965743; Dhungadi, Tel: 322058; Biratnagar, Tel: 545724; Butwal, Tel: 544549; Bharatpur, Tel: 523637; Pajura, Tel: 530944; Narsingh, Tel: 522751; Tauliawa, Tel: 580416; Malangwa, Tel: 520703.

Modern Advertising

After the long practice of ancient means and medium of advertising, finally Nepal entered into the era of modern advertising, though it is very much primitive if we observe it through the eyes of the present state.

The development of Nepalese modern advertising is the same as that of world advertising. If we considered through means and medium's point of view, Nepalese modern advertising has evolved from print to radio and television and finally to

the cyber medium.

Print Media

To look at the history of modern advertising of Nepal we have to go back to B.S.1908 (1851) when the then P.M. of Nepal Janga Bahadur Rana brought Gidde Press from his official visit to Great Britain. But, this press only printed envelopes, tickets and government papers and didn't contribute in making the history of advertisement printing.

The credit for printing the first advertisement in Nepal goes to the Manoranjan Press situated in

Thahiti. In B.S. 1919 (1862), this press had published *Mokshasiddi*, - a book by Krishna Giri on whose cover page the very first print advertisement in Nepal is found. The ad was as follows:

This is the first authentic advertisement in the history of Nepalese advertisement. After that, to search the second ad we have to travel to B.S. 1945 (1888) when a book called "*Hasya Manjar*" was published from the Bharat Jeevan Press in Banaras. On the cover page of this book, whose cost was 3 'aanas,' the following ad about 'Gorkha Bharat Jeevan' was printed:

नेपाल मनोरञ्जन प्रेसमा छापिएको किताबको
 कृष्ण गिरि कृत मोक्ष सिद्धि एक के ।
 कृष्ण गिरि कृत स्मार्त धर्म सग्रह एक के ३॥
 स्तोत्र सग्रह एक के ॥
 श्री तल लेखिएका किताब छापिन तयार छ -
 श्री धरि टिका सहित श्रीमत् भागवत् गीता ।

नेपाली भाषाका बाबुराम कृष्ण वर्मा सम्पादक गोरखा
 भारत जीवनले
 अनेक तरहका हार्सी दिल्ली श्री चतुर्याङका कुरा
 सग्रह गरी
 आफ्ना नात्र यन्त्रालयमा छापि प्रकाश गरे ।

Unleash the Best in You...
 ... the **APEX** way.

Life offers a number of opportunities. We train you how to capitalize on them. That's what true education is all about. The contemporary market-relevant curricula, techno-savvy environment, excellent real-life exposure and incredible job placement for students have always made APEX an ideal place for higher studies.

Completing 5 glorious years of success, APEX continues to stand out with the following programs:

- Masters of Business Administration (MBA)
- Bachelors of Business Administration (BBA)
- Bachelors of Computer Information Systems (BCIS)
- Bachelors of Computer Engineering (BE Computer)
- Bachelors of Electronics and Communication Engineering (BE Eix)

APEX COLLEGE
 Affiliate to Pokhara University
 GPO Box: 19891, Baneswar, Kathmandu, Nepal
 Phone: 4407922, 4478941, Fax: 4407923
 Email: admissions@apexcollege.edu.np
 www.apexcollege.edu.np

Application form distribution: On

Look no further.

Education for Rewarding Career. For You.

Enjoy!

Khukri XXX Rum

Nuptse
 Mt. Everest

Nepal's Finest Rum Since 1959!

Recommended Rum Punches for all seasons:

1. Khukri Rum with honey and spice.	5. Khukri Rum with black coffee.
2. Khukri Rum with Hot/Chilled lemon soda.	6. Khukri Rum with crushed Elaichi,
3. Khukri Rum with fruit cocktail soda.	Ginger, Cinnamon & hot water.
4. Khukri Rum with chilled cola.	7. Khukri Rum with Ice Tea.

THE NEPAL DISTILLERIES PVT. LTD.

Perspectives
 Behind every successful boss
 Who's secret is part of our story

SOMEHOW, PEOPLE WITH THE LEAST TIME, ALWAYS HAVE TIME FOR PERSPECTIVES

Every successful corporate follows a path that is distinctly theirs. Most will however, admit to deriving spontaneous inspiration from what they read. With leading writers, professionals, gurus and journalists contributing, Perspectives offers a fresh take on issues that matter most to the corporate world.

Perspectives
 FOOD FOR THOUGHT

It took 11 years, after the second ad, for the third ad to be printed. The last page of Pt. Kapildev Sharma's book 'Nalopakhyan' which was published in 1956 (1899) contained the following ad about the weekly paper "Sudha Sagar":

यो वरिष्ठ खुशीको वात भयाको छ की हाम्रा गोरखा
भाषामा पनि ११ सालका श्रावण मैना देखिन
सुधासागर भन्दा
मासिकपत्र निस्क्याको छ गोर्खालीहरु
वर्ष दिनको जावो १॥ रु । दिनलाई पनि माहारो मान्या रहन्या



छन् तस्मात् हे स्वदेशीय बुद्धिवत माहाशयहरु यो कुरा
सबै जिचार गर्नु हवस यस फगत एकलो अनाथ सुधासागरको
उपर दया राखी आफ्ना देश भाषाको उन्नति गर्नु हवस ।

The three valid documents mentioned above were the advertisements in Nepalese print media before the publication of *Gorkhapatra*, the state owned newspaper. The publication of *Gorkhapatra* began from Baisakh 4, 1958 (1901) B.S. as a weekly paper. The first issue of *Gorkhapatra* edited by Pt. Naradev Motikrishna

Sharma and printed from Pasupati Press had the following advertisement published:

१ विज्ञानको छपाई १ वार्ता मात्र छपाउन्या लाई १ पढातिको
IS दोस्रो वार्तालाई = धेरै वार्ता छपाउन्या बन्दोबस्त
छपाखाना सूचना दी दर्याफत गर्नुहोला ।

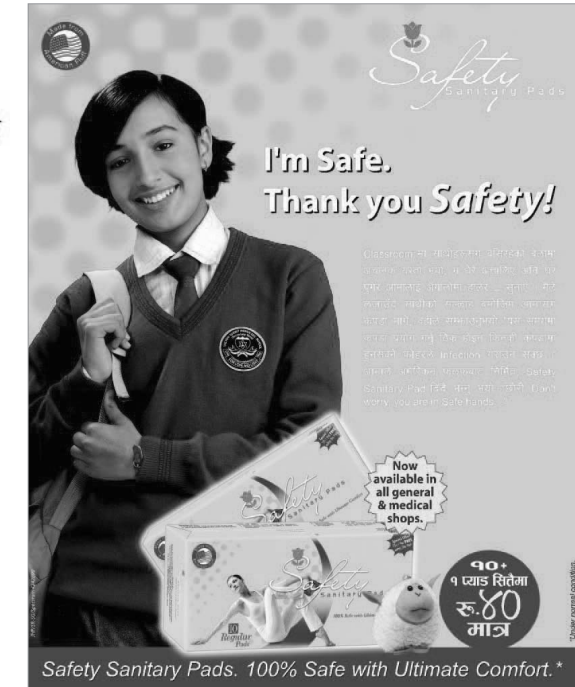
In between B.S. 1958 (1901) and B.S. 2014 (1957), various publications in Nepalese language were published and there were various forms of printing advertisements, whether it was as notice, order, or regulation. Under the chairmanship of Judge Krishna Prasad Chapagain the first Press Commission was formed on Magh 20, 2014 (1957) B.S. The document forwarded by this commission to the government on 31, Jestha, 2015 (1958) B.S. contained the 20-point advices. The 3rd point was:

पत्रपत्रिकाहरुलाई सरकारी सचिवालय, विभाग र
अड्डाखानाहरुको विज्ञापन दिनुपर्छ ।

In this way, we have in between us, the history of government legally entering the advertisements in the print medium, after the advice of inflowing government's advertisements even when there were no business industries. After then, within these four decades there has been radical change in the advertising business. The industrialization that has arisen along with the time has played an important role in changing the nature of print advertisement.

Advertising on Radio

The history of radio broadcasting, in Nepal began in 2002 (1945) B.S. when the first test transmission of radio was performed from the 'Bijuli Adda' situated at the northeast of the then



'Tundikhel.' At that time, no one except the Ranas were permitted to own a radio set. This radio broadcast, permission for which was given to Kashi Raj Pandey by P.M. Padma Samser, could not be continued for more than two months due to the interference by other Ranas. During this time, whether any ads were broadcasted or not, there is no valid history. In 2004 (1947) B.S. the publics were permitted to keep radio sets to hear All India Radio but, to listen to the Nepalese radio they had to wait till the revolution of 2007 (1950) B.S. which was against the contemporary Rana regime. The contemporaneous freedom fighters for the first time aired the voice of the public on Mangsir 20, 2007 (1950) B.S. from Bhojpur through a transmitter. The same transmitter was brought to Biratnagar on Magh 17, 2007 (1950) B.S. and the following request was aired from that radio

named as 'Prajatantra Radio':

यो प्रजातन्त्र नेपाल रेडियो हो ।
हामी मुक्ति संग्रामको मोर्चाबाट बोलिरहेका छौ ।

This radio, established in Raghupati Jute Mill, Biratnagar, is guessed to have broadcasted a kind of advertisement in the form of notices and requests but not commercial ads, though we can't find any authentic history.

Today's Radio Nepal began its transmission on 20 Chaitra, 2007 (1950) B.S. as state-owned radio broadcasting medium with the name of Nepal Radio. The broadcasting of commercial advertisement must have begun thereafter, but it is almost impossible to say which the first one was. The record available at Radio Nepal as the first Radio Commercials in social notice form is:

श्री ५ महाराजाधिराज त्रिभुवन वीर विक्रम शाहदेव
सरकारको पार्श्व शरीरमा आफ्नो शैलीको मुजा
सम्प्री बन्नु अरुलाई चोर नलगाउनु ।
हामी मुक्ति संग्रामको मोर्चाबाट बोलिरहेका छौ ।

At first Nepal Radio had not provided advertising service, it was carried out by the Ratna Recording Company, and this company paid Nepal Radio all in a single installment. But today Radio Nepal has its own advertising service through this service, it has been transmitting various types of advertisement. After 2051 (1994) B.S., when Radio Nepal established FM Kathmandu under it, it has speeded the flow of radio ads, however it is also felt that this has affected the flow of ads in AM broadcasting. Later in 2055 (1998) B.S., the establishment of Kantipur FM not only broke the 50-year long

monopoly of Radio Nepal but also provided other opportunities for airing the radio ads. Today, there are 53 FM Radios airing commercial and semi-commercial advertisements and about a dozens of FM Radios are in the process of airing.

Advertisements in Films

Nepali movie history begins from 2006 (1949) B.S. *Janseva* hall, the then '*Sabghriha*' (Assembly Hall), with displaying Hindi films started the exhibition of commercial films in Nepal. Tough, we don't have this hall now, more than 500 halls have been established in Nepal and these halls are showing advertising slides of different products.

Which advertisement slide was the first to be displayed in a cinema hall, is still a subject of search. But, speculation is that the displaying of slides began after the establishment of Janseva Hall in 2007 (1950) B.S. It is also guessed that the first advertisement slide must have been the non-commercial one, that too in the form of notice. Although, after the penetration of television in Nepal there has been a bit of deficiency in film advertisement, we find the ads of daily used products and social ads in sufficient manner.

Advertisements on Television

The idea of having television in Nepal was sown in 2041 (1984) B.S. Only after 6 months, i.e., on 29 Shrawan, 2042 (1985) B.S. Nepal Television began its test transmission. Probably, the days of TV commercials must have begun in those days (the days of test transmission). On this very day, Nepal Television Project became Nepal Television Corporation and television broadcasting was started in regular manner. About 15.8% of the total broadcast time of Nepal Television is

occupied by the advertisements, now. In these advertisements, 53% are national and the rest are international ads.

After 2058 (2001) B.S., the era of government television entered into the age of private ones. Before this, few private companies had bought NTV time and were broadcasting their programs and ads. But today, private channels like Kantipur TV, Channel Nepal, Image Metro Channel, Image Channel and Nepal 1 are also airing advertisements along with Nepal Television's national channel and Metro Channel.

Since last couple of years, television because of its audio-visual beauty emerging as the prime medium of advertising.

Advertising on the Internet

In the last four years of 20th century, advertisements made a place in the Internet. Online ads have begun in Nepal too. We cannot currently say that its effect is decisive but it certainly is looking towards the positive direction. At present, about 2 dozens Nepalese web sites are involved in cyber advertisements.

Advertising in Other Media

In this state, where the world has stepped into the 21st century, a condition has been created to sort out what can and what can't be a medium for Advertising. Hoarding boards, display boards, wall writing, pamphleteering, 'miking,' etc., all have become prevalent advertising mediums. Beyond these, visiting cards, invitation cards and even various gifts are being used as advertising media. These types of development in the concept and angle of advertisements have created such a chaos that one finds it difficult to distinguish

between an advertisement, news, message, and notice. Whatever maybe, Nepalese Advertising has taken a big stride towards the bright direction, in the past 140 years.

Remarks

As stated above, the modern advertising in Nepal come across a long away and finally we are in a position to say that Nepalese advertising is world-class through all points of view. If there is any difference, that is only because of market and in some way skilled manpower and their tendency in such.

In the development process of advertising in Nepal, advertising agencies, advertising personalities, AAN (Advertising Association Nepal) as the apex body of advertising in Nepal, advertisers and the media sector have played a significant role. But at the same time, we mustn't forget the 1990s popular movement and its outcome which provided this open and competitive environment to move forward.

Now, Nepalese advertising industry is in boom-show, shows must be continued.

C H A P T E R 3

Development of Asian Advertising - Philippines

The Evolution of Philippine Advertising

In this age of recession and a deteriorating economic situation, hopes for regaining financial stability remain rather dim. Companies have closed shop, business has gone from bad to worse, all that people talk about is high prices and the difficult times.

The advertising industry is not spared from all these. Some small advertising agencies have stopped operation, people in the industry have been retrenched. But the few of those who have weathered the storm - and continue to do so - have proven that, despite the crisis, the industry can and will survive. More so, it has developed itself into a necessity that people active in business today cannot very well do without.

The industry, as a whole, has continued to be one of the more established and prominent movers of the economy. The business seems to have been here for years, very few really wonder how this popular and distinguished craft of advertising ever came about. It may be interesting to recollect, at this point, the development of the advertising industry here in the Philippines. Who were the pioneers in the industry? What kind of

by Cynthia S. Jacinto

agencies did they have? What was the prevailing concept of advertising at that time?

Although advertising as an industry formally began only in the 1920s, the earliest Filipino traders who were engaged in barter and limited commerce with other Asian peoples before the advent of the Spaniards in 1521 were already using advertising in the crude, primitive forms - similar to those of the Greeks, Egyptians, and Romans. Archaeological diggings prove that the early Filipinos already used printed signs to communicate their messages, believed to be the influence of the Malays, Chinese, Japanese, and other Asians who were among the first civilizations to come in contact with the Philippines.

With the advent of the Spanish era, the use of the printing press was introduced. This led to the development and growth of newspapers which formed the major means of public communication. With the development of printing and journalism, advertising, likewise, ensued. Newspapers then carried information on political views, business announcements, and product availability.

One prime example is a beer ad presumed to be the first of its kind in existence in this country.

Emblazoned on the front page of the *Diario de Manila* (published and edited by Felipe del Pan) in June 1896, it showed a young Spanish girl holding a near-full beer mug. Although there was no mention of the beer brand, there is very strong to believe that the ad belonged to San Miguel Corporation since it was the only company at that time which produced locally-made beer.

SMC actually went into print advertising early in its life. In a tourist brochure published in 1908, San Miguel Beer was billed as the best beer for the tropics as known to everybody. This brochure was published by the McKinney's Eastern Detective Agency for the visiting Atlantic Fleet. Another beer ad also came out in 1909 in the paper *El 96 Rivisita Quincenal*.

As business and commerce boomed especially in the American period, the need to use the papers to popularize an idea or a product became more pronounced, marking the start of the real development of advertising as an industry in the Philippines.

Advertising Before World War II

The early 1920s saw the appearance of one-man organizations devoted to advertising in the Philippines, mostly housed in one-room offices in Manila. The heads of these organizations were the ones who singly took charge of maintaining contact with advertisers, including the writing of the advertising copy, presentation of layout and artwork, and the delivery of the finished advertisements to the newspapers and magazines. These one-man organizations later became the forerunners of the modern advertising agencies.

Gradually, the period saw the transition of advertising from a stereotyped announcement to a



potent selling tool. From an originally media-advertiser activity, the advertising industry graduated to a more professional craft with the emergence of spaceman or space brokers. These were advertising solicitors whom newspapers hired to sell space to advertisers (similar to the present-day account executives). The spacemen were left to prepare their own layout, copy, and artwork. They went direct to the advertisers and made the best of their innate salesmanship powers to seek as much space as their quota demanded. Although newspapers had their own ad departments with artists and layout men, the spacemen, nevertheless worked on the copies using their own imagination and

conceptualizing innovative ideas to serve the personal tastes of the clients.

Even then, spacemen did not just sell space; they sold circulation that attracted advertisers. Big circulation then - as it is now - depended on the editorial content of the publication. Those that inspired public confidence by objective presentation of the news, those that had attractive layout, those that had efficient circulation system and reliable composing and printing departments; and those with respected and accepted publishing policies, were accorded priority and redence by advertisers.

Pioneer Agencies before the War

In 1921, the first recorded organized advertising agency was established called the Philippine



Source: First Quarter Storm, 4As 25th Anniversary Advertising Summit, Souvenir Program, 2002.

Publicity Service Inc., managed by Edmund Bullis. It was followed shortly by the Philippine Agency Service Company founded by Theo Rogers, North W. Genkins and Frank Herrier, with Francisco Velasco acting as assistant for administration and accounting. The clearing house for advertisements coming from the United States, this agency later became the forerunner of Philads - Media Representatives.

While advertising agencies increased ads for products became widespread. At that time, around 1928, San Miguel again came out with another product - Magnolia Ice Cream - the first ad of which appeared in the Philippine Herald and another of which in the Excelsior Magazine in the 30s. They showed Magnolia's transformation from a "sorbetes de cafe con hielo" to "el postre ideal para completa una buena comida," or simply as "es delicioso." It was evident that even in those times, San Miguel had already achieved its heyday in the consumer market, as it continues to be a respected institution to this day.

In 1929, Florentino Garruz founded the Philippine Advertising Bureau after he resigned as advertising manager of the Herald newspaper.

In 1930, Ros Chanco, the former staffer of the H.E. Heacock Co. and of the Herald, founded an agency bearing his name.

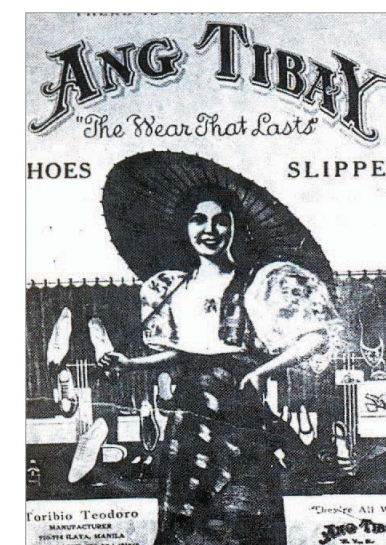
Subsequently, Pedro Escat and Ramon Zamora founded the International Advertising Agency, which was later followed by the Jean Bisson Enterprises, as an agency founded by a French artist of that name. Finding the newly organized agency a threat to its business, the International Advertising Agency was forced to strengthen its

art department.

S.S. Schier and Company and Braun and Rosedale were also among the popular agencies of that era.

Even in the pre-war advertising, competition was already part and parcel of the industry. One notable case is that between the Hale Shoe Company, makers of Esco Shoes and the Hike Shoe Company. Filipino Antonio Lagos who succeeded American Clifford Butler as advertising manager of the Hale Shoe Company engaged in his company as direct competitor in a public battle of advertisements that lasted from the time he took office in 1930 until 1934. The Lagos-Minton Battle of Ads ended, with Lagos emerging as the victor and Esco Shoes making millions, while Hike Shoe Company had to accept defeat and, eventually, close shop.

It was also before the war that an outstanding personality rose to prominence in the Philippine advertising scene. He was Frank J. Herrier, organizer of the advertising and publicity department of Pacific Commercial Company, then the largest export-import in the country and headed by Horace B. Pond. An ad man and salesman with no equal, he was dubbed as the Napoleon of Advertising in the Philippines by Free Press editor R. McCulloch Dick, because of his successful advertising campaigns. In his staff were the best local talents available: Ramon Zamora, Federico Calero, Jose Esperanza Cruz, Ireneo Miranda and Pablo Amorsolo among others. Under Herrier's leadership, Pacific Commercial spent more than P1 million a year on advertising, making that company the largest Philippine advertiser before the war.



Source: First Quarter Storm, 4As 25th Anniversary Advertising Summit, Souvenir Program, 2002.

Herrier, however, resigned from Pacific Commercial and was later hired by Alejandro Roces, Sr. to organize the first real advertising department for La Vanguardia-Taliba newspapers. With a salary of P20,000 a year, Herrier became the highest paid advertising man in the pre-war Philippines.

Other pre-war name greats in the advertising were: Manuel Buenaventura, the first Filipino advertising man to handle accounts for clients including La Estrella del Norte, Estrella Auto Palaca, and J. Ysmael & Co.; Jorge Revilla, pre-war advertising manager of Genato Commercial Corporation; Jose Carcereny, advertising manager of Botica Boie with Mary Navarro-Van Hoven as his assistant; Martin Arroyo who later replaced Carcereny; Phil Novenario of Aguilnaldo's; and Pedro E. Teodoro, pre-war advertising solicitor of the Journal of Education and then advertising manager of Elizalde and Company.

There were also pioneers in the media field - advertising people who represented the newspapers and magazines before the war. Among them were Benigno Manabat of the Manila Times; Gustavo Torres, former artist and advertising solicitor of the Tribune; Lino Gimeno of the Free Press; Ramon Medina, advertising manager of the pre-war Banawag Magazine; Enriqueta David-Perez; Ramon Tagle, pre-war manager of Bisaya-Hiligaynon; Crispulo Meneses of Taliba; Cipriano Jacinto of the Bulletin; Emilio F. Salazar, advertising manager of the pre-war Liwayway; Arsenio de Leon, M.M. de los Reyes and Marcelo S. Reyes, all of Liwayway; and Efrain E. Carlos.

Carlos, who worked under A. Roces Jr., Thibault and Brodt as advertising agencies were very few. Their services, technical know-how and facilities were a far cry from present-day agencies. Radio and color advertising were undeveloped then and television was unknown. It was a great era, however, for advertising in the

Every Quality You Seek in a Modern Motor Car
CHEVROLET
provides at low cost

It's good looking - it's comfortable - it's safe, yet powerful and thrilling to drive - it's dependable and it's dearest ally - economical - this 1936 Chevrolet, the year's outstanding automobile value. It brings you all the features, all the advancements, that you ever expected in a motor car, all for a price which a few years ago would have been simply amazing.

Safer—More Economical

All steel "Turned Top" bodies—new perfected hydraulic brakes—"Knee Action"—shock-proof steering—these are a few of the features that contribute to Chevrolet safety. And it runs on LESS gasoline and oil—will serve you for extra years, giving you the most economical, dependable transportation you have ever known.

CHEVROLET

The Only Complete Low-Priced Car
Pacific Commercial Co. — Distributor

Philippines for it saw the development of advertising into a vital selling tool.

None of the advertising agencies, however, survived the ordeal of the Second World War. But immediately after the country's liberation in 1945, advertising efforts were revived, the industry slowly got back on its feet.

Among the first to open an advertising agency was Americam D.L. Brodt, former advertising director of The Tribune, which represented locally the J. Walter Thompson agency in the States. He set up his office at the Insular Life Building in Manila.

On June 15, 1945, an agency founded by Gene Hubilla named the Commercial Advertising Company (Comacdo) was opened. With the influx of American goods in the country, the agency inevitably flourished.

One of the post-war organized agencies in the country that has, up to this time, survived the times was founded by former advertising manager of Elizalde and Company Pedro E. Teodoro, and Alfredo Benitez in September 1945. The Philippine Promotions Bureau occupied the mezzanine floor of the old building in Rizal Avenue. This agency was later known as Philprom, Inc.

In June 1946, another agency, Pan Pacific Advertisers was organized by Jess Chanco, Rafael Hernandez, and Lyle Little. The same year also saw the birth of Advertising Associated, originally established as an outdoor company, which branched out later to include print advertising services to its clients.

It was in 1947 that Velasco and American part-

ners, Harry Lee and Nick Kline, former officers of the United States Navy, organized the Philippine Advertising Associates, which was eventually absorbed by the J. Walter Thompson Company.

Grant Advertising was born in 1948 and was organized by W.C. Grant and Tyler Stafford, followed by the Gregorio Araneta Incorporated Advertising Department, which later became Ace Advertising, organized by the Aranetas and Antonio de Joya.

De Joya recalls that the industry was well-developed for its time in terms of professionalism of its advertising men. The basic of advertising - as in defining the market, defining the product, and in trying to establish as creative strategy to help meet these objectives - were already known and widely implemented.



In the '50s, the marketing concept of advertising was already in existence and was clearly manifested in the scientific application of companies like PMC, now known as Procter and Gamble. With its active marketing research department, it became the pioneer in brand management in the country.

Ace-Compton's Senior Vice-President-Media Director Vic San Pedro recalls Procter and Gamble's first ad was the Camay Beautiful Girls ad, "Our campaign theme was Camay, the soap of beautiful women and so we tapped the most beautiful woman at that time to endorse the product. Then we branched out to radio commercials."

With the manufacture of Purico, Perla, Mayong Cooking Oil and other products, Procter and Gamble embarked on a wider and more ambitious advertising scheme, launching the country's first



Source: First Quarter Storm, 4As 25th Anniversary Advertising Summit, Souvenir Program, 2002.

soap operas nationwide. These soaps like Dr. Ramon Selga, Gulong ng Palad, Ilaw ng Tahanan, Prinsipe Amante, and Aklat ng Pag-Ibig among others, aired daily in Manila radio stations, advertised products exclusively made by P&G. Fully sponsored by them, these were highly successful that they eventually went to the extent of translating the Tagalog soaps into the dialects of the key provinces to carry their messages across more effectively.

In the '60s, laundry products like Perla, Wheel soap, Tide, Breeze, and Drive and toilet soaps like Lifebuoy, Palmolive, and Lux saturated the market, revolutionizing the advertising industry in the Philippines. Bert Timbol of Philippine Refining Company says that it was during this period that advertising became highly competitive with about 11 toilet soap brands bidding for recognition and consumer purchase.

Even when television was introduced in the

country around the 1950s, radio was still the most widely-used medium for advertising. Movie advertising then ensued about five years later.

Today, because of the glamour and the audio-visual appeal of television to the public, it has developed into an equally good and much-used vehicle for advertising. Radio, however, maintains to be the most mass-based medium.

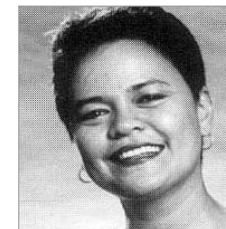
While advertisements at that time may seem crude and primitive to advertising practitioners of today, they, nevertheless, served the purpose of effectively disseminating information, making people aware of the existence of consumer items and keeping the public abreast of relevant issues. Through the years, the industry has substantially grown and tremendously improved. A new genre of Filipino advertising has slowly become evident that could very well come at par with the quality of advertising in other parts of the world.

(Source: PATALASTAS, August 1984)

Hail to the Mavericks!

By Raymond Kalaw Nacino

Twenty-five individuals. Passionate, gifted, and above all, inspiring. Our industry is crowded with talent. These twenty-five rise above the crowd. We call them Mavericks. A maverick, a word used in the 19th century for an American pioneer who refused to brand his calves, is today's nonconformist. Refusing to be comfortable in industry convention, these mavericks questioned and discovered surprising solutions. These mavericks were, and remain, visionaries. They saw beyond the fog of tradition. They saw the light at the end of the tunnel. They changed industry paradigms. Their contributions had impact beyond the industry, extending to the rest of society. Pioneers and innovators, they were driven by the pursuit of excellence, rising above sense of self, to a sense of duty to the profession they chose. Their success and fortune were not handed to them on a silver platter. Pun intended, of course. Many of them labored against demoralizing odds. Where weaker souls have foundered, these twenty-five found themselves in their true element. The industry is grateful, and fortunate, to have lived during their time.



CREATIVE / Emily Abrera

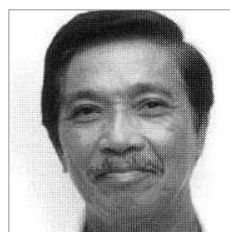
Legend of Philippine advertising. Gives honor to her country by being both the first Filipino president and the first female president of a multinational advertising agency. Joined McCann Erickson Philippines, Inc. in 1987. Bagged the coveted Agency of the Year Award in 1997, 1998, and 2000. In 1999, assumed Chairmanship of the agency. In 1995 was Agora Awardee for Marketing Management. Recently honored with a Lifetime Achievement Award by the 4AsP Creative Guild.



AGENCY MANAGEMENT / Severo Alcantara

A man who rose from the ranks. Started as part-time messenger/janitor at Grant Advertising, then the newest American ad agency in the country in the 40's. Twenty years later, "Sev" was running the now-multinational company and became its major stockholder. In the '90s, he served as Vice-Governor, and later, Governor of Virac, Catanduanes. Today, "Sev" still sits in the board as Chairman Emeritus.

Through a foundation he has set up, "Sev" built a public library and helps send needy but deserving high school graduates to college. "Pay back time," he says while recounting that day in the late 40's when he was blessed with a one-way train ticket to Manila.



BROADCAST / Ben Aniceto

A man - a voice - who has traveled far and wide.

From Lakandula Elementary School to UST, to radio announcer in DZPH to Asian Institute of Management to Bureau chief editor of Philippine News to Los Angeles, to General Manager of ABS-CBN and GAWAD CCP for Outstanding contributions to Broadcasting.

The creator of radio's Beinte Cuatro Oras, Top Tunes on Parade, RADYO PATROL, such personalities as TIA DELY, Eddie Junior Detektib (ED CLAUDIO) and TITA BETTY, among many others.

On TV, the first variety musical show - THE SENSATIONS and introduced HALALAN coverages live on CBN (on site reporting election frauds, (Pre-Namfrel) during the Marcos-Osmena duel in 1969. And NEWSBREAKS featuring lady reporters.

Now, Ben is finishing the soon-to-be-published book on THE GOLDEN YEARS OF PHILIPPINE RADIO.



PRESS / Eggie Apostol

A fighter, give her a good cause and she will fight. Breaking tradition - Eggie enhanced the women's pages of Manila times and the Manila Chronicle with her usual flair and sense of fun, but she was also capable of depth and seriousness when the subject is about consumerism or about press freedom and democracy. When Ninoy Aquino was shot, she came out with Anti-Marcos Mr. & Ms. which became the forerunner of the Philippine Daily Inquirer. When the corrupt regime of Joseph Estrada needed to be thrown out, she published a tabloid, Pinoy Times. Hala bira!



RADIO PRODUCTION / James Black

Procter & Gamble's archivist from 1965 to 1986. An American born in Tondo, Jim started his career as a studio technician, recording Purico advertising, soundman of "Tawag ng Tanghalan" for nationwide airing. He retired at the age of 65 as an in-house Broadcast Head of P&G.



FILM / Lino Brocka

A filmmaker, actor, social activist and widely considered as the most prominent Filipino filmmaker who broke grounds for Philippine cinema internationally. Brocka was a trenchant critic of the Marcos government, and despite being censored and imprisoned, he continued to fight for censorship and agitate the Marcos regime in both life and his films - the truth about the dictatorship and the country's poverty. In 1997, he was conferred the posthumous distinction of National Artist for Film that fitly caps the innumerable awards he gained in his lifetime.



AGENCY MANAGEMENT / Javier J. Calero

Over 40 years of life in advertising and Javier J. Calero is still at it. He is currently the Chairman and CEO of J. Walter Thompson Philippines, a columnist for BusinessWorld, and director for the AdBoard of the Philippines, the Association of Accredited Advertising Agencies of the Philippines and Radio Research Council.

He was born into the world of advertising in 1958 as the first account representative trainee with JWT. He attained JWT presidency by 1978 and was soon appointed Chairman and CEO after two years, resigning the position in 1997, only to be reappointed last August, 1999.

Taking his expertise beyond the industry, JJ is also actively involved in a number of community services and is Senior Media Advisor for the International Foundation of Election Systems which recently facilitated the historical Indonesian election.



MARKETING / Ben Chan

Pioneer in the use of the quiet but strong imagery in selling his brand. When “rowing” TV ad for Bench with Richard Gomez as the central image hit the air waves of Manila, everybody found the quiet, no frills-no hard sell, uniquely original.

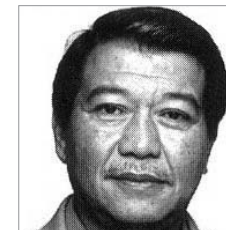
He place PACKAGING where it properly belongs - in the forefront of the merchandise. Bench packaging is a combination of wit, humor and practicality.

Ben Chan succeeded in turning the lowly T-shirt into a status symbol. Before Bench, T-shirts were only worn as undershirts - not to be used as an outer shirt in respectable places. But with good quality and excellent design that Bench introduced, it became accepted to wear the T-shirts as outer wear. This revolutionary effect opened up a totally new industry that is devoted to the design and production of sporty wear that is symbolized by the branded T-shirts.



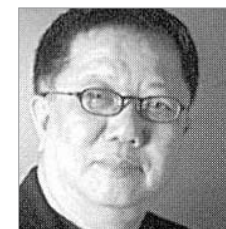
RESEARCH / Rosie Chew

The “Godmother” of market research in the Philippines. Gifted with a keen and enterprising spirit, fondly known as RC to associates and staff, spanning over 50 years. Has been dedicated to upgrading the market research industry in the Philippines and training people to become cutting edge research professionals.



NETWORK PROGRAMMING & SALES / Freddie Garcia

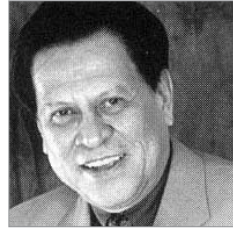
“Visionary” of Philippine Broadcast. In earlier years, built Channel 9 by wooing non-advertising clients like Elephant Katol, Ajinomoto and Tancho Tique, getting them to advertise by producing their TVC’s on video. During Martial Law, moved to Channel 7, repositioned DZBB as The Soap Opera Station. Aired prime mover in ABS-CBN’s resurrection. Genius behind public service greats like TV Patrol and Hoy, Gising. ABS-CBN’s President and COO, always in the service of the Filipino.



AGENCY MANAGEMENT / Greg Garcia

Together with Gil Yuzon, founded Hemisphere, later Hemisphere-Leo Burnett.

Creator of campaigns now immortal in the hearts of Filipinos. Inspirer and moulder of hundreds of fresh minds that enriched the industry. The voice of wisdom behind the formal founding of the Creative Guild that forever changed the face of Philippine advertising.



PRODUCTION / Tony Gloria

The production head who became the creative director, who became supervising producer for Viva and created 12 mega-hits straight in a row. The discoverer of Sharon Cuneta, Dina Bonnevie, Aga Muhlach, Raymond Lauchengco, before he created TVC which is now UNITEL, the Production House of the Year for four straight years and number one production house in the Philippines in size and reputation for the past 14 years.



AGENCY MANAGEMENT / Abby Jimenez

Mon Jimenez pays personal tribute to his wife:

“Abby Lee-Jimenez is the founder of Jimenez D’Arcy

That says it all in an industry where many have wondered (or even dreaded) how they would fare leaping away from their cushy, high-paying executive jobs with the big multinationals and starting from scratch.

Abby is always less afraid of failure than stagnation. Which is why working with her closely as I do, you get infected with the mania to make things happen - not tomorrow but today.

Brave. Bold. Stunningly successful.
You’ve just got to join her!”



Mon Jimenez

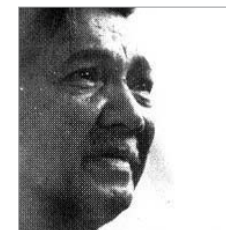
Fourteen years as a Vice-President and Executive Director of Ace Saatchi & Saatchi, then made Jimenez & Partners a multinational company within three years which eventually became Jimenez D’Arcy in a change of corporate name. Monj is jointly responsible for leading his shop into being one of the top 10 agencies in the country. Boasts effective campaigns for Selecta Ice Cream, National Bookstore, Bench, Vicks Vaporub, Jag Jeans, Touch Mobile, Mead Johnson, and many more.

D’Arcy has recognized Jimenez D’Arcy as being the best D’Arcy office in the world with the conferment of the Jean Management Award for Management Excellence.



MEDIA / Minda Lansang

A woman called “MEDIA.” From a secretary in the media department, she moved up to the highest position of vice-president. Today, as a Managing Director of Mind Share Philippines, she is also credited for installing what is possibly the best AOR system. The system based on her professional philosophy of prompt documentation and transparency that benefits the partnership of both client and agency.



COMMERCIAL FILM PRODUCTION / Gerry de Leon

In the 50’s and 60’s, de Leon directed numerous films - many now regarded as Filipino classics such as “Ifugao,” “Daigdig ng mga Api,” “Noli Me Tangere,” “El Filibusterismo” and “Sisa.”

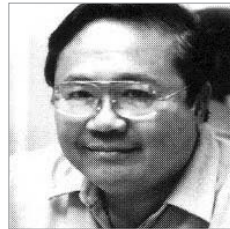
He was the first serious full-length director to direct serious commercials for the products of Procter & Gamble Philippines, applying cinematic techniques and realistic portrayal of characters.

He was declared National Artist for Film in 1982.



MEDIA/TV / Eugenio Lopez, Jr.

In 1956, after graduating from Harvard Business School, he made his father's broadcast concerns in the Philippines' largest network with two television stations (Channels 2 and 4) and seven radio stations in Metro Manila, three provincial TV and fourteen radio stations and three affiliate stations. Also implemented "Bridges on Air," that sought to link together the Philippine islands through domestic satellite technology, making ABS-CBN the country's first true network by time control over the stations was wrested from the family in 1972.

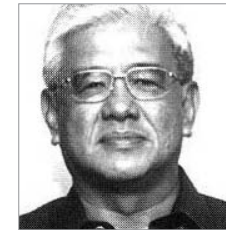


BUSINESS MANAGEMENT / Tony Mercado

Almost everyone hated Tony Mercado then, because nobody likes a Maverick, most especially while he was alive.

He conceptualized and implemented the idea of profit sharing when it was unheard of in the industry, and the idea of mini agencies as business units and called them foxholes. He also conceptualized the idea of Continued Medical Education for Doctors using the cable TV idea.

He was talking of media independent as early as 1992, and had a proposal that will eliminate the CP (Certificate of Performance) among radio stations using digital signals. This would mean faster, more accurate monitoring of radio placements and faster billing and collection for networks.



AGENCY MANAGEMENT / Louie Morales

"What have you done for me today" is a perennial question being asked by Louie Morales of his colleagues. To those who know him well, the question has become a constant prodding to be productive... to accomplish things... to go beyond what is standard... to excel.

And excel Louie Morales himself did in his more than 35 years of advertising life. Starting with Philippine Advertising Counselors, Inc. (PAC) as a management trainee in 1965, he rose to become its managing director, leading the company to become the number one ad agency in the 1970's.

With PAC, Louie's first account was Amon Trading where he is credited with the company's "Nail" ad. Yet, he is better known to be the ad man responsible for some of the unforgettable San Miguel Beer campaigns (Mag-beer Muna Tayo; Isang Platitong Mani; So Good Ayos Na Ang Kasunod; Ito Ang Beer, etc.). Likewise, Louie revolutionized the way to make Marlboro a brand leader in the Philippines by introducing the "Tour of Luzon/Hulog ng Langit Promotions" and other below-the-line activities that the brand has become well-known for.

But Louie Morales won't be Louie Morales, the ad man, without appending to his passion the service to the ad industry. He helped put together the 4As, served 7 times as AdBoard Chairman, led Ad Congresses and put up the Ad Foundation - all to help make a better organized - more effective ad industry.

Louie's zest for the advertising life is unceasing. With Image Dimensions as his current venue, he still prods young and upcoming practitioners to excel. An invaluable contribution, indeed, to an industry... to life!



CREATIVE / Ma. Yolanda Villanueva-Ong

“Renaissance Woman,” no doubt. Founder and CEO of the advertising agency, Campaigns & Grey (formerly Campaigns, Inc.) and its satellite companies, CAMP Apple, CAMP Cebu and Campaigns Advocacy & PR, Inc. (CAPRI). First Filipino to judge in the Clio Awards, 1994. The Outstanding Women in the Nation’s Service (TOWNS) Award, 1995. First awardee in the field of Communications: Advertising (Social Marketing).

Co-writer for Anak ng Pasig, 1st message song to hit Platinum Record Song of the Year, Awit Awards, 1992. Founding President of the Creative Guild of the Philippines (1984-85). Editor of “The Science of Advertising,” Anvil Publishing, Inc., 2000.

After conquering the field of advertising, Yoly now sets her sights on another field, Public Administration, in which she holds a masteral degree from the Kennedy School of Government, Harvard University.

Yoly graduated in June 2002 with two distinctions: Lucius N. Littauer Award - one of the 10 awardees in a class of 210 graduates and Mason Fellows Award for Leadership and Service.

CREATIVE / Herminio G. Ordoñez



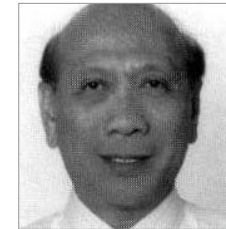
If there were a National Artist for Advertising, it would surely go to Minyong Ordoñez. His vast body of work was derived from his astute insight into the Filipino as consumer.

“Minyong” started his creative career in the ’60s by writing copy for Procter & Gamble brands. In the early ’70s he also worked as a copy chief in a Bangkok agency covering Vietnam and Cambodia. He was a sales and programming director of BBC Channel 2 in the Philippines in the late ’70s. In 1978, he joined Basic Advertising as a partner and president. Minyong pioneered Asian family values advertising genre in the Philippines 10 years ago. This strategy and its theatrical executions gave Basic the reputation of a turnaround agency. Minyong is an apostle of what he terms as visceral communication. He calls its “hitting a raw nerve.” In 1996, Minyong was presented the Creative Guild of the Philippines the First Lifetime Achievement Award given to an advertising Creative Director.



MARKETING / Socorro ‘Nanay Curing’ Ramos

She pushed a cart of notebooks along Avenida Rizal every school opening season. The notebooks came from Goodwill Bookstore. Chased by policeman for being sidewalk vendor. Dreamt of coming up with her own bookstore. Later on, she became the famous voice behind National Bookstore in Avenida saying to the crowd “Come up stairs, please.” She printed books for grade school, elementary, high school, college, doctorate. National Bookstore has 500 branches all over the Philippines. Everyday, Nanay Curing still sells books.



MARKETING/MANUFACTURING / Johnny Santos

Father of Nestle Philippines. Grew megabrands like Milo and Carnation amidst a major strike in the 80’s. Personally fought for better wages, benefits, built Nestle’s corporate culture and united the company operations. Today, as Chairman and CEO, he is a father to a Nestle family of almost five thousand employees, embracing top brands in the Philippine market, making Nestle one of the biggest advertisers in the Philippines.



MARKETING / Tony Tan

Tan and his brothers, who grew up working in a Chinese restaurant, started Jollibee as an ice cream shop in 1975. Eventually they offered burgers and other fast food. Now Jollibee is Asia-wide with over 300 stores and has moved to the U.S. recently opening in California. While Tan could easily afford to eat shark’s fin soup at every meal, he has Jollibee food three times a week. “I still prefer burgers and chicken,” he says. So do millions of Filipinos. Tan expanded the business, acquiring Greenwich and Chowking.

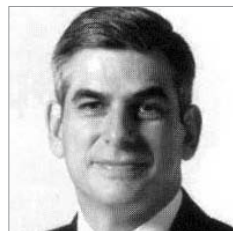


AGENCY MANAGEMENT / Pedro Teodoro, Sr.

Pillar of Philippine advertising and public relations. Pete Teodoro, together with Alfredo Benitez, established the first Filipino advertising agency in 1945., right after the Japanese invaders had fled Manila. It was renamed Philippine Promotions Bureau, later better known as Philprom.

In 1956, the agency, with nine others, formed the Association of Philippine Advertising Agencies, consisting of American-owned and locally-owned advertising agencies. Teodoro was the first president of APAA. In the latter 70's, the APAA merged with another new group, LAPPIS (Lapian ng mga Adbertaysing Praktisyoner na Pilipino sa Ikauunlad ng Sambayanan) to form what is now the 4As-P. Teodoro was voted again president.

Apart from pioneering in advertising, Teodoro enhanced the perception of practitioners that advertising should not be principally profit-oriented but also cause-oriented.



PRODUCT DEVELOPMENT / Jaime Augusto Zobel de Ayala

The Fearless Young Emperor. Took over the Philippines' oldest and largest conglomerate in 1995, at age 36. Ditched the patient, prudent approach for a more aggressive stance - gobbling up everything from real estate to retailing to information technology. Behind such powerhouse businessman is a man who passionately believes in advertising, making great campaigns possible for Globe Telecom, Ayala Land and Ayala Malls. A dynamo bent on turning more grass to glass, he continues to grow his empire, subsequently funding charities like the Philippines' Children and Youth Foundation, and the global Worldwide Fund for Nature.

Photo credits: Philippine Daily Inquirer (Photo of Lino Brocka); CCP National Arist Program (Photo of Gerry de Leon)
Source: First Quarter Storm, 4As 25th Anniversary Advertising Summit, Souvenir Program, 2002

The ADBOARD Story

It was the worst of times, it was certainly not the best of times. On September 21, 1972, President Ferdinand Marcos issued President Decree 1081. With one stroke of the pen, the dictator proclaimed emergency rule, and placed the entire country under Martial law.

The proclamation was timed near the end of his second and last legal term. With the obvious intent of perpetuating himself in power, Ferdinand E. Marcos ostensibly used the engulfing menace of Communism as a reason for the imposition of Martial Law. Among other acts, the dictatorial government immediately moved to suspend media operations. Due to the mass communication nature of advertising, the government needed to control it. Television and radio stations and newspapers were closed, delivering a considerable blow to the advertising industry. Only one news paper, the crony-owned Daily Express, was allowed to operate after a one-day lapse. Media leader ABS-CBN (Channels 2 and 4) which also owned ABC (Channel 5), DZMT and DZWS, were all closed. With no media outlet available, some advertisers enterprisingly resorted to imaginative venues such as nightclub bands and entertainers singing their jingles.

The Mass Media Council

Soon after, Marcos directed the formation of the Mass Media Council, supervised jointly by the Secretary of Public Information, Francisco Tatad and the Secretary of National Defense, Juan Ponce Enrile. In turn the Office of Civil Relations was assigned to coordinate all media activities, then under the charge of Colonel Noel Andaya.

In January 1973, the Mass Media Council met with the heads of all communications associations in the Philippines to develop new and updated rules for the conduct of media advertising agencies. At that time, all media and advertising agencies were loosely classified as mass media. Presiding over the meeting was Andres Cristobal Cruz, director of the Bureau of Standards for Mass Media, an office of the Department of Public Information.

Several councils were formed at the meeting, among which was the Council for Advertising, Public Relations, Research and Sales Promotion. It was headed by entrepreneur Francisco R. Floro of Floro Enterprises. A sub-committee was formed under the Chairmanship of Lyle K. Little, who was then president of J. Walter Thompson. The aim was to forge a Code of Ethics as well as Rules and Regulations governing all those engaged in advertising and sales promotions.

Participating in the sub-committee were representatives from the Association of Philippine Advertising Agencies, Philippine Association of National Advertisers, Kapisanan ng mga Brodkaster ng Pilipinas, Lapian ng mga Adbertaysing Praktisyoner na Pilipino sa Ikauunlad ng Sambayanan, The Outdoor and and Cinema Advertising Associations of the Philippines, Print Media Organization, the Office of Civil Relations, the Institute of Mass Communications, and the Consumer Sector.

Fifteen months after the initial meeting, this Council completed the Code of Ethics in March 1974, subsequently approved and ratified by all participating organizations. It was then submitted for approval to the Secretary of Public

Information. Yen Makabenta, a member of the DPI, was assigned to refine the code, and suggest appropriate changes in terms of clarity and precision.

The Birth of the PBA

The existence of a Code of Ethics made prominent the essential need for a formal organization that can unify the various sectors of the advertising industry. Thus, on May 6, 1974 the Philippine Board of Advertising (PBA) was organized, with the above-named associations comprising the founding members. The secretary of Public Information released the Code on April 4, 1975. Because the Code was meant to be a living, dynamic instrument responsive and sensitive to the needs and changes of the time, additional modification would be made in succeeding years.

On June 19, 1975, the PBA adopted a revised version of Code of Ethics which included certain other modifications. More significantly, the revised Code identified and confirmed the PBA as the self-regulatory body referred to in that code.

Francisco Floro - Founding Chairman



The PBA elected Francisco as its founding chairman. Appointed as the First Executive Director was Oscar P. Lagman, Jr.; Vice Chairman, Antonio L. Cantero; Secretary Santiago D. Olbes; Treasurer, Napoleon R. Cruz; Information Officer, Lyle K. Little. The office was located at the 2nd Floor, National Federation of Women's Clubs Building,

J. Llanes Escoda St., Malate.

Meanwhile Presidential Decree No. 756 of 9 November 1974 had created the Print Media Council and the Broadcast Media Council to replace the Media Advisory Council (successor of the Mass Media Council.)

This 1974 decree stated that:

Since the abolition of the Mass Council and the creation in its stead of the Media Advisory Council, the various sectors of mass media have shown capability for self-regulation and internal discipline within their ranks, and have demonstrated responsibility for maintaining standards for professional conduct and excellence, The Print Media Group and the Broadcast Media Group are hereby authorized to organize and determine the composition of a body or council within each group, which shall be responsible for instituting and formulating systems of self-regulation as well as in the implementation and enforcement of the PBA's decisions relative to the advertising screened?.

Based on its experience so far, the Philippine Board of advertising has informed the Department of Trade that it needs a more direct involvement of the Department to more effectively coordinate all decisions made with reference to cases involving violations of the industry --- promulgated Code of Ethics and other existing laws on unfair trade practices involving the use of mass-media advertising.

Pursuant, therefore to the powers vested upon me by law, I am hereby directing that:

- All cases and/ or cases of alleged violations

of accepted fair-trade practices or laws involving the use of mass-media advertising brought before the Department of Trade or any of its instrumentalities be referred to the Philippine Board of advertising for proper hearing and adjudication;

- The PBA be authorized to screen all advertising as may fall within the jurisdiction of the Department of Trade. In this connection, at least senior officials of the department of Trade shall be appointed by the Secretary of trade who shall participate in the activities of the screening of the Philippine Board of advertising.

- The Philippine Board of Advertising shall submit its screening procedures to the Department of trade for endorsements.

- The sanctions provided for by law will be imposed by the Department of trade upon the recommendation of the Philippine Board of Advertising on parties found guilty of violating

existing laws and/ or governmental rules and regulations relative to fair-trade practices in the use of mass-media advertising.

The Department feels that the implementation of this basic agreement, which shall be covered by the necessary Department administrative Orders and Circulars, will enhance the development of the concept of self-regulation of an industry vital to the development of our national culture, in the dissemination of information and in the conduct of trade.

Finally, it is understood that this agreement is being formalized pursuant to the government's philosophy that self-regulation by an industry often serves to inculcate a greater sense of responsibility.

C H A P T E R 3

Development of Asian Advertising - India

by Ramesh Narayan

Communication is the lifeline of a mature society. It observes, chronicles and transmits history in a plethora of ways, all designed to impact the audience.

In a civilization as ancient as that of India, the Vedas that are seen as the repository of knowledge and the epics like the Ramayan and Mahabharat have been unique examples of how society can use different forms of communication over a span of thousands of years, be it word-of-mouth, theatre, dance forms, books and even television and cinema to communicate their contents to generations of Indians.

Fifty years is a blink of an eyelid in the lifetime of an industry. Yet by 1958, advertising as we know it had long transcended its rudimentary forms of expression. Print advertising, which began in the eighteenth century in the Bengal Gazette had come of age and advertising had acquired a fair degree of sophistication. Several Indian and foreign-owned advertising agencies had set up shop all over the country with Bombay (now Mumbai) becoming the commercial capital of India, and also the capital of commercial creativity. International names like D.J.Keymer

(which was to become Ogilvy & Mather) and J. Walter Thompson rubbed shoulders with their Indian counterparts like B.Dattaram and Sistas and are seen as the pioneers among conventional advertising agencies. These had been joined by a host of advertising agencies and they had banded themselves under the aegis of the Advertising Agencies Association of India (AAAI).

The burgeoning print media had organized itself under the banner of the Indian and Eastern Newspaper Society, which now exists as the Indian Newspapers Society (INS) and the Vividh Bharati (All India Radio), a Government controlled radio network was already broadcasting to the nation.

India was among the first Asian countries to recognise the importance of audited circulation figures for media planning. The Audit Bureau of Circulations, India, has been in existence for over 50 years. Today the ABC conducts six monthly circulation audits for over 450 member publications across the country. As a member of IFABC, the Indian ABC has contributed to the launch of ABC organisations in other Asian countries.

By 1958, the Republic of India was being rec-

ognized as a leader among the developing countries and the advertising industry had already begun building fledgling Indian brands, and making several foreign brands more relevant to Indian consumers.

The Stirring Sixties

Indian industry tried to hold its own in a socialist economy which was the flavor of the decade and advertising was experimenting with bold creativity. The Government was persuaded to open up the State owned broadcast media and 1967 witnessed the first radio commercial to be broadcast on Vividh Bharati. A year after that, another momentous event took place. India won the bid to host its first Advertising Congress (AdAsia) in New Delhi in 1970.

The Significant Seventies

1970 saw the Seventh Asian Advertising Congress being hosted in India. It was also a new beginning where industry-specific associations representing advertisers, publishers and advertising agencies came together to jointly present India to the industry in Asia. It was to be the forerunner of a collaborative era that would benefit all constituents of the industry. An early manifestation of this collaborative nature was the conducting of National Readership Surveys that pointed towards a more intelligent and focused way of reaching the consumer.

This was the decade where a degree of maturity came about in the operation of advertising agencies. This tumultuous decade saw large and estab-

lished agencies merging, going out of business and then as if from their ashes, emerged a string of entrepreneurial ventures which were destined to leave an indelible mark of the advertising firmament for a long time to come.

Meanwhile media was leading change in a manner that was to alter the way the advertising industry presented itself radically. Television was born in India. 1978 saw a defining moment not just for the industry but to consumers all over the country. The first television commercial was telecast. And life would never be the same again.

The seventies also saw advertising playing a major role in public service communication. At that time, it was in the area of communicating the benefits of family planning. The industry was to remain committed to its stellar role in creating meaningful public services messages in the years that were to follow.

The Eventful Eighties

A great milestone in the history of the Indian television industry was crossed when in 1982, coinciding with the Asian Games that were held in New Delhi, color transmission was introduced. Consumers would now enjoy an all new and engrossing way of viewing news and entertainment at home. Almost immediately, for the first time, a private advertising agency, Mudra, sponsored the first commercial telecast of a major sporting event, the cricket series between India and the West Indies, and really put not just media planning, but sports sponsorship in the fast lane.

The same year saw the advertising industry put

on a greatly appreciated AdAsia 1982 in New Delhi. David Ogilvy flew down to India for its inaugural session, and not just India, but Asia was recognized as the tortoise who could pip the hare to the economic sweepstakes globally. The analogy was to be prophetic.

Keeping in view the growing role of advertising in Society, the Indian advertising industry proactively came together to form the Advertising Standards Council of India (ASCI) in the mid eighties. A self regulatory body, recognised by the government of India, today it scans advertising to ensure that it adheres to its codes of conduct and has powers to ban advertising that violates its code.

As a self regulatory institution, it remains one of a kind and could serve as a role model for any other Asian country.

The Roaring Nineties

Everything seemed to be happening all at once in India. The internet burst on the scene with the promise of a brave new age. A promise that was to take a considerable time to realize its true potential.

The skies above India began to get crowded. In 1991 Zee TV commenced telecast as the first satellite channel to target India and the neighboring countries in its footprint. Soon afterward, Satellite Transmission for the Asian Region acquired an acronym that was to become very popular, STAR TV. Programming was shifting into high gear too. If the program "Tara" on Zee was hailed as the first female-centric soap opera

in India, then the 'Bold and the Beautiful' marked the acceptance of a truly western orientation as a recognizable niche in media planning.

By 1996, Sun TV had become the first regional channel (it operated out of the South Indian State of Tamil Nadu then) to go live 24X7.

This period also saw the Indian economy, long called the lumbering Asian elephant, being opened up. Privatization and liberalization were more than buzz words, and the advertising industry rode the new wave with élan. The public sector began leaning towards the private advertising agencies, corporates suddenly felt the need for a new identity, the cable and satellite industry proliferated and offered consumers a huge choice in terms of languages and programs and rising literacy levels across the country gave rise a boom in new titles in the print medium.

The decade also saw international advertising agency networks making decisive moves to play an important role in the rapidly growing Indian advertising scenario.

The New Millennium

India was finally making her slightly delayed tryst with destiny. The GDP was smartly cantering at a rate of 8% year on year. The country's demographic profile revealed that more than half the over billion people were below the age of 25, thus making for an enormous human resource pool.

India's concentration on the core sector was paying off in a big way. Its indigenous nuclear energy program and satellite development program were being hailed globally. Its IT industry was being seen as a role model for the developed

world. Its vibrant democracy was being showcased as a model other fast-growing economies could emulate. The Asian elephant was dancing.

The media in India had attained a degree of sophistication that was on par with the best in the world. The largest circulated English newspaper in the world was an Indian newspaper.

Against this backdrop, the AdAsia 2003 was held in Jaipur and seemed to encapsulate the quintessence of India... her regal past, her competitive present and her great future. Hailed as one of the best Asian Advertising Congresses ever organized, this event was yet another signal to the world that India had indeed arrived as a positive force to reckon with.

Global interest was focused on the country and took different shapes. Foreign direct investment in media, manufacturing companies and advertising agencies increased dramatically. Indians in the advertising agency domain were being looked at as potential leaders. Many global networks enlarged the scope of the heads of their Indian operations and gave them charge of either their Indian and South East Asian operations or even the entire Asian operations.

More Indians were inducted onto the boards of multinational advertising agencies and even international marketing giants like Unilever had Indians in key leadership positions all over the world. With even the Cannes jury being headed by an Indian, it was clearly the beginning of an era where the international Indian was becoming an accepted reality.

Economists, consulting firms and corporate crystal ball gazers seem to agree on one thing.

India is now poised on the brink of great economic and industrial growth. The coming decades could see her as one of the economic power houses of the world and advertising would be the hand on the steering wheel.

C H A P T E R 3

Development of Asian Advertising - Indonesia

by Indra Abidin

Advertising Institution Building

► 1932

Developing advertising standards, commenced during the Dutch colonial period and the establishment of “Dagbladdirecteurenbond” / The Association of Publishers Executives in Solo.

During this period Samuel de Heer from “Publiciteitbureau Arta” was given the task to develop a long term plan of the Press and Advertising industry.

► 1938

It is important to note Unilever have already seriously developed advertising by setting up Lintas (Lever International Advertising Services) as their In-house Agency.

Lintas became independent in 1980. From Lintas came advertising practitioners that have made their own names including “Cabe Rawit” Princip Ad.

► 1949

4 years after proclaiming independence, the advertising agencies established “Bond Van

Reclamebureaux in Indonesia” / Perserikatan Biro Reklame Indonesia/The Advertising Agencies Association.

The organization was founded by Dutch practitioners, including De La Maar, Berk Franklijn, and Bergomer.

► 1952

An advertising company worth to be noted in history is the Balai Pustaka in Bandung - West Java, established in 1952 by Tjetje Senaputra, a company that started servicing local sundry shops/retail. Until 1960, they were mainly handling classified advertising, sales of cars, housing, and lodgings for students. Their performance continuously increased.

In 1960 their advertising billings Rp 24 Million grew to Rp 50 million in 1967. Most of their media placements were using the provincial newspaper Pikiran Rakyat.

► 1953

Another association called Serikat Biro Reklame Nasional/SBRN was established to further accommodate the indigenous agencies’ interests.

Founding member companies were Azeta, Elite, Garuda, Irab, Kilat, Kinibalu, Patriot, Pikat, Lingga, Titi, and Trio.

► 1954

The two organizations merged and became “Perserikatan Biro Reklame Indonesia” The Chairman elected was F Brekhout.

► 1956

Muhammad Napis was elected Chairman.

► 1957

The first Advertising Congress was held, the name again changed to “Persatuan Biro Reklame Indonesia.”

► 1960

For almost a decade, the country’s advertising was dormant. Indonesia entered the “Guided democracy and guided economy” period.

“Modern advertising” started when the country opened doors to Foreign investment in 1968. Since then, multinational companies introduced its products and services into the local market. The economic growth since the “New Order”, steadily increased, and Indonesia became a major Asian market for American, Japanese, European and also Asian brands.

► 1970

According to the book 1970 World Advertising Expenditures; Indonesia was ranked smallest in advertising expenditure amongst the 75 countries surveyed.

USA advertising ranked highest with US\$ 75/capita compared to Indonesia US\$ 0.01 (Rp

4.15). Advertising expenditure US\$ 2 million in Indonesia was predicted to increase consistently.

► 1972

For the AdAsia Congress in Bangkok, Indonesia sent 13 delegates. During this period, the issues discussed on the concerns of foreign dominance in Asian advertising including Indonesia. The Indonesian delegation included Abdul Moeid Chandra, Christianto Wibisono, Ernst Katopo, Usamah, Yo Wijayakusumah, Sjahrial Djalil, and Ken Sudarto.

The AdAsia congress Bangkok 1972 awarded Indonesia to host the AdAsia 1974 in Jakarta.

► 1972

The Advertising Agencies Association/PPPI had 30 members.

During this period, protecting the interests of the responsible advertising, PPPI tried to establish accreditation for the member agencies, to differentiate with those who were non members.

The accredited agencies received education, professional trainings, credit and other facilities from the media and suppliers.

► 1972

Abdul Moeid Chandra was elected Chairman of the Advertising Agencies Association/PPPI (1972-1977). Other board members were Savrinus Suardi, Sjahrial Djalil, and Yo Wijayakusumah.

December 1972, the association name changed to Persatuan Perusahaan Periklanan Indonesia. The name was changed with the consideration that the term “Reklame bureaux” was a word mostly used by the outdoor companies, and media

brokers.

Indonesia was entering a new modern era since Indonesia opened the doors for foreign investment. Advertising also needed to adjust to the definition of modern marketing, and modern advertising using the full services of communications, market, consumer, product research, and other advertising management tools.

“Modern Advertising”

► 1963

The pioneer of “Modern Advertising” was Intervista Advertising agency, founded by Nuradi. A Diplomat by background from the Foreign Service Institute of the US State Department, Washington DC, and Public Administration in Harvard, Cambridge Massachusetts. After his working experience in SH Benson UK, Nuradi was attracted to advertising and decided to resign from the prestigious position. His career started in SH Benson Singapore 1962.

1963, Nuradi left the company to set up his own in Jakarta, Indonesia called InterVista Advertising.

This was then called the first “Modern Advertising” Agency in Indonesia starting with only 15 employees, located in a small house with 3 rooms, the Account Executives, Directors, and the Studio. The operation used modest equipment. Employees rotated without any specialization. One time he can be working in the production, and then moved to marketing, and so on. With this set up InterVista was able to produce TV Commercials. For that they contracted artists and

television experts.

Used modest techniques, rolling technique, like to produce cartoon films.

InterVista Advertising and Nuradi were the first to introduce creative, production, account management, media planning, research, and other functions. This was different to the other agencies which did not use the new standard practice. The others mostly were self learners, or from the mass media.

InterVista Advertising also introduced “copy-writing” to be converted to tin plates, and other metal plates for printing to get better quality results. In the creative, InterVista Advertising pioneered TV Commercials in the only Television station owned by the government: TVRI. Most well known advertising campaigns at the time were Cipayung Hotel, Masayu - Heavy Equipment Company. They stood out because of its modernity, and yet still preserving the local culture.

Although InterVista Advertising closed shop in the 1990’s, they have laid down the foundations of “Modern advertising” which was adopted and followed by the other advertising agencies.

Nuradi was awarded “The Father of modern Indonesian advertising”

Some of Nuradi well-known landmarks include: Sweet Condensed Milk : Indomilk... sedaap/ Indomilk... delicious

Anker Beer: Ini Bir baru, ini baru bir.../Anker, this is the new beer, this is the real beer.

Cigarette: Makin Mesra dengan Maskot/More romantic with Maskot.

Motorcycle: Lebih baik naik Vespa. / Better riding with Vespa.

► 1970

Fortune Indonesia was founded by a senior journalist Mochtar Lubis. He called upon Fortune International based in Australia to start up in Indonesia. Their first clients included Cathay Pacific.

1977, Fortune Indonesia suffered losses. The company management was handed over to Indra Abidin a local entrepreneur. Fortune then regained the confidence of its clients, and grew. They were then appointed as the Agency for Dancow/Nestle, and Condom 25. After 10 years since their establishment, Fortune was always leading in the 2nd or 3rd largest agency ranking.

2002, Fortune became the first and only public company, listed in the Jakarta Stock Exchange.

► 1971

Matari, founded by Ken Sudarto saw the demand for advertising services since the country opened its doors to foreign investment.

1980, Matari was the first Indonesian advertising agency to win the Finalist - Clio Award with the Public Service Advertisement theme of environment.

During the “Reform Era” of 1990s Matari was also the first agency to handle the political party campaign for the General Elections.

Matari was always ranked amongst the top 5 Agencies in the country together with the multinationals: Perwanal/DMM, IndoAd/Ogilvy, AdForce/JWT, Fortune Indonesia, Polyama, Artek, Larisa.

► 1970

Since the Foreign investment open doors poli-

cy, the appearance of foreign businessmen have created local practitioners’ concerns including Mohamad Napis, Chairman of Persatuan Biro Reklame Indonesia-PBRI.

He even threatened to close his company as a protest. The dominance of foreign experts also created the disappointment of Nuradi. He commented that the presence of foreign experts should be limited to 3 functions only: Advertising Consultant, Advertising Technical, and advertising manager.

There were suspicions and accusations that many of these local agencies affiliated with multinational agencies have illegally been bought out or were fully owned by multinational agencies.

The Minister of Trade Soemitro Djodjhadikoe soemo (Read Sumitro Joyohadikusumo) then issued a decree in 4 December 1970

No 314/KP/XII/70, establishing that foreign advertising companies were disallowed to operate in Indonesia. and that the use of foreign expatriates were limited to Advertising Manager, Technical Advisor, and Management Consultant.

This new regulation was received well by the local practitioners.

► 1976

73% of products advertised were imported products.

The availability of foreign products contributed to the economic growth, and was felt by the local advertising agencies.

In a study made by Bhineka agency in 1971, total market was Rp 2.5 billion (Indonesian currency Rupiah)

Newspaper	49.0%
Magazines	1.5%

Cinema	13.0%
TVRI	11.0% (Government TV Station)
Radio	3.5%
Outdoor	9.0%

At the time Bhineka advertising billings were Rp 126 Million.

► 1974

During the Advertising Agencies Association Congress, a compromise was reached to allow foreign experts to complement the local expertise; during that time, still lacking in quantity and quality. Foreign advertising companies operating in Indonesia were disallowed. In 1978, the government further regulated the advertising industry specifically on ownership, affiliations, and relationships.

Since then many new advertising companies mushroomed, and affiliated with multinational agencies. The main reasons were to be able to secure competitiveness, learn how to handle multinational advertisers, also to learn more from its counterparts.

As the economy developed, the industry grew, there were small and large advertising agencies in the capital city and in the provinces. As a national organization, PPPI was faced with the responsibility to embrace all advertising agencies wherever they operate.

► 1981

Despite the ban on Television advertising and equity distribution policies; agencies continued to emerge in Indonesia including JC&K, DM Pratama

Dwi Sapta Pratama. DM Pratama founded by Maria Indriyani, started her career in DDB

Needham India, ABS Gardner Dixon Hall/TBWA Srilanka. In 1993 DM Pratama affiliated with Bozell Worldwide, 6th largest advertising agency in USA.

This relationship terminated in 2002, and DM Pratama decided to go on its own since then.

► 1983

Kompas Newspaper was the largest, followed by Sinar Harapan, Pikiran Rakyat, Suara Merdeka, Surabaya Post, and Pos Kota. Jawa Pos is as success phenomenon. From a middle player, Jawa Pos gradually became 2nd next to Kompas.

► 1984

PPPI presence expanded to West Java, Central Java, East Java, West Sumatra, North Sumatra. Since then, PPPI became the national organization.

In some areas where there were no advertising agencies, the print media and radio had to develop their own marketing. They set up their account executives.

In the provinces, data and market information were difficult to access. Some were made of assumptions, estimates coming from the local media including Kedaulatan Rakyat-Jogyakarta, Suara Merdeka-Semarang, and Pikiran Rakyat-Bandung.

They were the major local print media originating from the provinces, and they successfully expanded to other areas competing with the large national media.

AC Nielsen/Media Scene, a research company reported that there were many local/regional/provincial media increasing their presence becoming national. They include Media Indonesia,

Bisnis Indonesia, Suara Pembaruan, Bali Post, Pikiran Rakyat, Fajar, Suara Merdeka.

With a small advertising market cake in the areas/provinces, competition was fierce, and cut throats. Especially on price competition, some even offered their services at Zero Fee. This was counterproductive to the industry since, it would backfire to them eventually. There were provincial agencies exporting this unhealthy practice to Jakarta by offering national advertisers very unhealthy terms and conditions. Many companies using this short term suicidal methods went bankrupt.

► 1990

After a 10 year ban on Television advertising; the new fresh change when the government announced the deregulation policies on television media, opening possibilities of private television stations operating. This triggered the advertising billings growth.

In 1990, advertising billings reached Rp 639 Billion (Indonesian Currency Rupiah)

The practitioners immediately jumped to this encouraging development.

► 1993

New agencies appeared MAC909, a separatist of IndoAd/Ogilvy&Mather, CCHQ in 1996, AdFokus in 1992, Avicom Airvestising in 1995, Belcomm or Gobel Communications in 1994 which was originally an In-house agency for National-Panasonic Electronics. And Cabe Rawit in 1992.

► 2000

With the post economic crisis in Asia also Indonesia over, the winds of change brought new

optimism and new economic improvements. The agencies breathed new fresh air,

2000, advertising billings increased to Rp 7.9 Trillion (Indonesian Currency Rupiah) 2001, increasing again to Rp 9.717 Trillion.

2002, reached to Rp 12 trillion.

This growth opportunity was again then, taken by multinational agencies, entering with affiliations with the local agencies. Slowly the multinational agencies dominated the market. Based on the PPPI Persatuan Perusahaan Periklanan Indonesia (Indonesian Advertising Agencies Association); foreign affiliated agencies ranked top 10 amongst the 25 largest agencies. Matari was the only 1 categorized as local agency ranked No.3.

No.1 was Lowe with Rp 347 Billion, and No. 2 JWT at Rp 261 billion. The multinational agencies also dominated the Citra Pariwara Creative Awards, the prestigious local creative awards.

The agencies recorded were

No.	Company	Affiliation	Country
1	AdForce-JWT	JWT	USA
2	Adwork	Euro RSG	Europe
3	Amirati Puris-Lintas	APL Worldwide	USA
4	Bates Indonesia	Bates	USA
5	Dian Mentari Pratama	Bozel	USA
6	Dentsu Y&R	DYR	USA
7	Fortune Indonesia	DDB Needham	USA
8	Grafik McCann-Erickson	Mc Cann-Erickson	USA
9	Hikmad & Chusen	Chusenko	Japan
10	Indo Ad	Ogilvy & Mather	USA
11	Inter Admark	Dentsu Inc.	Japan
12	Kreasindo	Leo Burnett	USA
13	Komunika	BBDO	USA
14	Perwalan DMB&B	DMB&B	USA
15	Rama PERwira	Grey	USA
16	Tata Binar Warna Arti Jkt.	TBWA	USA
17	Tata Kelir	De Witz De Witz Rouzee	Europe
18	Spektrum Kencana Mukti	The First Edition	Malaysia
19	Adhivisi Prokomunika	LabTYB International	Malaysia

Source: *National Symposium: Advertising Education, Advertising Council, 24-26 September 1998.*

With the autonomy and decentralization, PPPI/The Indonesian Advertising Agencies Association members grew from

1998 194 agencies
1999 226
2000 257

2001 298
2002 356

To harmonize the practices and relationship between advertisers, agencies, and media, PPPI issued and came into effect the “Standar Usaha Periklanan Indonesia”/ Advertising Business Practice Standards.

Complementing the Indonesian Advertising Code of Ethics and Code of Practice.

This Advertising Business Practice Standards covered the practice of agency selection/pitching, transfers of clients, confidentiality of client’s information, recruitments and employee’s remuneration, portfolios, agency presentations, information, concepts and others. Laid down also were standards on Conflict resolutions, and arbitrage.

Becoming Member of the Press Family

► 1974

This issue became a hot topic during the Publishers Association 5-8 June 1974; where it was agreed to regulate the ratio of advertising 30% and news 70% each edition for magazine and newspaper. The newspaper was then further regulated and limited to 12 pages per publication.

The issue of equity distribution of the advertising cake further increased its importance with the increasing advertising share was being taken by television; reducing the advertising share of the press/print media.

The print media owners demanded advertising regulations to ensure their share of the cake along with the steady growth of the advertising expenditure/billings.

► 1981

President Soeharto, issued a decree to ban Television advertising, in the only television station in Indonesia - TVRI.

With this decree it was expected that the institution building of the press can be ensured through the advertising cake, ensuring a better equity distribution of the advertising cake specially amongst the weaker and smaller print media.

The presidential decree was based also from concerns from various sources of the people including the Yayasan Lembaga Konsumen/consumerists association.

Another study made by the National Defense Council, that TV advertising reach capabilities through the satellite was national. Advertising can be seen by villagers in the remote jungles of the country. Many have never even seen a car, and many other products that were being advertised through TV. The study concluded that with all commercial exposures to those in the remote areas amongst people who cannot afford these products could create social jealousy, instability.

The television ban, impacted to the closure of many advertising companies who were dependent from television advertising. The loss was felt also by the industry that had to suddenly stop promotion due to the loss of television as a medium.

► 1981

March, The press council opened the portion of advertising

And changed from 30:70 to advertising 35% and News 65% each edition for magazine and newspaper. The press council also formed a Body for Advertising Equity distribution/Badan

Penyalur Pemerataan Periklanan Nasional/BPMN with members representing the Publishers Association, Newspapers Printers Association, Journalists Association and Advertising Agencies Association. The body aims to further equity distribute the advertising cake both amongst the larger print media and the weak/smaller print media giving better opportunities for all the print media to grow.

Print media was considered vital to the dissemination of information, education, and communication for the people across the country.

During that period advertising was concentrated in 2 newspapers Kompas and Sinar Harapan/Suara Pembaruan and the other national media. Provincial newspapers received 5 % including Pikiran Rakyat-Bandung, Suara Merdeka-Semarang, and Suara Indonesia Baru-Medan. Magazines were only enjoyed by the national circulated magazines.

Advertising expenditure by Media 1983 – 1986

Billion Rupiah

Media	1983	1984	1985	1986
Newspapers	86	83	117	110
Magazines	40	36	47	47
Radio	30	14	19	23
Cinema	4	4	4	5
Others	16	43	28	41
Total	176	180	215	226

► **1982**

The advertising became regulated under the Press Law (Undang Undang Pokok Pres, and formally established advertising as part of the press Institution. PPPI As the Advertising organization became member of the press family together with the PWI/journalists, SPS/publishers, SGP/Press printers association.

PPPI since then interacts with the press Council as the highest body for the press, accompanying the government in the national development of the press.

PPPI/ Advertising Agencies Association as a formal institution governed by Law, was able to strengthen its presence and communications with various organizations horizontally and vertically. Including the conflict resolutions of practices and ethics. Opportunity was also created for the advertising industry to enter the legislative positions.

Savrinus Suardi former chairman of the PPPI/Advertising Agencies Association (1975-1981) became Member of Parliament in 1987-1997.

The Press Law also prohibits foreign ownership of an advertising company. The Law also aims to create better distribution of the cake of advertising billings. Advertising ethics and good practices became the responsibility of PPPI/The Advertising Agencies Association to formulate and apply within the industry players.

A national advertising symposium was held 19-20 June 1980 formulating the code of ethics and code of practice.

The next issue for the Press Council was called upon to formulate, how the cake of advertising

billings can be better distributed amongst the media.

This situation, and with increasing rates, created a very high cost print advertising in the world.

Although the BPMN was fully endorsed by the government, it failed to meet the objectives. Their plead to the advertisers to place advertising in the small and weaker media was ignored. The rates disparity between the strong media and weak media still exists. As an example the advertising rate for Sinar Harapan/Suara Pembaruan was Rp 6.000/millimeter column compared to Fajar in Sulawesi was Rp 50/ millimeter column.

Where to place, which media to be used for your advertising was based on corporate, and marketing objectives, how many people that can be reached by each media, geographic area coverage, appearance, and profile of the newspaper. Advertising must deliver, be accountable in terms of effectiveness, and efficiency to achieve marketing communication targets established for the interest of the advertiser/client.

Eventually, equity distribution was directed to government corporations advertising programs, announcements. BPMN functions as the source of information, and give advice to the government advertisers to place their advertising in the provincial, weaker and smaller media also.

Self Regulation

► **1982**

The Advertising Commission which was established. It is an independent, non government body,

to create a self regulating industry, supervising the practice of advertising ethics. To create and develop advertising that is culture sensitive and up keeping the local values. Membership of the Advertising Commission includes:

Advertisers Association/Aspindo - Asosiasi Pemrakasa dan Penyantun Iklan Indonesia, Advertising Agencies Association/PPPI, The Publishers Association/BPMN-SPS, Private Commercial Radio Broadcasters Association, Cinema Owners Association/GPBSI, Outdoor Media Association/AMLI, TV Foundation/Yayasan TVRI, Private TV Stations Association/ATVSI.

2004, The Advertising Commission, changed name to Advertising Council

► **1999**

A new Press Law 1999 was issued regulating the advertising replacing the previous. Advertising prohibits to use; SARA/ Racial, Social disparity, Religion, and Ethnic differences. Also prohibits Alcoholic drinks, drugs/narcotics, addictive components, also the use of cigarette, and consumption of cigarettes.

The Broadcasting Law 2002 further regulated advertising, including limiting advertising to Commercial Airtime to 15 % for public/government stations, and 20% for private stations.

And private stations will allocate 10% for public service advertising of their commercial airtime; 30 % of government stations' commercial airtime.

The Broadcast stations were obliged to allocate some of their profits for the production of public service advertising materials.

The new Broadcasting Law also regulated the

use of local skills, production house, and local talents.

International Participation

► **1970**

“The New Order” triggered the engine of growth, and emergence of many multinational companies. This was the start of “modern advertising” that is market economy oriented, following the economic development strategy; the “New Order” government invited the presence of foreign capitals. The flow of foreign capital supported by strong political stability. The presence of foreign capital, created a positive impact for the advertising business in the country, considering the production and services processing must be balanced by good sound and modern marketing strategies. What was not anticipated with the arrival of foreign capital was the challenge and unbalanced competition between the multinationals and locals.

During the same time, multinational advertising companies also penetrated other Asian countries, including Malaysia, Thailand, Singapore, Thailand, and Philippines, Asian Advertising Congresses often witnessed / heard the voices of concerns on this issue.

The feeling of being threatened by the multinational advertising companies existed strongly. This Asian Advertising Congresses aimed to create cooperation, between Asian advertising industries to face their common issues, Exchange information, exchange of experience for the betterment of Asian advertising standards.

The spirit to make indigenous companies as

“host” in their own home countries, came to surface since the first Asian Advertising Congress in Tokyo 1958. Founded by senior practitioners including Hideo Yoshida, President of Dentsu, a leading advertising company and Domen President of Ajinomoto. Attended initially by 10 foreign delegates and 120 Host country delegates.

With the aims of increasing the standards of Asian advertising, Asian Advertising Congresses - AdAsia was held biannually in different places of Asia. This continued without an umbrella organization permanently overseeing the congresses, thus lacking in consistency, quality and continuity.

In 1978, Asian Federation Of Advertising Associations was formed as the Umbrella organization of AdAsia Congresses. Indonesia was one of the founding members of AFAA; and attended all the AdAsia Congresses every two years.

- 1980 Singapore, themed “Communications Towards 21st century”
- 1982 New Delhi, themed “Advertising - an essential input for economic growth.”
- 1984 Seoul, “Advertising helping Asia grow”
- 1986 Bangkok, “Ad-Venture in the Asian economy”
- 1988 Lahore “Together towards tomorrow”
- 1990 Kuala Lumpur “Advertising to power tomorrow’s power house”

Meeting West’s Presence

► 1970

On record, the first Indonesian delegates attended the AdAsia forums 1970 in New Delhi. During the 7th AdAsia 1972 in Bangkok, Indonesia was selected to host the AdAsia 1974.

President Soeharto was the 1st Head of State to open the 8th AdAsia Congress in Jakarta. This protocol was followed by the other congresses afterwards.

To organize the event, Persatuan Perusahaan Periklanan Indonesia/PPPI- The Indonesian Advertising Agencies Association solicited support from the Indonesian Chamber Of Commerce and Department Of Trade/Kamar Dagang Indonesia-KADIN.

Themed “Modern Advertising and its social responsibilities in developing countries.”

The Congress discussed various issues including the equity distribution of advertising, Multinational advertising companies operating in Asia, and commercial advertising business practices. At that time, PPPI only had 30 members, compared to today over 400. Also today participants of AdAsia Congresses reach up to 2.000 participants.

Philippines were selected to host the XI AdAsia Congress in 1978, themed “Responding to the Imperatives Of Change in Asia” The Asian Federation of Advertising Associations was founded in Manila, a body accommodating larger scopes, hopes and aspirations compared to the AdAsia congresses held every two years, discussing working papers.

The concept of AFAA came from Antonio De Joya the Chairman Organizing Committee of XI AdAsia Congress. To realize the establishment of the body, Antonio approached various countries for two years.

For the next six years, Antonio was heavily involved in exchange of information, experience and techniques of Developmental Communications

focusing developments for rural population of Asia.

He was convinced that Asia belonged to Asians. Participants from Indonesia, Israel, Malaysia, Singapore, and Taiwan agreed to form and establish AFAA during the plenary session in Manila 1978. Since then AFAA stakeholders expanded not only from Asians, AFAA members also were from Australia, and New Zealand.

With the establishment of AFAA, besides AdAsia Congresses, AFAA expanded its activities to education/professional trainings, publications were activated independently, and enriching the congresses.

► 1990s

Vietnam joined AFAA, and immediately opened their opportunities to increase their standards through various forums and networking with other AFAA members.

Politics cannot be completely out of AFAA however hard they distance from politics. In 1993-1995 the amendments of the AFAA Constitution were made; as decided during the meeting Kuala Lumpur Malaysia in 1990. It was proposed that countries representation, to be changed to area representations. It was during that period, Taiwan joined AFAA membership. China immediately sent out a letter protesting the decision to accept Taiwan. China objected the use of the name of the Taiwan delegation: Taipei Association of Accredited Advertising Agencies. They were on the principle of One China Policy that is “China -Taipei.”

As a protest, China decided to be non-active, stopped sending delegates to AdAsia Congress in Bali 1995.

AFAA Chairman Yusca Ismail tried hard to mediate and reach a resolution with China. Visited

Beijing and Taipei several times with no results.

► 1995

Preparations for AdAsia 1995 started five years immediately after AdAsia Kuala Lumpur Malaysia. AdAsia XIX Congress was held 6-9 November 1995 in the Nusa Dua Convention center Bali. Themed “Uptrends in Asia” attracted over 1200 delegates from 18 countries from Asia Pacific. The Opening ceremony was officiated by the President Soeharto, 21 years since his last opening for AdAsia 1974 in Jakarta.

AdAsia 1995 Bali Congress speakers Allen Roshenshine President of BBDO Worldwide and Roger Fidler, an American Research expert and author of Metamorphosis: “Understanding the new media”; they were convinced that

From the economic indicators, Asia Pacific will be the main world advertising contributor. And that Asia Pacific will be the largest profit contributor for multinational advertising agencies.

JWT President Director of Asia Pacific was quoted that 25% of consolidated profits were from Asia. This was larger than Europe.

At this rate, North America was believed to be exceeded within the next 3 years. East Asia was believed to grow 30% each year. China and India even higher, each 100% and 50%. Amongst Asian countries, China, Indonesia, and Thailand were the Most potential markets.

This growth created pressure in Indonesia lacking of local experts. Many made shortcuts by hiring foreign experts.

► 1995

Another new policy came into effect. The separation of the AFAA Chairmanship and AdAsia

Organizing Committee Chairmanship.

In the past these positions were held by one person meaning legislative and executive functions in one hand.

It was becoming more and more difficult to organize AdAsia congresses, and at the same time hold AFAA chairmanship by the same person.

Formulating the Ethics, Developing the Advertising

► 1976

Djoko Lelono, a senior practitioner former managing director of Bates Indonesia and Lever Industrial Advertising Agency (Lintas) illustrated advertising in Indonesia as “The wild, wild West” Advertising situation during that time was considered, wild behavior, mean, and disorganized, In that situation, conflicts frequently occurred.

This brought the burden to Abdul Moeid Chandra, Chairman PPPI-Advertising Agencies Association. In 1972 he stated that the advertising can create a negative influence to the culture, and values of life.

This accusation reflected the commercial selfishness, ignorance amongst advertising practitioners, towards packaging their commercial messages, and their roles in the dissemination of information to the masses.

Advertising is not a simple work process that can be done in an amateurish manner. It is a work process that must be practiced responsibly. Considering well on the positive negatives, and impacts to the society. These considered, must preserve the values, beliefs, and observe behavioral attitudes of a community within a specific area, and certain period of time. In other words

advertising is not a matter of offering products and services; it must also communicate with the majority of the people with respect.

► 1978

September, the process towards the creation of the advertising code of ethics and code of practice started with the establishment of The Advertising Council.

The Working Committee consisting of the PPPI/Advertising Agencies Association, Publishers Association/SPS, TVRI & RRI Government Television & Radio, GPBSI/Cinema Owners Association, ASPINDO/Advertisers Association.

Chairman Indra Abidin/PPPI, Vice Chairman Daradjad

Advisors were T. Atmadi from the Department of Information and M. Panggabean from Department Of Trade.

The Advertising Council was the Indonesian representative to AFAA.

► 1980

19-20 June, Seminar was held to formulate the the advertising code of ethics and code of practice. Supported and participated by PPPI/Advertising Agencies Association, Publishers Association/SPS, TVRI&RRI Government Television & Radio, GPBSI/Cinema Owners Association, PRSSNI/Private Radio Broadcasting Station Association, and ASPINDO/Advertisers Association.

Seminar with 150 participants accommodated inputs from all participants regarding the ethics and practice of advertising acceptable to all, formulated a Code of Ethics and Code of Practice towards a self regulating industry.

► 1981

The convention was finally reached and agreed by all organizations related to advertising, by signing the Code Of Ethics and Code Of Practice.

※ Note: Translated, excerpts taken and edited from the Book :

Cakap Kecap (1972-2003)

Publication ISBN 979-3627-20-4

Published by: Persatuan Perusahaan Peirklanan Indonesia

www.pppi.or.id

www.citrapariwara.com

※ Notes : US\$ Currency exchange rate

1950 US \$ 1 = Rp 20.19-

1960 US \$ 1 = Rp 256.25-

1965 US \$ 1 = Rp 10,354.17- National crisis

1970 US \$ 1 = Rp 379.00-

1976 US \$ 1 = Rp 415.00,-

1977 US \$ 1 = Rp 415.17-

1981 US \$ 1 = Rp 636.58,-

1990 US \$ 1 = Rp 1,849.99,-

1996 US \$ 1 = Rp 2,385.00,-

1997 US \$ 1 = Rp 5,700.00,-

1998 US \$ 1 = Rp 16,085.00 June Asia Economic Crisis

2000 US \$ 1 = Rp 9,406.00,-

Indonesia 1970 – 2000

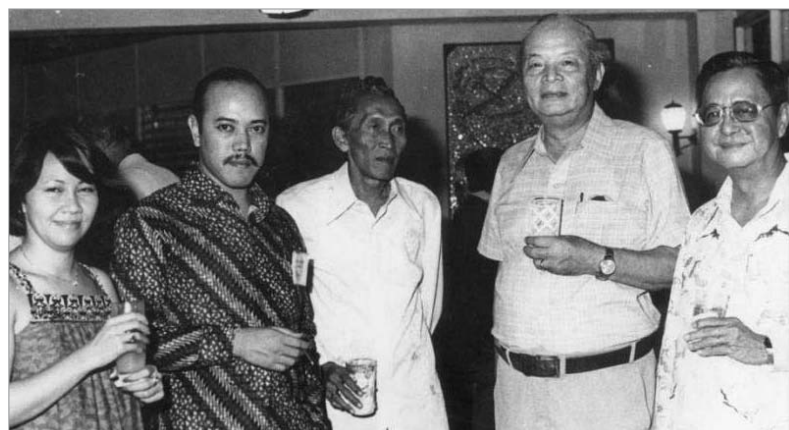
An Advertising Odyssey? Maybe. An illustrious photo collections showcasing the Asian advertising development through '70s and '80s contributed by Mr. Indra Abidin, AFAA representative and a member of AFAA International Council.

by Indra Abidin

< All picture captions are from left to right >



1976 Abdul Moeid Chandra, Past Chairman Advertising Agencies Association/PPPI, Savrinus Suardi, Chairman Advertising Agencies Association/PPPI, Indra Abidin, Secretary General Advertising Agencies Association /PPPI.



1978 AdAsia Manila, Reception in Manila. Miranty Abidin, Indra Abidin, A.M. Chandra Past Chairman PPPI, 2 Philippine delegates.



1978 AdAsia Manila, Reception in Manila Indra Abidin, Philippine delegate, S. Suardi, Indonesian delegate, Mrs Aristides Katoipo, Mr Aristides Katopo Indonesian Delegate.



1980 Symposium Code of Ethics, Vice President Republic of Indonesia greeted by Indra Abidin Committee Chairman Symposium.



1980 Symposium Code of Ethics, Opening, Director General Yoop Ave, Director General Sukarno, Vice President ROI Adam Malik, Indra Abidin, Anak Agung Gde Agung, Chairman Advertisers Association.



1980 Symposium Code of Ethics, Director General Yoop Ave greeted by Indra Abidin.



1981 – 1985, After a hearing session with Parliament members. G. Anom Secretary General, Treasurer, Ahmad Exec Secretary, Indra Abidin, Srikandi Hakim International Relations, Baty Subakti Vice Chairman.



1982 – 1985, Advertising Agencies Assoc Courtesy Call to Vice President Republic of Indonesia Adam Malik. (5 from right)



1981 – 1985, Establishment of Advertising Commission for Code of Ethics and Code of Practice: Indra Abidin Chairman of Advertising Agencies Association, Agus Tagore Chairman Private Radio Broadcasting Stations Association, Sukarno Director General Ministry of Information, Harmoko Minister of Information.



1981 – 1985, Indra Abidin Chairman Adv Commission Code of Ethics and Code of Practice, Ahadin Chairman Cinema Owners Association, and guest during reception.



1981 – 1985, Courtesy Call to Director general Ministry of Information, Indra Abidin, Ahadin, Sukarno, Sunardi Chairman of Publishers Association, Ahmad Executive Secretary Adv Agencies Ass, Board Member of Cinema Owners Ass, Exec Secretary Publishers Ass.



1981 – 1985, West Java Chapter Adv Agencies Ass courtesy call to Press Family: Chairlady West Java Chater Adv Agencies Ass, Sunardi Chairman Publishers Association, Zulharmans Secretary General Journalsits Ass, Indra Abidin Chairman Adv Agencies Ass.



1981 – 1985, Mr. Mohamad Napis, Former Chairman Advertising Agencies Association 1956-1972.



1981 – 1985, Courtesy call to Mayor of Padang City for formation of West Sumatra Chapter Adv Agencies Ass.



1981 – 1985, Advertising Seminarin Jakarta , Emil Salim Minister of Environment and Population, Harmoko Chairman Journalists Association, Indra Abidin Chairman Adv Agencies Association.



1981 – 1985, Advertising Agencies Association national conference.



1990 AdAsia Malaysia, Singapore delegate, Bruce McCormack Australia, Indra Abidin, Syahrir Djalil Indonesia.



1990 AdAsia Malaysia, Indonesian delegates with Dato Mohamad Djafar Chairman of AFAA. (wearing suit & tie in middle)



1996 Seminar Broadcasting Law, Yanti Sugarda, Aristides Katopo, Senyon Kim, George Islan, Miranty Abidin.



1996 Seminar Broadcasting Law, Senyon Kim in middle, Javed Jabbar Pakistan standing.



1996 Seminar Broadcasting Law, Javed Jabbar, and Senyon Kim with Indonesian practitioners.

C H A P T E R 3

Development of Asian Advertising - Japan

by Japan Advertising Federation

Advertising expenditure in Japan has grown hand in hand with economic growth. When the Japanese economy is doing well, the growth rate of advertising expenditure is much higher than that of economic growth. When the economy slows down, naturally the growth rate of advertising expenditure drops and it is normally lower than that of the previous year. However, on average, advertising expenditure has been able to maintain 1.1% of Gross Domestic Product (GDP). Let us now look at the development of the Japanese economy and advertising industry after 1950.

Development of Media

Without media, advertising cannot grow, thus making the development of media essential. Due to a severe shortage of paper after World War II, the government controlled usage of paper for newspapers, which then could not afford to offer much space for advertising. This situation lasted until 1951. With the abolishment of government controls in 1951, newspapers regained their mainstream position as a medium. The same year, commercial radio broadcasting was launched followed by TV broadcasting three years later. One

after another commercial radio and TV stations were opened – 6 new radio stations in 1951, 12 in 1952, 14 in 1953 and 8 in 1954. By 1954, the number of radio stations was 39. In the case of TV, one station opened in 1953 and a few stations opened in the following years until 1959 when 21 TV stations were opened. The total number of TV stations was 38 by 1959. 1956 witnessed the introduction of various weekly magazines following the successful launching of weekly magazines by the established publishing companies. So by 1959, four major media – newspapers, TV, radio and magazines – were well established.

The Japanese economy together with advertising expenditure made giant strides over the 15 years from 1954 until 1970. There were four waves of economic boom in this period, each having the introduction of new products or a major event as an engine. The first wave came between 1954 and 1957, with the penetration of household electric products – the washing machine, refrigerator and electric vacuum cleaner (and a little later, the black & white TV set). The next wave came between 1958 and 1961 with the wedding of the crown prince, the present emperor. This occasion promoted the sales of TV sets. The third wave came in 1963-64 with the Tokyo Olympic Games

held in 1964. And the last wave came with the Japan World Exposition 1970 in Osaka. During this time, we saw the penetration of the “3 Cs” – color TV, car and cooler.

During the period between 1965 and 1970, with the growth of the four major media and the introduction of new products, advertising made gains not only in quantity but also in the improvement of its position as a marketing activity. Creative approaches improved greatly. A wide range of creative execution approaches was introduced. From the later half of 1960, TV set ownership penetrated rapidly and the value of TV as a medium increased tremendously. This resulted in the change of media position – TV advertising expenditure surpassed newspaper advertising expenditure in 1975 and ever since then, TV has been the leading medium.

In the period after 1970, the growth of the Japanese economy fell sharply due to a series of incidents which all worked against it: the dollar shock of 1971, the first oil shock in 1974, the second oil shock in 1980 and the yen shock of 1985 as a result of the Plaza Accord. As a result, the advertising industry was affected greatly and advertising expenditures dropped sharply.

Development of Advertising in Japan

The period between 1986 and 1990 was that of the ‘Bubble Economy’ when Japan experienced high economic growth backed by rising land and stock values. The advertising industry benefited greatly from the ‘bubble economy’ and advertising expenditure increased at a double figure rate, accounting for as much as 1.26% of GDP in 1990.

Thanks to such factors as the growth of the domestic market, the introduction of large-size new products (including automobiles, home appliances and overseas leisure trips), the diversification of activities within business organizations, and the demand for labor due to the shortage of manpower and loosening of restrictions, enterprises were active in carrying out advertising and sales promotion activities. Moreover during this period, newspaper pages were increased for more advertising space, numerous new magazines were launched, and more radio and TV stations were opened. A large number of expositions, exhibitions and events were held. We saw the significant development of not only mass media advertising but also of DM, outdoor displays, posters, POP and other means of communications. Media mix plans became important business for advertising agencies. Agencies’ business domains expanded too. Sometimes agencies were involved with exhibitions and other large-scale events.

Then came the burst of “bubble economy.” With the consumption tax introduction (1989), the Gulf Crisis (1990) and the sharp falls in stock and land values, the Japanese economy suffered setbacks from 1991 to 1993. Advertising expenditure suffered the same fate. From 1993 to 1997, a modest economic recovery was evident but the increase of the consumption tax rate and bankruptcy of financial institutions worked negatively and resulted in another stagnant economy. The Nagano Olympic Winter Games (1998) and financial institution big bangs brought increases in advertising volume but overall, advertising expenditure decreased. The economy started an IT business-led recovery from 1999 to 2000. From 2000, advertising expenditure sharply increased, particularly in the information and communications

industries, and insurance companies carried out a large volume of advertising. Overall advertising expenditure increased by 107.2% over the previous year. This was the first increase in three years and total advertising expenditure was the highest ever.

But the good times didn't last. The economy started to slow down after 9/11 and setbacks in the IT business. Despite the world's biggest sports event, 2002 FIFA World Cup™ Korea/Japan, advertising expenditure dropped. The ten years after the 'Burst of the Bubble Economy' is referred to as the 'Ten Lost Years'. Since 2002, the Japanese economy has been making a recovery, overcoming the 'Ten Lost Years'. With the introduction of technologically advanced digital

products – digital cameras, mobile phones, the internet, liquid crystal TVs and DVD recorders – manufacturers have been aggressively advertising their products in a competitive market. Also helped by ATHENS 2004 Olympic Games, advertising expenditure increased for the first time in four years. 2005 saw an increase in advertising expenditure thanks to a sharp increase in internet advertising, the 2005 World Exposition, Aichi, Japan and other events.

Japan took initiatives in organizing the Asian Advertising Congress for the internationalization of the advertising industry. The 1st Congress was held in Tokyo in 1958 to provide a forum for those engaging in advertising activities to exchange information and views to improve the

standard of the advertising industry in Asia. With the same objective, the 2nd Congress (1960) and the 18th (1993) were hosted in Tokyo.

Major changes are taking place in Japan – globalization and structural reform of the economy, development of an information-centered society, easing of regulations, reorganization of industries, the arrival of the aged society, increased numbers of female workers, and the development of new media, etc. – and these are expected to continue at an accelerated pace. The advertising industry cannot be immune to these changes. In order to cope, the industry will go through a major structural transformation.

Advertising Expenditures by Medium

Unit : ¥ 100 million

Year	Newspapers		Magazines		Radio		Television		Sales Promotion		Satellite Media		Internet	
	Ad Expenditures	Compared to Previous Year %	Ad Expenditures	Compared to Previous Year %	Ad Expenditures	Compared to Previous Year %	Ad Expenditures	Compared to Previous Year %	Ad Expenditures	Compared to Previous Year %	Ad Expenditures	Compared to Previous Year %	Ad Expenditures	Compared to Previous Year %
2000	12,474	108.1	4,369	104.4	2,071	101.4	20,793	108.7	20,539	104.5	266	118.2	590	244.8
2001	12,027	96.4	4,180	95.7	1,998	96.5	20,681	99.5	20,488	99.8	471	177.1	735	124.6
2002	10,707	89.0	4,051	96.9	1,837	91.9	19,351	93.6	19,816	96.7	425	90.2	845	115.0
2003	10,500	98.1	4,035	99.6	1,807	98.4	19,480	100.7	19,417	98.0	419	98.6	1,183	140.0
2004	10,559	100.6	3,970	98.4	1,795	99.3	20,436	104.9	19,561	100.7	436	104.1	1,814	153.3
2005	10,377	98.3	3,945	99.4	1,778	99.1	20,411	99.9	19,819	101.3	487	111.7	2,808	154.8

Source: Advertising Expenditures in Japan, Dentsu Inc.

Advertising Expenditure Components by Medium

Unit : %

Year	Newspapers	Magazines	Radio	Television	Sales Promotion	Satellite Related Media	Internet	Total
2000	20.4	7.2	3.4	34.0	33.6	0.4	1.0	100.0
2001	19.9	6.9	3.3	34.1	33.8	0.8	1.2	100.0
2002	18.8	7.1	3.2	33.9	34.8	0.7	1.5	100.0
2003	18.5	7.1	3.2	34.3	34.1	0.7	2.1	100.0
2004	18.0	6.8	3.1	34.9	33.4	0.7	3.1	100.0
2005	17.4	6.5	3.0	34.2	33.3	0.8	4.7	100.0

Source: Advertising Expenditures in Japan, Dentsu Inc.

Development of Asian Advertising - Korea

by In Sup Shin / Dong Hyun Kim

The Republic of Korea, better known as South Korea to the rest of the world, is divided. The southern half of the Korean Peninsula is the free, democratic and prosperous South. The communist North, feared to possess nuclear weapons, has no advertising.

Korean advertising since 1958 can probably best be summarized in four periods.

The first period runs from 1958 to 1968, when Korea slowly recovered from the devastation of the Korean War. Commercial radio and television were introduced. The second period is from 1968 through 1980, when the Korean economy grew by leaps and bounds. The entry of multinational brands such as Coke and Pepsi marked this period. The third period starts from 1980 and lasts until 1988. During this time, freedom of the press

was extremely curtailed, and television switched to color in 1981. The controversial Korea Broadcasting Advertising Corporation (Kobaco) was established in the same year and exercised a monopoly over sales of advertising time on radio and television. The fourth and last period is what might be called a liberalization period.

Let us now take a brief look at each period.

In 1961, General Chung Hee Park took power in a bloodless coup. The economy started to grow fast, but Korea was still a very poor country with per-capita GNP increasing from \$80 to \$169 between 1958 and 1968. Although commercial radio and television were introduced by mid-60s, newspapers were still the dominant medium despite the fact that the number of pages per issue was a meager four to eight. Pharmaceutical products and movies (mostly imported from America) accounted for the majority of advertising volume. Agency service was still at an infant stage. A few universities offered advertising courses. A short-lived advertising journal was launched in 1960, introducing the Audit Bureau of Circulations, the International Advertising Association, award-winning television commercials from Japan, and

much other advertising news to Korea. In the meantime, radio commercial jingles had their heyday as radio sets proliferated. Overall, this was a product era, and you could sell as much as you produced. All you needed was to mention your product. Consumers gladly bought your product without any question.

The roaring '70s followed next, starting from the entry of Coke and Pepsi in 1968. A couple of oil companies were also in the Korean market fighting for market share until 1973, when the first oil shock hit the world. Four major advertising agencies were born one after another from 1968 to 1974. In addition, half a dozen smaller shops also opened, signaling the launch of the agency service era. Hapdong, Manbosa, Cheil, and Union, the four major agencies, were launched in succession. All of them had the backing of media and advertisers, and this type of backing became a unique characteristic of advertising agencies in Korea.

A survey of Korean advertising expenditures was carried out in 1967 by Hapdong, one of the new agencies. Later, Mr. In Sup Shin continued this venture almost single-handedly until 1976, when Cheil Communications, the largest agency in Korea, took over the task.

A tremendous growth in black-and-white television sets marked this period. TV penetration was 3.9 percent in 1969 and reached 81.5 percent in 1980. The 480 km-long Seoul-Busan Expressway was completed in 1970, creating a boom in outdoor advertising. The Seoul subway paved the way for public transportation advertising in 1974. Industry associations were born in succession: the IAA Korea Chapter in 1968; the Documentary Film Producers Association in 1969; the Korea Council of Advertising Studies, predecessor of the



Korea's first radio jingle in 1959. The Jinro Soju jingle became a smashing hit with the introduction of commercial radio in the late 1950s.



The introduction of Coca Cola to the Korean market in 1968 ushered in the truly modern advertising campaign and agency service.

Advertisement for Festal, a digestive pill, in the 1960s reflects the Korean society of those times: sumptuous food and drink were a dream and diet was an unknown word.



Advertising Expenditures by Media

Units: billions of Korea won & millions of US dollars

Year	Newsp.	Magaz.	Radio	TV	Others	Total Won	Total US\$	US\$1.00=Won
1968	45.0%	6.1%	18.6%	13.4%	15.9%	9.2	32.7	281.5
1970	46.8	6.5	20.6	14.1	12.0	12.7	40.1	316.6
1974	36.3	5.4	19.3	29.2	9.8	33.0	68.2	484.0
1977	31.4	3.1	14.5	34.1	17.9	120.3	248.6	484.0
1980	35.9	3.9	12.5	19.8	17.8	275.3	417.2	659.9

Source: (1) Expenditures in US dollars were calculated based on the Bank of Korea rate of exchange. (2) Advertising expenditures—In Sup Shin/B. S. Seo. *History & Development of Advertising in Korea* (Korean). (1998). Seoul: Nanam. p.346. (3) Exchange rate—*Korea's Foot Prints through Statistics* (Korean). (1995). Office of National Statistics. p.355.

present Korea Federation of Advertising Associations (KFAA) in 1971; the TV Commercial Producers Association in 1974; and Seoul Copywriters Club in 1976. Large agencies started to publish their house organs, which greatly contributed to propagating the services of ad agencies and advertising in general. Leading media companies started to establish advertising awards. Chung-Ang University in Seoul established an advertising and public relations department for the first time in Korea in 1974. Cheil Communications initiated the *Korea Advertising*

Yearbook in 1979.

As Korea's per capita GNP reached \$1,000 and its exports hit \$10 billion in 1977, Korean conglomerates started to advertise in leading business journals around the world.

The third period, from 1980 to 1988, was “a step backward” as far as freedom of press is concerned. Admittedly, advertising outlay grew to \$1.2 billion thanks to continued economic growth. By the mid-80s advertising reached 1 percent of the GDP . However, mass media came

An advertising battle raged for black-and-white television sets in the early 1970s, and the penetration of television reached 50 percent by 1975.

10개월 일부판매 금성신형 텔레비전

구	가	제1회	제2회	제3회	제4회	제5회	제6회	제7회	제8회	제9회	제10회	계
VS-196	5,800	6,800	6,770	6,650	6,330	6,410	6,280	6,110	6,040	5,920	28,050	11,250

MODEL VS-196 (1975년)
판매가액: 83,720원

under heavy censorship as typified, for example, by forced mergers, which reduced the number of dailies from 36 in 1979 to 29 in 1980, also forcing most of broadcast media to change from private to public service and effectively putting them under government control.

TV switched to color in 1981. Daily newspapers were allowed to publish twelve pages per issue, four more than the previous eight pages per issue.

The Korea Broadcasting Advertising Corporation, better known by its acronym, Kobaco, was born as a government agency in 1981 to manage nearly all matters related to broadcast advertising, including monopoly sales rights for terrestrial broadcast advertising time, setting agency recognition criteria and agency commission rates for radio and television, and operating broadcast advertising censorship among other things. Many of Kobaco functions have been curtailed or delegated to other organizations since 1988, when liberalization started, but it still remains the exclusive sales representative for all terrestrial broadcast media.

The fourth and last period began in 1988. The



Its father was a locomotive. Its mother was a ship.

For a company that has been building some of the world's best locomotives, ships, buses, bridges and trucks, the new Excel was the next logical step. The company is called Hyundai (rhymes with "Sunday"). And, outside the U.S., it ranks 39th in the world as a major corporation. As a car company, it's the fastest growing anywhere. In fact, last year the leading imported car in Canada was built by Hyundai. Hyundai also builds industrial robots, electronic equipment, computers and power plants. This vast experience in engineering, design, craftsmanship and high

technology is clearly evident in the new Excel. It's an extremely durable car at a very affordable price. With more standard features than any other car in its class. They'll be sold by a handpicked network of dealers who will sell only Hyundai automobiles. Which means a total commitment to service and satisfaction by each and every dealer. So if you're looking for a new car, check out the one that's really new. The Excel arrives in February. Call 1-800-255-2550 for the location of your nearest Hyundai dealer. **HYUNDAI** Cars that make sense.

Hyundai Motor's introductory advertisement in 1986. The name, Hyundai was still unknown in America.

1988 Seoul Olympics carried a political impact. Liberalization, both internal and external, became a fact of life and also a keyword.

Liberalization pervaded every facet of Korean society, not just mass media and advertising. The advertising market was liberalized in 1991.

Trends of Print Media

Year	Daily	News Agency	Weekly	Monthly	Others	Total
1987	30	2	226	1,298	865	2,421
1988	65	2	496	1,733	1,092	3,388
1994	126	2	2,561	3,376	2,659	8,724

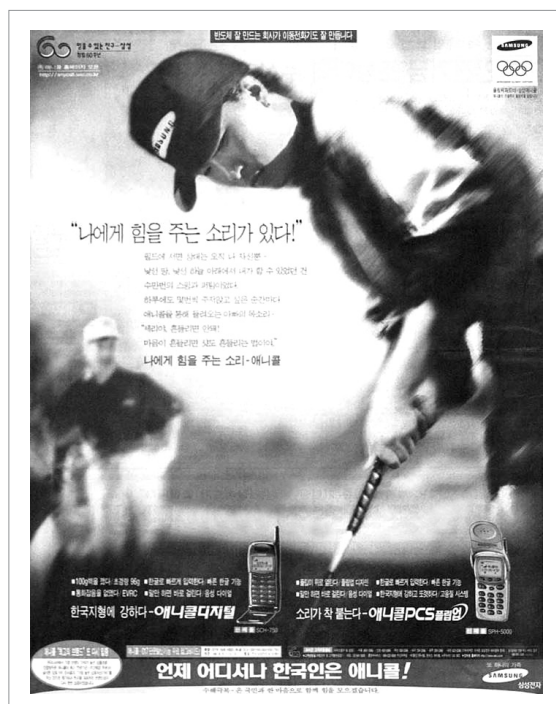
Source: Ministry of Culture/Tourism

Korea hosted the 35th IAA World Advertising Congress at the KOEX for the first time in June 1996.



What happened to broadcast media was no less striking than what happened to print media. Private radio and television stations were allowed in 1991 and the privately owned SBS TV/Radio Station was born. Cable TV was launched in 1995 along with private TV in major cities. Satellite broadcasting followed suit. The Internet became the emerging new medium in the mid-90s.

This Samsung cell phone ad symbolized Korea's emergence in the IT world.



The economy was booming. So was advertising. Advertising expenditures in 1996 reached 5.6 trillion Korean won, or \$6.65 billion. But the Asian financial crisis hit Korea hard in 1997, and per-capita GDP dropped from \$10,000 to around \$6,000 in 1998. Advertising plunged to 3.5 trillion won, a decrease of around 36 percent. Recovery, however, was fairly quick, and ad outlay returned to the 1996 level by 2000. Such hi-tech giants as Samsung, LG and SK dominated the advertising market during the last five years, expanding to the world market. Each of them now spends over US\$100 million for advertising in print and broadcast media in the Korean market alone.

Universities followed the trend, offering advertising and public relations as major courses. TV rating service was introduced in 1991. The bitter pill of 1997 taught Korean conglomerates how important brand is in the global market. Five global communications groups, Omnicom, WPP, Interpublic, Publicis, and Dentsu launched M&A activities. WPP for example acquired controlling stocks in LG Ad and Diamond, the No.2 and No.3 agencies in Korea in the early 2000s.

While the figures may look rosy, there are thorny spots, too. The antiquated print media practices and the existence of the Kobaco monopoly are two such examples. Also alarming is the looming return by chaebols to in-house agencies which, in the long run, will be detrimental to the healthy growth of advertising.

BIBLIOGRAPHY

1) *Advertising Yearbook*, published annually by Cheil Communications. 1,384 pages (2005). Language: Korean. Sold at leading bookstores. The Yearbook covers all the current advertising matters and data. Historical data are also included. A must for advertising organizations/institutes with an interest in the Korean advertising market.

2) *Advertising Information*, a monthly house organ published by the Korea Broadcasting Advertising Corporation (Kobaco). Language: Korean. Free, controlled circulation. In addition to regular advertising articles, Advertising Information carries monthly data on television advertising.

3) *Korea Creative Yearbook*, published by the Korea Association of Advertising Agencies (KAAA). Language: Korean and English (titles only). Sold at leading bookstores.

4) *Advertising Yearbook*, the bi-annual book published in English by KAAA. Excellent reference with tables on all advertising industry data. Free, controlled.

5) *Advertising Trends*, a monthly published by the Korea Federation of Advertising Associations (KFAA). Language: Korean. Free, controlled. Each month the journal covers specific issues, i.e., its March issue covered advertising agencies with billings broken down by media, number of staff, etc.

6) *Advertising in Korea*, 4th edition (2005), co-authored by In Sup Shin and Kie H. Shin and published by Communications Books, is the only English-language book on Korea advertising. The 174-page book has 10 chapters covering nearly all advertising matters of interest to foreigners.

7) *Korea Statistical Yearbook*, published by the Korea National Statistical Office. The 972-page Yearbook (2005) is naturally crammed with statistics in Korea. Tables are bi-lingual, Korean and English. Indexes are both in Korean and English and can be found at the back part of the book. Sold in major bookstores and government publications stores.

8) *Social Indicators in Korea* is an annual also published by the Korea National Statistical Office. The 752-page SIK 2005 is another excellent source of data for global marketers and advertising agencies. Contents and tables are bilingual (Korean and English). Sold in major bookstores.

For academics, there are a few quarterlies : *The Korean Journal of Advertising*, *The Korean Journal of Advertising/Public Relations*, published by academic bodies. In addition, Kobaco publishes a quarterly. There are also other academic journals.

(See Advertising Journals at the end of Current Status of Korea Advertising.)

C H A P T E R 3

Development of Asian Advertising - Malaysia

The history of advertising in Malaysia

by *Nantha Kumar*

Malaysia in Brief

Malaysia celebrates her 50th year of independence in 2007 and it is a milestone that would not go unnoticed at home and internationally. The nation has prepared to welcome an influx of

tourists this year - in conjunction with the "Visit Malaysia Year" - as they prepare to welcome the return of economic boom time.

Malaysia's population - which was expected to have reached 26.8 million in 2006 (the 33rd



largest globally) - has been geared to play the generous hosts to the millions flocking to the country in 2007. It is the unique composition of the Malaysian public - segmented into three major races of Malay, Chinese and Indian - and the mix of their various cultures that makes the nation a huge tourist draw.

Approximately 80% of the population resides in Peninsular Malaysia, with the rest divided almost equally between Sabah and Sarawak in the north of Borneo, where the indigenous people make up the dominant races. Sabah and Sarawak are part of the 14 states that make up Malaysia and it is this variety again that provides the distinctive cultural mix that sets the nation apart from the rest in the continent.

Even though Kuala Lumpur is the hub of all commercial and governmental activities, each state has their own "governments" which endeavour to be the local trade centres. Malaysia's rapid economic expansion throughout the 1990s to achieve the status of first world nation has seen her transform from an exporter of natural resources to one specialising in light and heavy industry, in line with the economic boom in Asia.

Malaysia's average household income was US\$8,900 in 2001, compared to US\$5,271 in 1990, a jump that is indicative of the nation's conversion from an agriculture-based economy to industrialisation. The number of affluent households, bracketed as those with annual earnings above US\$15,900, is increasing, with 13.4% of all Malaysian households deemed affluent and accounted for 41% of all household expenditures. In 2006, the percentage of affluent households will be 17.7%, contributing 48.2% of all house-

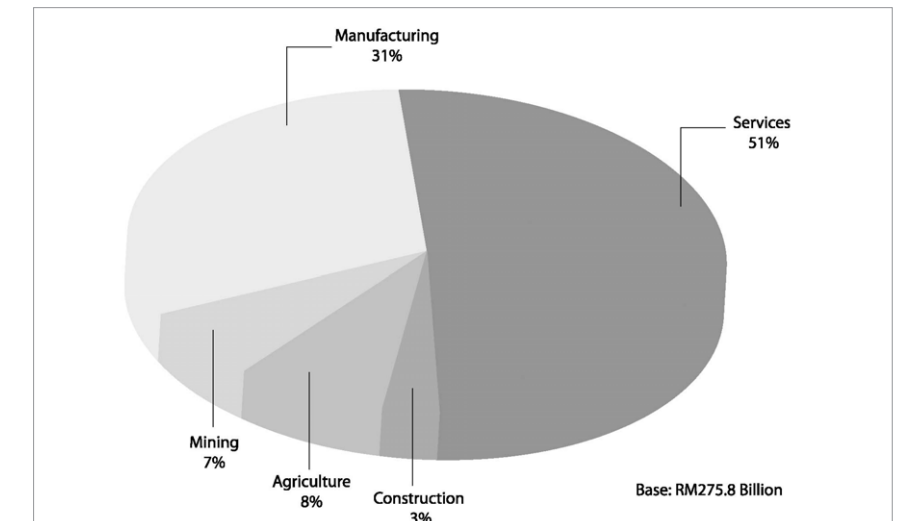
hold expenditures (Carat Media Facts 2006/2007).

Economy Summary

Malaysia's GDP in 2005 was estimated at US\$290.7 billion, in an overall growth of 5.3%, while per capita income was calculated to stand at US\$11,200, which is the 61st highest in the world. The nation's economy was expected to expand at a slightly higher rate of 6%, which is an additional 0.5% above the growth figure that was released by the Ministry of Finance in September, 2005.

This projection is based largely on the more robust exports and elastic domestic demand. Malaysia, in common with the rest of the markets in the world, was not spared of fluctuating oil prices; constricting fiscal policies and the continued concerns over security and political instability in 2006.

Gross Domestic Product By Sector.

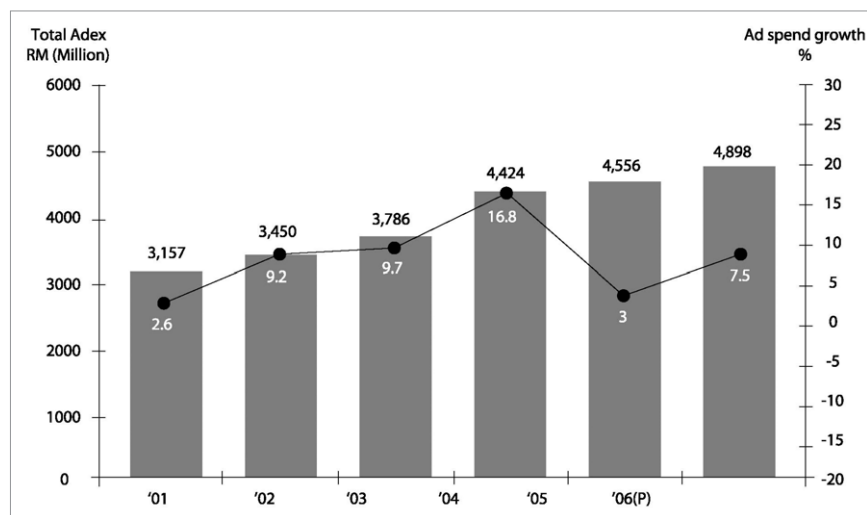


The main drivers of the economy would still be private investments and services, supplementing the manufacturing sector which has been the primary source of growth since the 1980s. Electrical and electronic products form the bulk of exports; followed by other manufactured goods; chemicals and plastic products; petroleum goods and iron, steel and metal products (January - July 2005; Carat Media Facts 2006/2007).

Information and communications technology plus a more aggressive approach in securing outsourcing jobs was again the focus in the services sector in 2006 while the government's aim would be on diversification and high value-added products in the manufacturing industry (Carat Media Facts 2006/2007).

Advertising Expenditure (Current Adex)

The growth of advertising expenditure in 2005, Malaysian Advertising Market. at 3%, underperformed the GDP growth of 5.3%



and is a contrast to the expansion in the last decade when the adex “outperformed” the GDP figures.

The highest growth among top ten spending categories was in Face Care (Women), which leapt from fifth to third place, with a rise of 18% in spending. This mirrored the positional changes in the top ten ranking where Procter & Gamble progressed from third to the summit of the chart, overshadowing the hard spending telecommunication companies (telcos) which have been driving the adex up in at least the last three years.

Newspaper remains a primary media avenue for advertiser and maintained its 61% grip on adex by outgrowing free-to-air television adex and total adex with a 4% growth (RM2.8 billion). Terrestrial television failed to reproduce its upward form in 2004, which saw it register a 30% growth, and only managed a disappointing 1% adex rise to attain RM1.3 billion. The adex is projected to reach RM4.9b in 2006.

The Origins of Advertising

It is impossible to separate Malaysia and Singapore in various aspects that include advertising. Singapore was a primary trading port for Malaysian goods as the latter, with abundant natural resources, made use of her southern neighbours for centuries to transport the products out to the outside world.

It is no surprise that the advertisements for good and service in the early days reflected this commercial necessity. Newspaper cast a huge shadow over posters, handbills and sandwich

boards as the principal platform for advertising and carried maritime related items and catered for the men in the shipping business in Singapore and other Malayan ports.

The first advertisement appeared in the nation's first newspaper, Prince of Wales Island's Gazette, published in Penang in 1805. The print media of newspapers and magazines had made their debut in trading centres in Penang, Malacca and Singapore and almost exclusively featured advertisements related to the shipping trade and was at the disposal of businessmen within this sector.

The inaugural issue of the Straits Times in 1845 front paged shipping news and carried advertisements that called into attention freight, storage and cargo matters. Another prominent advertising feature in this period were announcements of lodging stops for seamen and their services targeted at departing vessels while departmental stores such as Little and Cursetjee and Company almost had exclusive use of the first page of Straits Times.

Medicine and doctor's service was the other advertising favourite. One of the world's largest advertisers then was Holloway, which traded Holloway's Pills and Holloway's Ointment in markets from the United Kingdom to India to Hong Kong to the Philippines and Australia. A popular advertising trend - which is still the case - was to pair the advertisements with testimonials (or affidavits as they were then known) from satisfied customers.

Holloway was also the first advertiser to take out full page advertisements and went on to become a leading name in both the pharmaceuti-

cal and advertising industries. His products made him a fortune and it was estimated that he invested £20,000 every year in advertising alone. The success of Holloway's Pills and Holloway's Ointment also inspired other brand names such as Perry's Cordial Balm of Syriacum; Revalenta Arabica Food and Dinnefords Pure Fluid Magnesia to leap to the fore through advertisements.

Though medicinal advertisements were to remain the mainstay of advertising space for the next decade, the hotel industry also rose into prominence in the early decades of the advertising era. Trade in the major ports grew in leaps and bounds and hoteliers wasted no time in spotting



opportunities with the influx of sailors into Malaya and Singapore.

Advertising Rates, Styles and Colours

While there was no direct mention of advertising rates in the debut issue of the Straits Times, it did indicate that nominal charges were applicable. In common in those times, all enquiries regarding advertisements were directed to the newspaper (printer) rather than the advertisers. The first appearance of advertising rates was in the Singapore Free Press which stated that the sum



payable would correspond with the specified number of lines that announce the advertisement. The Straits Times outlined its advertising rates in 1894.

Before the end of 1910, the advertising rates were prepaid at \$1 per-four lines for one or two insertions while reduced rates were offered for the second and subsequent months. This was a considerable increase from the \$0.15 per-insertion that was offered in 1894. The Straits Times of February 24, 1910, which announced these rates, also carried an advertisement for beer; cigarette and car companies. By 1911, the motor car firms were a vital part of advertising in Singapore and Malaya and the Straits Times featured a motor column, supported by motor advertisements.

A standard type will be used for all advertisements unless the advertisers requested their advertisements to be displayed in an "effective" style. In the absence of advertising expertise, the newspapers resorted to vary the type settings as the only method of distinguishing one advertisement from another. The lack of guidance on advertising also resulted in comically misleading advertisements and blunted the effectiveness of certain advertisements.

In less than 20 years into last century, a vast variety of types were employed, which indicated a rapid change in the printing business, and the usage of pictorial illustrations, in place of sketches, increased in advertising. The Straits Times of this period still featured a full front page of advertisements.

The first full-colour advertisement appeared in a supplement of the Straits Times in October 1,

1897 to commemorate the Diamond Jubilee for Queen Victoria. There were six pages of colour in the advertising supplement, printed in England, containing 46 colour advertisements. It was typical for advertisements to be accompanied by pictures of the advertisers or business proprietors themselves.

Advertising Campaigns

The first advertising campaign in record was initiated by an Australian patent medicine firm W.E. Woods and Company, which embarked on a promotion in 1905 for their "Woods Great Peppermint Cure" that lasted several months and was one of the biggest campaigns in Malaya and Singapore and even South East Asia.

The promotion featured original "tail-piece" advertisements-with rhyming lines and which were copied by other advertisers even before Woods campaign was over - at the end of the column of each news story while quarter size stand-alone Woods advertisements listed out the benefits of their products and their availability in stores in Singapore, Kuala Lumpur, Ipoh and Penang.

There was also a fresh look at medicinal advertising: Woods did away with testimonials from customers as they deemed them "questionable practice" Apart from this newspaper blitz and several puzzle competitions in print, Woods hit the ground with handbills and hoardings as part of the campaign.

Advertising Agents

In 1919, advertising agents and agencies manned by locals and "foreigners" mushroomed to aid clients with their advertising problems. The after effects of the First World War were eventually countered by the growth of motor industry and by 1927 motor and motor trade advertising was providing the bulk of advertising material in newspapers.

There was also greater subtlety in advertising approach, from luring consumers to purchase goods that they did not need to help them realise what they want and . Many complaints on advertising-especially those issued by medicine advertisers - centred on their loud and obtrusive manner and the situation called for refinement in the presentation of advertisements. The maturity of consumers due to better access to education had also rendered the old style irrelevant and out of place.

While the general public had accepted advertising as a way of life, new methods needed to be devised and other techniques had to be invented if advertisers wanted the desired sales. The advertisers appreciated that they could no longer rely on their instincts and basic knowledge to push their products and services in an increasingly competitive environment. In addition to this realisation, advertisers believed that advertising directed at consumers in Malaya and Singapore should have their unique edge.

Advertisements to the consumers in these markets should convey a special meaning but to achieve this objective represented an early hurdle for the business community which largely sourced their goods and services from England and elsewhere abroad. The link between the manufacturer across the seas and his local agent was not well

established and resulted in poor representations of products and the issue of reputable exporters lending their names to ill-designed advertising.

An acknowledged problem was the scarcity of artists, block makers and insufficient type choices for which the short-term solution was proper and early advertising planning. Underpinning all the difficulties that arose was the degree of cooperation between the manufacturer and his local agent in devising advertising that would address the appeal of their products and their marketability. The consensus was to leave this task in the hands of specialists.

These specialists would have the best ideas on art work, layout and copy while the exporters would be able to advise them-and the local agents-on the peculiarities of their market. Forward planning for advertising was practiced and certain negative habits were scrapped. Cheap advertising space in Malaya and Singapore as compared with that in England, for example, had encouraged the same set of advertisements to alternate without change in a year.

The advertisers assumed that since the room for advertising is inexpensive, the cost involved in preparing the advertising must be equally low. This again, however, precludes economical, cultural and social conditions of the markets in Malaya and Singapore and the need to distance manufacturers from swindling advertisers. In this environment, a homogenous application will not suffice and may lead to setbacks which the manufacturers or agents could the least afford.

A different look at advertising, marketing and promotion was required in an emergent advertis-

ing business that sought public approval and legitimacy. The 1920s were also boom time for consumer-led spending not only as the generally prosperous community indulged in leisure activities (movie-going and watching spectator sports became a routine) but embraced radio.

Before 1934 ended, there were 17 companies involved in advertising, publicity and marketing in Malaya and Singapore. Cathay, Grant, Master, Benson and Young were among the pioneering advertising agencies and traded their expertise within the main media that was available then: newspapers; magazines; radio and rediffusion.

Nion Art Studio, which had been in existence since the 1940s, was the first agency to take up advertising work which then consisted of designing and printing posters, banners and leaflets. The Second World War halted advertising activities which resumed after the Japanese Occupation in 1944 and this decade also marked a new chapter in the advertising industry.

An increase in marketing and advertising work was registered after Malaya was declared an independent nation in 1957 and attracted foreign investment. This, and the subsequent proliferation of media, resulted in more multinational agencies seeking Malaysia.

Even though the newspapers and magazines were the prime advertising media, the cinema rose as an option for advertisers, with slides plus 30-and-60 second commercials. At this time, jingles have become a popular form of advertising over radio and rediffusion and the advertising industry braced for the biggest change with the advent of black and white television in Malaysia towards

the tail end of 1964 and full colour television in 1978.

The number of agencies that shot up during this era remains the leading names today: Ogilvy and Mather plus McCann-Erickson amongst them, while others such as Ted Bates and Lintas also made their presence felt. In 1965 when Singapore seceded from Malaysia, the agencies split into two entities as well while advertising expenditure (adex) swelled.

The hundred million ringgit mark was attained in the 1970s and 1980s and the billion dollar barrier was swept aside in 1991. Within five years, the two billion level was exceeded and a decade later, the adex more than doubled to in excess of RM4.6b.

Associations and Regulatory Bodies

The Association of Accredited Advertising Agents (4As) was founded in Singapore - which was then part of Malaya - and seven years later, the Malaysian Advertisers' Association (2As) was established with similar aims of protecting and promoting the interests of advertising agencies and advertisers.

The actual boon for the advertising only occurred after foreign advertising agencies, with their technical know-how and experience, set up offices in Kuala Lumpur and Singapore in the mid-1950s. As of 1996, there were 54 fully accredited advertising agencies in Malaysia, out of which 60% were locally owned while the remainder were partnerships with foreign agencies (Run Spot Run; 1997; see "Advertising agen-

cies in Malaysia" below for further details).

The 4As and 2As Joint Media Committee was established in the early 1970s to engage the government on various issues in the advertising industry. These concerns included-and still include-rules and policies imposed by the authorities and also to verify and recommend advertising rate increases and other conditions laid down by media organisations.

The 4As-2As alliance was instrumental in aiming for self-regulation through the formation of the Advertising Standards Authority of Malaysia (ASAM; now known as just ASA) in 1977. ASA, which is made up of representatives from 4As, 2As, media owners and later the Federation of Malaysian Consumer Associations (FOMCA; which left the ASA in 1978), went on to create the Malaysian Code of Advertising Practice as a regulatory guide for advertising industry.

Prior to this development, and in a move to seek transparency and accountability within the industry, figureheads from the advertising agencies, advertisers and media publishers initiated the Audit Bureau of Circulation (ABC). The ABC was charged with the responsibility of auditing print media circulations through a uniform method.

The 4As, with the support of 2As, have been instrumental in championing the advertising industry. The Media Committee was formed by the 4As with the objective of being the industry representative for the media and research sectors. The Committee, which is manned by senior and experienced figures from member agencies, acts as both consultant and watchdog on media and

research issues.

The 4As, as the recognised industry body, are also engaged by the government and policy-making bodies on a variety of matters through meetings, forums and dialogues. The input from the 4As has been very useful in revising the Advertising Code and other regulations as they continue to pursue a closer relationship with the government.

Other commendable initiatives of the 4As include aiding the rise of skilled and sophisticated advertising workforce. The establishment of the Institute of Advertising Communication Training (IACT) in 1990, which offers diploma and certificate courses on a part-and-full time basis, have eased the path of thousands of new personnel into the advertising field. The IACT also encourages other members of the industry to enroll into refresher courses or participating in seminars and company training programmes to enhance their skills (Run Spot Run, 1997).

Advertising Controls and Constraints

Malaysia, in common with her fellow Asian nations, has her own set of cultural and social values that set forth a different business environment and regulations from that of the western world. The practice of a number of faiths - Islam being the dominant and official religion of Malaysia - and the usage of many languages and dialects, although Bahasa Melayu is the national language, make for an interesting mix and challenge for advertisers.

Though Islam outlaws gambling and the con-

sumption of alcohol, the authorities cater to the needs of a racially diverse society. As such, these limitations only apply to national mass media such as television and prints which are targeted at Muslims. English, Chinese and Indian language newspapers are free to carry advertisements on gambling and alcohol provided that they do not encourage readers to increase their utilisation of alcohol and to gamble.

Efforts to safeguard Malaysia's cultural identity and exercise sensitivity on various issues that affect these cultural groups form the basis of legal constraints that govern many aspects of business and day-to-day affairs. Advertisers have always been aware of the restrictions on the type of media to be used for their goods (the promotion of tobacco and alcohol products, for example, is prohibited in electronic media); advertising images, protective policies and government regulations.

These limitations have rendered global advertising campaigns embarked upon by multinational companies to reconsider their approach in markets such as Malaysia's which calls for customisation to suit local taste and acceptance. Advertisements of racy nature or those which contain nudity, anti-social behaviour, racist and sexist images are considered offensive and would invite the full force of the law.

Marketing activities are also determined by the practice of various religions; diversity in languages and multiple ethnic groups which would require advertisers to tailor make advertisements or campaigns to target a range of consumers. This may necessitate a separate advertising strategy to cater to Malaysia or even a unique variation of products for the market.

Government interventions in advertising activities are normally designed to protect the values outlined above and to defend the interests of the local advertising community. The authorities would decide on how goods and services are advertised while imposing limitations on the importing of advertising materials and the employment of foreigners - even if they were only to endorse products or services - to helm advertisements.

Strict advertising guidelines rule over the advertising of pharmaceutical; infant and health product advertising and various approvals must be sought from the relevant regulatory bodies and ministries to obtain clearance for such advertisements. There are, as of 1996, a minimum of 90 sets of legislations at Federal and State levels that regulate the advertising industry, which range from the Broadcasting Act 338 1988 to Indecent Advertisement Act 1953 (Revised 1981).

These laws are reinforced with official guidelines, with the most important being the Radio Television Malaysia (RTM) Code of Advertising (Advertising Code for Television and Radio) and various others on advertising cigarettes; liquor and food. These rules and regulations are supplemented by the Malaysian Code of Advertising Practice (Run Spot Run; 1997).

The Advertising Code

The government-and the people within the advertising industry-realise that their policies are meant to harness the potential of advertising activities in building not just a consumer base but a just society aspiring to accepted national cultural and social values while ascribing to the values of




Islam, which is practiced by 605 of the Malaysian population. For these purposes, Advertising Code for Television and Radio was introduced by the Ministry of Information, which supervises and regulates advertising practices, in 1990.

The code states that “advertisements must project the Malaysian culture, identity, reflect the multiracial character of the population and advocate the philosophy of Rukunegara.” The viewpoint under Rukunegara, a national ideology that stresses a way of life guided by five tenets that range from belief in God to good behaviour and morality, is also part of the guiding principle behind the code.

Though the implications of the code are broad, there are certain advertisements and images that are entirely blanked out. Suggestive and sexually provocative scenes are barred from television. Commercials for pork and pork products, liquor and alcohol beverages, which are all prohibited in Islam, are also off the list.

Over the years, the code has been amended to



HOLLOWAY'S PILLS

244, Strand, near Temple Bar, London.
PROFESSOR HOLLOWAY attends daily at the Establishment from 9 till half-past 12 in the Morning, and from 7 till 9 in the Evening, for the purpose of dispensing Advice GRATIS.

THIS INESTIMABLE MEDICINE being composed entirely of Medicinal Herbs, is free from any mercurial, or other deleterious substance. Innoxious to the tenderest infant, or to the weakest constitution, and equally prompt and sure in eradicating disease from the most robust frame, it is perfectly safe in its operations and effects, while it searches out and removes Complaints of every character, and in every stage, however long-standing or deeply-rooted.

OF THE THOUSANDS cured by its agency persevering in its use have been restored to health and strength, after every other means failed.

THE MOST AFFLICTED need not resign himself up to despair, but let him make a fair Trial of the Mighty Powers of this astonishing Medicine and he will soon be restored to the blessings of health. These should not be lost in taking this remedy

reflect the changing cultural and social landscape of Malaysia. As early as 1991, complaints from the public and industry leaders over certain grey areas in the code led to the ban on advertisements that glorify western values and promote lifestyles that are inconsistent with national aspirations.

These issues are addressed in the Advertising Code under “adaptation and projection of foreign culture which is not acceptable to a cross section of the major communities ... either in the forms of words, slogans, clothing, activity or behaviour.” As an added shield, the Advertising Code also cautions against the portrayal of “ways of life that are against or totally different from the ways of life followed by Malaysians.” But both statements are open to interpretation as Malaysian culture and social values evolve, as could be seen from the early amendment to the Advertising Code.

There were drawbacks in the Advertising Code that were tolerated and even ignored. Principally, this concerned the barely subtle manner in which advertisements on tobacco logos were allowed to slip through under the guises of men’s wear; holiday packages; cologne and camping gear. Tobacco advertisements were banned on television in 1982 but in excess of 30% of the total advertising expenditure was dominated by cigarette brand advertisers.

The lobbying for its entire exclusion from television gathered pace after Europe, with the European Union a driving force, and the World Health Organisation took a tougher stance against tobacco advertisers in the 1990s and called for a total ban by 2006. Though Malaysia agreed to a complete prohibition on direct and indirect cigarette advertising and sponsorship in January,

2003, the money-making Formula One grand prix was provisionally exempted from it, pending further developments.

Another example of effective public lobbying, which was the reverse of the stand taken on tobacco advertising, would be the change in attitude towards suggestive and intimate scenes and images. The jump in sexually transmitted diseases in the 1990s, especially AIDS, prompted the government to loosen up restrictions on sex-related advertisements that are meant to educate the public on the hazards of AIDS, and not to promote promiscuity.

Cultural sensitivity in advertisements is required under the Advertising Code, which disallows advertisements that carry “statements and suggestions that which may offend the religious, racial, political or sentimental susceptibilities of any section of the community.” Such conditions, it must be understood, are necessary to achieve racial and national harmony in Malaysia’s multi-racial environment.

Members of the public, trade and consumers’ association are encouraged to write to the Advertising Standards Authority of Malaysia (ASA) with their grouses. Upon receipt of their complaints, the ASA would commence investigations and, in cases of breach, are empowered to deny advertising space or airtime from guilty advertisers and adverse publicity (Run Spot Run, 1997).

Protectionist Policy on Advertising

The often debated Made-in-Malaysia (MIM)

rule was introduced in the early 1970s to minimise foreign cultural aspects in advertising and encourage home-grown talent to produce advertisements for local consumption. The regulation stipulated that the talent, creative team and production personnel must be Malaysians and that foreign footage and technology can only be used after clearance from the Ministry of Information. In such cases, approval will only be granted if the technology and scenes are not available in Malaysia.

There are claims that this policy-in addition to the various rules and regulations-suppresses advertising creativity while the public and consumer associations charge that they are inadequate. But the general consensus is that the dual effect of the Advertising Code and the ASA’s Code of Advertising Practice on advertising practices is sufficient for the industry. The Advertising Code is operates essentially as the letter of the law while the self-regulation sought by the advertising industry through the Code of Advertising Practice reflects the spirit of the law.

It is worth noting too that these long-standing limitations have not repressed the work of creative individuals in the advertising arena here or acted as a hindrance to their pursuit of excellence in their chosen trade, as seen by the number of major international advertising awards won by Malaysian talent since the 1990s until this year (2006), including the prestigious Cannes Lion Grand Prix in 2004.

The pinnacle was attained last year when Malaysia took five Gold; three Silver and three Bronze in the 53rd Cannes International Advertising Festival. This was the best medal haul

by any nation in the Asian continent at the festival in 2006 - including traditional giants such as Japan and Thailand.

New Media

The proliferation of media since the 1990s has resulted in a number of issues for the authorities in Malaysia. As a general rule, the government does not impede the content published over the Internet as it would contradict its pledge of non-interference and promise of no censorship on the Internet. This is in line with the government’s ambition to be a leading multimedia proponent in the world.

Though this is a relatively new medium for Malaysians and the government is incapable of effectively controlling the content, the Internet has become an immensely popular mode of communications. Products and services which are would not find space in traditional mass media have the opportunities to reach their audience through the Internet.

While there is enough legislation to bring their force to bear upon such “rebel” advertisers, it is a moot point where the authorities would draw the line. It would be very difficult to impose controls on a global phenomenon such as the Internet but the sharp rise in advertising on the Internet across the world and its growing share of global advertising expenditure share would bring forth a new set of challenges. At this point in time, such matters would be best left to advertisers acting responsibly and agreeing on the benefits and importance of self-regulation.

C H A P T E R 3

Development of Asian Advertising - Singapore

Singapore transformed itself into an important advertising hub in five decades

by *Eddie Chan*

In 1958, Singapore was still a British colony and its economy depended very much on entrepot trade. After the Second World War, the economy began to pick up and a number of trading houses exported rubber, tin and other commodities from the neighbouring countries such as Malaysia and Thailand. In turn these trading houses imported consumer goods such as cars, refrigerators, watches, pens and packaged goods for both local and regional markets.

Naturally, the advertising scenario was relatively primitive as purchasing power of the average worker was very limited (the British naval base here alone employed 60,000 workers). There were only a handful of advertising agencies then, the larger ones such as Masters, Papineau, Cathay & Grants were owned and managed by British expatriates who stayed on after the war. The local agencies such as Fortune were acting more as media owners and representatives of outdoor hoardings than professional advertising agents.

In the late '50s and early '60s, the main advertising media were newspapers, magazines and outdoor hoardings. Even the Straits Times, the major newspaper was printed in black and white

by letterpress. For good reproduction, line drawings were used for illustrations as photographs did not print well on newsprint. The best artwork was scraperboard which would give good details of a car or the close-up of a watch but it was very expensive and time consuming to render. Slide advertising on cinema was another popular medium as the production costs of cinema commercials were too prohibitive

Then in the '60s advertising on radio became popular. Ex-journalists were employed as copywriters and ex-radio announcers as script and jingle writers. After radio, came television and suddenly these new media required more sophisticated advertising and production techniques. Many talents were brought in from UK, USA and Australia to help fill the creative roles. A number of production houses started operation to cater for the special production needs of radio, television and cinema commercials. Newspapers also upgraded themselves by going offset and colour printing on better quality newsprint which allowed for quality reproduction of photographs as well.

As the purchasing power of the consumers

increased, advertising was recognized as an important component of selling and marketing. The major advertisers were cigarette manufacturers, beverages, cars and household items. With the growing size of the various market segments, advertisers invested more in advertising both above and below the line.

However, in 1963, Singapore merged with Malaysia and this triggered a 3-year period of confrontation by Indonesia. There were also political unrests and racial riots in Singapore and Malaysia. In 1965, Singapore was rejected out of Malaysia and became an independent nation, the economy was badly affected. Singapore's survival was at stake having lost Malaysia as its heather land. At the same time the British closed its naval base and 60,000 jobs were lost overnight. The change in political power also caused concerns about the future and Singapore slipped into a period of recession and slowed down progress in marketing and advertising.

By early, 1970s, the confidence to survival and future of Singapore returned and many jobs were created with multinational companies setting up factories on the island. Many foreign companies such as Philips, Sony, and Sanyo took advantage of pioneer status incentive offered by the Government which meant tax free for 10 years on their investment profits.

This acted as an impetus, since these international companies invested heavily on their brands with large budgets on advertising to grow their market shares. The heady growth in advertising attracted a slew of international advertising agencies to set up shop in Singapore. Agencies such as Dentsu, Ogilvy & Mather, JWT, McCann, and

Leo Burnett started operating in Singapore both to protect their international clients as well as get a share of the pie in this fast developing region. A number of smaller local agencies were acquired so the international agencies could get themselves up to speed to serve their clients. With these major agencies came an influx of foreign talents. Together with the demand for sophisticated research surveys and discussion groups, the professional quality in advertising took a quantum leap.

In the meantime tertiary institutions offered courses in mass communications and creative arts and the pool of local talents grew rapidly. Given the opportunity to work in international agencies and exposed to foreign competition, Singapore's advertising and creative standards surged ahead. Many good creative people were assigned overseas for attachments and they polished their skills learning from the best in the industry.

The '80s and early '90s were the golden years in advertising as the business grew in tandem with the economy. Singapore earned a reputation for its high professional and creative standards. With the introduction of computers and digital technologies, the advertising industry was challenged to adopt these new technologies quickly to gain competitive advantage over its neighbouring competitors. Artworks for print media no longer require colour separations, but are transmitted electronically. Emails and mobile phones became the mode of communications. Hence the time for the production process had been compacted and greater efficiency was achieved. In mid 1990, cable vision was introduced into Singapore offering another medium for niche advertising.

However, in 1997, Singapore together with the whole Asian region was hit a financial crisis which triggered a prolonged recession till 2003. During this period, the business was bad, and many companies downsized and this in turn caused high unemployment rate. Consumers, uncertain of their future curtailed their spending which was a vicious cycle of cutting overheads, reduced production, job loss and poor sales.

As advertisers slashed their advertising budgets, agencies had to retrench staff and restructure to survive this crisis. Also with the advent of media houses, many advertisers did away with the services of full agencies. They would use creative shops to prepare their campaigns and go to media houses directly to place their media buys thus enjoy the benefit of substantial savings. Agencies reacted by restructuring their organizations into specialist units, offering creative, account planning, media and promotion services separately - each unit accountable for its own profitability. Attrition rate in agencies was high and staffs leaving were not replaced. Training of staff was neglected and morale in the industry was all time low. Many smaller local agencies had to shut down as they could not sustain themselves, as payments were slow and some of their clients also wound up. Many who left these agencies went into other industries or started their small business.

After 2003, the economy for the whole region was back on track and the advertising began to expand again. However the whole nature of the business had changed quite drastically. Agency remunerations are no longer based on 15% commission but many worked on a fee basis. Many agencies having learned the hard lesson depended

more on outsourcing and freelancers in order to be more nimble and flexible to fast changing market conditions.

In 2004, Singapore ad spends hit a record of S\$2 billion as the economy surged ahead. Poaching of good staff was rampant as there were limited talents available due to the neglect of the previous years. In 2005, the ad spend in Singapore shrank back to S\$1.86 billion but that was due to the merger of TV stations and the demise of a free distribution tabloid newspaper. It is expected that in 2006 ad spend will be back at around S\$2 billion mark as the Singapore advertising market is quite matured and should continue to grow around 5 to 10% per annum barring any serious regional crisis. Singapore has just started its trial of high definition television broadcasts and hopes to implement this service later this year.

C H A P T E R 3

Development of Asian Advertising - Taiwan

by Cheng Tzu-leong, Ph.D.

Japan's occupation of Taiwan lasted 50 years (1895-1945), stretching over three Japanese imperial dynasties, the Meiji, Taisho and Showa. During this period a number of mass media were established in Taiwan, including modern newspapers, radio and movies. At the same time elements of Western culture also began to creep into Taiwan through these media, helping to slowly transform Taiwanese society and bringing a more modern way of life to the people of Taiwan.

A look at advertising in Taiwanese newspapers from the Japanese period shows that they already contained many of the basic elements of modern advertising as well as a certain style which still persists even today. They generally have a title and subtitle together with a body, accompanied by images, charts, business information and advertising essentials including brand names and addresses, as well as discount coupons and borders. These elements are present in most of the early newspaper ads. There are also hints of marketing concepts such as market segmentation, advertising spokespersons, brand concepts, promotional ideas and other basic marketing tools.

Advertising can have an impact on the devel-

opment of a society, and the Japanese occupation of Taiwan was an act of capitalist expansion in which economic gain was one of the principal motivating factors. Japan is very close to Taiwan, and another factor beside national capitalism was the easy access that Japanese businessmen had to Taiwan, meaning they could apply the lessons they learned from doing business in Japan. The newspaper advertisements of the time show a lot about perceptions in society back then. Western influences like bicycles, automobiles, perfumes and pale-faced women beauties were common in newspaper ads by the Meiji Period. Changes were also occurring in eating and drinking habits with the growing popularity of sake, pickled foods and Western style foods such as beef, milk, condensed milk, chocolate, candy, grape wine and other products, all of which were supported by newspaper advertising

The Advertisers Flood in: 1958 - 1965

World War Two ended in 1945, the Kuomintang took control of Taiwan in 1949, and in 1958 C.H. Wen founded Eastern Advertising – the first general advertising agency in Taiwan. In

1960 Taiwan sent its first delegation to the 2nd Asian Advertising Congress, and a number of participants decided to set up advertising agencies upon their return to the island. 1961 saw the birth of Taiwan Advertising under F.W. Chen and Kwo-hwa Advertising under B.J. Hsu. This was followed in 1962 by International Commercial Communications founded by Y.P. Li, Yi-chih Liu and W.F. Chang. China Commercial Advertising founded by T.J. Chien; and Tai-yang Television Enterprise (later Tai-yang Advertising), founded by C.H. Yang. These six agencies are collectively known as the “Original Six” agencies in Taiwan’s advertising industry.

C.H. Wen’s Eastern Advertising was the first general advertising agency in Taiwan. Wen was born in Hengchun in far south Taiwan in 1922 and earned a business degree from Kanagawa University in Japan. Planning and preliminary set-up for Eastern took place in 1958 and the agency was granted an operating license in January 1959, and Wen and his wife began business with a staff of seven persons. By August 1960 the agency had 15 staff and had moved to Chungking S. Rd. in Taipei. In August 1960 Eastern re-located once more to Po-ai Road and changed its name to Eastern Advertising Ltd.

In the years following 1961 several more key agencies made their way into Taiwan’s advertising industry, appearing largely for three main reasons:

First, Taiwan’s economy began to take off around this time, and the business outlook was very rosy; second, the establishment of Taiwan Television Network (TTV) opened the door for an entirely new medium for reaching Taiwan’s consumers; and third, the 2nd Asian Advertising

Congress in Tokyo in 1960 saw Taiwan’s first delegation of participants. During the Congress they listened to Hideo Yoshida, president of Japan’s largest advertising agency Dentsu, as he extolled the value of advertising in stimulating growth and pledged to help congress delegates set up new agencies – which several of the attendees promptly did on their return to Taiwan. The encouragement from Yoshida, the impetus from Taiwan’s economic growth and the appearance of TTV on the scene were all key factors in the early development of Taiwan’s advertising industry.

Advertising began finding its way into Taiwan’s academic world during this period. In 1957 Professor L.S. Song of National Chengchih University began teaching a course labeled “Principles of Advertising” ; his position was taken over by Y.Y. Yu the following year. Also in 1958 Taiwan Provincial Law Academy, the forerunner of today’s Chung-hsing University, initiated an advertising course in its Business Department under T.S. Wang

It was during this time that large numbers of advertising-related books became available in Taiwan. The first locally-produced book on advertising was probably C.H. Wen’s “Product Marketing” which was published in 1958. The first book written specifically for an advertising class was “Advertising” by T.S. Wang which came out in 1963.

Growth and Development: 1966 - 1975

Taiwan hosted the 5th Asian Advertising Congress in 1966, and TTV held the “Golden Tower Awards” for the first time in 1968. The

establishment of the Taipei Association of Advertising Agencies in 1975 marked the culmination of a period of dynamic growth and development for the advertising industry in Taiwan.

The Taipei Association of Advertising Agencies was established in 1975, and although a Taipei Advertising Agent Association had been set up as early as 1958, the older organization was composed mostly of advertising technicians and advertising sign makers and was thus different in nature from the later association. Thus in 1973 P.T. Hsu, who was then with Kwo-hwa Advertising, brought together several other large agencies including Tai-yang, Hsin-hsin, Eastern, Tung-hai, China Commercial, International Commercial Communications and Taiwan Advertising to form the Taipei Group of Eight Advertising Agencies or “Group of Eight”, holding their first collective meeting on September 24. was chosen to head the organization that was the precursor to today’s Taipei Association of Advertising Agencies.

In 1966 the 5th Asian Advertising Congress was held in Taipei. The opening ceremonies took place on November 4 at the Ambassador Hotel with M.Y. Yu, Director of the TAAA, as Master of Ceremonies. The event drew a total of 413 attendees from 14 different countries throughout the region. In the following years Taiwan’s uncertain international status made it difficult to attract the congress back for a second time. Finally in 1997 a group from Taiwan regaled delegates from 20th Asian Advertising Congress at Manila with a program title “It Must Be Taipei”, got the bid to host the 22nd Asian Advertising Congress in Taipei.

In 1968 the first genuine educational program

involving appeared in Taiwan with the organization of a course in the second-year level at Hsing-wu Commercial College. H.L. Liu taught the “Commercial Advertising” course, and while he termed the class an ‘experiment’ course, it was indeed a full-blown college course. Unfortunately the program was dropped after going through only four cycles.

During this period the economy of Taiwan continued to grow (hitting an annual growth rate of 13% between 1971 and 1973). At the same time the nation’s diplomatic relations worsened with its withdrawal from the United Nations in 1971, the cutting of relations with Japan in 1972 and curtailment of air links to Japan in 1974. The break in Taiwan-Japan relations and a subsequent boycott of Japanese goods had a tremendous effect on advertising in Taiwan. Advertising revenues for Japanese brands had long been a source of sold, growing income, and during the early stages of the boycott the resulting loss of income from Japanese advertisers had a profound effect on Taiwan’s ad industry.

At the same time a great deal of interest was being generated toward television by the broadcast of shows like the serial drama ‘Jing-jing’ on CTV (China Television) and ‘Yun-chou Ta-rushia’ puppet theater drama shown on TTV. This led to dramatic growth in ad revenues for television as the people of the island spent more and more time in front of the tube and Taiwan entered an era when TV became one of the major media.

Heightened Competition: 1976 - 1988

During the competitive era the advertising industry saw advertising agencies pitted against

each other as well as different types of media pitted against each other; and at the same time competition between home-grown and multi-national business began to grow. This period also saw the founding of Brain magazine in 1977, the first annual China Times Advertising Awards in 1978, the founding of an AAAA chapter in 1987 and the most significant development of all – the 1984 decision by the government to allow foreign investment in Taiwan’s advertising industry.

In the face of diplomatic isolation, the opening of this sector of the market placed an emphasis on liberalization and internationalization in Taiwan’s economy and helped spur an invasion of multinational agencies. This in turn raised the level of competition in the market as it became more internationalized. In 1981 Cathay Advertising entered into a technical agreement with Ogilvy & Mather; this was further strengthened in 1985 when O&M raised its stake in the partnership to 62% against Cathay’s 38% and reformed the agency as O&M Taiwan, becoming the first multinational advertising agency on the island.

A steady influx of multinational agencies put increasing pressure on local companies in the advertising industry. These multinational agencies were all involved in global advertising strategies and international network transfer strategies. The latter meant that when an advertiser gave an account to an ad agency in its home country, it also transferred its accounts in other markets to local branches of the same advertising agency. This was to have a severe impact on many of Taiwan’s native agencies.

In 1979 Taiwan Advertising sent a crew to France to film commercials for Piaggio’s ‘Bai-ji

50’ scooter for women, the first time a Taiwanese agency had filmed overseas. The women’s scooter was a symbol of the increasing freedom enjoyed by women in Taiwan. It meant that women were increasingly self-reliant and did not need to have their fathers, husbands or boyfriends take them wherever they needed to go.

Diversification: 1989 - Present

There were a number of major developments in the advertising world during this period. In 1989 TAAA published its “ROC Advertising Annual Report” for the first time. In 1994 the Advertising Department of National Chengchi University published its study of the advertising industry, called “Research in Advertising.” 1997 saw National Chengchi University accepting candidates for a Master’s degree in Advertising, the first graduate program for advertising in Taiwan. In 2001 Taiwan hosted the 22nd Asian Advertising Congress. The end of the 1990s saw the rise of the Internet and its new opportunities for advertising. Finally, in 2004 the five terrestrial TV stations (TTV, CTV, CTS, FTV and PTS) began digital broadcasting.

The period from 1989 to the present has brought tremendous diversification in the advertising industry in Taiwan. The market now includes multinational as well as local agencies, and agencies range from huge enterprises to one-person operations. At the same time, the media have developed in several directions so that even media buying is vastly more complex and sophisticated than before. Finally, consumers have become much more complicated and segmented in the buying and consumption habits.

More Diversified Advertising: While multinational agencies have won widespread approval for the manner in which they operate in Taiwan, local agencies have also shown that they have a rightful place in the market. Large agencies serve the complex needs of international brands while one-person workshops can cater to the whims of smaller clients. Some advertisers who first saw the light of day in Taiwan have expanded to take in the market of mainland China, where the advertising industry has made great strides in recent years - in no small part due to input from Taiwan.

As agencies have diversified the number of available services has expanded so that advertisers regularly have access to expert skills in public relations, media purchasing, Internet advertising production, audience rating surveys and advertising effectiveness research.

Diversified Media: The rigid “three TV stations and two newspapers” regime maintained under Chiang Kai-shek and his son came to an end when President Lee Teng-hui liberalized the laws governing media. The number of TV channels and radio station frequencies was greatly enlarged even as the number of newspapers and the number of pages they are allowed to print were expanded. The resultant media revolution has led to the establishment of more than a hundred TV channels and similar growth in other media. The largest problem faced by these new media has been scrambling to win advertising revenue in the face of intense competition.

Diversified Consumers: The mass approach to advertising no longer applies, and advertisers cannot rely on a single message or medium to reach consumers throughout the market. The use of

social differentiation in advertising recognizes that consumers in Taiwan have many different faces and many different types of behavior. This in turn calls for different approaches to reach the spectrum of consumers in the market.

Diversified Advertising Depictions: Computer processing has added to completely new dimension to post-production technology in producing advertisements, while Internet advertising has bridged the gap between print advertising and the electronic media. Public relations activities and event marketing have taken the place of a large segment of traditional advertising, and product placement is an accepted part of TV dramas and entertainment programs. Advertising now reaches out in many different ways to touch consumers, reaching people in different segments of the market by ‘segmenting’ its approach.

C H A P T E R 3

Development of Asian Advertising - Thailand

by Saravudh Anantachart, Ph.D.

The history of development of modern advertising in Thailand is a young one. Though this Southeast Asian country has taken prides of its long history in various aspects since its first Kingdom of Sukhothai was founded in 1257, oral communications and sign boards seemed to be the only two common ways available for publicizing information at that time. This is not until 1844 when Dan B. Bradley, an American missionary, made public *The Bangkok Recorder*, a newspaper which allows "the first piece of advertisement" to appear in this land of the freedom, Thailand. Since then, this country started to enjoy its early years of advertising. It gradually developed print and broadcast media and found its way to the prosperous modern advertising of today.

The so-called modern advertising in Thailand can be traced back to just about 50 years ago. Two main factors urged to the turn of Thai advertising. One is the conclusion of the World War II that allowed Westerners to flux into this Eastern country, like many others, with their business ideas. The other one is when His Majesty the King Rama IX came to the throne. Under his protection, development flowered to every aspect of the country; advertising was just among one of them.

Since 1958 to present, we can try dividing the development into five important periods: Starting, Leaping, Adjusting, Blossoming and Readjusting periods.

The Starting Period: 1958 to 1967

The idea of turning the country's economy from agricultural-based to industrial-based began in this period. It became one of the key factors that pushed the Thai government to develop the first National Economic and Social Development Plan in 1961. With that, industries were funded and business projects were supported. However, most businesses were those came from outside world, giving one of the reasons why advertising agencies appeared at that time were almost all owned by foreigners. This was just so that they worked well to support their counterpart businesses, while others even created their own advertising department or an in-house agency. A few local advertising agencies was set up though; however, by not being able to compete with the international ones, many had to close themselves down not long after.



Colgate - Toothpaste Magazine Advertisement in 1960. Source: Nawigamune, A. (2000). *Thai advertisements (vol. 1). Bangkok, Thailand: Nora, p. 131.*

Further to that, even when these non-Thai agencies gradually accommodated themselves in Thailand, top management remained foreigners. They were normally sent over from their headquarters. Appointing a Thai to these positions was just rare. Anyhow, one truth was that Thais that actually got into agencies did not have the direct knowledge in this field anyway. No university offered such related degree at that time.

However, one important development of Thai

advertising did occur in this period when the Advertising Association of Thailand (AAT) was established in 1966. It became one of the most important professional associations with an aim to gather all practitioners together and help heightening the standard of Thai advertising professionalism.



Development of the AAT's Logo.

The Leaping Period: 1967 to 1977

As a result of the continuing support received from the government, business expansions were proliferated during this period. Numerous goods from Western countries were introduced to Thai market. Advertising budget received priority and became enormous in the end. No doubt that all advertising agencies would still have to fight against each other for their presence in the business.

During this period, Thai government realized the increasing business power of foreigners and decided for issuing quite a few laws to control foreign businesses and reserve certain occupations for Thai. Jobs in advertising were included. These regulations had forced pure international advertising agencies to find Thai partners and to convert themselves into joint ventures. Nonetheless, this did not at all affect U.S. businesses as they had a privilege to benefit from a special agreement their

country had done with Thailand. In any case, all that occurred did urge agencies to replace their foreign executives with locals, while some Thai practitioners, after having gained experiences from foreign agencies, decided to quit and set up their own business instead.

Another thing worth mentioning was when the two new free television stations were allowed to open their doors. This equaled higher competition among stations, and also among marketers who craved to reach their targets through the channels. Press media and radio remained being popular choices for companies to put their advertisement, unlike the media in cinema that showed a rapid decline in popularity. It was also observed that the main role of media department in agencies was of buying rather than planning media ahead



White Lion - Toothpaste Used Miss Universe as Its Presenter in 1967 Advertisement.

Source: Nawigamune, A. (2000). *Thai advertisements (vol. 1)*. Bangkok, Thailand: Nora, p. 16.

By the middle of this period, in 1972, Thailand hosted the 8th Asian Advertising Congress (AdAsia) which became internationally known among countries in Asia. Four years later, with the cooperation between two Thai universities, together with the support from the AAT, the first advertising contest was organized, namely Top Advertising Contest of Thailand (TACT) Awards. This turned to be the only Thai advertising practitioners' stage for the next 20 years.

Toward the end of this period, two critical incidents hindered the growth of Thai economy, affecting unavoidably advertising industry. The first one was in 1973 when the oil crisis hit all countries around the world. The situation got even worse when Thailand itself had to face a political instability. That was during the year 1973 to 1976, something that almost wiped all foreign businesses out of the country.

The Adjusting Period: 1977 to 1987

The world's economic downturn continued as the oil crisis recurred in 1979. Thai economy became unstable. The government took measures in trying to handle the situation: increasing taxes and tariffs, controlling prices of basic products and also monitoring financial credit issuance. However the situation came out to be not as bad as expected. This was because, when comparing to other countries of the same region, Thailand remained an interesting place for investment. For advertising sector, the industry could even generate more revenues and enjoyed excellent growth. This was due to the fact that businesses kept maintaining the advertising budget, not ignoring the importance of reminding consumers of their

products, hoping their sales volume would only go up. Pitching also became more common because it allowed companies to get the most they wanted from advertising services but with the same amount of money.

Many advertising agencies at that time also began to go on expansion. Personnel shortage became a problem, due to the over demand of the sector. Experienced personnel could therefore boost up their salaries as they moved from one agency to another. Some stepped up to be on top while others decided to run their own agency. Noted during this period were the presence of new departments in agencies offerings advertising-related services like, marketing research and direct marketing. This resulted from the fact that more and more people were better educated with more marketing-oriented ideas.

The change did not stop just that, because when new technologies started to step into Thai lifestyle and help advancing its communication system, consumers' behavior were radically modified. Media like television received vast interest causing a severe increase in media costs. That was a good reason for advertising people to struggle in finding for the first time alternative media. It was when out-of-home media like billboards found their place in the market in order to catch on-the-move folk.

During this period, the Consumer Protection Board was established under the Consumer Protection Act of 1979 with an objective to guard consumers from deceptive, misleading, or offensive advertising that could appear in any media. A year later, Thai advertising history was delighted in welcoming the new generation of professionals

in advertising. They were graduates from the first advertising program at Chulalongkorn University. This gave path to other universities to start opening up their own advertising curriculum.

Many other developments occurred in this age, including the found of the Bangkok Art Directors' Association (BAD). This was when Thai practitioners joined hands in 1985 to 1) organize BAD Awards, a contest purely for creativity and productions, and 2) to run student workshops to prepare future creative people for the industry. Then, only a year later, Bangkok hosted successfully the 15th Asian Advertising Congress, and gained a lot of interest from professionals around the world.

The Blossoming Period: 1987 to 1997

From 1988 to 1990, the Thai annual economic growth rate went up to 11.5 percent; what was considered the highest in the world. It was therefore expected to be the "Fifth Tiger" of Asia, following Taiwan, Hong Kong, Singapore, and South Korea. New businesses and investments flooded into the country, for the overall confidence was good and the economic conditions were excellent. Big real estate projects were developed all over the city. The advertising industry was also happy with the double digit growth rate as the number of their clients and their billings soared. Meanwhile marketers became well-educated in marketing and were ready to approve unconventional advertisements. Computer graphic became popular for turning what was once just an imagination into reality.

In this period, the concept of integrated marketing communications (IMC) was introduced and

accepted in this country. Agency's organizational structure quickly modified itself in response to the IMC and business expansion. This also led to the idea of having specialized team for a specific job. For example, WPP Group by Ogilvy & Mather Advertising started Ogilvy & Mather Direct and Ogilvy Public Relations. Agencies kept fighting against each other to trap experienced staff into their teams. While personnel shortage remained, this profession soon became a highly paid job, a dream occupation of many graduates from various fields.

Following the West's trends, master's degrees in advertising were offered to produce future professionals with more in-depth knowledge and marketing research skills. Then, later in 1996, Chulalongkorn University was the first to launch a doctoral program in communication arts allowing students to concentrate their dissertations in advertising.

Media time and spaces were valued more, and very expensive. Companies competed in buying and employing various types of media for advertising their products and services. Housing and realty were the two top advertising spenders. Four main mass media remained the most popular channels. However, innovative media, such as cable TV, interactive media and multimedia, also received more attentions. In addition, some print media even launched specialized magazines targeting more on specific groups of reader.

Nevertheless, too much of such growth observed in the beginning of this era unfortunately created negative effects. It led to over-supply problems that hindered the liquidated status of many companies while loans and interests were

increased. The non-performing loans (NPL) multiplied while the economic growth suffered a rapid drop. Problems got worst when the "bubble" economy that heavily relied on the foreign investment, technology and also markets, eventually got blown away in 1996. A year later, Thai government had to decide on floating its currency, the Baht. Thailand basically was facing the national bankruptcy: similar situation South Korea and several Asian countries had to face at that time. That was best known as the East Asian Financial Crisis.

The Readjusting Period: 1997 to present

Early in this period, Thailand still suffered from the crisis. However, with the help of the International Monetary Fund (IMF), the country gradually recovered. The King Bhumibol Adulyadej's (Rama IX) philosophy of the Sufficiency Economy came so handy in such situation. It stressed the importance of being sufficient in oneself creating a sufficient family and business, not too much, not too less, but enough for a happy living of all walks of life. This principal became a guideline for the new National Economic and Social Development Plan for Thais to overcome the crisis.

During this contemporary era, Thailand moved into the information technology age with three important forces; globalization, digitalization, and deregulation. Various concepts focusing on customer's satisfaction emerged to increase management efficiency in a business: total quality management (TQM) and re-engineering. Consumers at the turn of the century were wiser. They were better educated and more environmentally con-

cerned. Family size was reduced resulting in the change of their lifestyles, leaving more time for news. Information was easily accessed by then.

As the economy became more stable, the advertising industry started to grow again. Once more, in 1999, Thailand hosted the Asian Advertising Congress. New products targeted at more fragmented markets. Merger and acquisitions turned prevalent in advertising and other marketing communications agencies.

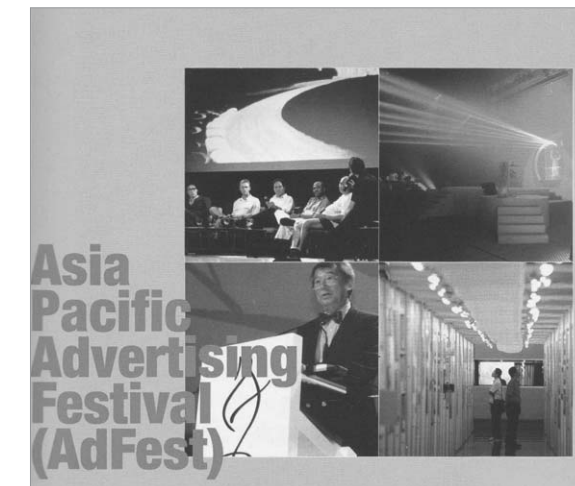
On the other side, government agencies issued laws and regulations to control advertising in certain businesses, while non-governmental organizations (NGOs) put more pressures on the government and monitored all advertising. As a result of that, the so-called below-the-line started to find its place in advertising world. It is a strategy that could better reach specific groups and produced even more impacts on them; it could build brand experience. For out-of-home media, this has expanded a lot, both in terms of types and locations. Its role is to be a "support channel" for it



Out-of-home media are everywhere outside the home.

can be anywhere outside home. Though educational institutions kept producing future professionals for this sector, the personnel shortage remained an important problem for the advertising industry.

In 1998, Thai and foreign advertising practitioners gathered to hold the first regional advertising contest, Asia Pacific Advertising Festival (AdFest). This annual event became well-accepted among Asian countries. Its 10th anniversary was just celebrated this year (2007). In addition, though Thailand had had TACT Awards as the annual domestic competition for advertising excellence, the event was not run by practitioners. Therefore, in 2004, the AAT committee set up a new contest named Adman Awards & Symposium. Its position was to be an IMC award, giving birth to the first showcase for advertising and other marketing communications work. Adding to the award ceremony, there was also seminars to educate those interested on contemporary issues each year.



Asia Pacific Advertising Festival. (AdFest)

The later developments occurred during this period included the new business of media independents. They were mostly separated from media departments in advertising agencies. Brand building became the main mission of advertising agencies, whereas the principal focus of media agencies was on planning communication channels. In addition to that, following the global trend, it was to form groups of agency. There were four world-class agency groups: WPP, Omnicom, Interpublic, and Publicis. All of them had their agencies operated in Thailand. WPP Group resulted to be the largest agency network in Thailand. It was also worth noting that the compensation system soon switched from commission-based system to fee-based system.

Smooth - E Baby Face Foam's commercials won gold awards from Cannes Lions 2006.



C H A P T E R 3

Development of Asian Advertising - China

by Wen Chunying, Ph.D. / Liu pengzhe

Advertising between 1949 and 1979

October 1, 1949 marked the beginning of the People's Republic of China and ushered in a new era of Chinese history. However, for the 30 years between 1949 and 1979, China upheld a planned economy influenced by the socialist model of the former Soviet Union and adopted an economic system under the government control, rather than relying on the market for resource allocation, which resulted in the underdevelopment of a commodity market and deprived the necessary conditions and environment for the growth of modern advertising in China. China's social development during these 30 years was filled with twists and turns, including the dark years of the Cultural Revolution, when the development of advertising in China was hamstrung, and even banned. For these 30 years, the development of China's advertising inched forward under extreme difficulties, mixed with regular standstills.

Advertising during the Revival of the National Economy after the Birth of the PRC (1949-1952)

From the end of October 1949 till the end of

1952, the advertising industry was rebuilding. Central and local governments consolidated and restructured advertising agencies that used to be under individual ownership and operation before the PRC and then introduced stricter regulation. Following that, big cities like Tianjin, Shanghai, Xi'an, Chongqing, Guangzhou, Wuhan and Shenyang released new regulatory rules on advertising. These new rules allowed advertising to play a positive and active role to promote trading between urban and rural areas and supported industrial and agricultural production to regain its strength for further development.

In terms of content, most advertisements during these early years came from privately owned enterprises, the majority of which covered advertisements on commodities, medicine, private prac-



Health Medicine & Food, newspaper ad, 1950s.

ting doctors, recruitment, job-hunting, lost & found, school enrolment, movies, etc. In terms of advertising media, most producers and distributors used periodicals, and though varied in forms, most advertisements were found in newspapers and magazines targeting a vast group of readers. On the other hand, retailers mainly resorted to window display advertisements, catalogues and product manuals. In the countryside, posters were the most popular form of advertising.

Basic idea of advertising management was also found within the advertising industry, with new emphasis on “serving socialism, industrial and agricultural production, and workers, farmers and soldiers.” Radio stations and presses began to provide advertising services, which facilitated the substantial growth of advertising. In addition to industrial and commercial advertisers, political advertisements were also widely adopted with an aim to strengthen the newly born country.

In the 1950s, China’s advertising industry employed about 1,300 people, and national spending on advertising for the whole year accounted for about 0.02-0.03% of the total annual commodity turnover. Advertising expenditure for the Ministry of Commerce’s enterprises was only 0.015% of the total annual turnover.

Advertising under the Industrial and Commercial Socialization Policies (1953-1956)

During this period of socialist reform to industry and commerce, the major task was to implement socialist reform to agriculture, the handicraft industry, private industry and commerce with the main focus on socialist industrialization. As a result, advertising during this period had to serve

and develop under the guidance of this general policy.

Concurrently, new changes were emerging in China’s advertising industry. Firstly, advertising companies were established as state and private joint management. At the height of the state and private joint management reform, advertising also achieved new successes. Ideological training was held among players within the advertising industry. Highly dispersed and individually operated advertising agencies were restructured into advertising companies under joint management. In Beijing, Shanghai, Tianjin, advertising companies and advertising art companies² were regulated and placed under the jurisdiction of municipal administrations. Secondly, regulations over advertising were strengthened. The Communist Party of China and government authorities took timely and prudent measures against unhealthy trends within the advertising industry. Some city governments improved upon and revised the existing regulations on advertising; some others promulgated new advertising rules in consideration of the local needs for economic development. Cities like Tianjin, Shanghai and Guangzhou, etc. also implemented rules on the registration and charging of advertisements and established a mechanism for the approval of advertisements in the press and on the air.

Advertising in the Period of Entire Construction of Socialism (1957-1966)

China’s socialist reform was completed by 1956. In 1957, the International Advertising Conference was held in Prague. The Ministry of Commerce sent a delegation to attend the conference in order to exchange experiences with peers

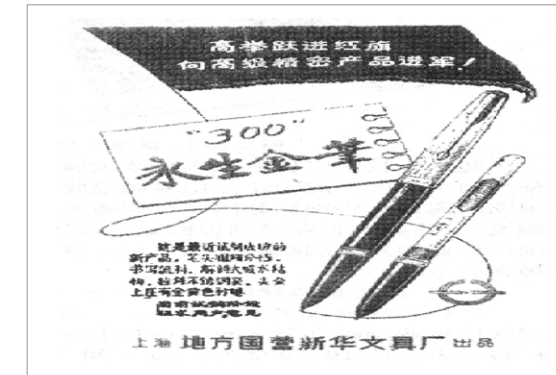
and enhance international communication. It was the first time that China’s advertising industry started international exchange. In 1959, the Ministry of Commerce released a notice calling for putting more emphasis on advertising in China. In August, the “Commercial Advertising Conference” was held in Shanghai, with participation from 21 cities permitted to conduct international trade.³ This conference had long-lasting significance for China’s advertising. The conference stated that commercial advertisements were required to represent “socialist thought, policy, reality, aesthetics, and national uniqueness⁴”, which were defined as the five features of socialist advertisements in China.

On May 1, 1958, the first TV station in China, Beijing TV started trial broadcasting and on October 1, Shanghai TV was launched. Subsequently, various local TV stations went on the air in succession marking a new milestone for TV advertising.

The following three years between 1959 and 1961 were fraught with natural disasters in China, which depressed the national economy and stroke a heavy blow to the advertising industry. In 1960s, the national economy began a readjustment period paralleled by a jump in the number of advertisements between 1963 and 1965. After the economic disruption, advertising in China achieved major progress and began to revive in major cities. However, before long, things started to turn from good to bad.

Advertising during the “Cultural Revolution” (1966-1976)

The decade of the Cultural Revolution between May 1966 and September 1976 brought tremen-



Pens Advertisement with strong political bias, early 1960s.

dous damage to business and social order, and pushed the national economy to the verge of bankruptcy. The commodities economy and commodities system was totally dissolved, so was the role of advertising as a means of promoting products. The shortage and scarcity of commodities also killed the living conditions of commercial advertisements.

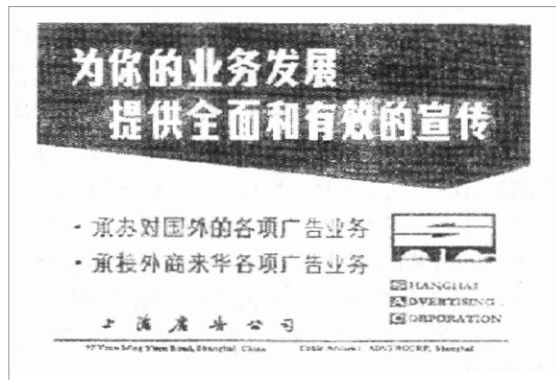
In the beginning, regulatory authorities for advertising were removed in many cities, with many advertising companies dissolved and employees turned to other professions or sent to work on communes. At the same time, the advertising market began to shrink and disappear. Commercial advertisements were almost suspended. Advertisements through broadcasting stations were removed and only a few pages on newspapers and magazines were reserved for advertisements, mainly on books for political propaganda and “model play shows.” Outdoor posters were dominated by political slogans and images. Most trademarks were forced to change their names, being categorized as “old ideology, old thinking, old customs and old habits.” Many century-old businesses and trademarks were renamed with their old name tablet smashed. According to statistics from the Ministry of Commerce’s First

Commercial Bureau of Shanghai, of the over 3,700 retail stores under the eight affiliated companies, 3,000 were forced to change their names.

Foreign commodities advertisements, newspaper ad, 1979.



Ad for Shanghai Advertising Corp, 1979.



Cough mixture, 1979.



Advertising since the Reform and Opening of China

The political landscape of China experienced major changes after the Gang of Four was captured and the leadership structure changed. The Third Plenary Session of Eleventh Central Committee held at the end of 1978 rectified the wrong direction taken during Cultural Revolution, and proposed to “improve the national economy and open the doors to the outside world”, and established the fundamental guideline of refocusing socialism on modernization. Since 1979, China entered an era of a general economic boom. Hence, the left wing radical bias against advertising gradually disappeared and advertising started to revive after years of suppression and silence. With the boom of the domestic economy, advanced concepts and education on advertising were introduced into China, bringing China’s modern advertising into a golden era.

The Revival of Advertising in China (1979-1981)

On January 4, 1979, the first commercial advertisements were publicized in the Tianjin Daily and on November 14, 1979 the Wenhui Newspaper published an article to rebuild the theoretical basis to justify advertising in China. At the time, advertising activities were centered in a limited number of cities like Beijing, Shanghai, Tianjin and Guangzhou and most advertisements were circulated through the mass media like radio stations, TV and newspapers, but not enough to form an independent industry. In terms of advertisements, most advertisements were for clothing, were for cleaners and detergents, watches, tobac-

co and liquor.

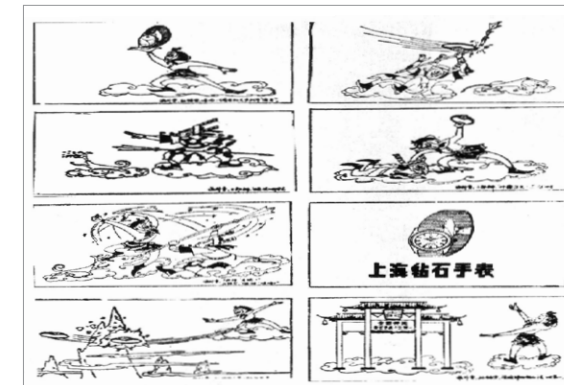
Because the industry then was still limited in size and pace of development, the government mainly used policy guidelines to manage advertising activities, and advertising was not in the scale of administrative control. According to the “Quantity Control” guidelines and the government principles of “Limit, guide and manage”, only state owned or collectively owned enterprises could be authorized to engage in advertising business.

The Preliminary Development of the Advertising Industry (1982-1992)

Advertising became an emerging industry with the fastest growth in the national economy. The total advertising expenditure (TAE), number of advertising units and people employed in the industry - three major indicators for the develop-



Double Rhomb Zippers, 1981.

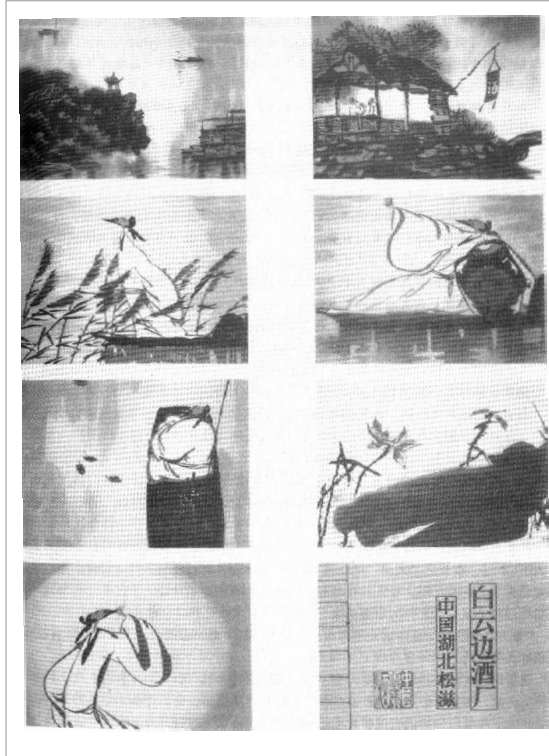


Shanghai Watch, TV ad, early 1980s.



Baili Soap, mid 1980s.

Chinese liquor, TV ad, 1989.



ment of advertising in China during this period - surged by an average of 46%, 29%, 27% respectively to 6.8 billion yuan, 16,700 units and 185,400 personnel respectively in 1992. Correspondingly, spending on advertising per capita increased from 0.12 yuan in 1981 to 5.79 yuan in 1992, representing a growth of 47.3 times. High growth on a low basis enabled China's advertising industry to form the industrial scale quickly.

After reform and opening, foreign and privately owned enterprises were allowed to engage in advertising businesses, and the unified ownership structure began to break down. In 1986, the first joint venture advertising company, DY (Dentsu and Young & Rubican) was established in Beijing and by 1992, and privately owned advertising companies had grown to 664, accounting for 3.09% of the total. At the same time, the number of professional advertising agencies surged to 3,037 in 1992. Meanwhile, 5,881 advertising business units in the mass media were providing

advertising services.

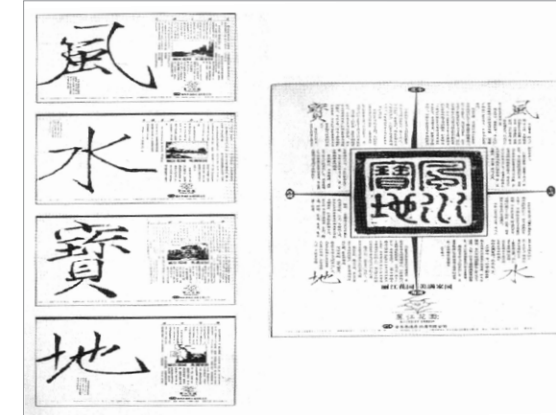
With the start of competition between commodities offered and the enhancement of people's lives, categories of goods in advertisements became increasingly varied, covering an increased number of ads on foods, pharmaceuticals, cosmetics and household appliances like color TVs, refrigerators and washing machines.

Advertising in China during the times of prosperity (1993-2002)

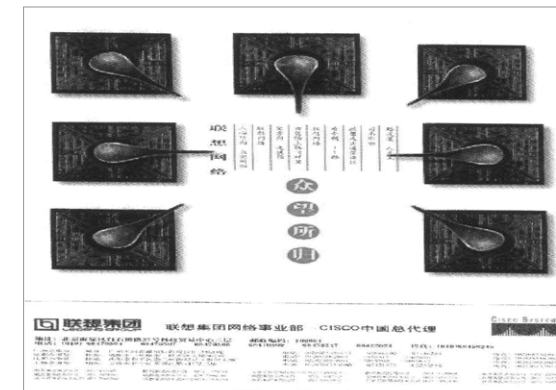
With further reforms and opening and the development of a market economy, the annual TAE, number of advertising units and people employed in the industry - three major indicators for the development of advertising in China during this period - surged by an average of 32%, 20%, 16% respectively to 90.31 billion yuan, 89,600 units and 756,000 personnel respectively in 2002. Correspondingly, the proportion of spending on advertising in terms of Gross Domestic Production(GDP) went up from 0.28% in 1992 to 0.88% in 2002 and spending on advertisements per person increased from 5.79 yuan in 1992 to 70.31 yuan in 2002 representing a growth of 11.14 times.

At the same time, professional advertising agencies had become the main bodies in the advertising industry. With the popularization and spread of the "advertising agency system⁸" across China, some local companies adopted international practices for advertisement ideas, design, operation and management. Foreign advertising companies were also actively seeking to enter the Chinese market. The situation of strong media and weak advertising agencies was changed. In 2002, the annual revenue of advertising companies

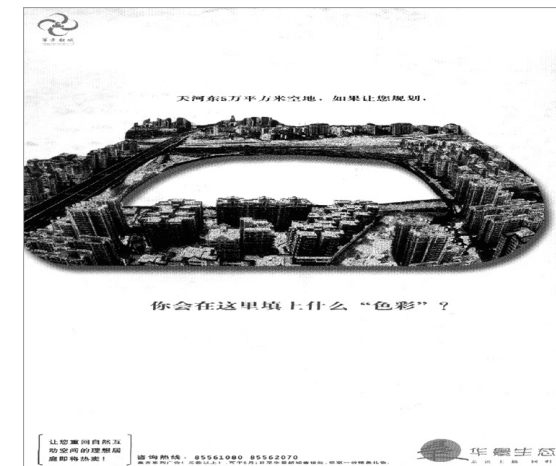
Real estate, 1992.



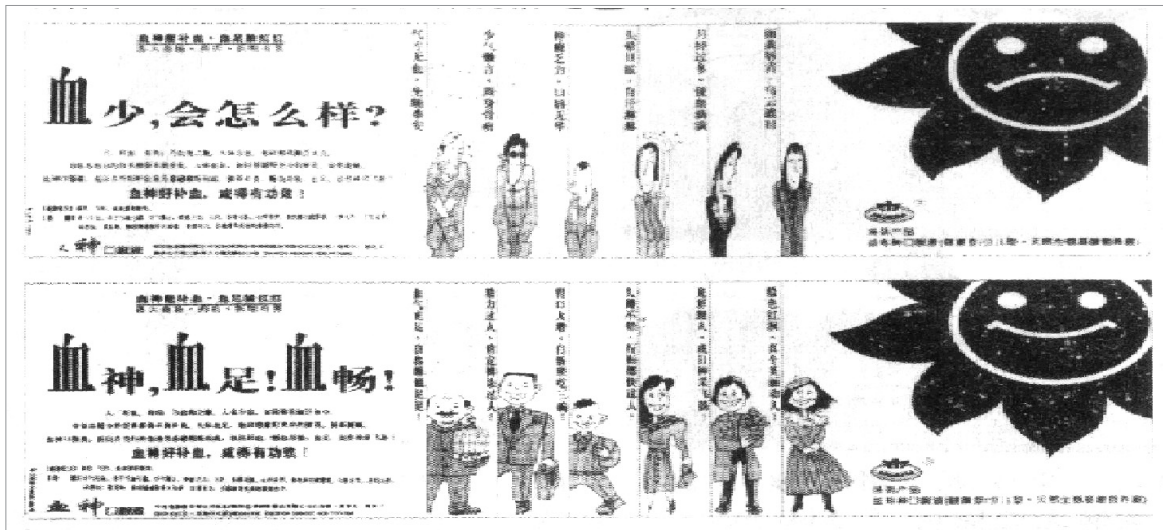
Lenovo Group, 2000.



Real Estate, 2001.



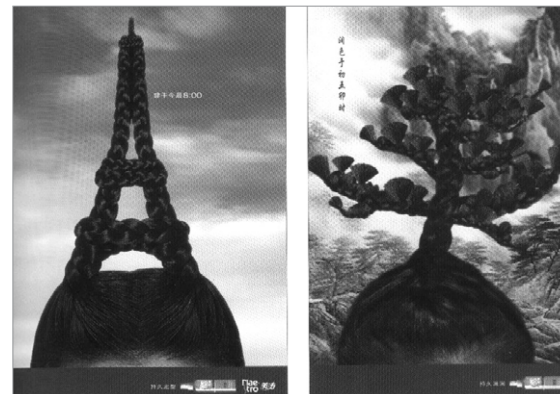
Liquid health medicine for female, mid 1990s.



Corporate identity ad, 2002.



Hair shampoo, 2004.



Website for job hunting, 2005.



reached 39.57 billion yuan accounting for 43.8% of the total. The annual revenue from advertisements in the mass media was 45.7 billion yuan, accounting for 50.6% of the total, half of the whole picture. The number of companies and employees under private ownership was growing much faster than that of state-owned, collectively owned and foreign funded companies, and the revenue was also accounting for increasingly larger proportions of the total.

In terms of advertisements published, demand of the general public for commodities and services like property, automobiles, medical care, traveling, and education shot up, thus slightly changed the structure of advertisers. In 2002, real estate advertiser spent 10.14 billion yuan becoming the first commodity to spend over 10 billion on advertisements.

The Advertising Expansion Period for China (since 2002)

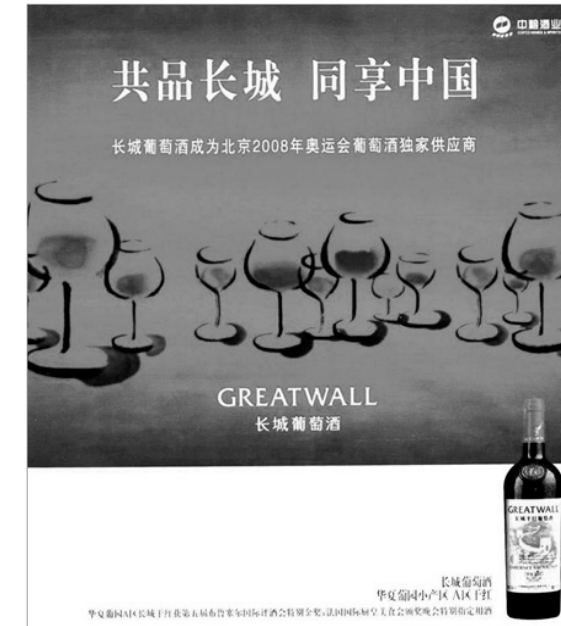
With further improvement to the socialist market economic system, the advertising industry entered a stage of comparatively mature expansion. There were four features of this period. Firstly, TAE growth slowed down due to an increase in base figure, but was still developing at a speed twice that of the GDP. In 2003, national revenue from advertising set the historical record of 100 billion yuan, 0.92% of the annual GDP. Secondly, after China's entry into WTO, competition in the advertising market was intensified and extended beyond the border. Integration between advertising agencies had become a general trend and more market niches were identified. Thirdly, brand names gradually became the focus of advertising campaigns. Fourthly, new issues and prob-

lems popped out in the industry, and prevailing laws and regulations are lack of detailed provisions to define and punish new illegal business advertisements and advertising activities.

The history of advertising in China shows that the rejuvenation and development of advertising in China was concurrent, mutually supportive and interdependent with the development of the market economy. The market size of the advertising industry in China quickly cleared four milestones: from 10 million to 100 million yuan: 3 years (1979-1981); to 1 billion yuan: 6 years (1982-1987); from 1 billion yuan to over 10 billion yuan: 6 years (1988-1993); from 10 billion to 100 billion yuan: 10 years (1994-2003). Among the top ten countries around the globe in terms of total advertising expenditure in 2001, China was ranked the fifth with 9.58 billion US dollars (USD). At the same time, China's advertising industry had become a major part of the national economy and a facilitator and thermometer of China's market economy.

- 1 “為社會主義工農業生產，工農兵服務”
- 2 Advertising company refers to the agency that usually provide full-service; advertising art company refers to the agency that specializes in art design.
- 3 In the early days of PRC, the opened up cities had limited economic exchange with the foreign countries, especially those in the socialist camp of 1950s.
- 4 “社會主義思想性，政策性，真實性，藝術性和民族風格”
- 5 “樣板戲” During the Cultural Revolution, only eight dramas were allowed to show in public, which were called model shows.
- 6 “舊思想，舊文化，舊習慣，舊風俗”
- 7 “限制，引導和管理”
- 8 “廣告代理制”

Red wine, 2006.



Mobile phone, 2006.



C H A P T E R

4

Current States of Advertising

Advertising Agencies Association of Nepal

Advertising Board of the Philippines

Advertising Council of India

International Advertising Association, UAE Chapter

Japan Advertising Federation

Korea Federation of Advertising Associations

Malaysian Advertisers Association

Singapore Advertisers Association

Taipei Association of Advertising Agencies

The Advertising Association of Thailand

China

C H A P T E R 4

Current Status of Advertising - Nepal

by Dr. Pradeep Bhattarai

1) AFAA Nepal Representative:

Organization-
Advertising Association Nepal (AAN)
Immediate Past President-
Mr. Bhasker Raj Rajkarnikar



Mr. Bhasker Raj Rajkarnikar

2) Country at a Glance

Area: 147,181 Sq. Km
Capital: Kathmandu
Population : 25.88 million (2006)
Currency: Rupees
Per Capita GDP: US \$ 315*
* US \$ 1= NRs. 72.25 (approx.)

3) Population, 2005

Age	Population Nr.(%)
0-4	2,755,213 (11.90)
5-9	3,211,442 (13.87)
10-14	2,981,932 (12.88)
15-19	2,389,002 (10.32)
20-24	2,016,768 (8.71)
25-29	1,725,478 (7.45)
30-34	1,489,503 (6.43)
35-39	1,310,653 (5.66)
40-44	1,088,044 (4.70)
45-49	923,373 (3.99)
50-54	766,054 (3.31)
55-59	602,093 (2.82)
60-64	520,908 (2.25)
65 & over	956,741 (4.13)
Total	23,151,423 (100)

※ Note: Text as provided by the writer.

Racial Breakdown

Race	Population(%)
Chhetri	3,593,496 (15.80)
Braman	2,896,477 (12.74)
Magar	1,622,421 (7.14)
haru	1,533,879 (6.75)
Tamang	1,282,304 (5.64)
Newar	1,245,232 (5.48)
Muslim	971,056 (4.27)
Kami	895,954 (3.94)
Yadav	895,423 (3.94)
Rai	635,151 (2.79)
Gurung	543,571 (2.39)
Damai	390,305 (1.72)
Limbu	359,379 (1.58)
Thakuri	334,120 (1.47)
Sarki	318,989 (1.40)
Others*	5,313,252 (22.95)
Total	23,151,423 (100)

*88 Races People

Breakdown by Religion

Race	Population(%)
Hindu	18,664,677 (80.62)
Buddhist	2,486,463 (10.74)
Islam	972,359 (4.20)
Kirat	833,451(3.60)
Christian	104,181 (0.45)
Others	92,606 (0.40)
Total	23,151,423 (100)

Official Language: Nepali

English is most widely used as international language. Local and regional languages are used as second official language in some regions of the country.

4) Total and per-capita GDP, 2000-2004:

Total and Per-Capita GDP, 2000-2004

Year	Total US\$ million	Per-capita US\$ million
2000	5672	245
2001	5823	246
2002	6292	260
2003	6853	277
2004	7362	291

Source: Nepal Statistical Yearbook 2005

5) National Holidays in Nepal

Nepal has its own national calendar and according to this calendar Nepal has been celebrating two kinds of national holidays. Some of them have relation with the important dates and historical facts of the country and some are based on ritual values of countrymen. The first kind of holidays have fixed date so they can be considered as Nonmoveable National Holidays but the second types are fixed by the yearly national calendar of the same year only, so they are Moveable

National Holidays. Whatever they are, both of them will provide the tremendous opportunity for marketing and advertising.

- **Nonmoveable National Holidays**

Nepal is in the process of political settlement. So, we are not in the position of declaring all national holidays such as Constitution Day. So far as now, we can put down some of the national holidays as mentioned below:

1. Baishakh 1: New Years' Day
2. Magh 16: Martyrs' Day
3. Push 27: National Unity Day
4. Phagun 7: National Democracy Day

Besides the days mentioned above as per as Nepali National Calendar, Nepal has been celebrating some of the days according to English Calendar as National Holidays. December 25, the Christmas is declared as National Holiday for Christian and May 1 is declared holiday for workers. Not declared yet as a National Holiday, January 1 is celebrated as New Year Day especially in the urban areas and February 14 is observed as Valentine Day within the youngsters. The rising trends of celebrating these holidays have been providing opportunity for marketing and advertising. Mother's Day, Father's Day, Children's Day, Woman's Day and other declared days as International Days by the UN according to English calendar also giving some opportunities for advertising and marketing.

- **Moveable National Holidays**

Nepal has a practice of basically Movable National Holidays like Dashain, Tihar, Buddha's

Birthday, Krishna Janmastami, Ram Nawami, Phagu Purnima, Nepal Sambat's New Year Day, Lhosar, Shivaratri, Babuko Mukh Herne Din(Father's day), Aamako Mukh Herne Din(Mother's day), Guru Purnima (Teacher's Day) etc. They are not fixed by dates as in English Calendar but fixed by Tithis as Nepali Calendar every year.

Moveable National Holidays declared by the Nepal Government for 2063 BS (2006-2007) are as follows:

1. Baisakh 14 (April 27): Matatirtha Aaunsi (Mother's Day)
2. Baisakh 30(May 13) : Buddha's Birthday (Birthday of Lord Buddha)
3. Asar 27 (Aug 9): Rakshyabandhan (Teacher's Day)
4. Asar 28 (Aug 10): Gaijatra (Cows Festival)
5. Saun 31 (Aug 16): Krishnastami (Birthday of Lord Krishna)
6. Bhadau 7 (Aug 23): Kushe Aaushi (Father's Day)
7. Bhadau 12 (Aug 28): Rishipanchami (Woman's Day)
8. Bhadau 21 (Sept 6): Indrajatra (Festival of Lord Indra)
9. Ashoj 7 (Sept 23):Ghatasthapana (Inaugural Day of Dashain)
10. Ashoj 13-21 (Sept 29-Oct 7): Dashain
11. Kattik 4-8 (Oct 21-25): Tihar
12. Push 15 (Dec. 30) : Lhosar
13. Push 27 (Jan 11, 07): National Unity Day
14. Magh 9 (Jan 23): Shree Panchami (Days of Goddess Swarwati)
15. Magh 16 (Jan 30): Martyr's day
16. Fagun 4 (Feb 16): Maha Shivratri (Birthday of Lord Shiva)

17. Fagun 12-13 (Feb 24-25): Fagu Purnima (Festival of colors)
18. Chaitra 4 (Mar 18): Ghodejatra (Festival of Horse-races)
19. Chaitra 12-13(Mar 26-27): Chaite Dahain (Birthday of Lord Ram)

Dashain & Tihar are considered as the best opportunities of advertising and marketing because of their values in Nepalese society and number of days declared as national holidays.

Dashain & Tihar are celebrated in the season of autumn, the most beautiful season in Nepal. Not only have its cultural values, the climate of Nepal at that time also played a significant role to celebrate it. In Nepalese tradition both of these holidays are considered as the best time of spending money to purchase new things. Because of this gravity, these festivals always have a great scope of marketing and advertising and most of the scheme advertising and sales promotional activities are planned in these holidays.

6) Advertising & Annual Advertising Spending

Nepal has a long history of advertising though it has no professional practice and transparent means and medium to figure out its exact annual spending. We had some traditional way and means to advertise but they were in a very limited number and characters. So far as the 21st century on medium of advertising that we are talking, we have to wait till the success of 1990's popular movement.

After the success of this movement, Nepal

entered into the world arena of all possible prospective, basically in an open society and competitive market. We must not have any hesitation to accept the fact that this movement provides the opportunities for all to start their businesses in a very free and fair manner. Multinationals were welcomed in the market for their products, some possible joint venture industries were set up, new industries in our own investment were begun, monopoly of state and some big houses in some particular areas of industry and business with some special arrangement were ended and at last, these activities in industries and business help to make a proper environment to invest in media industry too.

At the same time Nepal entered into the age of Mass Media. Slowly after then, as an auxiliary service industry, advertising has got a shape in a professional manner. This is the fact but still it's the matter of shame that there is no exact database of annual spending in advertising. We can figure out two reasons for it; the first one is our third world mentality that still doesn't trust in transparent culture and the second one is lack of state mechanism as well as professional institution to work in this very field.

Though we are in a position to say in a very rough estimation that we have an advertising industry of 2 billion (about 30 million US \$) Nepalese currency. The ratio of ATL and BTL is about 3:2. So far as the spending in different media by volume is Print, Television, Radio and new medium respectively.

Top Ten Advertisers of 2005

As mentioned above, we are not in the position to categorize Top 10 advertisers on the basis of their annual spending budget in advertising but we can figure out them in their 'spending-performances' in the market and the media.

Top Ten Advertisers of 2005

Rank	Company	Products
1.	Unilever Ltd	Haircare, Bodycare
2.	Dabur Nepal Ltd	Haircare, Bodycare, Foods
3.	Surya Nepal Pvt. Ltd.	Cigarettes, Shirts
4.	Asian Thai Foods Pvt. Ltd.	FMCG-Snacks
5.	Bottlers Nepal Pvt. Ltd	Cold drinks
6.	Himalayan Snacks & Noodles Pvt. Ltd.	FMCG-Snacks
7.	CG Foods (Nepal) Pvt. Ltd.	FMCG-Snacks
8.	Spice Nepal Pvt. Ltd	Telephone
9.	Pepsi Cola Nepal Pvt. Ltd.	Cold Drinks
10.	Him Electronics Pvt. Ltd.	Home appliances

Top Ten Advertising Agencies

In Nepal there are about 100 advertising agencies actively working in their professions but the size and shape is varying to a "Briefcase Agency" to full-fledged "one-stop" service agency. This is because of the crucial period in all sectors of the country including advertising industry. In a very flat way, we can say that Nepalese advertising service is in a transitional time to convert it into a service industry.

AAN being an apex body of all sorts of advertising agencies, it can't categorize its member organizations. Basically, it is a professional orga-

nization and its duty is to protect their professions, the advertising and to safeguard their rights.

We have to accept that; still there is neither a professional organization to categorize the advertising agencies nor any particular state mechanism to categorize them. In the prevailing situation, AAN has been organizing Crity Awards since 2004, the first of its kind in Nepal as National Advertising Award to enhance the inclusive development of Nepalese advertising industry.

On the basis of evaluation criteria followed by an expert's jury panel AAN has been nominating the best five agencies every year. Five nominees for the best advertising agencies in Crity Award 2005 could be recognized as the top 5 agencies are as follows.

1. Advertising Avenues Nepal Limited
2. Ad Media Pvt .Ltd.
3. ANS Creation Pvt. Ltd.
4. Prisma Advertising Agency
5. Welcome Advertising and Marketing Pvt. Ltd

Besides the top five agencies as mentioned above, we can list the remaining five agencies on the basis of their number of nominees in the different categories of Crity Award 2005 and could be placed in top 10 advertising agencies.

1. Business Advantage Pvt. Ltd.
2. Echo Advertising Agency
3. Linez Advertising
4. ME Nepal Pvt. Ltd.
5. Water Communication Pvt. Ltd

AAN believes that in the absence of system of categorizing top 10 advertising agencies, Crity

Award could be the best way to categorize. So far as the billing, most of the advertising agencies mentioned above could take the top 10 positions.

7) Media Summary, 2006

Relatively in South Asian sub-continent, Nepal has a long history of the print media but through the advertising point of view, we can't find its long history. In a real sense, after 1990 popular movement, there is a dramatic change in print media after avail of **Kantipur** National Daily as broad sheeted in multicolor form from the private sector. **Kantipur** broke the monopoly of state owned broadsheeted national daily and dragged our print media in a very competitive era. We can say that the publication of the **Kantipur** is the founding stone of professional development not only in the Nepalese print media but as a whole in media sector.

Under the Ministry of Information and Communication there is a provision of Department of Information (DOI) which is the concerned department of print media and every year it publishes the real data regarding Nepalese print media.

During the last couple of years, the media situation in print media is almost stable. Here is the data of Nepalese print media published by DOI in 2006.

Print Media

Dailies	313
Mid-weekly	10
Weekly	1506

Fortnightly	300
Monthly	1313
Bi-monthly	267
Tri-monthly	419
Quarterly	22
Half Yearly	60
Annually	76
Total	4286

As mentioned above, all of those newspapers have not the same standard. So, there is a provision of ABC Circulation Bureau under the Press Council Nepal which classifies the newspaper every year.

This classification points out the standard of newspapers which could guide the advertisers and advertising agencies to choose the right media for the advertising. Let us see the media situation of Nepal as stated in the latest ABC Circulation Report published in October 28, 2006.

Class	Daily	Weekly	Fortnightly	Monthly
A	16	13	1	10
B	14	54	1	9
C	10	167	4	16
D	24	52	10	4

Broadcasting Media

So far as the broadcasting media, Nepal has a history of Radio more than 5 decades. **Radio Nepal** as a state-owned Radio Station in AM modulation had a monopoly for almost 4 decades. Because of this ground reality, there was no choice of Radio Nepal to broadcast the Radio commercials and in the absence of fair

competition there were no qualitative commercials in production as well as service delivery.

After 1990 popular movement, Nepal entered into the real era of FM Radio movement and Radio Nepal opened its FM station in 1994. After then, a number of FM Radio Stations started in private sector as community as well as commercial Radio Stations are set up not only in urban areas but even in the far rural areas too. This movement in FM Radio raises the healthy competition in different corners and as a result Nepal is considered as a role model in this sub-continent.

The data provided by the Frequency Department of Ministry of Information and Communications, the scenario of Radio as broadcasting media is given below:

Radio	On-Air	Under process.
AM	1	-
FM	57	66
Total	58	66
G. Total	124	

Television is considered relatively new version of broadcasting medium with the facility of telecasting visuals too. In Nepal, the history of Television began in 1984 establishing Nepal Television by then government. About one and half decade of one-horse race, Nepal Television has played a significant role providing opportunities to advertise in the very new medium for then time.

Now, in Nepal eight television channels are in operation and a couple of channels are looking for new entry. The data provided by the Frequency Department of Ministry of Information and Communications, the latest status of Television Station as broadcasting medium is given below:

Television	On-Telecast	Under process
Satellite	6	5
Terrestrial	2	-
Total	8	5
G. Total	13	

While talking about the television, we can't ignore the cable television as a mass medium. Now in Nepal there are 123 cable televisions operating from different parts of Nepal. Most of them are transmitting the foreign television signals and about 100 such signals are roaming through our sky. These cables are providing opportunities to advertise through scrolling. Besides this, some local cables are running their own Nepali channels and providing opportunities to advertise.

As the new medium, On-line medium is also welcomed in Nepal as a medium of right to information as well as the medium of advertising. This medium is really in fast developing position in Nepal and attracting advertisers to choose the right medium to advertise.

8) National Advertising Awards

In government level, there are no any national advertising awards in Nepal till the date but being

an apex body of Nepalese advertising agencies, AAN has started **Crity Award** in 2004, the first of its kind.

This initiative of the AAN, the **Crity Award** recognizes the talent of the advertising professionals while acknowledging the contribution of advertising agencies to the advertising sector, Nepali business and industries, and the economy as a whole. The first of this kind of award in Nepal, the **Crity Award** has been held three times before, to much acclaim and appreciation from the advertising and business fraternities.

Initially, **Crity Award** has given in five categories only but in last year it has given in 13 categories and in years to come it has a plan to cover up other number of categories as well.

It is true that **Crity Award** has no long history but it is taken as the most prestigious achievement in this field. This recognition of **Crity Award** in a very short span of time, it has been recognized as the National Advertising Award.

9) Advertising Education

In Nepal, there is a long history of state-owned single University, Tribhuvan University till the success of 1990's popular movement. There are faculties of Management and Journalism separately but there is neither Advertising nor Public Relations as major in both. In the course of Journalism for graduate level, there is a provision of a compulsory subject as Advertising & Public Relations and not exact in the same but there is a subject in Management faculty too. Same way, we can find the subject in post graduate level as general one. So far as major, there is a provision of major marketing in post graduate level.

After 1990s popular movement, there are half dozens of universities in government and private sector together. But even today, there is neither separate department for this booming subjects nor a provision of it as a major in any levels. In most of the universities, there is a provision of compulsory subject varies from 100 to 300 full marks in a level.

Whatever, there are some professionals with the particular degree from the universities of neighboring countries and abroad, but the number is very limited. So, it is the ground reality that we have lack of graduate and post graduate professionals in this very field.

Now, there is a demand rising of manpower from this faculty and some universities are in a hurry to design major courses and hope to conduct it very soon. Such provision is planning to adopt in college level as well as 10+2 level also. Hope, after a couple of years Nepalese advertising industry could be able to get the cream manpower with the degree of relative subjects and they could be able to lead this business in a very proper and professional way.

10) Advertising Associations

Nepalese Advertising industry has no professionally managed long history though the first advertising agency was established in 1960. After a three decade's journey, Nepalese advertising agencies felt a need of their organization as a result; in 1989 it took initiation to move forward. After a number of meeting and discussion over it, Advertising Agencies

Association of Nepal (AAAN) was established in 1991. Since then, it has been playing a very constructive role fulfilling the hope and inspiration of all agencies working here.

When AAAN was established, there were very few numbers of advertising agencies and this field wasn't shaped yet as a significant service industry, as it is today. After 1990 popular movement, some of the professionals working in other field shifted in it and tried to make it a prominent sector. With their hard time sincere effort in this field and the right environment for media advertising it shaped as an industry.

Right now, there are about 150 advertising agencies registered here and actively working number is about 100. Except some odds, all of them are under the umbrella of AAN. Because of this achievement representing all advertising agencies as an umbrella organization, it has been the great pride and pleasure for AAAN initiator and its executives. Initially, it was named AAAN-Advertising Agencies' Association of Nepal and right now it is said AAN- Advertising Association of Nepal. Now AAN became a unanimous professional organization in the field of advertising industry in Nepal.

11) Advertising Journals

It is very sorry to say that there couldn't be found any serious initiations to publish regular Advertising Journals in Nepal. We have a history of some periodicals as irregular publications. This is because of two limitations, the first one is market and the second one is market creator itself.

So far as Advertising Journal in the field of

Nepalese Advertising, there is no choice of annual Souvenir of AAN. Let us hope, we could have a number of advertising journal with the very relevant information and materials to make rich and prosperous this booming field in years to come.

12) The Government Agency Primarily Responsible for the Advertising Business

Advertising has been taken as an important service industry in Nepal in recent couple of years though it has not given a right posture yet. It can be said because of not keeping it under a proper state management.

There is still not a proper ministry and department to handle this sector. Advertising agencies have to knock the doors of different ministries and departments for their jobs and procedures. They have to register themselves either under the Ministry of Industry and Commerce or under Metropolitan Authority or under local administrative bodies and to work in the field of communication which goes under Ministry for Information and Communication by its nature.

Now AAN has been demanding, advertising agencies should be taken as a part of mass media and managed it in a very proper way through an independent Advertising Council under the Ministry of Information and Communications. Let us hope, with the sincere effort of AAN, sooner or later Nepalese advertising industry will get the right position and posture. Now, "New Nepal" is much talked subject here in Nepal and in this very juncture advertising could be placed accordingly.

C H A P T E R 4

Current Status of Advertising - Philippines

by Ramon Faustino L. Dolor II / Raymond Kalaw Nacino

RP Ad Industry on Cruise Control

IT's doing well.

This in a nutshell is the state of the Philippine ad industry in the eyes of Alejandro V. Castro III.

Alex, as Castro is called by his peers and friends in the industry, should know of what he speaks. He has been around for a while, and he is presently the executive director of the Advertising Board of the Philippines.

In some ways, he said, the situation is just like the Philippines' quest for Olympic gold. Luckily for the industry, the highest global award for the industry was finally won this year in Cannes, Clio, AdFest and others.

There will be great rejoicing if and when the Philippines wins its first ever Olympic gold medal in the 2008 Beijing Olympics. Everyone will be ignoring the inescapable fact that other smaller and poorer countries have been winning that gold for decades.

The Philippine advertising industry was ahead

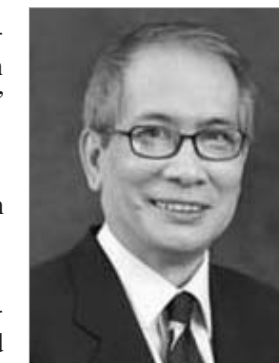
in the region during the '50s and '60s, but perhaps, the best and the brightest minds in Philippine advertising "have become complacent," says Castro.

This is to say that "we can win some, we can lose some..."

There really is no driving spark to create campaigns at par or better than anything produced elsewhere.

Going back to the sports analogy, the Philippines for a time was on cruise control while their peers in other countries "are racing."

Speaking in the vernacular, Filipinos can be just a bit "bilib sa sarili" (trust in oneself), according to Castro. There is no question, however, that the industry has been growing steadily over the decades. Gone are the days of the one-man shows, advertising practitioners who did it all. In the post war years, there were many Filipinos who were one-man agencies - doing copy, creatives, client servicing, marketing and even administration and finance.



Mr. Alex Castro

At the end of the day, they were also janitors and delivery boys.

But that old style worked because the times called for it. Today, specialization has become the norm, and will continue to be so in the near future. In decades past, added Castro, there were less expatriates working locally. These days, it is not uncommon for head offices to rotate their people in countries where they operate. Just like other MNCs or multinational corporations, executives, managers and promising talents are assigned abroad to sharpen their skills.

Unfortunately, some exceptional Filipino ad executives end up permanently abroad, or being pirated to join companies based abroad.

Neighboring countries “continue to pirate” skilled Filipinos, said Castro, and little can be done to stop this practice. Even concepts developed locally for some global brands are being adopted regionally now.

It’s a matter of economics, of course.

There is a brain drain because while there is no shortage of Filipinos who excel in various industries, the Philippines remains part of the developing world where the earning potential is not as high as First World countries.

Thus, Filipino doctors, nurses, engineers, artists, and other skilled professionals will always have greener pastures to go to. Also, the Philippine advertising industry cannot quite compare with its neighbors in terms of adspend.

“Our level of economic activity sets the level of spending,” Castro said, so that the country’s

lower per capita income also translates to lower expenditures.

If you look at it, he added, the present Philippine economy is essentially driven “by Henry Sy and overseas Filipino workers.”

This is not to say that the situation is all that bad.

In the area of self-regulation, for example, the Philippines is “ahead of the world,” said Castro.

Yes, the Europeans and Americans are now into self-regulation, but we were there first. The parameters or self-regulation are more defined in the Philippines than anywhere else, he said. And the level of sophistication is quite high. “Our mechanics is more polished,” he added.

Of course, there is always room for improvement, said Castro.

Overall, Castro said he has seen the ups and downs of the industry. In his more than three decades of experience, he has seen “gems of ideas.”

“Remember the ‘isang platitong mani’ (a saucer of fried peanuts) commercial of San Miguel Beer,” he asked. That was but one example of an advertising campaign that was classic, where all the elements came together perfectly.

Castro is hoping that such gems become more regular now. This could be tougher or easier based on one’s perceptions.

The Philippine ad industry, like the rest of the

world “has become more refined.” Most everyone now thinks along the lines of niche marketing.

“People know more now,” he said.

And this is the battleground that present and future generations of the Philippine advertising executives will be fighting in. How they will fare is difficult to say.

There is that old saying that - actually a line from an American brand - when it rains, it pours. The Philippines could win not one, not two, not three but several gold medals in the next Olympics.

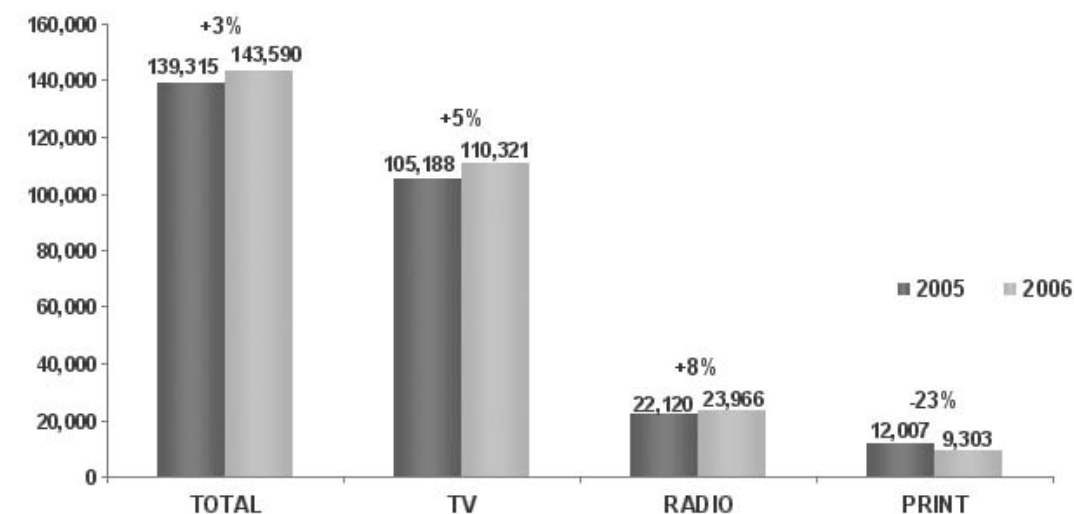
So too could Filipino advertising bright boys score a home run. And no one should be surprised if this happens. It’s always been within the realm of the possible.

2006 Media Spend Highlights

Source: 2007 The Nielsen Company

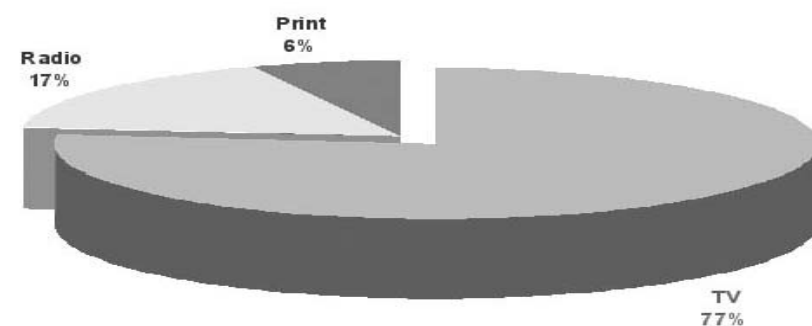
Media Spend Landscape (Comparative Years)

In Million Pesos Based On Rate Cards



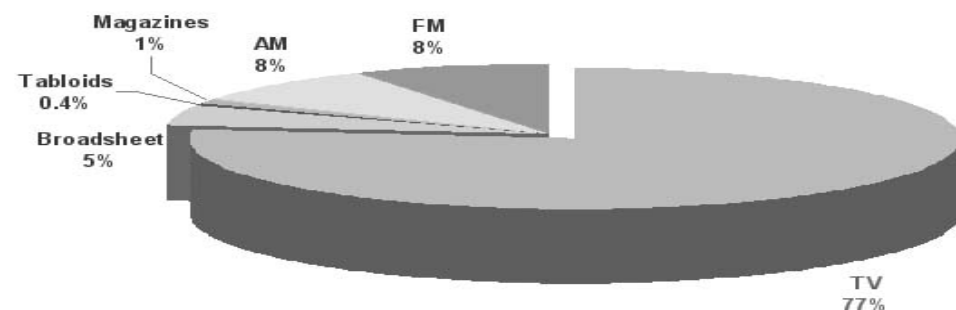
Share of Media Spend (Full-Year 2006)

In Million Pesos Based On Rate Cards



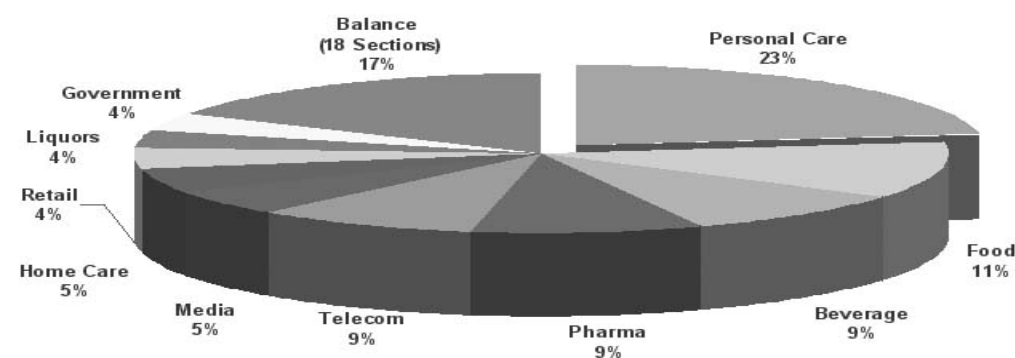
Share of Media Spend (Full-Year 2006)

In Million Pesos Based On Rate Cards



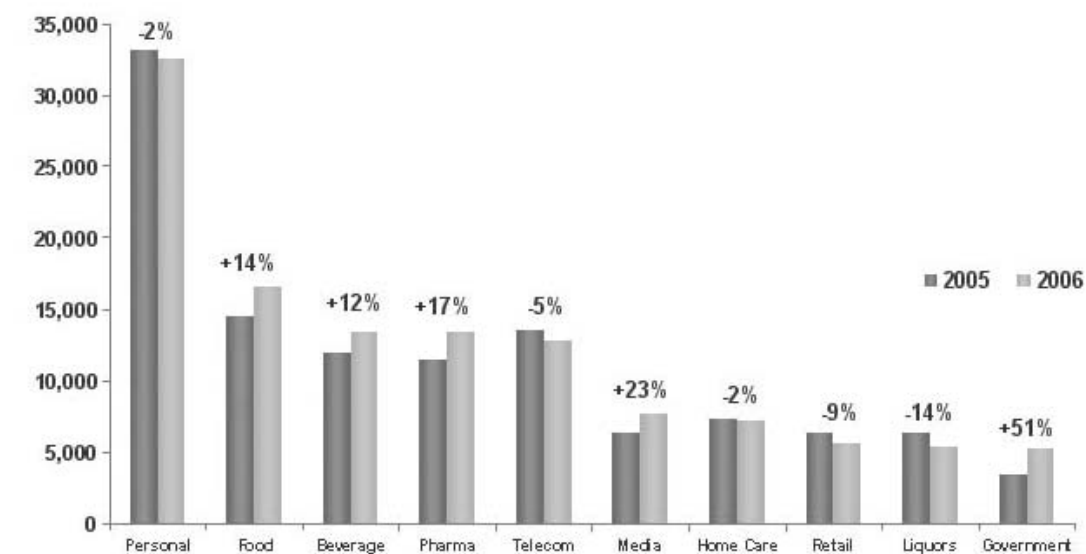
Share of Media Spend (Full-Year 2006)

In Million Pesos Based On Rate Cards



Media Spend by Product Section (Comparative Years)

In Million Pesos Based On Rate Cards



2006 Top Categories

Top 1-10 Categories Based on Expenditure

In Million Pesos Based On Rate Cards
* Skin Care Includes Soaps and Facial Beautifiers

Rank	Category	2006 Spend	Chg vs 2005
1	Hair Shampoos and Rinses Products	15,587	-5%
2	Communication/Telecommunication	12,755	-5%
3	Skin Care*	7,223	-5%
4	Detergents & Laundry Preparations	6,128	+4%
5	Government Agencies and Utilities	5,169	+51%
6	Powder Milk	4,734	+32%
7	Proprietary Drugs	4,570	-2%
8	Cough & Cold Remedies	4,517	+27%
9	Entertainment	4,467	+29%
10	Dentifrices, Mouthwash, Toothbrush	4,368	+21%

Top 11-20 Categories Based on Expenditure

In Million Pesos Based On Rate Cards

Rank	Category	2006 Spend	Chg vs 2005
11	Vitamins and Tonics	4,257	+34%
12	Quick Service Restaurants	3,595	+1%
13	Cigarettes	2,921	+4%
14	Department Stores, Supermarkets	2,616	+11%
15	Seasonings, Sauces, & Extracts	2,432	+24%
16	Beers	2,160	+49%
17	Baby Care Products	2,143	-17%
18	Coffee	2,096	+5%
19	Broadcast Networks	2,082	+7%
20	Bakery Products & Bakeshops	1,978	+21%
Total Top 20 Categories		95,794	+8%
Balance Categories		47,795	-6%

Top 1~10 Advertisers Based on Expenditure

In Million Pesos Based On Rate Cards

Rank	Advertiser	2006 Spend	Chg vs 2005
1	Unilever Philippines	14,247	+11%
2	Procter & Gamble Philippines	12,718	-15%
3	Nestle Philippines	7,167	+35%
4	Colgate-Palmolive Philippines	6,753	+18%
5	United Laboratories	6,700	+38%
6	Fortune Tobacco	2,707	+1%
7	Smart Communications	2,552	-15%
8	Globe Telecom	1,959	-12%
9	Johnson & Johnson Philippines	1,853	+15%
10	Wyeth Philippines	1,793	+13%

Top 11~20 Advertisers Based on Expenditure

In Million Pesos Based On Rate Cards

Rank	Advertiser	2006 Spend	Chg vs 2005
11	Philippine Charity Sweepstakes	1,742	+37%
12	San Miguel Brewing Group	1,595	-22%
13	Tanduay Distillers	1,434	+24%
14	Mead Johnson Philippines	1,360	-9%
15	Philippine Long Distance Company	1,194	-22%
16	Jollibee Foods	1,150	+6%
17	Universal Robina Corporation	1,139	-10%
18	Coca-Cola Bottlers	1,111	-31%
19	Innove Communications	922	+55%
20	Ginebra San Miguel	920	-38%
Total Top 20 Advertisers		71,017	+4%
Balance Advertisers		72,572	+2%

Top 1~10 Brands Based on Expenditure

In Million Pesos Based On Rate Cards

Rank	Brand	2006 Spend	Chg vs 2005
1	Palmolive Shampoo & Conditioner	3,687	+21%
2	Sunsilk	3,139	+3%
3	Smart	2,552	-15%
4	Colgate	2,044	+16%
5	Head & Shoulders	2,013	-4%
6	Globe	1,959	-12%
7	Philippine Charity Sweepstakes	1,742	+37%
8	Cream Silk	1,739	-24%
9	Surf	1,643	+40%
10	Nescafe	1,639	+25%

Top 11~20 Brands Based on Expenditure

In Million Pesos Based On Rate Cards

Rank	Brand	2006 Spend	Chg vs 2005
11	Rejoice	1,596	-28%
12	Pantene	1,527	-29%
13	Tide	1,526	-4%
14	Knorr	1,452	+81%
15	Safeguard	1,403	+24%
16	Close-Up	1,399	+35%
17	Vaseline Shampoo	1,268	+10%
18	Ariel	1,254	+19%
19	PLDT	1,194	-22%
20	Jollibee	1,150	+6%

**Advertising Board of the Philippines
Self-Regulation... A Privilege**



The Advertising Board of the Philippines or ADBOARD is a governing body composed of representatives of national organizations involved in advertising practice, which have banded together to promote the development of the advertising industry through self-regulation, in harmony with industry goals. The ADBOARD is the umbrella organization of the Philippine advertising industry and a member of the Asian Federation of Advertising Associations or AFAA.

Member Associations

Sectoral members of the ADBOARD are the Philippine Association of National Advertisers (PANA), Association of Accredited Advertising Agencies-Philippines (4As-P), United Print Media Group (UPMG), Outdoor Advertising Association

of the Philippines (OAAP), Advertising Suppliers Association of the Philippines (ASAP), Cinema Advertising Association of the Philippines (CAAP), Marketing and Opinion Research Society of the Philippines (MORES), and Independent Blocktimers Association of the Philippines (IBA).

Brief History

The ADBOARD was organized in the belief that the industry can best be regulated, and its interests promoted, by the practitioners themselves, pursuant to the government policy that encourages self-regulation in the private sector.

The ADBOARD, then the Philippine Board of Advertising, was the result of a series of meeting in 1973 by leading advertisers and advertising practitioners who strongly felt the need for a body to unify all sectors involved in the industry and gear their operations toward the common goal of serving the interests of the consumers and the nation at large. It was constituted with the official encouragement of the Department of Public Information. The Board was incorporated on May 3, 1974.



Industry Self-Regulation

The ADBOARD has adopted a Code of Ethics which was originally drawn up by representatives of the member-associations, in consultation with the then Bureau of Standards for Mass Media under the DPI in 1973. The member-associations, all in accord with the principle of industry self-regulation, are committed to observe the provisions of the Code.

In addition, the ADBOARD is guided by the Advertising Content Regulation Manual of Procedures and the Standards of Trade Practices and Conduct Manual, which serve to keep advertising within correct, ethical and wholesome bounds, and help to assure professional advertising practice. The Code and the Manuals are tools to upgrade the standards of advertising practice in the country.

The Code and Manuals are “live mechanisms” and are subject to periodic revisions toward improvement, even as the practices that they cover are themselves constantly reviewed.

The Code contains regulations principally governing wholesome and acceptable advertising content. It commits the industry to the observance of truth in advertising, to its social, economic and cultural responsibility, and to its role in helping to foster public confidence in advertising as a legitimate marketing activity.

Industry Development

A biennial Philippine Advertising Congress is sponsored by the ADBOARD to promote development and greater interaction in the industry. The Ad Congress is a chance for all practitioners

to learn new techniques in creativity and production enhance and upgrade communication skills, in sessions with both local and foreign practitioners who have excelled in their respective areas of operation.

In recognition to the creative excellence in Philippine Advertising, the ADBOARD has established the ARAW Awards. ARAW stands for Advertising Recognition and Awards. There are two awards program under ARAW: the ARAW Creative Awards and the ARAW Values Awards. These two happen in alternate years. The ARAW Values Awards is ADBOARD’s way of institutionalizing an awards program for the promotion of Filipino values in advertising.

Furthermore, ADBOARD has brought about the establishment of the Advertising Foundation of the Philippines to organize conferences, seminars, symposia and workshops. Additionally, the Ad Foundation manages and sponsors special advertising presentations and exhibits for the purpose of maximizing the development and continuing education of advertising practitioners supportive of similar activities of member-associations of the ADBOARD.

C H A P T E R 4

Current Status of Advertising - India

by Ramesh Narayan

1) Country at a Glance

Land: 2,973,190 sq km
Capital: New Delhi
Population: 1.11 billion*
Currency: Rupees (INR)

Per-capita GDP:

INR: 32,229/- **US \$: 703/-

Base Year : 2001

* Census India Estimates

** Conversion rate: 1 \$ = 45.8577 INR (Source: www.xe.com) as on 2/10/06

2) Population Statistics

1 Total, age-group breakdown

Age Group	Population (In Billion)	% Population
0-14 years	0.34	31%
15-64 years	0.70	64%
65 years & above	0.05	5%
Total	1.10	100.00%

Source: CIA, Fact book

2 Racial Composition in percent, if applicable

Indo Aryan: 72%
Dravidian: 25%
Mongoloid & other: 3%

Source: CIA, Fact book (2000 estimates)

3 Breakdown by religion

Hindu: 81%
Muslim: 13%
Christian: 2%
Sikh: 2%
Other: 2%
Unspecified: 0.1%
Total: 100%

Source: CIA, Fact book (2001 Census Estimates)

4 Official languages

English enjoys associate status but is the most important language for national, political, and commercial communication; Hindi is the national language and primary tongue of 30% of the peo-

ple. There are 14 other official languages viz Bengali, Telugu, Marathi, Tamil, Urdu, Gujarati, Malayalam, Kannada, Oriya, Punjabi, Assamese, Kashmiri, Sindhi and Sanskrit; Hindustani is a popular variant of Hindi/Urdu spoken widely throughout northern India but is not an official language.

3) GDP Statistics

1 GDP for the period 2000-2005

GDP At Market Prices(Rs Mn)

2000:	*INR	21,076,610
	**US\$	459,609
2001:	*INR	22,813,050
	**US\$	497,474.8
2002:	*INR	24,497,360
	**US\$	534,203.9
2003:	*INR	27,602,240
	**US\$	601,910.7
2004:	*INR	31,214,140
	**US\$	680,673.9
2005:	*INR	35,314,510
	**US\$	770,089

Source: *Central Statistical Organisation (part of Government of India Ministry of Statistics & Programme Implementation)
Base: 1999-2000

**Conversion rate: 1\$=45.8577 INR (Source:www.xe.com) as on 2/10/06

2 Per-Capita GDP

2000:	INR	20,941
	US\$	457
2001:	INR	22,179
	US\$	484
2002:	INR	23,430
	US\$	511
2003:	INR	25,981
	US\$	567
2004:	INR	28,926
	US\$	631
2005:	INR	32,229
	US\$	703

4) National Holidays

• Independence Day 15th August

An Independence Day is an annual celebration commemorating the anniversary of a nation's assumption of independent statehood, usually after ceasing to be a colony or part of another state. India gained its Independence after transfer of power from the United Kingdom in 1947.

• Republic Day 26th January

The Constitution of India was formally adopted by the Parliament, and India declared itself as a "Republic" on January 26, 1950, a date thereafter celebrated annually as Republic Day in India.

• Gandhi Jayanti 2nd October

Gandhi Jayanti is commemorated to celebrate Mahatma Gandhi also called the Father Of The Nation's birthday. Gandhi was a major political and spiritual leader of the Indian Independence movement. He was the pioneer of Satyagraha - resistance through mass civil disobedience strongly founded upon ahimsa (non-violence) becoming one of the strongest philosophies of freedom struggle worldwide.

• Diwali exact dates vary (typically fall during end October)

Diwali is a major Hindu, Jain, Sikh and Buddhist festival. Known as the "festival of lights" it symbolises the victory of good over evil, and lamps are lit as a sign of celebration and hope for mankind. Celebrations focus on lights and lamps, particularly traditional diyas (lamps). Fireworks are associated with the festival in some regions of the country.



Traditional lamps, also known as diyas.

• Christmas 25th December

Christmas is a holiday on the Christian calendar, celebrating the birth of Jesus. Among those using the Gregorian calendar, it is observed on December 25.

5) Advertising Expenditure

1 Total Adex

2002:	Adex (INR Mn):	83,110	Adex (US \$ Mn):	1,812
	% Growth Rate:	-		
	Adex as % of GDP:	0.339		
2003:	Adex (INR Mn):	93,290	Adex (US \$ Mn):	2,034
	% Growth Rate:	12.2		
	Adex as % of GDP:	0.338		
2004:	Adex (INR Mn):	103,540	Adex (US \$ Mn):	2,258
	% Growth Rate:	11.0		
	Adex as % of GDP:	0.332		
2005:	Adex (INR Mn):	119,150	Adex (US \$ Mn):	2,598
	% Growth Rate:	15.1		
	Adex as % of GDP:	0.337		

Source: Adex: TAM+Madison India estimates
GDP: Reserve Bank of India

2 Volume & Percent of Advertising

Spends for 2005

Details	Adex (INR Mn)	% Spends
TV	50,043	42
Press	56,954	48
Radio	2,026	1.7
Cinema	357	0.3
Outdoor	8,698	7.3
Internet	1,072	0.9
Total	119,150	100

Source: Adex: TAM+Madison India estimates

3 Adex by Industry Category

Spends* for 2005

Industry Category	Adex (INR Mn)	% Spends
FMCG	43,441	40.6
Others	34,132	31.9
Services	10,486	9.8
Automobiles	7,276	6.8
Financial	6,848	6.4
Durables	4,815	4.5
Total	106,997	100

*Spends are for TV+Press only

Source: Adex: TAM+Madison India estimates

4 Top Ten Advertisers (2005)

S.No.	Advertisers	INR (Mn)
1	Hindustan Lever Ltd	5,655
2	Procter & Gamble	1,314
3	Maruti Udyog Ltd	1,120
4	Hewlett Packard India Ltd	1,056
5	Nokia Corporation	1,022
6	Bajaj Auto	1,009
7	Tata Motors Ltd	1,000
8	LG Electronics India Ltd	992
9	Hero Honda Motors Ltd	911
10	Dabur India Ltd	904

Source: TAM,Adex. Spends are for TV + Print
Period: Jan-Dec 2005**5 Top Advertising Agencies**

Agency	Affiliation
JWT	WPP
O&M	WPP
Lowe Lintas	IPG
McCann Erickson	IPG
Leo Burnett	Publicis
Mudra	Omnicom
FCB - Ulka	IPG
Grey Worldwide	WPP
Contract	WPP
Rediffusion DYR	WPP

Source: Industry Estimates

Actual billings not disclosed by agencies hence "not available".
The order does not reflect the ranks.**6 Top Research Companies**

Company	Foreign Affiliation
A.C.Nielsen ORG MARG	A.C.Nielsen
IMRB International	Kantar Media
TNS India	TNS Worldwide
Synovate India	Synovate Worldwide
Research International	Research International Worldwide

Source: Industry Estimates

Actual billings not disclosed by agencies hence "not available".
The order does not reflect the ranks.**7 Top Public Relations Firms**

Company	Foreign Affiliation
Genesis PR	Burson Marsteller
Perfect Relations	-
Vaishnavi Communications	-
Text 100	Next Fifteen Communications Group
Hamner and Partners	-
Roger Pereira	Edelman
Adfactors PR	-
Madison PR	-
Corporate Voice	Weber Shandwick
20 20 Media	-

Source: Industry Estimates

Actual billings not disclosed by agencies hence "not available".
The order does not reflect the ranks.**6 Media Summary**

• Television

The year 1982 marked the beginning of a revolution in television in India. Before 1982 all transmission in India was "black & white". The government of India started the first colour broadcast in 1982 with the arrival of the Asian Games in India. Post 1982, things started changing for ever.

Till the year 1992 the television broadcast in India was the monopoly of the Government of India with its channel "Doordarshan National".

Some of the landmarks in the television broadcasting in India are summarized below

- Doordarshan launched its second channel around 1990-91 targeted towards the metro audience under its channel "DD 2". All the government channels were terrestrial channels.
- The 1991 Gulf War witnessed the launch of India's first satellite channel CNN.
- The economic reforms of the government in 1992 resulted in the launch of at least 9 satellite channels in the Indian skies.
- By 1995 the total number of satellite channels went up to 100 and as of date there are 277 channels being beamed in to India.
- The various channel launches have resulted in the fragmentation of viewership across different genres such as soaps, news, sports, movies, infotainment, kids, religious and several others.

• Print

One of the oldest media has lost its grip with the influx of several satellite channels.

While several international publication groups are eyeing the Indian market the current situation is characterized by:

- Survival of the fittest. Only publications with deep pockets seem to survive. While the newspaper reach has improved in the last few years, the reach of magazines is dwindling year on year.
- Publications are adopting different strategies such as contemporary layouts, newer supplements catering to different target segments, launch of several features and more localized editions to keep reader interest alive.

- **Radio**

Radio in India was historically controlled by the Government with its two strong station networks called "Vividh Bharathi" and "Primary Channel". These stations had wide reach and were used by advertisers to address low TV and Print reach geographical markets. Again with the influx of TV channels this has changed dramatically with radio reach decreasing year on year.

However, the radio scene is about to change dramatically with the opening up of Radio FM stations for private operators. The government has given license to nearly 280 private FM stations which has resulted in a flurry of launches across different parts of India.

Radio in India will not be the same and is about to witness some very interesting changes in the next few months.

- **Cinema**

TV also took away a large cinema following. Cinema reach in the last few years has witnessed a huge downturn. However the scene is changing

with the launch of several multiplexes in India in the last 2 years and more multiplexes expected to be launched in the coming months. The multiplexes are responsible for the revival of cinema in India particularly amongst the upper end target groups. Apart from standard cinema advertising opportunities, the multiplexes are experimenting with a host of activities such as branding in lobby, branding of seats, brand activation, contests etc.

- **Internet**

While several studies have come up with different estimates of the size of the internet audience this medium is here to stay. The medium is currently being skewed towards the youth in large metros. The opportunities to advertising are many with a host of vehicle choices such as simple banners to more interesting soshkels.

- **Mobile**

Mobile is the new kid on the block, with a rapid penetration amongst consumers due to falling handset and call rates. The continued reform in the telecom sector is going to translate a huge adoption of mobile in the coming 2/3 years resulting in huge opportunities for advertisers.

- **Out of Home**

Out of Home in India is come a long way from simple hand painted billboards a decade back to host of dazzling options now. Some of the key trends in out of home are:

- More interactivity than a decade ago.
- Malls and multiplexes are offering a bewildering range of options to advertise.
- Clutter in OOH will continue to increase.
- Many global companies will set up shop to capitalize on the boom.

7) National Advertising Awards

- **Abby Awards**

The Abby awards are the Oscars of Indian ad awards to honour creative excellence in advertising. Undoubtedly, the most prestigious ad award show in the country attended by more than 2500 professionals from the marketing, advertising, media, research and PR fraternity.

- **AAAI Creative Awards Festival (GOAFEST)**

Patterned on lines similar to the Cannes Advertising Festival, the GOAFEST is the biggest gathering of its kind in India.

8) Advertising Education at Universities in India

Total number* of universities offering advertising/public relation courses: 82

*Number relates to those universities which offer the subject as a major.

9) Advertising Associations

- **Advertising Agencies Association of India (AAAI)**

Established in 1945. The Advertising Agencies Association of India (AAAI) is the official, national organisation of advertising agencies, formed to promote their interests so that they continue to make an essential and ever-increasing contribution to the nation. The AAAI represents a very large number of small, medium and large-sized agencies as its members, who together account for almost 80% of the advertising busi-

ness placed in the country.

- **Advertising Club, Bombay**

Established in 1954. Advertising Club Bombay is a club of and for individuals involved in the various facets of advertising and marketing communication. The mission of the club is to create forums and events to help its members improve their professional competencies thereby raising the standards of advertising in the country.

- **The Indian Newspaper Society (INS)**

The Indian Newspaper Society enjoys a unique position as the accredited spokesman of the newspaper industry. The foundation of the Society, in the year of the beginning of World War II, was the first step in giving direction and cohesion to a vital industry. Because the Press till then had been growing at random, without organisational support, mutual co-ordination or any protection from the numerous pressure groups that independent publications are invariably exposed to.

The greatest strength of the Society stems from a unity of purpose. Over 990 dailies, bi-weeklies, weeklies, fortnightlies and monthlies published in 18 languages from all over the country form the nucleus that accounts for over 90% of the country's readership.

- **Indian Broadcasting Federation (IBF)**

(a) To promote, aid, help, encourage, develop protect and secure the interests of the Indian television industry and other related entities.

(b) To disseminate knowledge, regarding the latest developments in the television industry, amongst its members.

(c) To provide a meeting ground to ensure that the members work in consensus to achieve the common goals, have a common platform/forum at which they may air their grievances and arrive at solutions.

- Advertising Standards Council Of India (ASCI)

Key objectives of ASCI is to monitor, administer and promote standards of advertising practices in India with a view to:

(a) ensuring the truthfulness and honesty of representations and claims made through advertising and safeguarding against misleading advertising.

(b) ensuring that Advertising is not offensive to generally accepted norms and standards of public decency.

(c) safeguarding against the indiscriminate use of advertising for the promotion of products or services which are generally regarded as hazardous to society or to individuals or which are unacceptable to society as a whole.

(d) ensuring that advertisements observe fairness in competition and the canons of generally accepted competitive behaviour.

- International Advertising Association - India Chapter

International Advertising Association - India Chapter is part of the International Advertising Association (IAA). The India Chapter includes professionals from advertising, media and marketing. The organization provides a forum for discussion of relevant issues in our field, events for net-

working and entertaining, and professional development.

10) Advertising Journals

Advertising Journals

S No	Publication Name	Year Established	Type	Frequency	Field Served
1	Brand Equity	1990	Supplement with leading business daily	Weekly	Marketing, Media & Creative
2	The Strategist	1993	Supplement with leading business daily	Weekly	Marketing, Media & Creative
3	Pitch	2003	Magazine	Monthly	Marketing, Media & Creative
4	Brand Reporter	2004	Tabloid	Fortnightly	Marketing, Media & Creative
5	Impact	2004	Tabloid	Weekly	Marketing, Media & Creative
6	First Option	2005	Tabloid	Weekly	Marketing, Media & Creative

11) Primary Government Agency Responsible for Advertising Business

Primary Agency: Government Of India - Ministry Of Information & Broadcasting

The Ministry of Information & Broadcasting, through the mass communication media consist-

ing of radio, television, films, the press publications, advertising and traditional mode of dance and drama plays a significant part in helping the people to have access to free flow of information. It also caters to the dissemination of knowledge and entertainment to all sections of society, striking a careful balance between public interest and commercial needs, in its delivery of services.

Ministry of Information & Broadcasting is the apex body for formulation and administration of the rules and regulations and laws relating to information, broadcasting, the press and films. This Ministry is responsible for international co-operation in the field of mass media, films and broadcasting and interacts with its foreign counterparts on behalf of Government of India.

C H A P T E R 4

Current Status of Advertising - United Arab Emirates

by Tanvir Kanji

1) Country Representative for AFAA

Name: Tanvir Kanji
Title: Managing Director
Inca Tanvir Advertising / Media Seen
(Media Representation)



Tanvir Kanji

Address :
Inca Group of Companies P.O. Box 5320, 244B, Al
Wahda Street, Sharjah United Arab Emirates
Tel : +9716 559 3711
Fax: +9716 559 1226
Email: inca@emirates.net.ae
url: www.incatanvir.com, www.incagroup.biz

2) Country at a Glance

Land: 83,600 sq km
Capital: Abu Dhabi (Principal cities : Dubai,
Sharjah, Ajman, Umm Al Quwain, Ras
Al Khaimah, Furjairah, Al Ain).
Population: 5 Million (Approximation)
Currency: Arab Emirates Dirham (AED) - US\$ 1
= AED 3.673
Per-capita GD(2006) : AED 122,648 - \$33,396
(Source : IMF)

Base year: 2006

3) Population Based on Latest Census or Data

Total, age-group breakdown

0~14 years: 25.3%
15~64 years: 71.1%
65 years and over: 3.6%
Note : 80% of the population is non-national (2006 est.)

Racial composition in percent

Emirati 20%, other Arab and Iranian 22%, South
Asian 50%, other expatriates (includes Westerners
and East Asians) 8%
Note: less than 20% are UAE citizens

Breakdown by religion in percent

Muslim 50%, other 50% (estimated)

Official languages and their breakdown in percent

Arabic (official), other languages , English,
Persian, Hindi, Urdu, Malayalam

4) Total and Per-Capita GDP

Total and Per-Capita GDP (2004~2007)

Unit : Millions

Year	GDP		Per Capita	
	(AED)	(US\$)	(AED)	(US\$)
2004	381	103	87,666	23,871
2005	478	130	102,210	27,831
2006	617	168	122,648	33,396
2007	682	185	125,904	34,283

Source: IMF.

5) A Brief Explanation of National Holidays

Holidays for United Arab Emirates for 2007 include

January 1 & 2	New Year / Eid Al Adha
January 20	Islamic New Year (Moharrum 1)
March 31	Mouloud (Birth of the Prophet)
August 11	Lailat al-Miraj (Ascension of the Prophet)
October 13 & 14	Eid Al Fitr (End of Ramadan)
December 2	National Day

(Note: Islamic Holidays may vary as they are based on the sighting of the moon)

6) Advertising

1) Total Expenditure

Unit : Millions

Year	AED	US\$	Percentage increase year-on-year
2000	786	214	
2001	977	266	23.29%
2002	1,304	355	33.46%
2003	1,641	447	25.91%
2004	2,328	634	41.83%
2005	3,192	869	37.06%
2006	3,946	1,077	23.93%

Source: Pan Arab Research Centre

Advertising Expenditure as percentage of GDP:
0.64%

2) Advertising Expenditure (by Media) - 2006

Unit : Millions

Media	AED	US\$
Dailies	2,585	704
Periodicals	661	180
TV	437	119
Radio	44	12
Outdoor	191	52
Cinema	36	10
TOTAL	3,954	1,077

Source: Pan Arab Research Centre

3 Advertising Expenditure by Industry category

Category	%
Government/Quasi Government	20.5
Insurance & Real Estate	15.6
Shopping Malls & Retail Stores	9.8
Vehicles,Accessories & Supply	6.1
Hotel, Travel & Tourism	5.4
Financial Services	5.3
Entertainment	5.2
Publishing Media	5.1
Professional Services	4.8
Clothing,Jewellery & Personal Accessories	4.3
Business/Construct Equip. & Supply	4.2
Toiletries, Hygiene/ House Care Products	4.1
Food, Beverages and Tobacco	2.8
Communications & Public Utilities	2.6
Household Appliances	2.3
Other Services	1.7
Total	100

Source: Pan Arab Research Centre

4 Top Ten Advertisers - 2006

Rank & Brand	AED (000)
Watani UAE (National Identity Programme)	53,416
Emaar (Real Estate Developer)	33,596
Etisalat (Telecom Service Provider)	32,219
Damas (Jewellery Chain Stores)	26,474
Nokia (Cell Phones)	26,048
Dubai Properties (Real Estate Developer)	24,032
Chevrolet (Automobiles)	23,779
Save Lebanon (UAE) Campaign (Public Service)	23,132
UAE National Elections (Public Service)	22,342
Motorola (Cell Phones)	19,848

Source: Pan Arab Research Centre

5 Total Number of Advertising Agencies and Media-Buying Houses - 500 (approximately)

Media Buying House	Billing (AED Million)	Affiliation
Optimum Media Direction (OMD)	316	Omnicom
Mediaedge:cia	253	Group M
Starcom Mediavest Group	184	Publicis
MindShare	117	Group M
Universal Media Seven (UM7)	117	Interpublic
Optimedia	66	Publicis
Pan Gulf Media	51	Bates / WPP
PHD	51	Omnicom
Mediacom	48	Grey / WPP
Magna Global	40	Interpublic

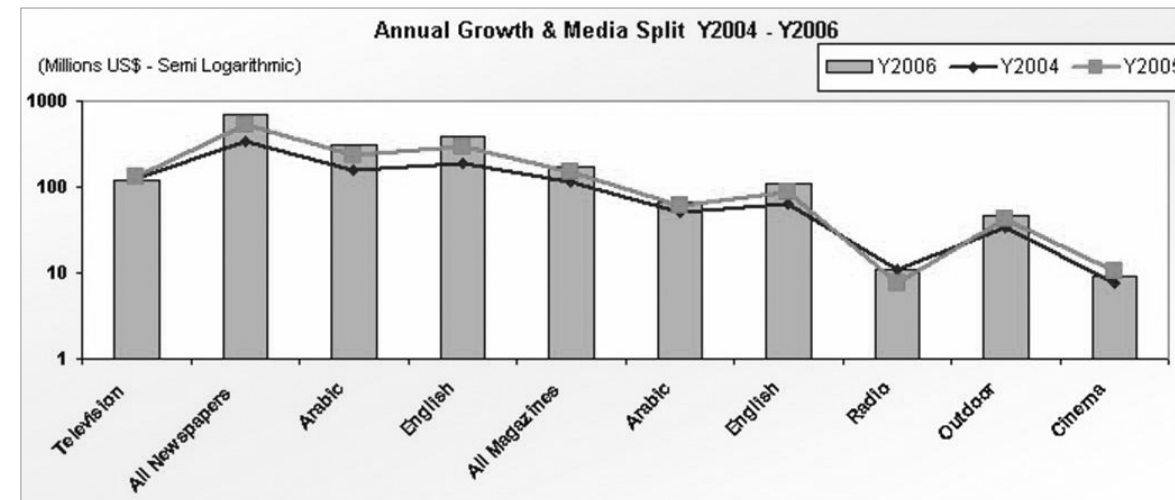
6 Top Research Companies (in alphabetical order)

AC Nielsen Amer
 IPSOS-STAT (Emirates)
 Middle East Marketing Research Bureau(MEMRB)
 Pan Arab Research Centre (PARC)

7 Top Public Relations Firms (in alphabetic order)

Active PR
 Asda'a Public Relations
 Bidaya Corporate Communications
 Golin Harris
 Headline PR
 Hill & Knowlton
 Impact Porter Novelli
 Manning Salvage & Lee (MS&L)
 Matrix Consultancy
 MCS/Action
 MEMAC Ogilvy PR
 O2 Marketing Communications
 Pan Gulf PR
 Polaris Public Relations
 Promoseven Weber Shandwick
 Rawaj International
 Spot On Public Relations
 Total Communications
 TRACCS

7) Media Summary



Source : Pan Arab Research Centre

8) National Advertising Awards

- DUBAI LYNX
Annual awards for creativity in advertising. Jointly organized by the International Advertising Association (IAA) - United Arab Emirates Chapter and International Advertising Festivals Ltd, organizers of the Cannes Advertising Festival.
(www.dubailynx.com)

9) Advertising Education at Universities

Various courses on Advertising are offered by the following institutions:

UAE University (College of Humanities and Social Sciences), Al Ain

Zayed University, Dubai
American University of Dubai
American University of Sharjah
British University of Dubai
University of Woolongong, Dubai
Mahatma Gandhi University, Dubai
MAHE - Manipal University, Dubai
Sharjah University, Sharjah

10) Advertising Associations

- International Advertising Association
UAE Chapter
PO Box 71104
IAA Building, 8, Dubai Media City
Dubai
United Arab Emirates
Tel : +9714 390 3232

Fax : +9714 390 8362
Email : iaauae@emirates.net.ae
www.iaauae.org

- Middle East Public Relations Association (MEPRA)
PO Box 54250
Dubai Media City
Dubai
United Arab Emirates
Tel : +9714 343 0888
Fax: +9714 343 2226
Email : info@mepra.org
www.mepra.org

11) Advertising Journals

- *Advocate* - Advertising Industry
- *Communicate* - Advertising industry
- *Gulf Marketing Review* - Marketing & Advertising

12) Government Agencies

- Ministry of Information, Government of the United Arab Emirates

Licences to operate as an Advertising Agency need to be cleared by the Federal Ministry before a licence can be granted by the local government authority. 51% equity should be held by a national of the UAE.

- Dubai Media City - Advertising, Media and related businesses can be established in this free zone where hundred percent equity can be held by non-nationals.

C H A P T E R 4

Current Status of Advertising - Japan

by Japan Advertising Federation

1) AFAA Japan Representative

Organization - Japan Advertising Federation (JAF)
Chairman - Mr. Yasuhiro Satoh



Chairman
Mr. Yasuhiro Satoh

2) Country at a Glance

Area: 377,907 km²
Capital: Tokyo
Official Language: Japanese
Racial Breakdown: Homogeneous
Religion: Buddhism and Shinto
The number of Christians is very small. The majority of people follow Buddhist practice at funerals, and on memorial days in the spring, summer and autumn to pay respect to ancestors.

Currency: Yen
Per Capita GDP: ¥3.98 million/US\$36,599(2005)

3) Population (2005)

Total: 127.7 million

Age	Population (million)
0-4	5.64
5-9	5.89
10-14	6.02
15-19	6.57
20-24	7.56
25-29	8.48
30-34	9.81
35-39	8.78
40-44	8.11
45-49	7.75
50-54	8.80
55-59	10.23

Age	Population (million)
60-64	8.47
Over 65	25.59

Ratio of Age: 0-14 is 14%, 15-64 is 66%, over 65 is 20%

Source: *Population Census and Statistics of Japan*, Ministry of Internal Affairs and Communications

4) Total and Per-Capita GDP (2000-2005)

Total and Per Capita GDP (2000-2005)

Year	GDP*		Per Capita**	
	(¥ billion)	(US\$ billion)	(¥ million)	(US\$)
2000	501,068.1	4,646	4.03	37,448
2001	496,776.8	4,088	3.98	32,785
2002	489,618.4	3,908	3.91	31,252
2003	490,543.5	4,232	3.90	33,705
2004	496,050.3	4,587	3.95	36,595
2005	503,183.9	4,568	3.98	36,598

*Source: *Annual Report on National Accounts and Quarterly Estimate of GDP*, Cabinet Office, Government of Japan. The exchange rate is based on the annual average rate as calculated by the IMF.

**Source: International Monetary Fund, World Economic Outlook Database, September 2005.

5) National Holidays (2007)

January 1: New Year's Day

Celebrating of the beginning of the New Year
Second Monday of January: Coming of Age Day
Celebrating the coming of age of young men and women who will turn 20 years old during the year

February 11: National Foundation Day
Celebrating the founding of the nation

March 21: Vernal Equinox Day
Respecting nature and nurturing all living things

April 29: Showa Day
Looking back into the past and into the future of Japan

May 3: Constitution Day
Commemorating the entering into effect of Japan's constitution

May 4: Greenery Day
Showing appreciation for nature's blessings

May 5: Children's Day
Wishing for the welfare and happiness of children

Third Monday of July: Marine Day
Celebrating the blessings of the oceans

Third Monday of September: Respect for the Aged Day
Respect for the elderly and longevity

September 23: Autumn Equinox Day
Paying respect to ancestors and remembering the deceased

Second Monday of October: Sports Day
Enjoying sports and encouraging people to build a sound body and mind through sports

November 3: Culture Day
Showing appreciation to those who have contributed to culture and encouraging people to think about culture

November 23: Labor Thanksgiving Day
Honoring labor and showing appreciation to fellow workers

December 23: Emperor's Birthday
Celebrating the Emperor's birthday

Most people enjoy consecutive holidays from the end of April to the 5th of May when there is a concentration of national holidays. They also take summer holidays in the middle of August to visit families or take trips to the beach or the mountains.

During these holiday periods, many people take trips overseas.

6) Advertising Data

① Total Advertising Expenditures

Advertising Expenditures in Japan (1985-2005)

Year	Advertising Expenditures			Advertising Expenditures in Japan (US\$ million)
	Advertising Expenditures (¥ billion)	Compared to Previous Year (%)	Advertising Expenditures / GDP (%)	
1985	3,504.9	-	1.08	14,697
1986	3,647.8	104.1	1.08	21,649
1987	3,944.8	108.1	1.12	27,276
1988	4,417.5	112.0	1.16	34,473
1989	5,071.5	114.8	1.14	36,751
1990	5,564.8	109.7	1.26	38,426
1991	5,726.1	102.9	1.22	42,581
1992	5,461.1	95.4	1.14	43,103
1993	5,127.3	93.9	1.06	46,113
1994	5,168.2	100.8	1.06	50,581
1995	5,426.3	105.0	1.10	57,697
1996	5,771.5	106.4	1.15	53,051
1997	5,996.1	103.9	1.17	49,526
1998	5,771.1	96.2	1.15	44,103
1999	5,699.6	98.8	1.15	50,131
2000	6,110.2	107.2	1.22	56,665

Year	Advertising Expenditures			Advertising Expenditures in Japan (US\$ million)
	Advertising Expenditures (¥ billion)	Compared to Previous Year (%)	Advertising Expenditures / GDP (%)	
2001	6,058.0	99.1	1.22	49,862
2002	5,703.2	94.1	1.16	45,533
2003	5,684.1	99.7	1.16	49,042
2004	5,857.1	103.0	1.18	54,161
2005	5,962.5	101.8	1.18	54,131

Note: 1. GDP figures up to and including those for 2004 are from the *Annual Report on National Accounts and GDP Estimates* published by the Cabinet Office, Government of Japan.

2. The estimation method for *Advertising Expenditures in Japan* was retroactively revised in 1987 for all years, beginning with 1985.

3. US\$ exchange rate based on the annual average rate as calculated by the IMF.

Source: *Advertising Expenditures in Japan*, Dentsu, Inc.

② Advertising Expenditures Classified by Medium

Between 1988 and 1990, overall advertising expenditures maintained an increased growth rate of about 10% in all media until the bursting of the 'bubble economy'. From 1991, advertising expenditures dropped, particularly in Newspaper advertising, which dropped sharply because the major advertisers - financial institutions and real estate businesses - cut their volume of advertising. This situation lasted for three years.

From 1995 to 2003, with the recovery of the economy, there was an increase in TV advertising, mainly in the form of 15-second commercials. Magazine and Internet advertising also increased.

In 2005, overall mass media advertising dropped while Internet advertising kept increas-

ing. When we look at the ratio of mass media advertising in the overall advertising expenditures, TV advertising accounted for 34.2% and Newspaper for 17.4%. Including Magazine and Radio advertising, mass media advertising accounted for 61.2%.

Over the years, Newspaper and Radio advertising has been gradually dropping while the percentage of TV advertising has been increasing. The percentage of Internet advertising is rising sharply.

③ Advertising Expenditures Classified by Industry (Four Major Media)

Advertising expenditures in the four major media are divided into 21 industry categories.

Advertising Expenditures by Medium (2005)

Unit: ¥ 100 million

Media	Advertising Expenditures	Compared to Previous Year (%)	Component Ratio (%)
Major Media	36,511	99.3	61.2
Newspapers	10,377	98.3	17.4
Magazines	3,945	99.4	6.6
Radio	1,778	99.1	3.0
Television	20,411	99.9	34.2
Sales Promotion	19,819	101.3	33.3
Direct Mail	3,447	103.1	5.8
Flyers	4,798	100.7	8.1
Outdoor	2,646	99.2	4.4
Transit	2,432	102.0	4.1
POP	1,782	102.1	3.0
Telephone Directories	1,192	88.8	2.0
Exhibitions/Screen Displays	3,522	106.2	5.9
Satellite Media-Related	487	111.7	0.8
Internet	2,808	154.8	4.7
Total	59,625	101.8	100.0

Source: *Advertising Expenditures in Japan*, Dentsu Inc.

In 2005, categories having a high share of total advertising media expenditures included Cosmetics/Toiletries (9.9%), Finance/Insurance (8.4%), Foodstuffs (8.1%), Transportation/Leisure (7.8%), Beverages/Cigarettes (7.6%), and Information/Communications (7.2%).

When we look at the share by media, newspapers had a high ratio of advertising for Transportation/Leisure, Distribution/Retailing and Publications, while magazines had a high ratio of advertising for Cosmetics/Toiletries and Apparel/Fashion, Accessories/Personal. Radio was used more as a medium for Automobiles/Related Products and Finance/Insurance. TV was used more as a medium for Cosmetics/Toiletries, Beverages/Cigarettes and Foodstuffs advertisements.

When we look at the change in the share of advertising expenditures by industry, we can see the expenditures proportion for Cosmetics/Toiletries, Information/Communications and Finance/Insurance have been increasing.

Component Ratio of Media Expenditures by Industry

Total of four major media

Industry	2005 (%)
1. Energy / Materials / Machinery	1.3
2. Foodstuffs	8.1
3. Beverages / Cigarettes	7.6
4. Pharmaceuticals / Medical Supplies	5.0
5. Cosmetics / Toiletries	9.9
6. Apparel / Fashion, Accessories	2.7
7. Precision Instruments / Office Supplies	1.1
8. Home Electric Appliances / AV Equipment	2.4
9. Automobiles / Related Products	6.6
10. Household Products	1.9
11. Hobbies / Sporting Goods	3.9
12. Real Estate / Housing Facilities	4.4
13. Publications	4.0
14. Information / Communications	7.2
15. Distribution / Retailing	6.8
16. Finance / Insurance	8.4

Industry	2005 (%)
17. Transportaion / Leisure	7.8
18. Food Services / Other Services	3.5
19. Government / Organizations	1.4
20. Education / Medical Services / Religion	3.6
21. Classified Ads / Others	2.4
Total	100.0

Source: *Advertising Expenditures in Japan*, Dentsu Inc.**④ Top 10 Advertisers****Top 10 Advertisers in Japan (2005)**

Ranking	Company	Industry	Advertising Expenditures (¥ million)
1	Toyota Motor Corporation	Automobiles	102,980
2	Matsushita Electric Industrial Co., Ltd	Home Electric Appliances	79,270
3	Honda Motor Co., Ltd	Automobiles	75,180
4	Kao Corporation	Cosmetics / Toiletries	56,540
5	Vodafone K.K.	Information / Communications	53,020
6	Nissan Motor Co. Ltd	Automobiles	47,260
7	Benesse Corporation	Services	37,470
8	Kirin Brewery	Beverages	35,920
9	Suntory Limited	Beverages	34,540
10	AEON Co., Ltd	Retailing	33,160

Source: *Advertising Expenditures of Leading Corporations*, Nikkei Advertising Research Institute**⑤ Top 10 Advertising Agencies**

Based on a survey conducted by the Ministry of

Economy, Trade and Industry in 2003, the total number of advertising agencies was 3,180 with 4,234 offices. Approximately 89,000 people were engaged in this business. As of 2006, 165 agencies were members of the Japan Advertising Agencies Association. Dentsu, the largest agency in Japan, holds 25% of market share and the top three agencies, Dentsu, Hakuhodo and Asatsu DK occupy 45% of market share.

Top 10 Advertising Agencies, Billings and Total Number of Advertising Agencies (2005)

Ranking	Agency	Annual Billings (¥ million)
1	Dentsu	1,559,149
2	Hakuhodo	707,861
3	ADK	384,849
4	Daiko	145,901
5	Tokyu Agency	124,656
6	Yomiuri Advertising	102,119
7	East Japan Marketing & Communications	96,203
8	Delphys	78,541
9	Asahi Advertising	57,000
10	Nikkeisha	49,041

Source: Koukoku Keizai Kenkyusho

⑥ Major Research Companies

As of 2006, 221 companies were members of the Japan Marketing Research Association.

Major Research Companies

INTAGE	2-14-11 Tanito-cho, Nishitokyo City, Tokyo	TEL: 0424-23-1111
ACNielsen Corp.	4-1-1 Roppongi, Minato-ku, Tokyo	TEL: 03-5573-9300
Central Research Service, Inc	6-16-12 Ginza, Chuo-ku, Tokyo	TEL: 03-3549-3121
Dentsu Research Inc.	7-4-17 Ginza, Chuo-ku, Tokyo	TEL: 03-3289-6711
Nikkei Research Inc.	2-2-7 Kandatsukasa-cho, Chiyoda-ku, Tokyo	TEL: 03-5296-5111
Nippon Research Center Ltd.	4-5-4 Hacchobori, Chuo-ku, Tokyo	TEL: 03-3552-2411
Video Research Ltd.	2-1-1 Irifune, Chuo-ku, Tokyo	TEL: 03-5541-6501

Major PR Firms

159 firms, including group companies of the advertising agencies, belong to the Japan Public Relations Association. (2004)

Major PR Firms

Kyodo Public Relations Co., Ltd.	Dowa Bldg., 7-2-22 Ginza, Chuo-ku, Tokyo	TEL: 03-3571-5171
Dentsu Public Relations Inc.	2-16-7 Ginza, Chuo-ku, Tokyo	TEL: 03-5565-1055
PRAP Japan Inc.	11F Touken International Bldg., 2-12-19 Shibuya, Shibuya-ku, Tokyo	TEL: 03-3486-6831
Brain Center Inc.	Kazeno Mangekyo Bldg., 4-2-13 Ten-ma Kita-ku, Osaka	TEL: 06-6355-3300

7) Media**1) Newspapers**

The total number of newspaper publications in 2004 was 53,020,000 including evening papers. This means 1.06 copies per household. The number of publications has remained about the same for the past five years.

About 100 newspapers are used as advertising media.

There are five national papers: the Asahi, the Mainichi, the Yomiuri, the Nihon Keizai and the Sankei. There are four regional block papers: Hokkaido, Tokyo, Central Japan and West Japan. As for local papers, there are 48. In addition to these, there are 9 sports papers, specialized financial papers, trade papers and English language papers.

Newspaper Circulation in Japan

Year	Circulation (unit: 1,000)				Coverage	
	Total	Set paper	Morning paper	Evening paper	Population per one copy	Subscriptions per household
2000	53,709	18,187	33,703	1,819	2.35	1.13
2001	53,681	18,013	33,863	1,805	2.35	1.12
2002	53,198	17,617	33,901	1,681	2.38	1.09
2003	52,875	17,465	33,781	1,629	2.40	1.07
2004	53,022	17,342	34,066	1,613	2.39	1.06

Note: "Set paper" is a subscription to both morning and evening editions of the same paper. "Set paper" subscriptions are usually counted as only one in determining circulation figures. Figures are calculated in October each year and are based on the total number of the circulations of 122 papers in the year 2000, 124 papers in 2001, 123 papers in 2003, and 120 papers in 2004.

Source: *Annual Survey by NSK's Circulation and Newsprint Sections as of October*, NSK (Nihon Shinbun Kyokai)

2) Magazines

There are about 400 major weekly and monthly magazines used as advertising media. They are roughly classified into several categories such as men's magazines (general weekly magazines, magazines for the younger generation, men's adult magazines); women's magazines (general weekly women's magazines, magazines for the younger generation, magazines for adults, middle-aged and seniors, daily living information, maternity & parenting, etc.; information magazines (TV guides, area magazines, automotives, sports, business & finance, PCs, etc.), and magazines about hobbies & interests (health & fitness, pets, gardening, entertainment, travel & leisure, etc.). They can also be segmented into categories by target age (younger generation, middle-aged and seniors), and furthermore segmented by lifestyle, etc.

3) TV and Radio

The number of commercial TV broadcasting companies in 2005 totaled 127 and this figure has remained the same during the seven years since 1999.

Key Stations: Nippon Television (NTV), Tokyo Broadcasting (TBS), Fuji Television (CX), Asahi Television (EX), and Tokyo Television (TX).

Cable Television: Launched in 1984 and there are now 530 companies.

CS: Sky Perfect TV (185 television channels and 101 radio channels) and Sky Perfect TV! 110 (70 television channels)

BS: 5 commercial BS TV companies. BS digital broadcasting started in 2000.

Radio and Television Broadcasting in Japan

Year	Commercial Broadcasting	
	Number of Broadcasters	
	Radio	Television
2000	240	127
2001	253	127
2002	264	127
2003	270	127

Source: Ministry of Internal Affairs and Communications, Japan

The number of commercial radio stations has remained at 101 since 2001. Community FM stations have been increasing by 7 to 10 year on year and by 2003, the number of companies totaled 270.

As of 2005, there were 101 commercial radio stations and 85 community FM stations.

4) Internet

Use of the Internet in Japan has developed at a remarkable pace with the volume rapidly increasing. 1995 saw the first Internet advertising. From 2000, the Internet spread with accelerating speed. From around 2003, Internet advertising for mobile phones started to become very popular. From 2004, affiliate advertising increased sharply. In 2005, commercials on the Internet started.

The number of people who use the Internet increased to 85,290,000 in 2005 which accounts for 66.8% of the total population. In one year the number of users increased by 5,810,000. Of the 31,240,000 points of access, 23,300,000 used

broadband which demonstrates that a growing majority of people are using broadband.

The number of users of mobile terminals like mobile phones totaled 69,230,000 showing an increase of 18.8% over the previous year. The total number of personal computer users was 66,010,000 so in 2005, for the first time, mobile terminal users surpassed personal computer users.

On average, a person uses the Internet 28 times a month, 34 minutes and 7 seconds a day with 65.5 page views.

8) Major Advertising Awards

- **Newspaper Ad**
Newspaper Advertising Prize - Japan Newspaper Publishers & Editors Association
- **Magazine Ad**
Japan Magazine Advertising Awards - Japan Magazine Advertising Association
- **TVCM, Radio CM**
ACC CM Festival - All Japan Radio & Television Commercial Confederation (ACC)
- **Major Four Media Ad, SP, Internet, Public Ad**
Dentsu Advertising Awards - Dentsu Ad Awards Committee
- **Major Four Media Ad, Internet**
Advertisement Beneficial to Consumers Contest - Japan Advertisers Association
- **Graphic Design Ad (Newspaper, Magazine, Poster, etc.), TVCM**
ADC Awards - Tokyo Art Directors Club (ADC)

- **Print, TVCM & Radio CM, Naming, Web**
TCC Awards - Tokyo Copywriters Club (TCC)
- **POP Ad**
Creative Design Show - Japan Point of Purchase Promotion Institute
- **Internet Ad**
Tokyo Interactive Ad Awards - Japan Internet Advertising Association
- **Other Advertising Related Awards**
“Yoshida Hideo” Memorial Award for Individual or Group of the JAAA Member companies.
Japan Advertising Agencies Association (JAAA)
“Creator of the Year” Prize
Creator of a JAAA Member company
Japan Advertising Agencies Association (JAAA)
“ACC Chairman” Prize
Individual involved in activities of the ACC and has contributed to the progress of TVCMs
All Japan Radio and Television Commercial Confederation (ACC)

Source: *An Introduction to the Advertising Business* (Japan Advertising Agencies Association)

9) Advertising & PR Education

In 2005, 303 classes on advertising were conducted at junior colleges, universities and graduate schools and there were 210 seminars on advertising. In addition to these, numerous lectures and speeches on advertising were conducted. Over 900 professors, lecturers and people in this industry taught these classes.

Source: *Survey on Advertising Related University Courses* (Nikkei Advertising Research Institute)

10) Advertising Related Organizations

- **Japan Advertising Federation**
(Tripartite advertising organization. Members: Advertisers, Agencies, Media)

Address: 7F Dentsu-Ginza Bldg., 7-4-17 Ginza, Chuo-ku, Tokyo, 104-0061
Telephone: 03-3569-3566
Fax: 03-3572-5733
Established: October 20, 1953
Objectives: Through the building of sound advertising and related industries, contribute to the development of economic activities and the improvement of living standards. In order to achieve these objectives, implement measures for raising advertising ethics, conduct research, accumulate data and information related to advertising, share this knowledge with related organizations in Japan and overseas, and undertake cooperation with such organizations.

Advertisers

- **Japan Advertisers Association Inc. (JAA)**
Address: 10F Kyodo Bldg., 3-10-9 Ginza, Chuo-ku, Tokyo, 104-0061
Telephone: 03-3544-6580
Fax: 03-3544-6581
Established: February 26, 1957

Advertising Agencies

- **Japan Advertising Agencies Association (JAAA)**
Address: 8F Dentsu-Ginza Bldg., 7-4-17 Ginza, Chuo-ku, Tokyo, 104-0061
Telephone: 03-5568-0876
Fax: 03-5568-0889
Established: May 1, 1950

Council, Ethics, Audit

- **Japan Audit Bureau of Circulation (JABC)**
Address: 1-3 Shisei-Kaikan, Hibiya-Kouen, Chuo-ku, Tokyo, 100-0012
Telephone: 03-3501-1491
Fax: 03-3501-1494
Established: October 28, 1952
- **Japan Advertising Council (AC)**
Address: Dentsu-Ginza Bldg., 7-4-17 Ginza, Chuo-ku, Tokyo, 104-0061
Telephone: 03-3571-5195
Fax: 03-3571-7562
Established: July 7, 1971
- **Japan Advertising Review Organization, Inc.**
Address: Dentsu-Kousan Dai-san Bldg., 2-16-7 Ginza, Chuo-ku, Tokyo, 104-0061
Telephone: 03-3541-2813
Fax: 03-3541-2816
Established: October 15, 1974

Newspaper

- **Japan Newspaper Publishers and Editors Association**
Address: Nihon Press Center Bldg., 2-2-1 Uchisaiwai-cho, Chiyoda-ku, Tokyo, 100-8543
Telephone: 03-3591-4407
Fax: 03-3591-6149
Established: July 23, 1946

Magazine

- **Japan Magazine Advertising Association (JMAA)**
Address: Nihon Zasshi Kaikan, 1-7 Kanda Surugadai, Chiyoda-ku, Tokyo, 101-0062
Telephone: 03-3291-6202
Fax: 03-3291-6240
Established: November 1, 1946

Broadcasting

- The National Association of Commercial Broadcasters in Japan
Address: 2-23 Kioi-cho, Chiyoda-ku, Tokyo, 102-8577
Telephone: 03-5213-7711
Fax: 03-5213-7703
Established: July 20, 1951
- Japan Cable and Telecommunications Association
Address: 7F SDI Gotanda Bldg., 7-13-6 Nishi-Gotanda, Shinagawa-ku, Tokyo, 141-0031
Telephone: 03-3490-2022
Fax: 03-3490-2575

Creative

- Tokyo Graphic Designers Club (TGC)
Address: Shatore Oshida #201 27-5 Sakuragaoka-cho, Shibuya-ku, Tokyo, 150-0031
Telephone: 03-5515-9479
Fax: 03-3464-4149
Established: February 1, 1951
- Tokyo Art Directors Club
Address: 8F Inaoka Kudan Bldg., 2-38 Kanda Jinbo-cho, Chiyoda-ku, Tokyo, 101-0051
Telephone: 03-3238-7852
Fax: 03-3238-7853
Established: September 5, 1952
- Tokyo Copywriters Club (TCC)
Address: 5-7-15 Jingumae, Shibuya-ku, Tokyo, 150-0001
Telephone: 03-5774-5400
Fax: 03-3406-7433
Established: January 10, 1958
- All Japan Radio & Television Commercial

Confederation (ACC)

Address: 5F Nagatomo Landing Bldg., 3-1-11 Shinbashi, Minato-ku, Tokyo, 105-0004
Telephone: 03-3500-3261
Fax: 03-3500-3263
Established: January 28, 1960

- Japan Association of TV Commercial Production Companies (JAC)
Address: Suzuki Bldg., 2-13-5 Shinbashi, Minato-ku, Tokyo, 105-0004
Telephone: 03-5510-0727
Fax: 03-5510-3178
Established: April 7, 1962

Outdoor, Transit, Display and Others

- The Federation of All Japan Outdoor Advertising Associations
Address: Okugai Koukoku Kaikan, 1-17-14 Kamezawa, Sumida-ku, Tokyo, 130-0014
Telephone: 03-3626-2231
Fax: 03-3626-2255
Established: December 9, 1958
- All Japan Neon-Sign Association (AJNA)
Address: Minato Bldg., 1-21-4 Hamamatsu-cho, Minato-ku, Tokyo, 105-0013
Telephone: 03-3437-1526
Fax: 03-5776-1321
Established: October 30, 1968

- Japan Association for Rail Advertising Promotion (JARAP)
Address: 8F Hyumax Ebisu Bldg., 1-1-1 Ebisu, Shibuya-ku, Tokyo, 150-0022
Telephone: 03-5773-6789
Fax: 03-3712-2399
Established: November 1, 2005

- Nippon Display Federation (NDF)
Address: Shin Kyobashi Bldg., 3-3-8 Kyobashi, Chuo-ku, Tokyo, 104-0031
Telephone: 03-3274-4657
Fax: 03-3274-4659
Established: February 28, 1969

- Japan Point of Purchase Promotion Institute Inc. (JPP)
Address: #701 Nihon Insatsu Kaikan, 1-16-8 Shintomi-cho, Chuo-ku, Tokyo, 104-0041
Telephone: 03-3523-2505
Fax: 03-3523-2508
Established: November 14, 1969

- Japan Direct Mail Association
Address: 4F Landcom Azabudai Bldg., 1-9-14 Azabudai, Minato-ku, Tokyo, 106-0041
Telephone: 03-3584-3447
Fax: 03-3584-3909
Established: June, 1983

Internet

- Japan Internet Advertising Association (JIAA)
Address: 9F Fuji Chuo Bldg., 2-1-7 Shintomi-cho, Chuo-ku, Tokyo, 104-0041
Telephone: 03-3523-2555
Fax: 03-3523-2670
Established: May 12, 1999

PR

- Public Relations Society of Japan
Address: Daini Soga Bldg., 2-11-5 Shintomi-cho, Chuo-ku, Tokyo, 104-0041
Telephone: 03-5543-1011
Fax: 03-5543-1015
Established: April 7, 1980

International

- IAA Japan Chapter
Address: 7F Dentsu Ginza Bldg., 7-4-17 Ginza, Chuo-ku, Tokyo, 104-0061
Telephone: 03-3569-0531
Fax: 03-3572-4655
Established: September 27, 1957

11) Advertising Related Newspapers and Annuals

- *JAF Reports (monthly)*
Japan Advertising Federation
- *JAAA Reports (monthly)*
Japan Advertising Agencies Association
- *Dentsu Advertising Annual*
Dentsu
- *Japan Newspaper Annual*
The Japan Newspaper Publishers & Editors Association
- *Japan Commercial Broadcasting Year Book*
The National Association of Commercial Broadcasters in Japan
- *Dentsu News (weekly)*
Dentsu
- *Advertising Whitepaper*
NIKKEI Advertising Research Institute
- *Advertising Copy Annual*
Tokyo Copywriters Club
- *Sign & Display Annual*
Mass Communication Institute

- *Direct Mail Annual*
Japan Direct Mail Association
- *ACC CM Annual*
Japan Radio & Television Commercial Confederation
- *Sendenkaigi (monthly)*
SENDENKAIGI Co., Ltd.
- *Kigyo to Koukoku (weekly, monthly)*
Channel
- *Koukoku to Keizai (3 times a month)*
Koukoku Keizai Kenkyusyo
- *ADVERTISING (quarterly)*
Dentsu
- *Kohkoku (quarterly)*
Hakuhodo

12) Government Agencies Supervising the Advertising Industry

- Economic and Industry Policy Bureau, Ministry of Economy, Trade and Industry, Japan (Monitoring and supervising advertising industry practices)
- Information and Communications Policy Bureau, Ministry of Internal Affairs and Communications, Japan (Supervising broadcasting communications)
- Fair Trade Commission (Supervising use of premium items)

Voluntary restrictions on advertising are super-

vised not only by advertising-related associations including the Japan Advertising Review Organization (JARO) and the Japan Advertising Council (AC), but also by government agencies, advertisers, media companies and other related organizations.

C H A P T E R 4

Current Status of Advertising - Korea

by In Sup Shin / Dong Hyun Kim

1) AFAA Korea Representative:

Organization - Korea Federation of Advertising Associations (KFAA)
Chairman - Mr. Sang Jo Nahm



Mr. Sang Jo Nahm

2) Country at a Glance

Land: 99,617 square km
Capital: Seoul
Population: 48.3 million (2005)
Currency: won
Per capita GDP in US dollars: \$14,162 (2004)

3) Population (2005)

Population, 2005

Age	Population Nr.(%)
0-4	2,545,000 (5.27)
5-9	3,225,000 (6.68)
10-14	3,470,000 (7.19)
15-19	3,076,000 (6.37)
20-24	3,832,000 (7.93)
25-29	3,862,000 (8.00)
30-34	4,359,000 (9.02)
35-39	4,236,000 (8.77)
40-44	4,233,000 (8.77)
45-49	3,971,000 (8.22)
50-54	2,878,000 (5.96)
55-59	2,310,000 (4.78)
60-64	1,914,000 (3.96)
65 & over	5,062,000 (9.07)
Total	48,294,000 (100)

Racial breakdown: Not applicable

Breakdown by religion:

The percentage of the population who identify themselves as belonging to some kind of religion is 53.9 percent of the total. Taking 53.9 percent as 100 percent, according to Distribution of Population by Religion for the year of 2003 in Social Indicators in Korea 2005, published by the Korea National Statistical Office, this breaks down to:

- 47.0% Buddhist
- 36.8% Protestant
- 13.7% Catholic
- 2.5% Other religion

Official language: Korean.

English is the most widely used foreign language.

4) Total and Per-Capita GDP, 2000-2004 :

Total and Per-Capita GDP, 2000-2004

Year	Total US\$ billion	Per-capita US\$
2000	512	10,841
2001	482	10,160
2002	547	11,499
2003	608	12,720
2004	680	14,162

Source: Korea Statistical Yearbook 2005, p.665

5) National Holidays in Korea.

National holidays do change. Politics and economic necessities often cause such changes. Of course, national holidays are deeply rooted in the culture and religion of a country or society. From a marketing and advertising point of view, they offer tremendous opportunities.

Korea is no exception. Take 2006 for example. There are 15 such holidays. Arbor Day, April 5, was a national holiday until 2005 but is no longer.

October 9, Hangeul or Korean Alphabet Day, used to be a national holiday, but it was dropped out of the list.

- Korean National Holidays, 2006

January 1: New Year's Day

January 28, 29, 30:

Called Seollal, or Lunar New Year's Day. One of the two three-day holidays. This is a movable holiday because the date is determined according to lunar calendar

March 1: Independence Day

Celebrating Korea's independence uprising against Japanese rule on March 1, 1919

May 5: Children's Day

May 5: Buddha's Birthday

This holiday is movable because the date is April 8 by lunar calendar. In 2006 it coincides with Children's Day

June 6: Memorial Day

July 17: Constitution Day

August 15:

Liberation Day commemorating Korean liberation from Japanese rule on August 15, 1945

October 3:

National Foundation Day

October 5, 6, 7:

Chuseok, or the Harvest Moon Festival, which falls on the full moon of the eighth lunar month. One of the two three-day holidays

December 25 : Christmas

There are two three-day holidays: Lunar New Year's and the Harvest Moon. Both are celebrated with Confucianist ancestral rites. So the Chinese sage still lives on in the way of life of Korea. Two holidays, Buddha's Birthday and Christmas, are Korean national holidays that reflect religious practices of large portions of the country's population. Korean animosity toward Japan is obvious: March 1, commemorating the Independence Movement of 1919, and August 15, commemorating the date in 1945 when Korea regained its independence after Japan's surrender at the end of World War II, are holidays. Children's Day and Memorial Day need no explanation. Constitution Day commemorates the establishment of Korean constitution in 1948. National Foundation Day is derived from the myth of Dan-gun, who descended from heaven 4,339 years ago to establish Korea.

Confucianism pervades Korean life. It is part of Korean culture. There is no religious conflict. Chuseok is the biggest gift-giving season even though there are a great number of Christians and Buddhists. Another gift-giving season is New Year's. Officially, Chuseok is a three-day holiday, but in practice it can be week-long, especially in the printing industry. It is also a bonus season, another being summer vacation.

Advance booking of newspaper space or television time is necessary for Chuseok or the Christmas season.

Lunar New Year's is primarily a day when ancestral rites are held in the morning at the home of the eldest son of each clan. Only males are permitted to offer a cup of rice wine at the memorial service table, where foods are neatly placed according to family tradition, although females are being allowed to participate in the ritual in some isolated cases. Hence the preference for male offspring. Certain fish are a must for the foods on table.

The Harvest Moon is for visiting the ancestral grave site, where, again, the entire family get together, bowing and offering rice wine.

So what are the marketing implications of this? Consult with your Korean partner well in advance if you are in a foreign or multinational company. Check your Nielsen Retail Index figures if you are in the package goods business. Official holidays are important not only because they are days of rest but also because they offer unsurpassed opportunities for your products and services.



Nearly half the population travels, mostly from the cities to the countryside during the Harvest Moon, better known as Chuseok in Korea.

6) Advertising

1 Advertising Expenditures, 1968-2006

Units: Billions of Korean won & millions of US\$

Year	Ad. Expenditures Korean won(US\$)	Year-on- Year(%)	Ad as % of GDP
1968	9.2(32.7)	—	0.63
1970	12.7(40.1)	—	0.50
1972	19.0(47.6)	—	0.45
1974	33.0(65.2)	—	0.36
1976	93.5(193)	—	0.68
1977	120(249)	—	0.68
1979	219(452)	—	0.74
1980	275(417)	25.9	0.76
1981	318(455)	15.7	0.74
1982	426(569)	23.8	0.88
1983	585(711)	32.6	0.97
1984	683(826)	20.9	1.06
1985	739(831)	8.2	1.03
1986	819(950)	10.7	0.99
1987	972(1,227)	18.8	1.00
1988	1,279(1,869)	31.5	1.01
1989	1,565(2,302)	22.4	1.10
1990	2,000(2,792)	27.8	1.07
1991	2,395(3,149)	19.8	1.06
1992	2,816(3,572)	17.5	1.09
1993	3,229(4,022)	14.7	1.11
1994	4,028(5,108)	24.8	1.18
1995	4,951(6,391)	22.9	1.24
1996	5,616(6,652)	13.4	1.25

Year	Ad. Expenditures Korean won(US\$)	Year-on- Year(%)	Ad as % of GDP
1997	5,377(3,799)	-4.2	1.09
1998	3,485(2,885)	-35.2	0.72
1999	4,621(4,034)	32.6	0.87
2000	5,853(4,646)	26.7	1.01
2001	5,714(4,309)	-2.4	0.92
2002	6,844(5,701)	19.8	1.00
2003	6,802(5,679)	-0.6	0.94
2004	6,665(6,385)	-2.0	0.86
2005	7,054(6,963)	3.1	-
2006	7,739 (7,989)	-	-

Source: 1) 1968 through 1989. *Development of Korean Advertising Industry* (1999). (Korean). Seoul: Korea Association of Advertising Agencies. p.112

2) From 1990 to 2005. *Advertising Yearbook* (2005). Seoul: Cheil Communications. p.1160.

3) Expenditures in U.S. dollars are calculated on the basis of the rate of exchange published in respective Statistical Yearbooks.

4) Advertising as a percent of GDP is based on Korean won.

2 Advertising expenditures broken down by media for 2005:

Units: Expenditures in billions of won

Media	Volume	Year-on-Year(%)	Share (%)
Television	2,149	-3.8	30.5
Radio	268	1.1	3.8
Newspapers	1,672	-4.1	23.7
Magazines	437	2.6	6.2
Subtotal	4,537	-3.1	64.2
Outdoor	736	4.7	10.4
4-Media Production Cost	732	4.7	10.4

Media	Volume	Year-on-Year(%)	Share (%)
Cable TV	487	8.8	6.9
On-line	567	44.4	8.0
Sky Life (TV)	6	-	-
Total	7,054	3.1	100.0

Source: *Cheil Communications*, March 2006 issue

3 Advertising expenditures broken down by industry category for 2005

1. Basic materials	2.1%
2. Foods	8.0
3. Beverages & favorite foods	5.8
4. Pharmaceutical products/medical services	3.9
5. Cosmetics & healthcare products	6.2
6. Publishing	3.5
7. Fashion	4.3
8. Industrial products	0.6
9. Precision & office equipment	1.1
10. Household electrical products	5.4
11. Computers & IT	2.3
12. Transportation equipment	5.0
13. Household products	3.5
14. Chemical products	0.5
15. Construction, construction materials & real estate	7.5
16. Distribution	5.9
17. Financing, insurance & securities	9.1
18. Services	9.8
19. Government & organizations	2.3
20. Education & welfare	1.8
21. Corporate communications	1.5
Total	100.0

Note: Newspapers, magazines, radio & TV only
Source: *Cheil Communications*, March 2006 issue

4 Top Ten Advertisers of 2004

Total four-media advertising expenditures of the top ten advertisers in 2004 stood at around 798 billion Korean won, accounting for some 17 percent of the four-media total of Korean advertising. For all practical purposes, seven companies in the information-technology industry dominate the top ten. The remaining three include two automobile companies and one cosmetic company. Dominance by the IT industry became obvious around the turn of the 21st century.

Top Ten Advertisers, 2005

Rank	Company	Billions of won
1	Samsung Electronics	176.8
2	SK Telecom	105.5
3	LG Electronics	90.4
4	KT Freetel (Telecom)	74.0
5	KT (Korea Telecom)	68.1
6	Hyundai Motor (Cars)	66.8
7	Pacific Chemical (Cosmetics)	54.3
8	Kia Motor (Cars)	47.5
9	LG Telecom	45.1
10	Nhongshim (Foods)	42.6
	Total	771.4
	Total Korean ad expenditures (Newspapers, Magazines, Radio & TV)	4,526.7
	Share of top ten	17.0%

Note: Figures rounded. Newspapers, magazines, radio & TV only
Source: *Advertising Yearbook 2005*. Seoul: Cheil Communications. p.1161

5 Top Ten Advertising Agencies

The number of advertising agencies may vary depending on how one defines an agency. There were 54 agencies reporting their billings and staff to *Advertising Trends*, a monthly journal published by the Korea Federation of Advertising Associations (KFAA), the central ad industry organization. In order to receive agency commission an agency must have a license from the Korea Broadcasting Advertising Corporation, Kobaco, a government agency with exclusive sales rights for all terrestrial broadcasting. The latest figure for the number of Kobaco-licensed agencies was 265.

Top Ten Advertising Agencies, 2005

Rank	Company	Billings in Billions of won
1	Cheil Communications	1,696
2	LG Ad (WPP)	612
3	TBWA Korea	358
4	Daehong	345
5	Diamond Ogilvy & Mather	261
6	Welcomm (Publicis)	248
7	Phoenix Communications (Dentsu)	201
8	Oricom	178
9	Innotion	148
10	McCann-Erickson	121

Note: Figures rounded.

Source: *Advertising Trend*, March 2006. Seoul: KFAA

The Korea Association of Advertising Associations (KAAA), established in 1986, has 39 members. The KAAA membership figure

may be a good guide in assessing what one might call a full-service agency. Dominance of the top ten by multinational agencies became obvious following the Asian financial crisis of 1997-1998, when the Korean ad industry suffered a devastating blow as the market size tumbled by some 37 percent decline resulting in the closure of many mid-size agencies. By far the largest agency is Cheil Communications, with billings accounting for 24 percent of total Korean advertising expenditures in 2005.

Top Ten Research Firms

Alphabetical Order

Company	Homepage
A.C Nielsen Korea Limited	www.acnielsen.co.kr
DongSeo Research Inc.	www.drsgroup.co.kr
Gallup Korea	www.gallup.co.kr
Hankook Research	www.hrc.co.kr
Ipsos Korea	www.ipsoskorea.com
Milward Brown Media Research	www.mediaresearch.co.kr
Research & Research	www.RandR.co.kr
Research International	www.research-int.co.kr
Synovate	www.synovate.com
Taylor Nelson Sofres	www.tns-global.com

7) Media Summary, 2005

The media situation during the last couple of years has been relatively stable, although more changes will take place in new IT-related media such as DMB (digital multimedia broadcasting). The Ministry of Culture and Tourism publishes Status of Registration, Periodical Publications annually. This is the best source for the current status of print media. However,

print media published in this data are not necessarily advertising media.

The best thing is to consult your advertising/media agencies. The Ministry's year-end data in 2004 had the following figures:

Dailies	164
News services	2
Other dailies	406
Weeklies	2,421
Monthlies	2,727
Bi-monthlies	407
Quarterlies	828
Semi-annuals	273
Internet papers	265
Total	7,493

The above list includes noncommercial media such as house organs, which are mostly monthlies. Circulation audit is still in a developing stage, largely because of hesitancy on the part of media. Korea ABC publishes circulations of audited titles. Since there are so many titles, especially among weeklies and monthlies, it is best to consult your advertising agencies or media professionals for media planning.

Korean television is NTSC and 100 percent color. The following is a summary of broadcast media which accept commercials:

National TV networks:

4 including Educational TV

Local TV stations: 9 in major cities

National radio networks: 3 AM, 2 FM

Local radio stations (FM): 11

Additionally, there are five religious radio stations, including the Christian Broadcasting

System (CBS), which broadcasts both AM and FM and covers nearly all the important markets.

Cable television was launched in 1995 and now has 144 channels. Sky Life, a satellite channel, was launched in 2002 and now offers 120 channels, 80 television and 40 audio. Terrestrial and satellite DMB was launched in 2005 and has 38 and 20 channels respectively at present.

In addition to print and broadcast media, there are host of other media available.

Again, the best approach is to consult professional agencies.

Internet. According to data published in Section 8: Information & Telecommunications of *2005 Social Indicators in Korea*, some 71 percent of Koreans used the Internet at least once a month in 2005. More males use the Internet than females, 77.4 percent versus 66.3 percent. Internet usage is heavier among the younger generation, 97.3 percent of those aged 6~15 and 20~29, tapering down among older generation. Internet use is also greater among the higher-educated and those with higher incomes. Around 94 percent of college-educated Koreans use the Internet and 87 percent are among families with a monthly income of three to four million won (or roughly US\$3,000-4,000). Around 63 percent use the Internet over 10 hours per week. There are 11.9 million broadband Internet service subscribers or roughly 25% of the total Korean population.

Compared with the availability of media, lack of media data is a common problem except for television, which provides people-meter audience data.

8) National Advertising Awards.

According to *Advertising Yearbook 2005*, there are 16 advertising awards: 12 media-sponsored, 3 agency-sponsored, and one industry-wide, which is the national awards sponsored by the Korea Federation of Advertising Associations, KFAA.

The annual awards called the Korea Advertising Awards classifies media into six categories: newspapers, magazines, radio, television, sales promotion, and the Internet. Awards fall into three categories: (1) Grand Prix (2) Gold, Silver, Bronze, Honorable Certificates and Finalists, and (3) Special Awards.

The Special Awards are further broken down into Public Service Advertising, Advertising Day Promotion, Ministry of Health and Welfare Special Campaign, and Best Model Awards.

9) Advertising Education

Even though a few universities offered advertising and public relations courses in the 1970s, there was no university which offered advertising and public relations as a major until 1974, when Chung-Ang University in Seoul established such a department.

Advertising education at universities followed the political democratization begun in 1987. The number of dailies alone quadrupled to 126 between 1987 and 1994. The number of pages per issue, previously restricted to 12, was liberalized. Private radio and television were born again. To meet the rising demand for advertising, many universities started to establish advertising and public relations departments from the 1990s. Currently, there are 87 universities where students can major

in advertising and public relations. Subjects covered are wide in range.

In addition to the four-year universities, many junior colleges also offer advertising and public relations courses.

10) Advertising Associations

The Korea Federation of Advertising Associations, KFAA, is the central advertising organization. Its membership follows (the number in brackets is the year of establishment):

- Korea Federation of Advertising Associations, KFAA (1971)

All industry organization comprising 20 individual associations. Publishes two journals and operates a website, www.advertising.co.kr (Korean). KFAA is the representative for AFAA. It sponsors the Korea Advertising Awards, the national ad awards. It also hosts an annual national advertising conference.

Address: 9F Korea Advertising Culture Center Bldg., 7-11 Sincheon-dong, Songpa-gu, Seoul, Korea 138-921

Telephone: 82 2 2144 0750

Fax: 82 2 2144 0759

- Korea Advertisers Association, KAA (1988)
Address: 18F FKI Bldg., 28-1 Yeoido-dong, Yeongdeungpo-gu, Seoul, Korea 150-756
Telephone: 82 2 782 8390
Fax: 82 2 782 8390
- Korea Association of Advertising Agencies, KAAA (1986)

Address: 9F Korea Advertising Culture Center Bldg., 7-11 Sincheon-dong, Songpa-gu, Seoul, Korea 138-921

Telephone: 82 2 733-3500

Fax: 82 2 738-7824

- Korea Newspaper Advertising Association (1971)

Address: Rm 1302, Press Center, 25 Taepyeongno 1-ga, Jung-gu, Seoul, Korea

110-890

Telephone: 82 2 733 5518

Fax: 82 2 730 1619

- Korea Magazine Association

Address: 4F Japji Bldg., 44-31 Yeoido-dong, Yeongdeungpo-gu, Seoul, Korea 150-890.

Telephone: 82 2 780 2112

Fax: 82 2 785 9464

- Korea Commercial Film Maker Union, KCU (1987)

Address: 5F Korea Advertising Culture Center Bldg., 7-11 Sincheon-dong, Songpa-gu, Seoul, Korea 138-921

Telephone: 82 2 2144 0741

Fax: 82 2 2144 0743

- Korea Outdoor Advertising Association(1972)

Address: 3F Korea Outdoor Advertising Association Bldg., 10-626 Silimbon-dong, Gwanak-gu, Seoul, Korea 151-029

Telephone: 82 2 889 8855

Fax: 82 2 888 2177

- Korea Advertising Photographers Association, KAPA (1976)

Address: 5F Korea Advertising Culture Center Bldg., 7-11 Sincheon-dong, Songpa-gu, Seoul,

Korea 138-921

Telephone: 82 2 2144 0980

Fax: 82 2 2144 0981

- Korea Cable TV Association (1994)

Address: 7F KPC Bldg., 122-1 Jeonseon-dong, Jongno-gu, Seoul, Korea 110-751

Telephone: 82 2 735 5411

Fax: 82 2 735 6514

- Korea Audit Bureau of Circulations, KABC (1989).

Address: 9F Korea Advertising Culture Center 7-11 Sincheon-dong Songpa-gu, Seoul Korea 138-921

Telephone: 82 2 783 4983

Fax: 82 2 782 5889

- Korea Public Relations Association (1989)

Address: 1709 Koryo Academytel, 437-3 Ahyeon-dong, Mapo-gu, Seoul, Korea 121-010

Telephone: 82 2 393 2902

Fax: 82 2 393 2901

- International Advertising Association (IAA) Korea Chapter (1968)

Address: 12F Boryong Bldg., Wonnam-dong, Jongno-gu, Seoul, Korea 110-750

Telephone: 82 2 3668 8067

Fax: 82 2 3668 8120

- Internet Marketing Council of Korea (2001)

Address: 6F Seoungwon Bldg. 995-24 Daechi-dong, Gangnam-gu, Seoul Korea 135-052

Telephone: 82 2 511 2152

Fax: 82 2 539 9175

- Korea Electric Billboard Broadcasting Advertising Association

Address: 5F Korea Advertising Culture Center Bldg., 7-11 Sincheon-dong, Songpa-gu, Seoul, Korea 138-921
Telephone: 82 2 752 1562~3
Fax: 82 2 756 6736

- Korea Branding Association (1999)
Address: Rm 202 Gukje Bldg., 29-1 Pil-dong 1-ga, Jung-gu, Seoul, Korea 100-020
Telephone: 82 2 2264 9774
Fax: 82 2 3474 4298
- Korea Association of Advertising Specialty Suppliers (1988)
Address: 3F Nageong Bldg., 115-62 Gongdeuk-dong, Mapo-gu, Seoul, Korea 121-020
Telephone: 82 2 3442 7655
Fax: 82 2 706 7254
- Korea General Homeshopping Companies Association (2003)
Address: 2F Jeongil Bldg., 197-8 Jamsil-dong, Songpa-gu, Seoul, Korea 138-220
Telephone: 82 2 412 3261
Fax: 82 2 412 3047
- Korean Modeling & Talent Association (1976)
Address: 16-5 Chungdam-dong, Gangnam-gu, Seoul, Korea 135-100
Telephone: 82 2 515 3750
Fax: 82 2 515 3751
- Korea Advertising Review Board (1991)
Address: 10F Korea Advertising Culture Center Bldg., 7-11 Sincheon-dong, Songpa-gu, Seoul, Korea 138-921
Telephone: 82 2 6360 6600
Fax: 82 2 6325 0021

- Korea Advertising Society (1989)
Address: 9F Korea Advertising Culture Center Bldg., 7-11 Sincheon-dong, Songpa-gu, Seoul, Korea 138-921
Telephone: 82 2 2144 0264
Fax: 82 2 2144 0265

- Korea Society of Consumer and Advertising Psychology
Address: Department of Psychology Ehwa Women's University 11-1 Daehyun-dong, Seodaemun-gu, Seoul Korea 120-750
Telephone: 82 2 3277 4143
d-mail: capsy99@freechal.com

- Korean Academic Society for Public Relations
Address: Rm. 701, Gabriel Hall, Sogang University 1 Sinsu-dong, Mapo-gu, Seoul Korea
Telephone & Fax: 82 2 706 2342

- Korean Association for Advertising and Public Relations
Address: 1271 San 1-dong, Sangnok-gu, Ansan City, Gyeonggi-do Korea
Telephone: 82 10 4783 8100

11) Advertising Journals

All the advertising journals published in Korea are in the Korean language with the exception of the bi-annual *Advertising Yearbook* published in English by the Korea Association of Advertising Agencies. Compared with the size of the market, there are very few independent advertising journals. The majority are published either by leading agencies or industry associations or by the Korea Broadcasting Advertising Corporation as more or

less their house organs. However, their contents are fairly neutral and cover a wide range of subjects related to various fields of interest. Number stands for year established.

- *Advertising Trend* (Korean). 1991. House organ
KFAA. Monthly. Free-controlled.
Current news with a monthly special report such as agency, research etc.
- *KAA Journal* (Korean). 1989. House organ
Korea Advertiser's Association. Bimonthly. Free-controlled. Current issues related to the interest of advertisers.
- *KAAA Journal* (Korean). 1994. House organ
Korea Association of Advertising Agencies. Bimonthly. Free-controlled.
Current issues related to the interest of advertising agencies.
- *Ad Information* (Korean). 1981. House organ
Kobaco. Monthly. Free-controlled.
Advertising in general with monthly broadcast advertising data.
- *Korea Ad Times* (Korean). 1999. Korea Ad Times, Monthly.
Advertising in general with emphasis on current creative.
- *Advertising Review* (Korean). 1994. House organ
Korea Advertising Review Board. Monthly. Free-controlled.

Issues/trends on advertising review.

- *Cheil Communications* (Korean). 1975. House organ
Cheil Communications.
Monthly. Free-controlled.
Advertising in general with creative snap shots of the agency.
- *LG Ad* (Korean). 1985. House organ
LG Ad. Bimonthly. Free-controlled.
Advertising in general with creative snap shots of the agency.
- *MBC Adcom* (Korean). 1979. House organ. MBC Adcom.
Bimonthly. Free-controlled. Advertising in general with creative snap shots of the agency.
- *Daehong Communications* (Korean). 1984. House organ
Daehong Communications.
Bimonthly. Free-controlled.
Advertising in general with creative snap shots of the agency.
- *Oricom Brand Journal* (Korean). 2001. House organ
Oricom. Bimonthly. Free-controlled.
Emphasis on brands.
- *KOAA bulletin* (Korean). 1977. House organ
Korea Outdoor Advertising Association.
Monthly. Free-controlled.
Issues/trends on outdoor advertising.
- *Sign Moonhwa* (Korean).

1995. SM Media Group. Monthly.
Outdoor advertising.

- *Pop Sign* (Korean).
Pop Sign. Monthly.
Outdoor advertising.
- *The Korean Journal of Advertising* (Korean).
1990. Korea Advertising Society.
Quarterly.
- *Advertising Research* (Korean).
1988. Korea Broadcasting Advertising Corp.
Quarterly. Free-controlled.
- *The Korean Journal of Advertising & Public Relations* (Korean).
1999. Korean Association of Advertising & Public Relations.
Quarterly. Free-controlled.
- *Journal of Public Relations Research* (Korean).
1999. Korean Academic Society for Public Relations.
Semi-annual. Free-controlled.
- *Korean Journal of Consumer and Advertising Psychology* (Korean).
Korean Society of Consumer and Advertising Psychology, 3 issues per year

In addition, there are a number of journals on marketing, broadcasting, journalism and communications which carry articles on advertising and public relations. However, they are not included in this list.

12) The Government Agency Primarily Responsible for the Advertising Business

The Broadcasting and Advertising Department of the Ministry of Culture and Tourism is the primary government agency dealing with the advertising business in general. However, other ministries are also involved in specific advertising matters: notably, the Fair Trade Commission, which oversees any infringement pertaining to fair trade, including advertising. The Consumer Protection Board is also involved in dealing with misleading advertising. The Korea Advertising Review Board (KARB) is a self-regulatory organization with authority vested by the Korea Broadcasting Commission to censor all commercials before they are broadcast.

BIBLIOGRAPHY

1) *Advertising Yearbook*, published annually by Cheil Communications. 1,384 pages (2005). Language: Korean. Sold at leading bookstores. The Yearbook covers all the current advertising matters and data. Historical data are also included. A must for advertising organizations/institutes with an interest in the Korean advertising market.

2) *Advertising Information*, a monthly house organ published by the Korea Broadcasting Advertising Corporation (Kobaco). Language: Korean. Free, controlled circulation. In addition to regular advertising articles, Advertising Information carries monthly data on television advertising.

3) *Korea Creative Yearbook*, published by the Korea Association of Advertising Agencies (KAAA). Language: Korean and English (titles only). Sold at leading bookstores.

4) *Advertising Yearbook*, the bi-annual book published in English by KAAA. Excellent reference with tables on all advertising industry data. Free, controlled.

5) *Advertising Trends*, a monthly published by the Korea Federation of Advertising Associations (KFAA). Language: Korean. Free, controlled. Each month the journal covers specific issues, i.e., its March issue covered advertising agencies with billings broken down by media, number of staff, etc.

6) *Advertising in Korea*, 4th edition (2005), co-authored by In Sup Shin and Kie H. Shin and published by Communications Books, is the only English-language book on Korea advertising. The 174-page book has 10 chapters covering nearly all advertising matters of interest to foreigners.

7) *Korea Statistical Yearbook*, published by the Korea National Statistical Office. The 972-page Yearbook (2005) is naturally crammed with statistics in Korea. Tables are bi-lingual, Korean and English. Indexes are both in Korean and English and can be found at the back part of the book. Sold in major bookstores and government publications stores.

Korean Advertising, Facts and Insights published by Korea Broadcasting Advertising Corporation (Kobaco) in English in 2007. The 324-page book covers primarily the current status of Korean advertising including an industry overview, media, consumer trend, agency and creative.

8) *Advertiser's Directory*. This annual directory is published by Korea Advertiser's Association. Language in Korea. The 520-page book is a valuable source of information covering advertising associations, academic societies, ad industry related organizations, advertisers, broadcast and print media, advertising agencies, outdoor advertising companies, other advertising industry related services, university professors among others.

9) *Social Indicators in Korea* is an annual also published by the Korea National Statistical Office. The 752-page SIK 2005 is another excellent source of data for global marketers and advertising agencies. Contents and tables are bilingual (Korean and English). Sold in major bookstores.

For academics, there are a few quarterlies : *The Korean Journal of Advertising*, *The Korean Journal of Advertising/Public Relations*, published by academic bodies. In addition, Kobaco publishes a quarterly. There are also other academic journals.

C H A P T E R 4

Current Status of Advertising - Malaysia

by *Nantha Kumar*

Advertising Industry and Advertisers

The advertising industry has changed beyond recognition since the 1980s and has recorded steady growth to place itself as the ninth biggest, in terms of adex, in Asia. In 1980, Malaysia's adex was RM226m and grew rapidly between 1981 and 1985 to register RM645m in 1989. The only low point in this decade was in 1986 when global recession between 1985 and 1986 stymied the adex growth but the adex for 1986, which showed RM382, hardly suggests that the Malaysian economy was adversely affected. More progress was achieved in the following decade: in 1990, the adex surged past RM800m and went one step further in 1991 when it reached RM1b.

The adex multiplied manifold in the 1990s as Malaysia embarked on ambitious industrialisation programmes that intended to convert her into a fully developed nation by the year 2020. Two major developments in the 1990s slowed down the adex's upward movement: the Gulf War in 1990, which did not hit the Malaysian market as badly as it did other markets as the adex moved up to RM818m, while the most serious setback was the economic crisis of the late 1990s. The recovery was well under way at the turn of the

millennium before the Middle East conflict in the last five years put paid to a full turnaround.

Multinational companies have gained prominence since the 1990s with their heavy budget and wide advertising campaigns, which emphasised the power of brands as a global strategy. Image building became the chief cost for advertisers as they jostled among their rivals to place their brands amongst the top tier and a tactic that has worked well across the markets in the world. The media, naturally, profited from this competition but a negative aspect of it was felt by the consumers who were inundated with advertisements.

In 1991, for example, the adex rose by an estimated 20%, of which 12% were contributed by new advertisers who had never, before that year, promoted their products and services. These new advertisers were mainly from financial institutions which offered credit cards; the automobile industry; apparels and entertainment services. This coincided with Malaysian consumers' larger purchasing power; the expansion of the banking sector and the government's aggressive push for a successful national automobile industry.

Advertisers in Malaysia can be divided into

three main categories: multinational; national and retailers. Almost all of these advertisers prefer mass-marketing though retailers (supermarkets; departmental stores and dealers of goods) only advertise within their towns or states. In recent years, even these retailers have adopted a wider approach to advertising as mega-supermarkets began to gobble up small and medium sized retailers in burgeoning townships.

The most lucrative budgets, however, are still with the multinational and national companies, which provide the bulk of the adex, due to their management expertise; marketing nous and huge capital. An interesting impact of the Malaysia's move to industrialise was the increasing prominence of government-linked-companies (GLCs), such as Malaysian Airlines (which runs the national commercial carrier and cargo); Edaran Otomobil Nasional (EON; which markets the national car and motorcycles and had diversified into financial services; real estate and manufacturing); Telekom (national telecommunications firm

and the largest of its kind in Malaysia); Tenaga Nasional (national electric utility company) and Jabatan Pos Malaysia (national postal service) upon their privatisation.

A common feature that all these corporations share is their monopolistic hold over their respective sectors. These companies have poured millions into building and maintaining a high corporate image and compete with the multinational firms for adex contributions. Public listing in the 1990s has also increased these companies' advertising spend and as traditionally strong advertisers, mainly tobacco companies, were phased out of the advertising scene, these firms filled the adex void and have established themselves as major advertisers.

In the early 1990s, the top 10 advertisers in Malaysia came from the shipping business; six tobacco advertisers disguised as apparel and sports marketers and travel service operators; Malaysian Airlines; Road Safety Council and

Top 10 Advertisers

Rank in 2004	Rank in 2005	Advertiser	2004 RM'000	2005 RM'000
2	1	Procter & Gamble	103,029	128,582
3	2	Celcom	89,616	123,268
1	3	Maxis Communication BHD	144,500	98,232
5	4	Unilever Malaysia	65,446	80,972
4	5	Digi Telecommunication S/B	80,465	80,959
6	6	Nestle	60,576	65,684
11	7	TM	33,793	48,301
7	8	KFC Holdings	40,805	44,672
10	9	Petronas	35,111	36,746
9	10	Malaysia Airlines System	35,202	30,113

Telekom Malaysia. In the first half of 2006, the tobacco firms have been replaced by four telecommunication companies including Telekom Malaysia or TM as of 2006; Procter & Gamble; Unilever Malaysia; Nestle; KFC Holding (KFC); L'Oreal Malaysia and Petronas (national petroleum company).

The five multinational companies on this year's list have retained their global marketing style that most such corporations had adopted since the early 1980s for their continued success. Three marketing tenets have served this group well: availability; acceptability and affordability. Availability means that the products or services are made available in key global markets and while a popular lifestyle is used as a campaign strategy, compromises have been made for the culture and customs of Malaysia.

A case in point would be the approach of KFC, which had survived bird flu epidemic scares across Asia in the last five years and yet managed to attract consumers. While the KFC packaging and logo in Malaysia tally with that of the American KFC - which recently announced a brand overhaul - the taste of their products has been modified to suit local consumption.

Acceptability refers to product awareness, which requires heavy promotion and publicity for the goods and services. In a market that is flooded with advertisements for virtually the same products and services, there is a vital need for advertisers to stand out in the consumers' mind. The cultivation of the brand name would result in greater interest which in turn would produce brand loyalty, as can be seen from the dominance of Coke and Pepsi in the Malaysian soft drink market.

Affordability involves correct pricing of products and services. Varying costs of living across the globe makes it almost impossible for the price structure in any local market to reflect that of the products' country of origins. The roaring success of multinational fast-food outlets such as KFC and McDonald's in Malaysia and the introduction of the cafe culture by Coffee Beans & Tea Leaves and Starbucks Coffee are two different examples of all three marketing principles working in tandem.

The economic boom time in Malaysia in the 1990s - which produced a wealthy and image-conscious middle class - had irrevocably altered the local advertising landscape. It is certain that the lifestyles engendered by these multinational companies - barring a radical socio-political rethink - have become a permanent part of the Malaysian scene.

Advertising Agencies in Malaysia

There are more than 200 accredited and non-accredited media agencies, ninety percent (90%) of which are based in the Klang Valley area where the capital Kuala Lumpur and major cities such as Petaling Jaya are located. Most of these agencies can be broadly segmented into full-service agencies and specialist agencies. Full-service agencies cater to every whim and fancy of their advertisers or clients and often have dedicated personnel to attend to lucrative advertising accounts.

These agencies would work from scratch. This includes everything from scrutinising their clients' products or services; evaluating rival products or services; conceptualising to implementing adver-

tising and communications campaign on a grand scale. More often than not such advertising assignments would be commissioned by multinational companies keen on localising the global marketing strategy that has been directed by their parent companies.

Specialist agencies are divided into two: the first usually offers "below-the-lines" services, which the larger agencies shun, while the second, which is an off-shoot of the unbundling of advertising work, manages clients' media planning. Below-the-lines work consists of preparing bunting; banners; umbrellas; calendars, posters and such items. Media specialists, on the other hand, are not new "agencies" but have always existed as departments in advertising agencies which were tasked with buying media space for the clients' campaigns.

As the competition heightened among advertisers, there was a need to rethink strategies in a crowded field and this primarily involved the planning and buying broadcast time and print space for advertising campaigns. Media specialists, which have been claiming this as their area of expertise, are charged with the responsibility of maximizing the effectiveness of clients' campaigns by thinking out details such as buying the right type of media to acquiring cost-attractive media packages on offer to literally managing the campaigns.

It is estimated that over half of the advertising agencies in Malaysia are of the full-service variety and multinational companies are dominant among these agencies. Law in Malaysia requires a local partner holds a majority share in these multinational firms and this had led to a number of merg-

ers and acquisitions which saw existing local advertising agencies teaming up with their multinational counterparts. The power to make crucial management decisions would be placed in the hands of either local partners or expatriates from multinational companies and it depends on the nature of the mergers and acquisitions.

Multinational companies have the edge over local advertising agencies as they tap into their counterparts' expertise and know-how. When global brands choose a multinational advertising agency, the parent company's affiliates in the other regions would be given the account as well to maintain alignment in advertising concept, strategy and execution. This is why Ogilvy and Mather are identified with American Express while Coca Cola has been synonymous with McCann-Erickson for decades.

The access available to multinational companies also allows them to offer the latest in strategies; concepts and communications trends that are employed in advanced markets to their clients. It is rare for leading advertisers in the world to pass on their campaigns to local advertising agencies and even if the latter is engaged it would usually for below-the-lines jobs.

Local agencies, however, control advertising work commissioned by government and statutory bodies; local banks and private companies but this dominance does not sufficiently empower them to compete with their multinational companies. Despite their stake in accounts of government and statutory bodies, the local agencies have a limited list of clients while restricted funds and facilities to compete with their multinational competitors.

Advertising Expenditure

The share of advertising spending in Malaysia is unique. The market in Malaysia is one of the very few in the world dominated by print media as opposed to television. In 2005, advertisers lavished about RM2.39 billion of the RM4.56b advertising expenditure (adex) on newspapers and magazines. This amounted to a staggering 64% of the total adex, which overshadowed the 29% or RM1.31b that television received.

The rest of the adex was shared between outdoor advertising; cinema; radio and point of sales. It is estimated that there will not be a drastic change in the stake of each medium in the adex pie for 2006, which is expected to reach the RM4.9b mark. But it is important to note that the increase in the number of free-to-air television channels in the last two years has also resulted in a steady swell in television adex. The television adex posted a 0.7% growth between 2004 and

2005 and this figure is projected to grow to 3% in 2006 (ZenithOptimedia report in July, 2006).

A huge factor behind this development is the alliance of various media under the single banner of Media Prima in 2003, in a consolidation venture that mirrors Singapore's MediaCorp group of commercial media companies. Media Prima is essentially the combined strength of Malaysia's leading television station, TV3 which was operated by Malaysian Resources Corporation Berhad, and The New Straits Times Press (Malaysia) Berhad news group.

The union, and subsequent media company purchases, provided Media Prima with four television stations; two English dailies and two Malay language newspapers and two radio stations, plus ownership of a leading drama and movie content company. MediaPrima's four stations reached 3.25m television households and control almost half of the total viewership while enjoying 85% of free-to-air television adex (Carat Media Facts

2006/2007).

The New Straits Times Press group operates the top two Malay language newspapers (broadsheet Berita Harian and tabloid Harian Metro), which has a total readership of almost 3m. The accumulated circulation figure for the New Straits Times Press group stands at 50% of the total newspaper circulation. These shares in television viewership and newspaper readership allows Media Prima to compete aggressively with their rivals in the electronic and print media by offering synergised advertising opportunities for their clients.

The advertising rates for television are often cited as a reason for the sector's small stake. A 30-second prime-time spot on free-to-air television will cost advertisers an average of between RM4,075 and RM7,080 on four top television stations. The rates for full-page black and white advertisements in an English daily are between RM14,500 and RM29,680 (Carat Media Facts 2006/2007). These, of course, are basic rates which could be bundled into affordable packages as would be the case with Media Prima's media companies.

Almost ninety percent (90%) of the businesses in Malaysia, however, are small and medium sized enterprises and this would make the newspaper an ideal platform to promote their products and services. The high production budgets needed for television commercials are not financially viable for a small market such as Malaysia, which is a reason for smaller brands to focus their advertising on newspapers and radio rather than television.

Newspaper and Television

The growth in advertising spend in the past two decades has also resulted in the introduction of various other forms of advertising which takes into consideration the impact of advancing technology. Yet, despite the promise of the Internet as the "new" advertising media - tremendous expansion is expected in this sector which is widely regarded as the only medium that will see sustained capture of more adex - newspaper and television still hold sway in Malaysia.

Since the mid-1980s, television and newspaper have had a combined adex share of at least 80% as the appearance of more television channels; magazines and newspapers in the market enlarges viewership and readership. Both mediums are able to customise deals for their wide range of buyers as they constantly seek additional airtime and pages to meet the demand for advertisements.

Newspaper's strongest rival is television and despite aggressive marketing from the latter, newspaper companies continue to lead the adex take-up. Television does not have the faster and higher reach and frequency of newspaper and, unlike television too, newspaper offers a wide primary target audience. It is also effective for short media campaigns (sales promotions in retail outlets) or longer term ventures which will be needed for branding. A single other advantage possessed by the newspaper is that it is able to carry prospectuses; classifieds and appointments which elude the other mediums.

Despite the hike in newspaper advertising rates, the last of which was in 2004, it is almost impossible to ignore newspaper if national advertisers

Advertising Expenditure by Top 10 Categories

Rank in 2004	Rank in 2005	Category	2004 RM'000	2005 RM'000
2	1	Mobile Line Services	233,540	270,072
1	2	Mobile Interactive Services	233,839	204,485
5	3	Face Care - Women	105,725	124,375
4	4	Hair Shampoo & Conditioner	110,735	120,832
6	5	Government Institutions - Local	91,770	105,828
3	6	Residential Estate	113,889	102,267
7	7	Credit Card	82,025	74,934
8	8	Cinema Advertising	73,785	68,665
11	9	Fast Food Centre	60,046	64,379
12	10	Furnishing - furniture Retail	53,204	61,343

are unveiling new products or services to the public. This is, however, a two-way relationship as newspapers have become increasingly dependent on adex as their lifeblood as the competition between different mediums amplified.

While mergers, as executed by Media Prima, and moving into the radio broadcasting industry - as is the case with Star Publications (Malaysia) Berhad which purchased Radio Redifussion's Red104.9 and 988 in 2003 - would be one way of consolidating their position, there are looming threats to its longevity as the dominant media adex leader. Media Prima and Star Publications, which runs Malaysia's No1 English daily, The Star, are now able to offer joint advertising packages to advertisers.

The other attractions of the newspaper is the

routine appearances of supplements and special reports - which zoom in on a variety of topics such as travel; health; home furnishings; fashion; automobile, education and sports - command the advertisers' attention. A recent concept in advertising over the newspaper is the advertorial, which is an amalgamation of paid advertisements and editorial which expound the value of the advertisers' products and services.

Advertisers from the telecommunications industry dominate advertising expenditure in both newspaper and television. On television, telecommunications companies (telcos) lead corporation, utility and government agencies; shampoo and hair conditioner advertisers; fast food centres; body care advertisers; confectionary and snack advertisers; petroleum firms; entertainment companies; advertisers of essential milk (young chil-

dren) and laundry cleanser and care companies.

Newspaper's Top 10 adex categories are as follows: telcos; real estate companies; utility and government agencies; advertisers in the educational and book industries; media, publishers and publications; department stores; banks; firms in household furniture and interior decoration business; entertainment companies and brands in the credit card and travellers' cheque industries.

• Newspaper Growth

Malaysian newspapers, available in broadsheet and tabloid forms, mirror the needs of the three main races in the country and, as such, are classified in four languages: Bahasa Malaysia; English; Chinese and Tamil. There is a clear difference

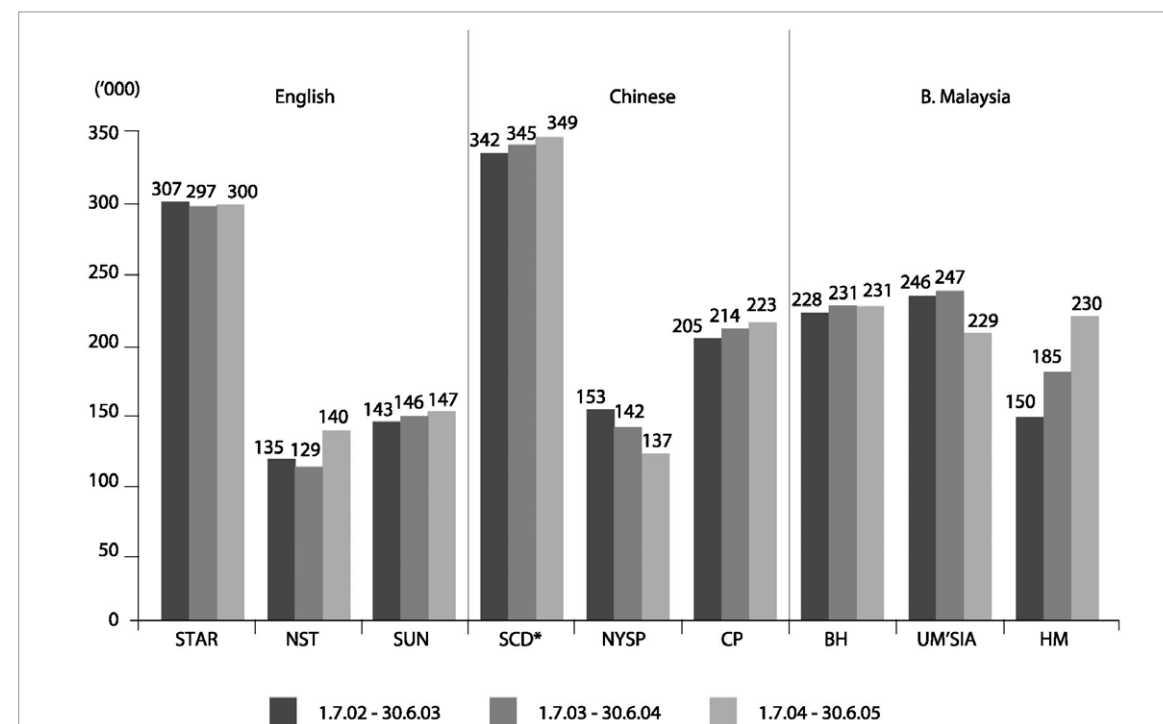
between newspaper content in Peninsular and East Malaysia. There is a greater emphasis on local flavour, especially in the newspapers in Sabah and Sarawak, which target the large Chinese community in East Malaysia.

A minimum of 51% of Malaysian adults read a daily newspaper, which is a decline from a high of 60% in 1998 (Carat Media Facts 2004). As of 2005, there were seven Bahasa Malaysia dailies; 15 Chinese dailies; 10 English dailies and four Tamil dailies in Malaysia (Carat Media Facts 2006/2007).

The English newspapers are popular among the higher income group (white collar professionals; executives and businessmen) staying in the mar-

Monitored Advertising Expenditure 2001 - 2005

	2001		2002		2003		2004		2005	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Television	878,391	28%	921,777	27%	999,248	26%	1,300,713	29%	1,310,560	29%
Radio	119,675	4%	144,141	4%	152,526	4%	172,024	4%	178,533	4%
Magazine	182,448	6%	158,060	5%	159,035	4%	165,426	4%	160,578	3%
Newspaper	1,936,417	61%	2,188,450	63%	2,366,783	63%	2,669,763	60%	2,777,770	61%
Video	2,764	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cinema	11,387	0%	9,739	0%	12,561	0%	13,994	0%	17,849	0%
Pos AD	25,968	1%	28,286	7%	33,661	1%	32,814	1%	39,110	1%
Outdoor					61,847	2%	68,936	2%	75,620	2%
Total	3,157,050	100%	3,450,453	100%	3,785,661	100%	4,423,670	100%	4,560,020	100%
% Increase Over Previous Year	3%		9%		10%		17%		3%	



Circulation of Major Dailies.

ket centres, with a higher profile of managers and professionals with higher education. The Bahasa Malaysia newspapers are a mainstay of the rural readers while Chinese newspapers are relatively more urban-based.

Due to its position as the national language, Bahasa Malaysia-based newspapers enjoy a high readership amongst the population, which a 27% readership reach; followed by Chinese (20%) and English newspapers (11%). As of 2006, the total readership reach of all the newspapers was at the 55%, which is still considered comparatively high by Asian standards.

Improving social standing and economic progress had resulted in higher literacy rate and steadied the growth of newspaper. In 2006, the literacy level among Malaysians rose to 95% (Peninsular Malaysia; Carat Media Facts 2006/2007) as the government's push for versatile individuals to supply the increasing demand for a quality workforce.

Top Newspaper Advertisers - Malaysia

Rank in 2004	Rank in 2005	Advertiser	2004 RM'000	2005 RM'000
2	1	Celcom	58,778	74,402
3	2	Digi Telecommunication S/B	56,755	62,468
1	3	Maxis Communication BHD	68,570	44,035
7	4	TM	16,987	25,282
8	5	Panasonic Malaysia S/B	16,984	18,312
4	6	Citi Bank	25,342	16,706
6	7	Malaysia Airlines System	19,207	16,496
25	8	Proton	11,018	15,686
17	9	Nestle	12,937	15,215
16	10	Guinness Anchor	13,100	15,210

The combined audited circulation for the daily Chinese newspapers was at 901,000; Bahasa Malaysia dailies scored 624,000 while their English counterparts hit 620,000 in 2003. According to Carat Media Facts 2004, the victors in the newspaper circulation contest are The Star (307,000; English language); Sin Chew Daily (342,000; Chinese language) and Utusan Malaysia (246,000; Bahasa Malaysia).

In 2005, the total audited circulation for the daily Chinese newspapers moved up to 918,000; Bahasa Malaysia dailies improved to 690,000 and the English dailies attained 653,000 (Carat Media Facts 2006/2007). As of mid-2005, The Star led the English newspaper circulation (300,000) and Sin Chew Daily have maintained their prime position for 2005 as well (349,000). The 67-year-old Utusan Malaysia (229,000) slipped to third behind Berita Harian (231,000) Harian Metro (230,000).

The 1990s witnessed a change in the newspaper industry with the arrival of new players. Early

Newspaper Advertising Expenditure by Top 10 Categories

Rank in 2004	Rank in 2005	Category	2004 RM'000	2005 RM'000
1	1	Mobile Interactive Services	180,329	173,356
2	2	Mobile Line Services	132,560	149,948
3	3	Residential Estate	106,232	96,089
5	4	Furnishings - Furniture Retail	44,269	50,017
4	5	Credit Card	48,861	46,423
8	6	Beauty Salon/Hairdresser	39,171	45,058
6	7	College/Institution	43,902	42,868
9	8	Department Store	36,903	39,740
10	9	Cinema Advertising	34,748	39,218
17	10	University	27,473	38,218

last decade, the launch of Harian Metro, a Bahasa Malaysia afternoon tabloid, and The Sun, an English tabloid that went on to become the first "free" newspaper in Malaysia, had shaken up the scene. For the first time ever, Harian Metro, which has displayed great circulation strides in the last three years, posted a 24% growth, which is the highest against all dailies as of June, 2005.

A significant step into the future for the newspaper was their foray into the Internet by producing the online editions of their hard copies. The Sun and The Star have been instrumental in attempting to mine the potential in cyber media adex, with the latter offering its full version over the Internet in 2004.

Media companies were concerned about the complete ban on direct and indirect tobacco advertising, which had dominated advertising spend until 2002, in 2003. The concerns proved unfounded as the telecommunications sector came to the rescue of the media. As mentioned above,

the telecommunications firms emerged as the big spenders in the advertising industry and are projected to emulate the dominance of the tobacco companies before them.

• Television Growth

Television has the widest daily adult reach amongst all the other media, with 83% in 1992 and this figure has grown over the years to peak at 96% in 2003, with the Malays form the bulk of the viewership. Pre-1996, only three free-to-air channels (TV1; TV2 and TV3) peppered the television landscape but in 2003, Malaysian viewers were given the option of six free-to-air channels and a plethora of satellite television channels.

Between September and November 2003, Channel 9 and 8TV stepped into the television arena with the aim of capturing a new class of the prosperous and promising Malaysian population: the young and urban viewers. Television became the fastest growing medium between the early

1990s and 2003, with the Malays comprising the core audience.

Public television and radio broadcasters, Radio Television Malaysia (RTM), owns two television channels, TV1 and TV2, plus 32 national and regional radio channels. TV1, which is more of a news and public service channel, has not veered from its target market of Malay viewers in the suburban and rural areas. The TV1 content is a combination of news; local films; dramas; sitcoms; religious programmes and documentaries.

The entertainment-centred TV2 zeroes in on the Chinese and Indian viewers, with a small group of urban Malay viewers, and broadcasts foreign films; Chinese soaps from Hong Kong; international sports and a rising number of domestically produced programmes, mainly dramas and sitcoms, to meet the government ruling of television channels airing 30% local programmes. TV3's programming - which espouses the entertainment concept - has a heavy content slant of TV1 while maintaining TV2's edge.

Despite the influx of foreign programmes - especially those from the US - the highest ratings for television are actually for local programmes such as Malay films and dramas. It is no surprise that Malay viewers, like their Chinese counterparts who love the evening soaps from Hong Kong, prefer to watch programmes in their native language rather than in English.

The advent of TV3 - with its early emphasis on pure entertainment - in 1984 created a fiercer competition for content and viewership. Within four years of its birth, TV3 wrestled control of 50% of the adult reach and had maintained its number one status with an audience reach of 71%, followed by TV2 (65%) and TV1 (59%) in 1992. In 2003, TV3 improved on this figure by 17% (for a total of 88%) while TV2 closed the gap to 83% with TV1 still trailing at 65%.

The total television adex for 2003 attained RM994 million or 8% more than in 2002, while its share was maintained at 27%. TV3 continued to dominate with an adex stake of 53%, followed by ntv7 (Malaysia's second private free-to-air television) 29% while public broadcasters RTM (TV1 and TV2) made little progress with an attainment of a single percentage to 18% in 2003.

Last year (2005), the total television adex was at RM1.3b, which represented a low growth of 0.8%. TV3's share, which had dropped to 43% in 2004, did not see any improvement while ntv7, which had secured 30% of the adex in 2004, saw their stake decline to 25%. The two government-owned channels, TV1 and TV2, which had their combined adex share of 13% in 2004 enhanced to 15% in 2005.

Despite lagging behind newspaper in terms of adex garnered, television - which was introduced in Malaysia about 40 years ago - is by far the most dominant advertising medium in the nation. Proof of television's bulging strength was evident when it posted an approximately 100% increase within four years between 1987 and 1991 to achieve the type of growth that has never been attained by any other media in Malaysia. It is not wide off the mark to claim that Media Prima's newfound position as a multimedia player would allow for greater flexibility in pricing and strategies to mount a challenge to the dominance of newspapers.

As the foremost television channel in Malaysia, TV3 also rakes in a giant share of the television adex. In 1991, TV3 took up 45% of the total television adex of RM400 million on their positioning as the channel of choice for the urban audiences which in turn brought in advertisements which are geared towards this "rewarding" group of consumers. TV3's willingness to accept low-priced video production costs; seven, 10 and 15-second filmlets and slides apart from the conventional 30- or 60-second commercials proved to be a winning strategy.

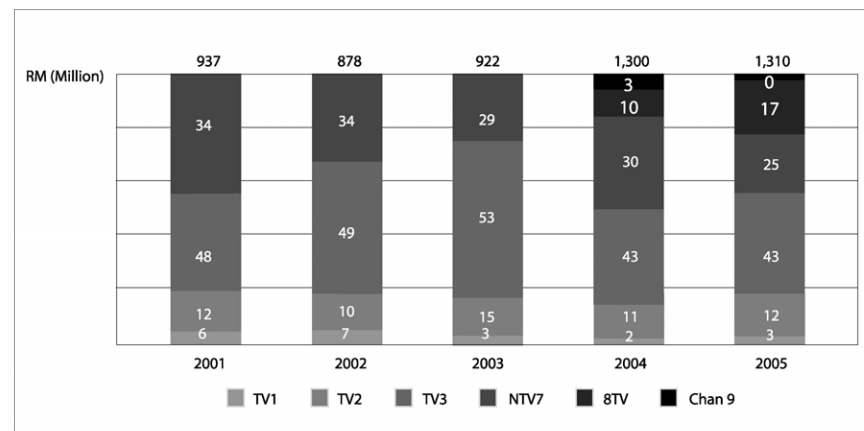
Many supermarkets; departmental stores and other retailers replaced advertisements in the print media to opt for television advertising. TV3's decision signaled that Malaysian television was no longer a medium for advertisers with deep pockets and television's brand new viability allowed it to vault over newspaper as the top medium in 1989 for the first time in the history of Malaysian advertising.

Despite this feat and the huge number of advertisements in the 1990s on TV1, TV2 and TV3 - a

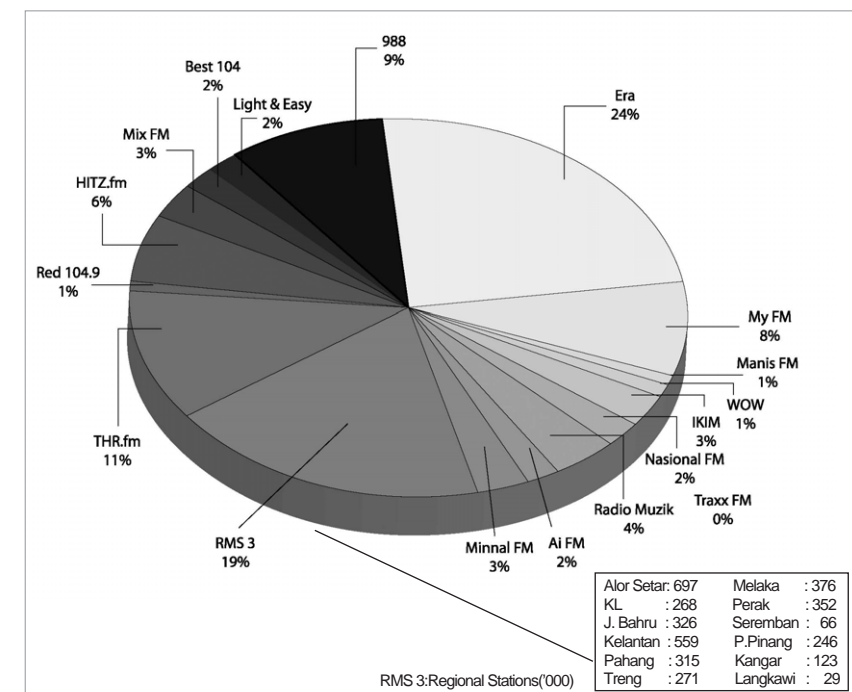
daily average of 435 commercials were recorded in 1991 in all three networks which represented a rise of 65% from the 1989 average of 264 - newspaper still reign supreme. Over the years, the demand for advertising airtime from major advertisers had superseded supply and this situation compels the television stations to shake-up their programming every few months to satisfy the advertisers' requests.

The media consolidation under Media Prima offers part solution to the problem of limited airtime as television channels became more niched as they cater to a variety of viewers. Television's share of the adex, however, is only 27% in 2003 (Carat Media Facts 2004) which means a hard slog for six television channels and the three main vernacular channels on satellite broadcaster Astro

Television Station Advertising Revenue.



Television Station Advertising Revenue.



(Ria which targets the Malay audience; Wah Lai Toi which caters for Chinese viewers and the Indian-based Vanavil) to lock in advertising takings.

Astro has managed to snare 23% of Malaysian household (just over one million viewers) in 2003 and has stated that the average home penetration for the Asian region is estimated at 42%. The challenge to Astro that was supposed to come from MiTV (launched with 41 channels in October 2005) and Fine TV (debuted in December 2005 with 18 channels) floundered as both broadcasters struggled to overcome technical hurdles and poor business models.

The launch of another satellite in December, 2006 has also boosted confidence that the Astro's primary technical snag of not being able to deliver their services during rain outage would be phased out. The presence of the additional satellite will enable Astro to include 50 more channels to their current stable of 56 television; 17 radio and four pay-per-view channels. No details on Astro's service expansion have been made available thus far as industry watchers and advertisers await its impact, which will only be assessed in February 2007 when the satellite becomes fully operational.

Astro subscribers, however, are braced for a hike in subscription rates as a channel repackaging exercise is expected to be implemented with the addition of the new channels in early 2007. A decline in subscription would affect Astro's plan to capture 42% home penetration (fewer than two million viewers) while also shaping the sentiments of advertisers. Much would depend on Astro's shrewdness in bundling their channels into eye-catching and affordable packages.

On the public broadcasting front, the privatisation of RTM would push TV1 and TV2 into adopting a more competitive mood. Aggression in content acquisition and marketing would be the key factors in determining the channels' place in the arena in view of the increasing fragmentation of television audience. Average weekly free-to-air television adult viewership dropped off in 2003 when Astro moved assertively to secure more viewership and it is likely that when the satellite broadcaster introduces more channels in early 2007, TV1 and TV2 would stand to lose the most.

• Other Media

Radio and magazine offer the most effective alternatives to television and newspaper in Malaysia as products and services multiply as advertising and media itself becomes more individualised than ever. Radio has emerged as a very strong option to television after garnering a weekly reach of 74% of all adults in 2003 (Carat Media Facts 2004) even though the medium only has a 4% share of the total advertising spending.

Magazine provides the platform for advertisers to close in on a particular target groups in an industry where media fragmentation is the norm and has a traditional supporting role or vehicle for specific brands operating in a tight knit market. A number of new magazines have appeared in the past three years as they see the potential for advertising revenue which was never tapped into in the past.

• Radio

Radio is one of the earliest mediums to establish itself in Malaysia and is defined by the medium of instruction, which is Bahasa Malaysia; English; Chinese; Tamil and major dialects in

Sabah and Sarawak. By 2006, the total number of private owned radio stations, both subscription-based and free-to-air, had reached 26 while the government owned stations remained at 30. It is estimated that almost 90% of all homes in Malaysia has a radio set while its popularity as the medium of choice for almost all car owners.

As the most intimate of mediums, radio exploits its personal relationship with the listeners with a mixture of music, announcers' conversational delivery; contests and news. Radio's primary listeners are of a younger age and it is a fact that radio listenership has been declining since the 1980s - most prominently after the arrival of TV3. Despite radio stations taking the drastic measure of broadcasting 24 hours a day in response to arrest the flagging listenership, the consensus is that the medium has not fulfilled its adex potential.

But there are impressive figures which suggest

that the growth spurt for radio could be in the next few years: radio contributes 4% or RM178 million of the RM4.6 billion advertising expenditure in Malaysia. It is estimated that the radio adex would grow from RM178m in 2005 to nearly RM190m in 2006, which would represent a 4.5% jump. Radios has a reach of 92% on Malaysians ten years old and above, two million listen to radio on an average 15 minutes and Malaysians spend an average of 24 hours per week listening to radio.

Radio share has grown from 2% to 3% in the early 1990s to about 4% in 2005. In 1997, the radio adex was RM67m while five years earlier it had garnered a lowly RM26.7m, which represented 2.36% of the total adex of that year. In less than 10 years, it has almost reached RM190m as new players entered the radio broadcasting arena. Innovative ways of advertising and better programme content and listening environment have also reaped adex rewards.

Since the 1990s, advertisers have preferred to

Radio Advertising Expenditure by Top 10 Categories

Rank in 2004	Rank in 2005	Category	2004 RM'000	2005 RM'000
1	1	Mobile Line Services	8,784	15,482
4	2	Fast Food Centre	6,465	7,998
5	3	Government Institutions - Local	6,013	6,377
20	4	Vehicle-Passenger Car 1,00-2,000cc	1,985	6,278
2	5	Tonic & Vitamin	7,548	5,930
3	6	Credit Card	7,464	5,265
6	7	Television	3,900	4,407
8	8	Department Store	3,229	3,325
101	9	Rice	444	3,317
18	10	Communication - Corporate Ad	2,041	3,303

sponsor radio programmes rather than making spot buys and radio stations have encouraged this practice by offering additional benefits in the forms of extra commercials and other packages. Marketing and content formatting, which has been the forte of the six stations under Airtime Management & Programming, has led the way in selling airtime, producing content and creating a vibrant and suitable environment for their listeners.

These innovations, however, have only managed to maintain radio's grip of its viewership rather than increasing it. In other words, while the adex pie has grown tremendously since the 1990s, radio's stake in it appears to have reached a plateau at 4% in comparison to the average share of 8% in other South East Asia markets. Regardless of this, advertisers continue to plough their spending into radio due to its captive audience and popularity amongst Malaysian adults.

The formation of the Malaysian Association of Commercial Radio Operators (MACRO) was in reaction to the growth in the number of private radio stations in the past 10 years. MACRO brought together the key players in the industry to a common ground as they sought to safeguard and enhance their interests. MACRO's introduction of the Air Awards, which honours creative advertising work in radio, has piqued the interest of advertisers and advertising agencies since 2003.

The only stations which have not profited from the developments in the radio broadcasting scene are those under public broadcasters RTM. The sterile presentation and content choice have hampered any hope of progress or jump in the creative process and not much is expected even after the

stations' gradual privatisation since 2003.

• Magazine

It is almost certainly impossible to monitor magazines as the sheer number of it would be overwhelming. There are new magazines in Malaysia, in tandem with other developed markets, every other month and there are publishing companies which disappear after the inaugural issue of their magazine or do not hang around for subsequent print runs.

Most magazines too refused to submit their circulation figures to be authenticated by independent bodies such as the Audit Bureau of Circulation (ABC Malaysia), which makes it difficult for advertisers to manage their media planning and buying for this medium.

There are just too many titles to be categorised in its fullest and it is suffice to state that magazines cater for both the white-collar urban populace and those in the rural areas. Magazine publishing frequencies range from weeklies to annuals and it must be said that the top magazines in Malaysia are either monthlies or fortnightlies. Bahasa Malaysia titles lead the pack, followed by English and Chinese language magazines, but popularity often does not equate high adex earnings as they lack the advertising support of the big spending advertisers.

In 2003, the leading magazine in Malaysia was Mastika, which combines investigative journalism and sensationalism and targets the Malay readers. Mastika recorded a circulation of 159,000 in 2005 (which is drop from 220,000 in 2003) while its nearest rival is women's weekly Minggu Wanita (128,000 in circulation). Mangga, a local

entertainment-based title which had roped in 166,000 in circulation while in 2003 declined to 125,000 in 2005 (Carat Media Facts 2006/2007).

URTV, was similar in content to Mangga, which was third highest in magazine circulation in 2003 with 100,000 faced the biggest fall, when it recorded a circulation of 59,000 in 2005. In the list of the top ten magazines with the highest circulation, only two, KL Lifestyle, a city guide aimed at tourists, and women's monthly Cleo and Utopia, a travel guidebook for the gay and lesbian communities, are in English.

Yet, only one Bahasa Malaysia title, Jelita, managed to gain entry into the list of top ten advertising revenue earners amongst local magazines, gaining almost RM6.5m in 2005. The list is dominated by five English language magazines - all but one Malaysia Tatler dedicated to women readers - and four Chinese titles, all either slanted towards women's lifestyle or a feminine angle or both. It is no surprise to learn that nine out of the top ten revenue earners for magazines are also women's titles and that women or home or family category accounted for 78% of all publications income.

In 2003, Female led nine other titles with RM10.2m; followed by Malaysia Tatler (earning RM8.5m); Feminine (Chinese title; RM7.11m); Nuyou (Chinese title; RM7.01m); Cleo (English title; RM6.8m); Sisters' Pictorial (Chinese title; RM6.2m); Marie Claire (English title; RM4.66m); Malaysian Women's Weekly (English title; RM4.4m) and New Tide (Chinese title; RM3.9m).

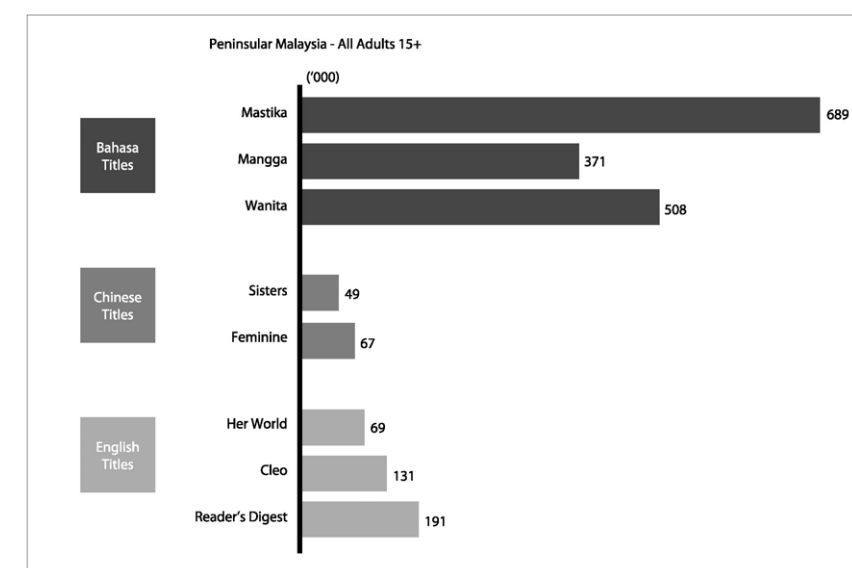
In 2005, Malaysia Tatler took over the top spot with adex earnings of RM11m, followed by

Feminine (RM10.2m); Female (RM8.75m); Cleo (RM8.6m); Nuyou (RM7.681m); Sisters' Pictorial (RM6.6m); Jelita (RM6.5m); Malaysian Women's Weekly (RM5m); New Tide (RM4.85m) and Marie Claire (RM4.33m).

A common characteristic among the top adex earners is the availability of a strong and more organised marketing department (compared to the Bahasa Malaysia-based publishers) and quality in presentation; paper; printing and content. The advantages of magazine are convincing enough for advertisers to not ignore it and this has ensured it remained behind newspaper and television as the adex share.

As highly specialised media, magazine offers strong demographic and psychographic selectivity and quite frequently the marketing strategy for magazines are closely worked out with the principal advertisers. Offering gifts courtesy of advertisers, embarking on joint promotions with advertis-

Readership of major Local magazines.



ers and extending perks to advertisers beyond the purchase of the traditional page are a few ideas that have been explored by magazines to retain their readership lure new readers and attract other advertisers.

Special-interest magazines - especially the established titles - score high among advertisers as they do not just look at basic figures in their buying strategy. A recent trend among publishers is to buy over the rights to popular titles in England and the United States and localising the content to suit Malaysian readership. In making these popular titles cheaper to the readers, the publishers are hoping to attract similar advertisers, as those in the market of origins, to direct their advertisements into the local versions.

Such ventures have only brought in mixed results as not all titles which are popular abroad

and had a reasonable following in Malaysia have managed to make the leap towards high readership volume. This has to do with the fact that the largest group for the consumption of magazines is Bahasa Malaysia-based and the costs and time of translating these foreign titles into the language would not be commercially and operationally convenient for publishers.

• Internet

The single most improved medium - and one that bursts with potential - is the Internet and unlike the other media, the internet provides a level of interactivity that is unimaginable elsewhere. The internet allows the one to interact with fellow users; gather information; form communities in accordance with our interests no matter how obscure, conduct business and create other commercial possibilities.

The biggest boost for the usage of the internet in Malaysia arrived in the 1990s when the government identified it as the central plank to their push for fully developed nation status by 2020. The launch of such initiatives as the ambitious Multimedia Super Corridor (MSC) project loosely fashioned after the Silicone Valley and calculated to vault Malaysia into the forefront of the Information Age.

In physical terms, the MSC covers a vast expanse that stretches from the Kuala Lumpur city centre, with the Petronas Twin Towers as the starting point, to the south of the capital which includes the newly created towns of Putrajaya and Cyberjaya plus Kuala Lumpur International Airport. The MSC has been trying to attract companies - both local and foreign - to set up base within this designated zone with generous tax

breaks and other benefits.

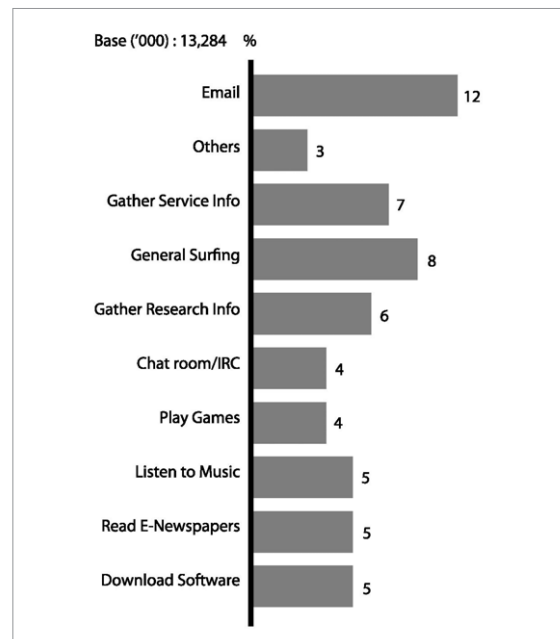
The investment in this sector had resulted in a cyber-savvy population which has placed Malaysia as a “leading country among (her South east Asian) neighbours with an internet penetration rate of about 33% based on the country’s 2.6 million dial-up internet subscribers and an estimated 7.8m users as at the end of 2002.” (Carat Media Facts 2004).

These figures improved in 2005, according to Computer Industry Almanac (March 2005), which put the number of Malaysians online at 37.8%. Pixel Media Hong Kong & Malaysia, a leading media seller in Malaysia, claims that the nation has 8 million online users. It is projected that, in view of the government’s aggressive move to widen broadband access, the broadband subscriber market is expected to expand at a compound annual growth rate of almost 33% between 2004 and 2009.

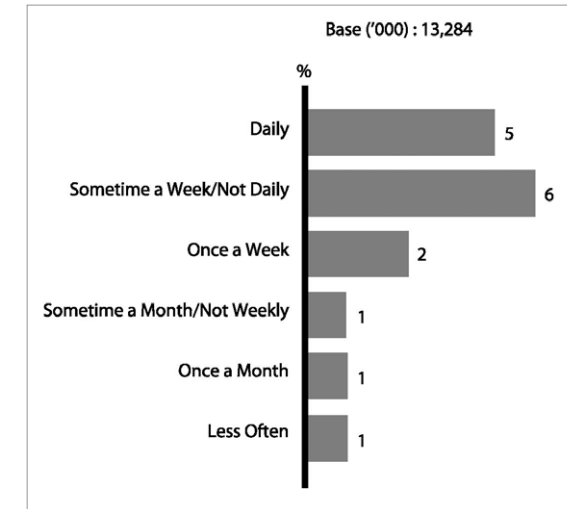
As any medium, the internet turns to advertisers for their backing and confidence to power its ambition to be the ultimate marketing machine. The global advertising industry’s value is projected to reach US\$428 billion (ZenithOptimedia) and it is instructive that the US internet advertising is taken as an example of its impact on the Malaysian market.

In 2005, online advertising spending jumped to a new high of US\$12.5 billion according to a report released by Interactive Advertising Bureau (advertising trade group) and PricewaterhouseCoopers in the first quarter of this year. Market research and consulting firm Parks Associates estimates that worldwide online adex would expand from

Features used on the Internet.



Frequency of Internet usage.



US\$19.5b in 2005 to US\$55 billion in 2010, with search advertising, which accounts for 40% of the internet adex, expected to remain as the most lucrative area, closely trailed by display advertising. It would be fair to say that the same patterns would be replicated in the Malaysian market and elsewhere in these nascent stages in internet advertising.

The unavailability of an agreeable rating system for internet advertising, in Malaysia and globally, which would usher advertisers and advertising agencies in the right direction, is the main obstacle to the growth of this sector. This is coupled with ongoing issues with website audits would delay growth in related sectors as the mobile technology, which use internet functionality.

The convergence of media above would present the most exciting challenge for the advertisers and advertising agencies. As it is now, advertisers and advertising agencies have been comforted with the more effective ad-tracking tools and pleased with applications that allow advertisers to

gauge the effectiveness of their spending in terms of sales and target their internet spending based on location, demographics and other relevant factors.

While the internet connectivity and usage gap between urban centres and rural areas would be a long-lasting endeavour on the part of the Malaysian government, there are planned projects to take the internet into towns. Advertising agencies in Malaysia, meanwhile, have initiated studies on the effectiveness of marketing their clients' products and services over the internet and have included the medium as part of their strategy.

Most advertising agencies have been preparing for the explosion in internet advertising and have established separate departments or acquired interactive arms to oversee the next big bang in advertising. The common and principal hurdle appears to be convincing their clients to seriously consider the internet as a viable option in their marketing and promotion.

The Future

Asia has been earmarked for exponential economic expansion and Malaysia would not be left out of the surge of events that would commercially and technologically impact upon the continent. The boom in manufacturing and service industries would continue to propel Malaysia forward as the nation aims to evolve into an industrialised country.

The revolutionary advances being made in communications would help the cause of advertisers and advertising agencies to maximise their marketing dollars to meet the new demands in the

advertising business. The advertisers and advertising agencies have been confronted with the progress of satellite communications in the form of Astro and have successfully dealt with it and the same can be said of the free-to-air television segment.

But there would be more narrowcasting than boardcasting and there is only one group of winners here: the consumers. The plethora of alternatives - in media or otherwise - at the disposal of the Malaysian consumers would require marketers to position their brands at the summit and this would ask them to put forth innovative and custom-made methods of advertising to attract consumers.

The multiplying media industry, meanwhile, offers the advertisers and advertising firms a suite of options where the question often would not be the choice of media but the integration a range of mediums into their strategies.

It is improbable, no matter how great the advancement in technology, that traditional media would play no part in the marketing of goods and services. In any case, these "brick-and-mortar" media players have been preparing for the Information Age as indicated by the number of newspapers and radio stations which have their own online extensions.

All these developments would necessitate substantial structural modifications to the advertising agencies' mindset and approach, which have been partly addressed by training their personnel to be aware of challenges that lie ahead.

Source:

A Review of Advertising in Singapore and Malaysia during Early Times
(Publisher Federal Publications Sdn Bhd; 1970)

Advertising in Malaysia
(Author Adnan Hashim; publisher Pelanduk Publications)

Carat Media Facts 2004
(Publisher Carat Media Services Sdn Bhd; March 2004)

Carat Media Facts 2006/2007
(Publisher Carat Media Services Sdn Bhd; May 2006)

Cultural Values and Advertising in Malaysia: Views from the Industry
(Authors David S. Waller and Kim Shyan Fam; publisher Asia Pacific Journal of Marketing and Logistics)

Run Spot Run
(Publisher 4As Malaysia; 1997)

This report is prepared by NANTHA KUMAR. Prior to his leap into freelance journalism, the writer covered media industry issues during his six year tenure at The Star. He also currently serves as the Marketing Manager (Creative) of Mehla Arts Sdn Bhd, which specialises in the event and multimedia content sectors.

C H A P T E R 4

Current Status of Advertising - Singapore

by Eddie Chan

1) AFAA Singapore Representative:

Organization - Singapore Advertisers Association (SAA)
President - Mr. Yong Poh Shin



Mr. Yong Poh Shin

2) Country at a Glance

Land: 692.7 sq km
Capital: Singapore
Population: 4,492,150 (July 2006 estimate.)
Currency: Singapore dollar
(2006 exchange rate of about US\$1 = S\$1.6)
Per-capita GDP:

S\$44, 6666 or US\$26,833
Base year: 2005

3) Population Based on the Latest Census Data

Total, age group breakdown:
0-14 years: 15.6%
15-64 years: 76.1%
65 years and over: 8.3%
Racial composition:
Chinese 76.8%, Malay 13.9%, Indian 7.9%, other 1.4% (2000 census)
Breakdown by religion:
Buddhist 42.5%, Muslim 14.9%, Taoist 8.5%, Hindu 4%, Catholic 4.8% other Christian 9.8%, other 0.7%, none 14.8% (2000 census)
Languages:
(official) Mandarin 35%, English 23%, Malay 14.1%, Tamil 3.2% (dialects) Hokkien 11.4%, Cantonese 5.7%, Teochew 4.9%, other Chinese dialects 1.8% other 0.9% (2000 census)

4) Total and Per-Capita GDP, 2000 - 2005

Total and Per-Capita GDP, 2000 - 2005

Total GDP and per-capita GDP at current prices.
Total GDP in millions and per-capita in ones

2005 :	Total GDP: S\$194,359.8	US\$ 116,760.7
	Per-capita GDP: S\$44,666	US\$ 26,833
2004 :	Total GDP: S\$181,703.6	US\$ 107,497.8
	Per-capita GDP: S\$42,852	US\$ 25,352
2003 :	Total GDP: S\$161,546.6	US\$ 92,725.6
	Per-capita GDP: S\$38,599	US\$ 22,155
2002 :	Total GDP: S\$158,410.3	US\$ 88,467.76
	Per-capita GDP: S\$37,976	US\$ 21,209
2001 :	Total GDP: S\$153,392.7	US\$ 85,612.9
	Per-capita GDP: S\$37,130	US\$ 20,723
2000 :	Total GDP: S\$159,840.4	US\$ 92,720.2
	Per-capita GDP: S\$39,784	US\$ 23,078

5) National Holidays

January 1, 2006: New Year's Day
January 10, 2006:
Hari Raya Haji-celebrated by Muslims who had been on pilgrimage to Mecca
January 29-31, 2006:
Chinese New Year-celebrated in a big way by the Chinese community. Many Chinese return to their home towns in Malaysia for their traditional annual reunion dinners. Some Chinese owned retailers may be closed for up to a week.

April 14, 2006:

Good Friday-Christians celebrate the crucifixion and subsequent resurrection of Jesus

May 1, 2006: Labour Day

May 12, 2006:

Vesak Day-celebrated by the Buddhists

August 9, 2006:

National Day-celebrating 45 years of nationhood

October 21, 2006:

Deepavali-festival celebrated by the Hindus

October 24, 2006:

Hari Raya Puasa-Malay New Year

December 25, 2006:

Christians celebrate the birth of Christ. Non-Christians also celebrate with gift-giving and dinners and parties. The most important commercial event as the shopping districts are all attractively decorated and bonuses are given out at his time of the year

December 31, 2006:

New Year's Eve and Hari Raya Haji (the latter observed by Muslims who have been on the Haj pilgrimage to Mecca)

6) Advertising

Total Ad spend

2005: S\$1.86 billion
2004: S\$2.03 billion
2003: S\$1.77 billion
2002: S\$1.69 billion
2001: S\$1.54 billion

1 Breakdown by media: 2005

Media	S\$ million	%
Newspapers	733.8	39.4
Television	724.9	38.9
Radio	158.1	8.5
Magazines	96.3	5.2
Outdoor poster	89.4	4.8
Others	57.5	3.2

2 Top Ten Advertisers, 2004

Rank	Company	Thousands of S\$
1	Starhub (Telecommunications)	28,237
2	Procter & Gamble (Toiletries)	27,673
3	M 1 (Telecommunications)	24,035
4	Cold Storage Group (Retail)	23,665
5	Mediacorp (Media)	22,385
6	Sony (Entertainment)	21,594
7	NTUC (Retail)	21,504
8	Singtel (Telecommunications)	21,500
9	HSBC (Banking)	20,351
10	Nokia (Telecommunications)	19,589

3 Top Ten Product Categories

Rank	Categories	millions of S\$
1	Entertainment	192
2	Retail	118
3	Telecommunications	100
4	Government/SOC/MED	82
5	Pharmaceuticals	79

Rank	Categories	millions of S\$
6	Toiletries	71
7	Real Estates	67
8	Beauty & Fitness	67
9	Automotive	66
10	Media	66

4 Top ten advertising agencies

Total number of advertising agencies: Estimated about 200.

Since the Sarbanes-Oxley Act in 2002, international public-listed companies are not permitted to disclose certain financial information pertaining to subsidiaries, especially claims of revenues or profitability. Therefore it is no longer possible to use billings or incomes as yardstick for the top ten agencies. In 2005, Marketing magazine did a survey among 2,158 organisations in Singapore and 572 senior marketers responded. The criteria were based on their choices of the top 3 agencies in main areas of creative, media buying, direct marketing, interactive and public relations. Based on overall votes, the Top 10 agencies overall were:

- 1) Ogilvy & Mather
- 2) Mindshare
- 3) Zenith Media
- 4) Saatchi & Saatchi
- 5) Mediaedge:cia
- 6) OMD
- 7) Leo Burnett
- 8) Starcom Media
- 9) BBDO
- 10) McCann Erickson

Top Ten Public Relations Firms

- 1) Hill & Knowlton
- 2) Burston- Marsteller
- 3) Ogilvy PR Worldwide
- 4) Weber Shandwick Worldwide
- 5) Edelman Public Relations
- 6) BANG Public Relations
- 7) MDK Consultants
- 8) Fulford Public Relations
- 9) Octagon SEA Marketing
- 10) PR Communications

5 Top ten research companies

Data not available.

7) Media Summary

One major newspaper group, Singapore Press Holdings Ltd. publishing 8 newspapers:

- Straits Times/Sunday Times (English morning)
- LianHe ZaoBao (Chinese morning)
- LianHe WanBao (Chinese afternoon)
- Shin Ming Daily News (Chinese evening)
- The New Paper (English afternoon)
- Berita Harian (Malay morning)
- Tamil Murasu (Tamil morning)
- Business Times (English morning)

One major free-to-air TV station Mediacorp with 6 channels:

- Channel 5 (English)
- Channel 8 (Chinese)
- Channel U (Chinese)
- Channel Central (Tamil/English)
- Channel Suria (Malay)
- Channel News Asia (English)

Mediacorp also jointly publish a free newspaper 'Today' with SPH

One cable TV station owned by Starhub with multiple paid channels.

One major radio operator, Mediacorp Radio with 15 stations:

- 7 English stations
- 5 Chinese stations
- 2 Malay stations
- 1 Tamil station

8) National Advertising Awards

Creative Circle Awards-organised by 4As to honour the best creative talents in Singapore advertising industry. It was first established in 1963 but went into hibernation until it was revived in 1980. The annual competition helped set and maintained a high standard for the local advertising industry. The awards presentation was fondly known as the 'Gong Show' and its 25th Anniversary was celebrated in 2005.

Crowbar Students Awards-Designed to encourage students in the creative art discipline at colleges and universities to strive for high creative standards. This annual event was first started in

2001 as a local competition had become an international event since 2004.

Singapore Media Awards-First started by the 4As in 2005 to honour and recognize those in the media sector of advertising industry.

Max Lewis Awards-Organized by Singapore Advertisers Association to honour and recognize those individuals who had made significant and long lasting contributions to the Singapore advertising industry. This award first started in 1973 was discontinued in 1993 but was revived in 2005 and is sponsored by the Fraser & Neave Group.

10) Advertising Associations

Advertising education at universities :

There are three universities which offer mass communication related courses at degree level namely:-

National Technological University
National University of Singapore
Singapore Management University

But there are numerous Polytechnics and Colleges which also offer various advertising related courses at Diploma and Certificate levels

Nanyang Polytechnic
Ngee Ann Polytechnic
Republic Polytechnic
Temasek Polytechnic
Nanyang Academy of Fine Arts
LaSalle-SIA College of Fine Arts
Raffles Design Institute
Institute of Advertising Singapore

Advertising Associations :

- Association of Accredited Advertising Agents Singapore (4As)

Established 1948 to look after the interest of the advertising agencies.

- Association of Broadcasters Singapore (ABS)

Established in 1997 to look after the interest of TV and radio broadcasters.

- Advertising Media Owners Association of Singapore (AMOAS)

Established in 1973 to look after the interest of the advertising media owners.

- Singapore Advertisers Association (SAA)

Established in 1952 (formerly known as The Advertisers Association before the split with Malaysia) to look after the interests of advertisers.

11) Advertising Journals

- *Adasia* (colourful tabloid monthly magazine in English).

Content: News, marketing case studies, articles and creative works.

Circulation: 4,408 copies.

- *Marketing Magazine* (A4 size monthly magazine in English).

Content: News and articles on advertising, marketing and media communities, survey reports plus recruitment section.

Circulations: 9,110 copies.

- *ADS-Advertising Directory of Singapore* (published annually).

12) Name of Primary Government Agency Responsible for Advertising Business

Ministry of Communications, Information and the Arts (MICA) is the main government agency responsible for the advertising business. Its mission has two thrusts:-

Propelling the Creative Economy

Develop and promote creative industries (arts and culture, design, media) and infocomm technology sector to create new economic value and jobs.

C H A P T E R 4

Current Status of Advertising - Taiwan

by Cheng Tzu-leong, Ph.D.

1) AFAA Taipei Representative:

Organization-Taipei Association of
Advertising Agencies(TAAA)
Chairman- Mr. Chyi-Chiang Huang



Mr. Chyi-Chiang Huang

2) Country at a Glance

Taiwan is located on the Pacific Rim with Japan to the north, mainland China to the west and the Philippines to the south.

At 36,006 sq.km. Taiwan is not especially large in area. In addition, some 2/3 of the island is mountainous, meaning that only about 1/3 is arable and habitable. The average income in 2005

was US\$13,619, and the current rate of economic growth is 4% per year. Taiwan currently holds US\$253.3 billion in foreign reserves, and trade figures for last year showed US\$198.4 billion in exports and US\$182.6 billion in imports. The island boasts a vigorous economy and a very stable population.

Education is one of Taiwan's proudest achievements. Currently 5.4 million students are enrolled at 8,289 schools including 150 universities and colleges. Of the total population of 22.8 million there are 2.1 million with graduate degrees, and university and college enrollment stands at 815,000 at present. There are 421,000 people with post-graduate degrees, and currently more than 153,000 are engaged in graduate study.

Taiwan is a free democratic country. Taiwan was ranked 35th in the world in press freedom by Freedom House in 2006, placing it in the middle of the advanced democratic nations of the West. Looking at Asian nations alone, Taiwan and Japan occupy the number one spot. Thus the latest review by Freedom House names Taiwan as a solidly democratic country boasting a lawful and free economy. It also has one of the highest levels of media freedom among all the

nations of East Asia.

Although Taiwan is not a member of the United Nations or the WHO, it has always sought to participate fully in global activities and has persistently sought to gain entry to both of these international organizations.

3) Population

Taiwan's population stood at 22,770,383 at the end of 2005, with roughly the same number of men and women. The growth rate has slowed slightly in recent years, falling from 3.33 persons per household in 2000 to 3.12 in 2006, a drop of 0.21 persons. The birth rate has also declined, dropping from 13.76% annually in 2000 to 9.06% in 2005. Actual births declined from 305,312 in

2000 to 205,854 in 2005, a drop of 99,458 persons in five years. There is a tendency toward marrying later, not marrying at all and marrying but not having any children, all of which are become more common among those in the advertising industry.

Taiwan's high level of education means a very effective workforce. At the end of 2005 there were 18.5 million people aged 15 or older. 6.2 million or 33.53% were high school graduates, representing the largest segment of the population. 2.4 million were junior college graduates, 2.8 million held master's degrees, and 575,000 were Ph.D. candidates or holders. In Taiwan's advertising industry holding a master's degree has gradually become accepted at the basic standard of education.

Taiwan's Population: 2000-2005

Year	Figures from Household Registrations						Births	
	No. of Households	Size of Households	Total	Number			No. of Births	Birth Rate (%)
				Increase(%)	Male	Female		
2000	6,681,685	3.33	22,276,672	8.34	11,392,050	10,884,622	305,312	13.76
2001	6,802,281	3.29	22,405,568	5.79	11,441,651	10,963,917	260,354	11.65
2002	6,925,019	3.25	22,520,776	5.14	11,485,409	11,035,367	247,530	11.02
2003	7,047,168	3.21	22,604,550	3.72	11,515,062	11,089,488	227,070	10.06
2004	7,179,943	3.16	22,689,122	3.74	11,541,585	11,147,537	216,419	9.56
2005	7,292,879	3.12	22,770,383	3.58	11,562,440	11,207,943	205,854	9.06

Source: Monthly Statistics, Bureau of Statistics, Executive Yuan

Education Levels for Those 15 Years or Older

Units: 1,000 persons

Year	Total	Literate								Nonliterate
		Total	College or Higher		High school/ vocational (Includes first 3 yrs of college)	Junior High	Elementary	Home study		
			Graduate	University						
2000	17,574	16,792	219	1,517	1,852	5,509	3,820	3,756	119	781
2001	17,744	16,997	274	1,766	2,032	5,681	3,492	3,638	115	747
2002	17,922	17,211	329	2,014	2,156	5,793	3,255	3,551	112	711
2003	18,123	17,574	457	2,431	2,450	6,097	2,838	3,205	95	549
2004	18,302	17,781	512	2,628	2,446	6,139	2,822	3,144	92	521
2005	18,511	18,017	575	2,826	2,443	6,207	2,797	3,080	89	494

Source: Household Registry, Ministry of Education

Note: *College(1) denotes 2nd and 3rd years of college and the last two years of technical school

4) GDP 2000-2005

Taiwan's Gross Domestic Product (GDP) grew every year from 2000 to 2005, with the exception of 2001. Between 2002 and 2005 it grew from \$10.19 trillion to \$11.13 trillion, an increase of \$937 billion. Actual economic growth has been steady for the past decade at 4 to 5% annually. By 2005 it stood at \$11.43 trillion.

Taiwan has maintained a surplus in trade for many years with most of its exports going to the US and Japan. Two-way trade totaled US\$370.9 billion in 2005 as foreign exchange holdings reached US\$253.2 billion. Taiwan has no overseas debts, a remarkable feat for a nation with a population of 23 million.

Per capita income in Taiwan was US\$13,619 in 2005, an increase of US\$1,827 over the figure for 2001. This is an outstanding accomplishment among the nations of Asia. The Consumer Price Index(CPI) declined from 2001 to 2003 and then rebounded slightly from 2004 to 2005, a very stable performance overall.

5) National Holidays

Taiwan has two kinds of holidays – traditional holidays and official holidays. Traditional holidays are those which originate in culture and history and include days like New Year's Eve, Chinese New Year, Lantern Festival, Tomb-sweeping Day, Dragon Boat Festival, Chung-yuan Festival, Mid-autumn Festival and Chung-yung

Taiwan's Economic Conditions 2000-2005

Units: NT\$

Year	GDP (\$100 million)	Unemp- loyment	Actual econo- mic growth	GNP (\$100 million)	Per Capita Income (US\$)	Foreign Trade			Forex Holdings	CPI	Inflation
						Total (\$100 million)	Export	Import			
2000	100,320	2.99%	5.77%	101,716	13,090	2,883.32	1,483.21	1,400.11	1,067.4	1.26%	1.82%
2001	98,622	4.57%	-2.17%	100,542	11,692	2,301.03	1,228.66	1,072.37	1,222.1	-0.01%	-1.34%
2002	101,943	5.17%	4.25%	104,368	11,780	2,431.27	1,305.97	1,125.30	1,616.6	-0.20%	0.05%
2003	103,186	4.99%	3.43%	106,475	11,972	2,714.29	1,441.80	1,272.49	2,066.3	-0.28%	2.48%
2004	107,704	4.44%	6.07%	111,463	12,851	3,419.04	1,740.14	1,678.90	2,417.4	1.62%	7.03%
2005	111,316	4.13%	4.09%	114,255	13,619	3,709.98	1,893.92	1,816.06	2,532.9	2.30%	0.61%

Source: Monthly Statistics, Bureau of Statistics, Executive Yuan

Festival. Official holidays are generally associated with political or government-related events.

January 1: Founding of ROC

- Memorial, one-day holiday

January/February:

New Year's Eve

- Traditional, one-day holiday

- Families gather for meal to honor ancestors.

Red envelopes with money given to children

Chinese New Year

- Traditional, three-day holiday

- First day of lunar year

Lantern Festival

- Dumplings eaten to signify reunion, lantern displays, riddle contests

- 15th day of 1st month

February 28: Peace Day

- Memorial, one-day holiday

- Commemorates events around Feb.28, 1947

incident

April 4: Children's Day

- Honors children and mothers

April 5: Tomb-sweeping Day

- One-day holiday

- Honors ancestors, gravesites are cleaned up

May 1: Labor Day

- One-day holiday for workers

May: Mother's Day

- Widespread events to honor mothers

- Emphasis on ethics and love

- First Sunday in May

May/June: Dragon Boat Festival

- Traditional, one-day holiday

- Dragon boat races, tsungzi dumplings, grass fronds at door

- 5th day of 5th month

August/September: Chung-yuan Festival

- Honors orphans and spirits

- 15th day of 7th month

- September 3: Soldiers Day
- One-day holiday for military personnel
- September 28: Confucius Birthday
- Ceremonies in honor of ancient sage Confucius
- Also called Teacher's Day
- September/October: Mid-autumn Festival
- Traditional, one-day holiday
- Get together to view moon, enjoy mooncakes
- 15th day of 8th month
- October 10: National Day
- Traditional, one-day holiday
- October 25: Retrocession Day
- Marks end of war with Japan
- September/October: Chung-yang Festival
- Traditional festival in honor of older citizens
- Hiking, kite-flying, chrysanthemum wine, Chung-yang cakes
- 9th day of 9th month
- December 25: Constitution Day
- Celebrates enactment of Constitution

6) Advertising

Advertisers in Taiwan have enjoyed a very stable history. Membership in the Taipei Association of Advertising Agencies has held at about 180 companies for the past few years. Most of what turnover has occurred has been in new members who set up shop, join the association and then pull out after a year or two when incomes do not live up to expectations. Business is much more stable for the larger agencies, in particular for multinational agencies and for agencies with a larger number of multinational clients.

Production companies prospered during the 1990s and many commercials broke new ground

for creativity. More foreigners appeared on screen and more overseas settings were used, and computers were used a lot more in post-production. These tend to make the commercials more watchable, and technical innovations have helped Taiwan-made commercials to win a number of awards in international competitions. In addition, directors have come in from outside Taiwan to stir up the market, and the long-standing apprentice system for developing new local directors is being challenged by graduates of colleges and universities.

Multinational advertisers now play a very important role in Taiwan's advertising industry, making up about half of the top 500 advertisers. In 2003 six of the ten largest spenders on advertising were multinationals – P&G, Unilever, Taiwan Kao, Chunghwa Mitsubishi, Taiwan Liu-lan-hsiang (Wrigley's Gum) and Ford Motor Co. The Taiwan Advertisers Association (TAA), founded in May 2001, was the first organization in Taiwan to act on behalf of advertisers. The founding committee was spearheaded by C.M. Kao, president of I-met Foods, and the guiding principles behind its establishment included 'public good' first and 'industry profits' second.

Sweeping changes have taken place in media buying in Taiwan. The island's first media buying center was established at the end of the '90s in the wake of upheavals in the advertising industry. Media buying was wrested from the hands of advertising agencies by shops specializing in ad placement, costing agencies one of their three main staples – ad sales, creative production and media buying. Media fees and service fees had long served as a prime source of income for ad agencies, and agency operations were severely

affected by the loss of media buying revenues.

The most significant change in Taiwan's media was the passing of the 'three TV stations and two newspapers' era. The passage of the Satellite and Cable TV Law led to the sudden appearance of 60 to 70 more TV stations for Taiwan audiences to watch, thoroughly diluting the long-standing dominance of TTV, CTV and CTS and slicing their share of the advertising pie. By 2000, cable and satellite TV ad revenues had already outstripped those of the original big three.

2003 brought the rise of the Liberty Times and Hong Kong's Apple Daily, both of which made significant inroads into the advertising market. Apple Daily was remarkable for its tabloid-like focus on gossip, celebrity exposes and liberal splashes of color photos. Apple's appearance on the scene caused other newspapers to follow suit and 'apple-ize' their own content to varying extents.

The opening of the Mucha Line of Taipei's Metropolitan Rapid Transit system in March 1997 ushered in the age of MRT and created yet another new medium for advertisers. Outdoor advertising expanded into many new forms including station posters, escalator signboards, large LED screens, MRT tickets and passes, car interior and exterior ads, and many other ad spaces in stations throughout the system.

Marketing research in Taiwan took a step forward with the entry of A.C. Nielsen in 1982. In 1993 People meters took the place of telephone surveys, adding another dimension to the accuracy and speed of data collection. Local media watcher Rain Maker was founded in 1977 and

functions to this day to monitor advertising effectiveness and collect data on TV and newspaper exposure among consumers, offering digital information to advertisers and agencies.

The most widely recognized advertising awards in Taiwan are the China Times Advertising Awards and the 4A Creative Awards, both of which are held annually.

The leading advertising-related magazines are Brain magazine, founded in 1977, and Advertising magazine, founded in 1990. Another significant periodical is the Journal of Advertising Research, published by National Chengchi University since 1993.

7) Media Summary

Taiwan has five major media: TV, newspapers, radio, magazine and other media.

• Television

This is the largest medium for advertising and it goes back to 1962 and the founding of TTV. CTV followed in 1969 and CTS in 1971, and the big three terrestrial stations dominated this segment until well into the 1990s.

The entry of foreign and satellite channels after 1995 affected the television industry significantly. In 1997 Formosa TV began broadcasting, with PTS following in 1998. The more than 100 TV channels now available in Taiwan include only six terrestrial stations (CTS also has an educational channel), meaning that the main competition is now between cable and satellite channels. Audiences and ad income for cable TV stations

eclipsed those of the terrestrial stations by the end of the 90s. And of the six terrestrial stations PTS and CTS Education do not broadcast advertising, leaving only TTV, CTV, CTS and FTV. The main players among cable channels are San-li, Eastern TV, Chung-tien, Great TV and Videoland, while the principal foreign channels include CNN, NHK, Discovery and HBO, all of which enjoy fairly good viewer ratings.

The billing system used in Taiwan relies on Cost Per Rating Point or CPRP, which means audience ratings function basically as currency in advertising. Audience ratings can indirectly influence the content of television programming, a point frequently criticized by academics and by many in the television industry.

Five of the terrestrial stations - TTV, CTV, CTS, FTV and PTS - initiated digital broadcasting in July 2004. Taiwan is thus already well into the digital TV age, and in the future advertising will need to respond to more channels, high-definition TV, interactive broadcasts and other changes, and advertising execution will need to adapt in response.

• Newspapers

The earliest newspaper in Taiwan was the Taiwan Missionary Daily, established in 1885, and the first newspaper under the Japanese occupation was the Taiwan News Daily, which started up in 1896. The most influential paper of the time was the Taiwan Daily News. Following the end of World War Two the KMT took over the Taiwan News Daily and re-named it the Taiwan New Life Daily, which was the number one medium at the time in Taiwan. It was eventually surpassed by the KMT's own publication, the Central Daily News.

During the 1970s the newspaper industry was dominated by the China Times and the United Daily News, but by the 1990s the largest circulation was held by the Liberty Times. The newspaper industry has always been - and continues to be - in flux as reading habits and other media change.

Education levels in Taiwan are very high and newspapers have long been a leading medium and a key source of information for the public. Changes in the laws governing newspapers in 1997 meant that registration and licensing were no longer required in order to publish. This made it much harder to monitor and verify circulation figures for newspaper. Of the twenty or so major titles now on the market, the leading papers are currently the Liberty Times, Apple Daily, China Times, United Daily News, Chunghwa Daily and Minchung Daily.

Taiwan now has a branch of the Audit Bureau of Circulation (ABC) but with the exception of Apple Daily none of the major newspapers avail of its services. The reluctance of newspapers to reveal their circulation is an indication of the high level of competition in the industry.

• Radio

Taiwan Radio was founded in 1925, about the same time broadcasting began in Japan. In 1926 NHK was formed from stations in Tokyo, Osaka and Nagoya, meanwhile test broadcasting in Taiwan had been going on since 1925, with a full station on air in 1928 and Taipei Radio in operation by 1931.

During the Japanese occupation Taiwan Radio was a non-commercial enterprise. It was only in the 1950s that advertising began to appear on

Broadcast Media in Taiwan (as of July 2006)

Category	Number	Notes
Radio	178	(1) 29 stations were on air before liberalization of the media (includes Central Broadcasting Station) (2) 143 stations have been set up following liberalization(140 of which have received licenses, and three pending) (3) Six stations have applied for licenses for digital radio broadcasts
Terrestrial TV	5	TTV, CTS, CTV, FTS, PTS
CATV	18	
Satellite TV (Content providers)	141 channels	57 local stations broadcasting on 96 channels as well as 17 overseas stations on 45 channels
Satellite TV (Service providers)	8	(1) Five local operators: Space TV, Hsin Chi Broadcast Co., Hung Kai Digital Technologies, International Advanced Music Co., Cosatech Communications (2) Three foreign operators: Global Communications of Singapore; Turner of the US; and Taiwan AV, registered in the Cayman Islands
Cable TV	63	
Fixed Broadband TV	1	Chunghwa Telecommunications

Source: National Communications Commission

radio broadcasts. While the Chiangs headed the government there were severe restrictions on broadcast licenses, and the stations allowed to broadcast made small fortunes from advertising. When these restrictions were lifted in 1993 there was a burst of applications and there are now some 178 licensed stations on the island. The biggest earners for ad revenues are BCC, Taipei Philharmonia, KISS Radio, Cheng-sheng, Voice of Victory and the English-language ICRT.

• Magazines

Restrictions on magazine publication were lifted in 1999, and titles no longer require prior

approval. This means many new magazines have appeared. While hard to track, the industry is obviously flourishing, with many magazines developing into publishing groups with several titles under a single umbrella. Major titles include Business Weekly, Taiwan Weekly, Commonwealth, Global View, China Times Weekly, Non-non, Reader's Digest and PC Home.

• Other Media

The newest and hottest medium is the Internet, which appeals mostly to young and well-educated consumers and thus attracts advertising for the products they use. At present the key networks in

Advertising Expenditures for Television, Newspapers and Magazines in Taiwan, 1996-2005

Units: NT\$ 1,000

Media	TV		Newspaper		Magazine	
	Ad.Exp	Growth Rate	Ad.Exp	Growth Rate	Ad.Exp	Growth Rate
1996	21,699,060	—	13,453,494	—	4,033,358	—
1997	24,926,655	14.87%	18,063,136	34.26%	4,837,190	19.93%
1998	34,845,316	39.79%	21,157,223	17.13%	5,886,787	21.70%
1999	32,234,840	-7.49%	18,858,303	-10.87%	6,099,264	3.61%
2000	30,669,785	-4.86%	18,745,551	-0.60%	7,200,213	18.05%
2001	27,703,212	-9.67%	16,414,195	-12.44%	6,509,510	-9.59%
2002	32,175,454	16.14%	12,195,574	-25.70%	6,614,797	1.62%
2003	33,413,452	3.85%	15,120,996	23.98%	7,568,807	14.24%
2004	34,009,548	1.78%	16,524,403	9.28%	8,063,754	6.54%
2005	30,967,216	-8.95%	16,325,028	-1.21%	8,410,252	4.30%

Source: Rain Maker

Note: Beginning in 1997 TV includes both terrestrial and cable TV.

Taiwan are Yahoo Kimo, PC Home and Yam, each of which is doing well in terms of advertising revenues.

The MRT is a major medium in Taipei, and efficient management has earned the system a billion NT dollars in revenue yearly. Ads appear in cars and stations including LCD screens on waiting platforms. Outdoor advertising is flourishing in Taipei with neon signs, transit ads in buses and Bee TV on LCD screens in buses.

8) National Advertising Awards

Taiwan has had advertising awards ever since

the Taiwan New Life News established the 'Best Design Award for Newspaper Advertising' in 1965. The first awards for television advertising came in 1968 with the Golden Pyramid Awards founded by TTV. The Golden Bell Awards initiated in 1974 were more broad, including accolades for both radio and TV. 1978 saw the Golden Bridge Awards set up by the Economic Daily News and the China Times Advertising Awards initiated by the China Times. The 4A's 4A Creative Awards came in 1991, and in 1992 the China Times brought out the Golden Calf Awards. 1993 witnessed the Worldwide Awards for Chinese Advertising, and 1994 brought the Golden Sentence Awards for creativity in magazine advertising, from Brain magazine. The GIO

chipped in with the Golden Deer Awards for TV ad production in 1998, and in the same year Breakthrough magazine introduced the Marketing Creativity Breakthrough Awards for magazine advertising.

Currently the line-up of advertising awards includes:

- Golden Bell Awards

The Golden Bell Awards are presented by the GIO and are the only TV ad awards given by a government agency. Established in 1965, they were set up to encourage excellence in radio and television programming and personnel. Changes in the medium brought changes in the awards, and in 1974 advertising awards were added to the mix, with citations for best radio and television ads as well as a production award. In 1997 another change came with the inclusion of cable TV channels in the TV awards.

- China Times Golden Awards

These awards were originally known as the China Times Design Awards, established in 1978. At the 3rd annual awards in 1980 they were renamed the China Times Golden Awards, and in 1983 the Public Service Special Awards were added. The number of entries reached 1,000 in 1984 and in 1985 the awards ceremony was broadcast live on TV for the first time. TV ads were added as a category in 1988, and in 1990 the China Times Asia-Pacific Advertising Awards were initiated. In 1991 judging in the awards took place in two stages, and in 1992 the Golden Calf Awards were set up to honor works done by students, with a new category for classified advertising as well. In 1993 the awards added the Worldwide Awards for Chinese Advertising.

- 4A Liberty Creativity Awards

These awards were originally established by 4A in 1991 as the 4A Creativity Awards. They were intended to serve as a family gathering of sorts for the industry, and the first ceremony excluded advertisers while featuring judges selected by 4A members. The cost of staging the event led 4A to seek out media to co-host the awards, and in 1999 as the result of a membership vote, the awards became the 4A Liberty Creativity Awards with the inclusion of the Liberty Times in the awards process.

9) Advertising Education

- In Retrospect

Advertising education in Taiwan officially began with the Journalism Department at National Chengchi University, which set up a class in Principles of Advertising in 1957. In 1958 the Business Administration Department added a course called Advertising. Professor C.S. Hsu took over the Journalism Department in 1968 and revised the curriculum so that Advertising became a mandatory class and juniors studied elective classes in politics, economics, law, international relations and business administration. Students were required to take at least 20 hours of classes in these areas. In their senior year students opted for a major in editing/reporting, radio/television, English-language journalism or advertising/public relations. The advertising/public relations track included Public Relations, Marketing, Print Media Ad Production, Electronic Media Ad Production, Advertising Planning and Events and Public Opinion Surveys among other courses.

In the same year that NCCU's courses were re-

designed, another university established Taiwan's first Advertising Department. Hsingwu College at Linkou in Taipei County received permission from the Ministry of Education in 1968 to set up a two-year program in advertising in conjunction with Kwo-hwa Advertising and the English-language China News. H.L. Liu took charge as the first director of the program.

- **Current Situation**

Chinese Culture University set up a Department of Advertising in 1986, the first of its kind in Taiwan. The department grew steadily under the guidance of C.S. Liu, who served as its head for ten years. Students were encouraged to participate in activities outside of classes. Special awards were presented and China Advertising magazine was founded, and a scholarship was provided by United Advertising, all of which made solid contributions toward developing talent for Taiwan's advertising industry.

NCCU set up its own Advertising Department in 1987 under S.F. Wang, who led it for seven years. Beginning in 1992 the department has held an annual symposium on Advertising and Public Relations Studies in the ROC. Academics are encouraged to provide papers for the symposium and it is followed up with the Journal of Advertising Studies, a publication which has done much to further advertising education in Taiwan while solidifying the reputation of the Advertising Department.

In 1999 NCCU's Department of Advertising sought candidates for Master's degrees, the first instance of post-graduate studies in advertising in Taiwan. Under the careful guidance of S.F. Wang and C.L. Kuo the department recruited students

and appointed Cheng Tzu-leong to run the program. The program has attracted 15 candidates each year including two to three working students and a number of candidates from overseas.

Other advertising-related educational activities in Taiwan include the Public Relations Department established in 1963 at Shih-hsin Academy, which was renamed Shih-hsin Communications Academy in 1991. In addition, the Public Relations Department was re-organized as the Public Relations and Communications Department. Shih-hsin has since been designated a full university. In 1997 Fu-jen University set up a separate department for Advertising and Communications, and in 1999 Ming-chuan University established a Department of Advertising, became the fourth university in Taiwan to do so. In addition, there is a technical program for advertising at Kunshan University in Taiwan.

Yet another advertising-related development was the establishment of advertising courses in the School of Communications at NCCU. These included advertising planning, public relations and cross-media production courses.

10) List of Major Advertising Associations

- **Taipei Association of Advertising Agencies**

The Taipei Association of Advertising Agencies (TAAA) is the most important advertising-related organization in Taiwan. Originally founded as the Taipei Association of Advertising Businesses on January 25, 1958, TAAA's membership consists entirely of advertising technicians, sign makers and venue designers. In

December 1966, a time when Taipei City was being designated a Special Municipality, the association re-organized to upgrade its operations by dividing into three separate associations based on profession. Thus TAA was born on December 15, 1975.

Association heads over the years have included F.W. Chen, W.F. Chang, T. Yang, T.Y. Chiang, P.J. Hsu, T.K. Hsu, T.C. Shen and J.X. Hu. The current chairman is C.C. Huang.

One of TAAA's major achievements was hosting the Asian Advertising Congress in 2001 with its energetic gathering of international delegates. TAAA has helped to organize delegations from Taiwan to every AAC since 1980 with the exception of the 1989 Congress in Pakistan where they were unable to obtain visas.

TAAA also publishes the ROC Advertising Yearbook, a periodical which serves as an overview of advertising in Taiwan each year. The association commemorated Advertising Day for the first time in 2006 to honor those involved in advertising. Held the first Friday in November, the event promises to become an annual affair for the advertising industry in Taiwan.

- **International Advertising Association**

The International Advertising Association (IAA) was first established in Taiwan as the China Chapter of the World Advertising Association. M.Y. Hsu served as the first chairman of the chapter, with W.T. Chou following as second chairman. In 1973 changing diplomatic relations made it impossible for Taiwan to continue using the title "China" and the association regrouped as the ROC (Taiwan) Chapter of the IAA.

At this time a dispute over the international English name of the organization and its accreditation had the Association facing disbandment. Fortunately with the full support of the Board of Directors, T.K. Hsu, the fourth Chairman of the Association, was able to calm the dispute and resolve the accreditation issue.

Once these problems were settled they were able to continue with planning for the Congress. Tomming Lai, K.H. Lee, Yi-chih Liu and others worked quickly to expand the China Times Advertising Awards to cover entries from the entire Asia-Pacific region in order to strengthen the prestige of the event and win support from influential figures in the Asian advertising industry. This was eventually helpful in achieving accreditation for the Association in 1990. Chou Sheng-hsiao served as Chairman for the 5th and 6th terms following re-accreditation and launched a campaign to restore the international reputation of the Taipei Chapter. The 7th and 8th Chairman was Kao Chih-ming, who helped to get more people involved in activities related to the awards in order to make them more effective and efficient. Shen Ta-chi was Chairman of the Association for the 9th and 10th terms, which was also when the 20th AAC (Asian Advertising Congress) took place in Manila in November 1997. The Association was able to encourage a large group of delegates from Taiwan to attend the Congress, and the delegation's enthusiasm and energy were key to Taiwan's selection as the host site for the 2001 Congress.

Raymond So was chosen as Chairman of the Association for the 11th and 12th terms and concurrently served as vice-chairman of IAA from 2002 to 2004 - the first person of Chinese extrac-

tion to serve in that position. So strove to expand the scope of activities for the Taipei Chapter and to heighten its profile in the international community. The Silver Treasure Project, which was originally proposed by Longmen Hu, won widespread attention and respect from other chapters of IAA. The Chapter was given responsibility for developing the project and it was eventually adopted in 2005 with the establishment of the Silver Treasure Fund for the Asia-Pacific Region.

- Association of Accredited Advertising Agents of Taipei (Taipei 4A)

The Association of Accredited Advertising Agents or 4A is composed of large full-service agencies in Taiwan. Its precursor the General Advertising Agencies Association was founded July 1, 1987. In December 1991 the association applied for designation as an official civic organization, changing its name to the AAAA. In 2005 membership stood at 36 agencies.

4A is overseen by six committees covering Public Relations, the Advertising Industry, Media, Advertisers, Academia and Legal Issues. These six committees put forward plans and suggestions as required by situations in these areas. For example, the Public Relations Committee serves to ensure that 4As maintains a solid reputation for the advertising industry, and it works to keep interaction of ideas and experiences flowing smoothly among the various members of the organization. The Media Committee checks to see that all members are given equal and fair access to the media in Taiwan and also monitors the accuracy of audience rating services. The Advertisers Committee works to promote good relations between advertisers and agencies and ensure that each side respects the other and both profit from

their cooperation. The Legal Issues Committee offers information and helps to resolve any legal problems encountered by members of the Association; it also keeps up to date on the latest topics in international advertising and law and carries out seminars and classes on issues relevant to advertisers and agencies in Taiwan.

The 4A also has a Liberty Times/4A Creative Awards Planning Committee which has held the 4A Creative Awards since 1991, a record of 16 years to date. The purpose of the original 4A Creative Awards was to publicize outstanding creative works from Taiwan and help refine the local advertising industry's skills in and appreciation for creativity in advertising production. This led to the expansion of the awards to the Liberty 4A Creative Awards in 1999 to promote even wider appreciation of creative skills among the advertising community in Taiwan.

- Media Agency Association of Taipei

The Media Agency Association of Taipei (MAA) was founded in 2000 and consists of media buying agents in Taiwan. The Association now has 21 corporate members, and individual members of the Association are divided into four groups according to their profession: Association Affairs, Electronic Media, Print Media and Media Research. Allocation of members to groups, designation of group leaders and assignment of tasks to members are all handled by the Association's Board of Directors.

- Taiwan Advertiser Association

The Taiwan Advertiser Association (TAA) was founded May 3, 2001. It has more than 40 members with total billings of over NT\$10 billion.

- Taipei Internet Advertising & Media Association

The Internet Advertising and Media Association of Taipei (IAMA) was founded in July 2006 and is dedicated to creating a unified spirit among advertising and media agencies in Taiwan through shared goals and standardized procedures. Hopefully this will help to promote understanding and cooperation between advertisers and members of the advertising industry, media outlets, media agencies, Internet marketing companies and Internet media so that all can grow and prosper together.

The Association has been in existence for less than a year but already it has held a conference bringing together 26 corporate members and one individual member. This conference resulted in the establishment of four committees composed of representatives from various association members. These committees are the Association Affairs Planning and Execution Committee; the Public Relations and Publicity Committee; and two committees for development of cooperative projects with domestic and with international agencies and organizations. Each committee is headed by a convener and an assistant convener to facilitate the various activities of the committee.

11) List of Major Advertising Journals

The major advertising journal published in Taiwan is the Journal of Advertising Research by the Department of Advertising at NCCU. Other publications include China Advertising Research, Journalism Research, and Radio and Television.

- *Journal of Advertising Research*

The JAR is published by the Department of Advertising at NCCU and is the most significant periodical published in Taiwan regarding advertising and related studies. First published in 1993, it comes out twice a year and includes academic papers and book reviews. Submitted items are checked by two editors before appearing in the journal.

The 16th issue of JAR in 2006 contained a wide variety of essays on public relations, creativity and design, consumer behavior, campaign advertising, advertising effectiveness, history of advertising, media strategy, ethics and the law and Internet advertising.

- *China Advertising Research*

Published by Chinese Culture University since 1996, the periodical contains stories and essays related to advertising in Taiwan and serves as a brief recent history of the island's advertising industry.

- *Mass Communication Research*

This is the most important publication in Taiwan regarding mass communications. Published by the Department of Journalism at NCCU, it has been published since 1967 and features essays on advertising research in Taiwan.

- *Journal of Radio & Television Studies*

Published by the Department of Radio and Television at NCCU, this is a key academic journal for those involved in radio and television. It first appeared in 1992 and features articles on advertising studies.

- *ROC Advertising Journal*

The Taipei Association of Advertising

Agencies first published this periodical in 1988. It was edited by Y.C. Liu of Fu-jen University's Department of Advertising and later by H.L. Liu of the same department. Since 1995 the editor has been Professor Cheng Tzu-leong of the Department of Advertising of NCCU.

In addition to these academic journals there are two magazines which have contributed significantly to the development of advertising in Taiwan.

Brain magazine has been published monthly since July 1977. Tomming Lai was the first publisher and C.S. Wu the first president of the magazine. The magazine's strategy has always been to remain 'small but potent', with articles that are relatively simple but very much to the point.

Advertising magazine first came out in 1991 under editor C.L. Tuan, with C.T. Tuan as president. Media expert C.S. Hsu also cooperated in the venture as publisher. The magazine relies heavily on *Advertising Age* magazine, even taking the English-language publications' name as its own English name.

12) Government Agencies Responsible for Advertising

Taiwan is a nation which places a very high value on free speech. It also lacks an 'Advertising Law' specifically designed to control the operations of its advertising industry. With the exception of films and television ads, there is no need to submit ads to a government agency for censorship. Monitoring of commercials stipulated in order to prevent restricted materials from being

broadcast during general audience viewing segments.

In January 2004 the government agency which oversees Taiwan's radio and television industry released the Basic Communications and Broadcasting Law. The third paragraph of this document stipulated that 'in order to effectively control communications and broadcasting the government will set up a National Communications Commission operating independently under the law. Planning for all national communications and broadcasting organizations and guidance and encouragement of such organizations will be carried out by an agency of the Executive Yuan under the law'.

In other words, there are to be two governing bodies, each operating in accordance with its abilities. The NCC will handle monitoring of content and licensing approval, and the GIO will be responsible for strategic planning and industry guidance.

Under the principle of journalistic freedom, Taiwan has not imposed any limitations on printed media, and there are no government agencies overseeing the planning and production of print advertising. Television advertising is monitored in accordance with the Radio and Television Law, the Satellite Television Law and the Cable Television Law.

In addition to the Radio and Television Law there are a number of other government agencies which oversee parts of the advertising industry. The Executive Yuan operates under the Fair Trade Act of 2005 to monitor advertising, and its Department of Health keeps tabs on advertising

for products like pharmaceuticals and food products.

During the past few years the Taiwan government has become much more pro-active in supporting and encouraging the advertising industry. The National Communications Commission (NCC) is charged with monitoring the contents of advertising, while most government support comes from the Government Information Office and the Commercial Office of the Ministry of Economic Affairs. In 2005 the MOEA launched a three-year program called the "Plan to Upgrade Advertising," which offers training in the areas of "The Advertising Environment," "Cultivating Advertising Talent" and "Values and Concepts in Advertising." TAAA organized a special Advertising Day in 2006, and the first Friday in November is now officially recognized as Advertising Day in honor of the contributions that the advertising industry has made to society in Taiwan.

CHAPTER 4

Current Status of Advertising - Thailand

by Saravudh Anantachart, Ph.D.

In this chapter, the current status of advertising in Thailand is reviewed. In details, general information about Thailand, summary of media in Thailand, big pictures of Thai advertising industry, advertising professionalism, and advertising education are explained.



Thailand and its neighbors.

Thailand at a Glance

Formerly known as Siam, the Kingdom of Thailand lies in the Indochina Peninsula. Its borders are with Myanmar on the North and West, Laos P.D.R. on the North and Northeast, Cambodia on the Southeast, and Malaysia on the South. With the 513,115 square kilometers, Thailand is divided into four regions; the North, the Central, the Northeast, and the South. The country comprises of 76 provinces. Bangkok is the capital city, and the center for economic, political, religious, and cultural activities.

Thailand is a constitutional monarchy. The present king is His Majesty King Bhumibol Adulyadej, the ninth king of the Chakri Dynasty. Last year, there was the 60th anniversary celebration of His Majesty the King's accession to the

throne, which is considered the longest reigning current monarch in the world. In addition, he was presented with the first Human Development Lifetime Achievement Award by the United Nations.

A large majority of over 65.2 million people are ethnic Thais, along with strong communities whose ethnic origins lie in China, India and others. Official spoken and written language is Thai. However, English is widely understood, particularly in Bangkok where it is almost the major business language. Buddhism is the main religion in Thailand while other religions are welcome.

The Thai currency is Baht (THB). Thirty-six Baht is equal to 1 U.S. dollar (USD). In 2006, the total GDP of Thailand is USD 585.9 billion while the per capita GDP is USD 9,100. Years in Thailand are numbered according to the Buddhist era (B.E.) which commenced 543 years before the Christian era (A.D.). Thailand's national public holidays are linked to religious or agricultural traditions and follow the lunar calendar. In general, holidays includes the followings: New Year Day, Makha Bucha Day, Chakri day, Songkran Day, National Labor Day, Coronation Day, Visakha Bucha Day, Asanha Bucha Day, Buddhist Lent Day, His Majesty the Queen's Birthday, Chulalongkorn Day, His Majesty the King's Birthday, Constitution Day, and New Year's Eve Day.

Thai Media Summary

Currently, media options in Thailand can be mainly divided into eight types. They are television, cable television, radio, newspaper, maga-

zine, cinema, out-of-home, and internet. Television is the most popular medium. Six terrestrial stations are available for advertising nationwide. It reaches all target groups, but it can also be very clutter. As the demands of advertising on television are high, quota system is in practice. About ten minutes per hour are allowed to be advertised.

The second media type is cable or pay television. Its coverage is limited for only Greater Bangkok areas and some key provinces. Under *True Visions*, the only company running the cable television, 78 channels are available. Commercial spots are not allowed. Only sponsorship and filler advertising, the one used to promote companies' events and activities, are run in certain channels.

Radio is a good medium used to penetrate to Thai teenagers and working people. Since its cost per spot is not expensive, radio could help build brand recall through its frequency. Approximately, 526 A.M. and F.M. radio stations are currently broadcasted. Among them, 80 stations are in Bangkok while the rests are in other provinces. The top five radio programs nationwide are Thai folk song, Thai modern music, news, international music, and traffic news.

Next is newspaper. It is classified into four segments; Thai daily, Thai business, English daily, and sport newspapers. *Thai Rath* and *Bangkok Post* are the top Thai and English daily newspapers, in terms of readership. Most circulation numbers for newspapers are claimed while a few are audited. Magazine is good to reach certain target groups as it is segmented into many types. Nonetheless, women and general magazines are the most popular ones. Lately, various new maga-

zine titles hit the shelf. No audited circulation number for magazine is available.

Thai Rath and Bangkok Post, the top Thai and English daily newspapers in Thailand.



Recently, cinema gains more popularity among Thai people, especially teenagers. Though the total number of cinema houses was 616 last year (324 in Bangkok), new houses keep emerging, as well as their quality that are improved each year. As businesses are booming and consumer lifestyles are changing, the demand in out-of-home media increases. Both traditional and various innovative out-of-home media are available. Locations vary while the advertising rates are more flexible.

Finally, with the 8.4 million Thai users, internet becomes another interesting medium for businesses to reach their potential and current customers. Many companies have their own web sites and advertise their products and services through the internet. In addition, online games are popular among Thai children and adults.

Advertising Industry at a Glance

After Thailand recovered from the economic crisis, the overall advertising spending grew sharply in 2002. However, two years later, the industry's growth rate dropped to single-digit figure, and continued to fall in 2006. Both internal and external factors have affected the media spending. They are, for example, rising oil prices, turmoil around the world, bird flu, flood, violence in the Southern part of Thailand, and new laws and regulations.

Total Advertising Expenditures 2000-2006

Year	Million Baht	Change
2000	59,071	24%
2001	59,960	2%
2002	67,682	13%
2003	77,963	15%
2004	90,883	17%
2005	95,667	5%
2006	99,024	4%

Source: Nielsen Media Research

In 2006, the total advertising spending was 99,024 million Baht. Television was the top medium with 54.0% share followed by newspaper, radio, and magazines (23.4%, 7.5%, and 6.8% shares, respectively). Though their total shares were small, in-store and transit media had the highest growth rate (174.5% and 40.5% increases from 2005).

Three out of the top five advertisers last year

were from consumer product groups. They are Unilever (Thai) Holdings, Procter & Gamble (Thailand), and Nestle (Thai) Ltd. The total amount the top ten advertisers spent in 2006 accounted for 17.0% of the overall country spending.

The top ten brands advertised most were Pond's facial skincare product, Oil of Olay facial skincare product, Happy mobile phone system, PTT Public Co., Ltd., One-2-Call mobile phone system, Clinic anti-dandruff shampoos, TV Direct direct sales, Toyota pickups, Toyota passenger cars, and Isuzu pickups

Top Ten Advertisers 2006

Rank	Advertisers	Baht ('000)
1	Unilever (Thai) Holdings	5,126,365
2	Procter & Gamble (Thailand)	1,691,427
3	Advance Info Service Pcl.	1,608,408
4	Toyota Motor Thailand, Co., Ltd.	1,380,978
5	Nestle (Thai) Ltd.	1,001,833
6	PTT Public Co., Ltd.	988,191
7	Beiersdorf (Thailand) Co., Ltd.	940,283
8	Total Access Communications	906,537
9	Osotspa (Teck Heng Yoo)	857,730
10	Boonrawd Brewery Co., Ltd.	819,537

Source: Nielsen Media Research

Lately, as media departments in advertising agencies became separating business units, how one rates the competency that each agency has was therefore changed. The focus of the advertising agency would be on brand building while media agency places more emphasis in communi-

cation channel planning. In 2005, the top two advertising agencies in the country were JWT Bangkok and Ogilvy & Mather, both from WPP Group. Besides Western agencies, three Japanese agencies were on the top list: Dentsu (Thailand), Dai-Ichi Kikaku (Thailand), and Chuo Senko (Thailand). Most media specialists in the top ten list are affiliated with their advertising agencies. Minsdhare/Maxus, a WPP Group's company, was the number one while OMD, an Omnicom Group's company, and Starcom SMG, a Publicis Groupe's company, ranked numbers two and three, respectively.

Top Ten Advertising and Media Agencies 2005

Rank	Advertising Agency	Rank	Media Agency
1	JWT Bangkok	1	Mindshare/Maxus
2	Ogilvy & Mather	2	OMD
3	Leo Burnett	3	Starcom SMG
4	Dentsu (Thailand)	4	Carat (Thailand)
5	Euro RSCG Flagship	5	Initiative
6	Lowe	6	Mediaedge: cia
7	Dai-Ichi Kikaku (Thailand)	7	ZenithOptimedia
8	BBDO Bangkok	8	Universal McCann
9	Chuo Senko (Thailand)	9	Prakit FCB
10	Dentsu, Young & Rubicam	10	MediaCom

Source: Revenue Department

Advertising Professionalism

• Associations.

In Thailand, two associations play the important roles in advertising professions. The first one

is the Advertising Association of Thailand (AAT), the industry association serving as the main unit to build better understanding among its members, and between advertising agencies and institutions, associations, government, and other related organizations. It tries to raise the standard of advertising professionalism, publicize the advertising value, and generate other activities that could benefit advertising professions. The association is run by practitioners from various advertising agencies on a voluntary basis. The term for each AAT committee is two years. Currently, Chief Executive Officer of Creative Juice\G1, Mr. Witawat Jayapani, is the AAT's president.

workshops. Each year, BAD's members vote for their president. Besides annual events, BAD's president develops and initiates new activities to strengthen the association. In 2007, the BAD's co-presidents are Mr. Passapol Limpisirisan and Mr. Wiboon Leepakpreeda, Chief Creative Officers from Monday.

Other related industry associations includes Marketing Association of Thailand, Thailand Management Association, Public Relations Society of Thailand, Thai Direct Marketer Association, Broadcasters Association of Thailand.

• Awards.

The first well-known advertising contest in Thailand is the Top Advertising Contest of Thailand (TACT) Awards which is operated by three universities. The main criteria for TACT Awards lie in marketing more than creative aspects. In addition, as the contest was originated from educational institutes, all judging procedures strictly follow academic blueprints. After its 29th annual events, organizers decided to stop the contest as many problems occurred lately. The last TACT Awards was held in 2006.

BAD Awards is creative-oriented contest organized by the Bangkok Art Directors' Association. This contest is positioned as an alternative for other marketing awards, and a reward for individual creatives rather than their advertising agencies.

Last, Adman Awards is the newest contest in Thailand organized by the AAT since 2004. Two parts are included under the event. First, Adman Awards, the IMC contest that gives awards to advertising as well as public relations, event mar-

keting, direct marketing, and media work. Second is the Adman Symposium which provides contemporary knowledge in advertising and marketing communications to the public.

Broadcasting Board, a joint committee composed of representatives from television stations and the AAT.

Several government regulatory organizations deal with the control of advertising. The Consumer Protection Board (CPB), an agency under the Office of the Prime Minister, has the legitimate power to regulate any advertisements that are deceptive, misleading, or offensive. Another agency is the Food and Drug Administration (FDA). Under the Ministry of Public Health, the FDA has the power to control advertising for food, pharmaceutical products, cosmetics, and other potentially hazardous consuming products.

Advertising Education

In higher education, advertising, as an academic discipline, is one of the study areas mostly offered in journalism and mass communication schools. At the undergraduate level, approximately, 38 public and private universities and colleges around the country provide programs in advertising. As competition among universities becomes severe, various institutions attempt to differentiate their programs by offering new, unique curricula, like creative-focused advertising track, management-focused advertising track, marketing communications major and brand communication major.

Advertising education at the master's level provides students with in-depth, advanced knowledge in advertising and research skills. Two public and four private universities offer their master's curricula in advertising/marketing communications.

The "Advertising Value" Campaign run by the AAT to correct understanding of Thai consumers about the value of advertising.



Bangkok Art Directors' Association (BAD) is another association that focuses on advertising creativity development. Being positioned to be the center for creative people in the advertising field, its activities are related to creative contests and



Three Thai advertising trophies: TACT Awards, BAD Awards, and Adman Awards.

• Code of Ethics.

In the beginning era of the AAT, the code of ethics was developed as a guideline for its members on a voluntary basis. Recently, the code was reviewed and updated on the basic principles that advertising must be legal, truthful, along with Thai norms, socially responsible, and under the fair competition. The current advertising codes of ethics comprises of ten guidelines. Nonetheless, the association does not have any coercive power to enforce the code among its members. The only penalty is the dismissal from the membership.

• Regulations.

In Thailand, cigarettes are prohibited from advertising in all media. On television, alcohol commercials could be aired only between 10 p.m. and 5 a.m. Generally, all television commercials must be pre-censored by the Television

All are located in Bangkok, the hub of Thai advertising business. In addition, there are six universities offering doctoral programs in communication arts. Students might choose to focus their doctoral dissertations in advertising/marketing communications areas.

Although each higher educational institution tends to publish its own academic journals, no advertising journal exists in Thai academia. Most of them are journals of communications in general, where work from all communication fields (e.g., advertising, public relations, journalism) are welcomed. The most well-known and accepted communication journal is the Journal of Communication Arts, published by

Chulalongkorn University's Faculty of Communication Arts. It is now in the 25th volume. Using the blind reviewing process, this quarterly journal publishes both Thai and English manuscripts.

Thailand's Journal of Communication Arts.



BIBLIOGRAPHY

Advertising Association of Thailand (2002). *All about advertising*. Bangkok, Thailand: Love and Live.

Anantasomboon, K. (2000). *Undergraduate curriculum in advertising and workforce demand in Thailand*. Unpublished master's thesis, Chulalongkorn University, Bangkok, Thailand.

Chaisuwan, B. (2002). *Construction of the advertising code of ethics in Thailand*. Unpublished doctoral dissertation, Chulalongkorn University, Bangkok, Thailand.

Chantrasoot, N. (2004). *Graduate curriculum in advertising and workforce demand in Thailand*. Unpublished master's thesis, Chulalongkorn University, Bangkok, Thailand.

Chirapravati, V. (1996). The blossoming of advertising in Thailand. In K. T. Frith (Ed.), *Advertising in Asia: Communication, culture, and consumption* (pp. 223-240). Ames, IA: Iowa State University Press.

Chirasopone, J. (2005). *Perception and attitude of advertising practitioners toward advertising awards*. Unpublished master's special project, Chulalongkorn University, Bangkok, Thailand.

Kullavongvanich, S. (2000). *Development of advertising agency in Thailand (after the World Was II to June 1997)*. Unpublished master's thesis, Chulalongkorn University, Bangkok, Thailand.

Marittanaporn, P. (Ed.). (2007). *Advertising: Advertising agency, production house, media, marketing* (vol. 20). Bangkok, Thailand: Bangkok Printing.

Nawigamune, A. (1995). *Classic advertising*. Bangkok, Thailand: Nora.

Nawigamune, A. (1996). *Advertising in Thailand*. Bangkok, Thailand: Seangdad.

Nawigamune, A. (2000). *Thai advertisements* (vol. 1). Bangkok, Thailand: Nora.

Pattarathammas, K. (2004). *The development and future of integrated marketing communications concept and utilization in Thailand*. Unpublished doctoral dissertation, Chulalongkorn University, Bangkok, Thailand.

Senarak, P. (2004). *The development of advertising education in Thailand*. Unpublished master's thesis, Chulalongkorn University, Bangkok, Thailand.

Shrestha, R. (Ed.). (2007). *The advertising book 2007: Thailand advertising, marketing, and media guide* (vol. 19). Bangkok, Thailand: PCP Asia.

C H A P T E R 4

Current Status of Advertising - China

by Wen Chunying, Ph.D. / Liu pengzhe

1) The Demographics

Since November 11, 2000, the Chinese government has carried out five nationwide censuses of the population (the prior four times were in 1953, 1964, 1982 and 1990).

The gross population of China is 1.29 billion. The 31 provinces, municipalities, and municipalities directly under the Central Government in mainland China has the population of 1.27 billion, while the population of Hong Kong Special Administrative Region (SAR) is 6.78 million, Macau SAR 440,000 and Taiwan 22.28 million.

Population Growth: As compared with the fourth nationwide population census conducted in July of 1990, the total population in China, which was 1.13 billion, has increased by 132.15 million with a growth rate of 11.66% in the 10 years and 4 months. Every year the population has increased by 12.79 million with the average growth rate of 1.07%.

Households: China has a total of 348.37 million households with a household population of 1.2 billion implying that every average household has 3.44 people.

Sex Proportion: The male population is 653.55 million which makes up 51.63% of the total population; the female population is 612.28 million making up 48.37% of the population. The male-female ratio is 106.74 for every 100.

Age Distribution: In terms of the population by age, 289.79 million people are between 0-14 years of age, which makes up 22.89% of the total population; 887.93 million are between the age of 15-64 making up 70.15% of the total population; the remainder of the population, 88.11 million, are over 65 years old, accounting for 6.96% of the total population.

The Urban and Rural Population: the number of people who live in urban areas are 455.94 million, covering 36.09% of the total population; the people living in rural areas are 807.39 million, making up 63.91% of the total population.

Education: The number of people with a college education is 45.71 million, which is 3.61% of the total population. The illiteracy population (people over 15 years old who cannot read or can read little) is 85.07 million which accounts for 6.72% of the total population.

2) The GDP of China from 2000 to 2005

Compared with the year 2000, the GDP of 2005 has increased by 57.3% with an average growth rate of 9.5% per year; fiscal revenue has increased by 364.7 billion per year.

The aggregate trade value in 2005 was two

GDP of 2000-2005 (Billion RMB)

Year	GDP	Primary Industry	Secondary Industry	Tertiary Industry
2000	9,921.5	1,471.6	4,555.6	3,894.3
2001	10,965.5	1,551.6	4,951.2	4,462.7
2002	12,033.3	1,623.9	5,389.7	5,019.7
2003	13,582.3	1,706.9	6,243.6	5,631.8
2004	15,987.8	2,095.6	7,390.4	6,501.8
2005	18,232.1	2,271.8	8,620.8	7,339.5

Source: National Bureau of Statistics of China

GDP Growth Rate of 2000-2005 (%)

Year	GDP	Primary Industry	Secondary Industry	Tertiary Industry
2000	8.4	2.4	9.4	9.7
2001	8.3	2.8	8.4	10.2
2002	9.1	2.9	9.8	10.4
2003	10.0	2.5	12.7	9.5
2004	10.1	6.3	11.1	10.0
2005	9.9	5.2	11.4	9.6

Source: National Bureau of Statistics of China

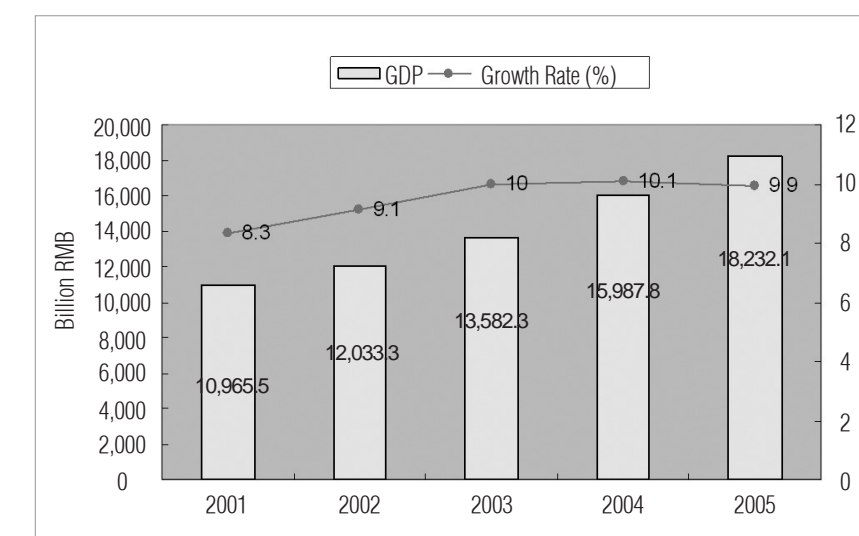
times more than in 2000. By the end of 2005, China has accumulatively absorbed 274.08 billion US dollars of paid-in foreign capital. Approximately, 42 million people have been

Per Capita GDP of 2000-2005

Year	Per Capita GDP (Unit: RMB)	Per Capita GDP (Unit: US Dollar)
2000	7,858	949
2001	8,621	1,042
2002	9,398	1,135
2003	10,542	1,274
2004	12,336	1,490
2005	13,925	1,703

Source: National Bureau of Statistics of China

GDP and Growth Rate 2000 - 2005



employed or reemployed during these five years. The sustained, quick and healthy growth of China's economy, especially the expansion of domestic demand, has created a favorable environment and laid a solid foundation for the development of the advertising industry in China.

3) A Brief Introduction of China's National Day

- The Origin of National Day

On September 27, 1949, the First Plenary Session of Chinese People's Political Consultative Conference unanimously determined that the People's Republic of China adopts the Gregorian calendar.

On December 3, 1949, the Fourth Session of Committee of Chinese Central Government had welcome the proposal of Chinese People's Political Consultative Conference, adopted the "Resolution on the National Day of the People's Republic of China," deciding that October 1, is the founding date of the People's Republic of China and also its national day.

- Founding Ceremony of China

On October 1, 1949, the grand founding ceremony of the Central Government of People's Republic of China was held in Tian'anmen Square of Beijing. The Chairman of China's Central Government-Mao Zedong had run up the first national flag, and the 350,000 people and army assembled in the square for a ceremonial review and parade.

- Celebrations of National Day Have Changed Several Times after 1949

In the early years of China (1949-1950), there

was a big celebration on national day each year with a military parade and review. In September of 1960, the Central Committee of the Chinese Communist Party and China's Central Government decided to reform the system of national day's celebration in the principle of building our country through thrift and hard work. Later on, from 1960 to 1970, every year grand assembling and parade was held in Tian'anmen Square, but no more ceremonial military review.

From 1971 to 1983, every October 1, Beijing adopted other forms of celebration such as the festivals in the parks and so on, without people's parade. In 1984, a grand military review and people's parade was held in the 35th national day. In the following years, more than a decade, there was no more celebration military review. In 1999 when China celebrated its 50th national day, a military review was held again which was the last grand celebration in the 20th century. Since the founding of New China, a total of 13 military reviews were held. They are in 1949-1959, 1984 and 1999.

- From 1999 the National Day Holiday is Lengthened

Previously, China had set October 1, 2, and 3 as legal national holidays. From the year 1999 the Saturday and Sunday before and after National Day were put together by the Central Government so as to make it a 7-day holiday. The aim was to raise domestic spending. Tourist-driven spending during the "Golden Week" of the National Day has become a new highlight in China's economy. Led by the government, the tourism industry and consumer trend, the scale of the tourism market has been expanding quickly. The large spending has also driven relevant industries, which makes a new space for economic growth. The "Holiday

Economy" not only expands domestic demand and activates consumption, but also promotes the idea of economic growth. Together with the May Day and Spring Festival holidays, the three "Golden Weeks" have now become a new topic to Chinese people.

4) The General Situation of the Advertising Industry

The Situation Report

Since revival of China's advertising market in 1979, the advertising industry has shown signs of rapid development. According to statistics, from 1981 to 2005 China's total advertising expenditure has increased yearly, with an average growth rate of 36.13%. Its share of China's GDP, the people employed in advertising and average per capita advertising spending all show a trend of continuous growth.

Since 1998, the growth rate of total advertising expenditure began to slow down, and for the first time expanding at a rate lower than 20%. In the following six years the total spending maintained its increase rate of around 15%. In the year 2003, China's total advertising expenditure had exceeded 100 billion reaching 107.9 billion and increasing by 17.55 billion with a growth rate of 19.44%. The growth rate of 2004 is 2.2% lower than 2003, and in 2005, 0.1% lower than 2004. Many scholars have called this phenomenon the "turning point". The growth rate of China's advertising has shown a slowdown with the features of a "turning point". However, in the early and mid 1990's, the growth rate had respectively reached over 90% and 30%-40%. There are many causes to this

slowdown:

First, since 1978 China's advertising industry has experienced high-speed growth of more than

The Advertising Industry Situation from 1981 to 2005 (RMB)

Year	Total Ad Expenditure (Million)	Growth Rate (%)	Advertising Units	Practitioner	Share of GDP (%)	Per Capita Expenditure
1981	118.00	686.67	1,160	16,160	0.024	0.1
1982	150.00	27.12	1,623	18,000	0.028	0.1
1983	234.07	56.05	2,340	34,853	0.039	0.2
1984	365.28	56.06	4,077	47,259	0.051	0.3
1985	605.23	65.69	6,052	63,819	0.067	0.5
1986	844.78	39.58	6,944	81,130	0.083	0.7
1987	1,112.00	31.63	8,225	92,279	0.093	1.0
1988	1,492.74	34.26	10,677	112,139	0.100	1.3
1989	1,999.00	33.90	11,142	128,203	0.118	1.7
1990	2,501.73	25.15	11,123	131,970	0.135	2.1
1991	3,508.93	40.26	11,176	134,506	0.162	3.0
1992	6,784.75	93.36	16,683	185,428	0.255	5.7
1993	13,408.74	97.63	31,770	311,967	0.388	11.3
1994	20,026.23	49.35	43,046	410,094	0.429	16.7
1995	27,326.90	36.46	48,082	477,371	0.475	22.5
1996	36,663.72	34.17	52,871	512,087	0.548	29.9
1997	46,196.38	26.00	57,024	545,788	0.632	37.3
1998	53,783.27	16.42	61,730	578,876	0.699	43.0
1999	62,205.06	15.66	64,882	587,474	0.760	49.4
2000	71,266.32	14.57	70,747	641,116	0.800	56.3
2001	79,488.76	11.54	78,339	709,076	0.820	62.2
2002	90,314.64	13.62	89,552	756,414	0.860	70.3
2003	107,868.00	19.44	101,786	871,366	0.920	83.4
2004	126,460.00	17.23	113,508	913,832	0.790	97.2
2005	141,634.87	12.00	125,394	940,415	0.777	108.3

Source: China Advertising Yearbooks

20 years. At present, it is in the phase of industrial adjustment and spontaneously controls resource allocation by the market means. The industry segmentation is deepened. Second, in a market of fierce competition, the means of marketing becomes more diverse, and the previous advertising expenditure is now perhaps shared by public relation, terminal promotion, business consultation and interactive marketing. Thirdly, the advertising industry is influenced by the country's macro-control policies to some extent, especially the medical treatment and real estate advertisements which were big advertisers. Fourthly, the competition within the ad industry is getting tougher; as a result, the cost of ads has been increased, which finally restricted the industrial development and disturb the market order.

Advertising Agencies

Due to the strong force of the Chinese media and the rise of advertisers' position, the advertising agencies in China are always facing the problem of "being marginalized". In recent years, the development of the four conventional media (TV, Radio, Newspaper and Magazine) tended to be constant. Therefore, the advertising agencies developed at a faster speed and the unique situation of "strong media, weak agencies" in China's advertising industry was firstly changed. The relationship of advertising agencies, the media and advertiser has been improved. Since China's reform and opening, China's advertising industry has developed rapidly. The Chinese government has also provided opportunities for foreign advertising companies to reap huge profits in China.

- The Slow - down of Growth and Overall Strengthening

According to statistic, by the end of 2005 there were 84,272 advertising agencies in China - an increase of 8,062 at a rate of 10.6%. The number of advertising agencies makes up 67.2% of all advertising units¹. People employed in advertising agencies reached 655,925, which is 14,271 more people than last year and accounts for 69.7% of all advertising practitioners. The growth rate tended to be steady after the period of high-speed growth, and the advertising agencies began to absorb capital resources, techniques, and manpower to transform the system, structure and management gradually strengthening their ability to guard against risks, and make a stride towards internationalization and specialization.

- The Obviously Advantageous Position of Foreign Advertising Industries

In 2004 the State Administration for Industry and Commerce and the Ministry of Commerce together issued "The Provisions on the Administration of Foreign-funded Advertising Enterprises", which allows foreign capital to take at most a share of 70% in joint ventures. China kept its promise to the World Trade Organization (WTO) to opening its advertising market. According to regulations, China was required to permit foreign advertising companies to set up jointly funded companies in China by the end of 2003.

Since 1986 when Dentsu and Young & Rubican together set up their first foreign advertising agency in China, the foreign advertising agencies have set up jointly-funded companies here with Chinese partners. By 2005 there were 461 foreign-invested agencies, the number and sales of which have surpassed any other kind of agencies.

- The Encouraging Potential of Local Advertising Agencies²

After China's advertising market completely opened to the outside, local agencies were hard hit by international advertising agencies. But they soon adjusted their competitive policies, deepening their services, and actively exploring new resources. In the top 100 advertising agencies of 2005 in China, 38 local agencies were in the list, which showed a strong developmental power. It reflected the trend of market choice and how competition in China's advertising market is maturing:

First, the demand of local services has increased greatly. Local advertising agencies are more familiar with the market, more mobile and flexible in conducting advertising activities. Second, the local agencies are usually small companies, so inborn disadvantages make them seek avoiding risks by reorganization or forming a cooperative union. Third, with the widening of channels of capital cooperation, foreign agencies

are more flexible in adopting more forms of cooperation with local companies, besides purchasing controlling shares.

Advertising Media

- Conventional Media

Television: The television advertising expenditure in 2005 was 35.53 billion, which increased by 21.9%, an increase of 6.38 billion. It accounted for 25.1% of the gross ad expenditure and its share in advertising expenditure is still growing. China has a large-scale television market. However, the industrial scale and advertising revenue are comparatively low. In recent years, the ad expenditure by television took about 25% of the total expenditure. Television has ranked number one among all media types for more than 20 years, and its position will be difficult to challenge in the short term.

China Top Ten Advertising Agencies in 2005

Rank in 2005	Agency	Million RMB	Rank in 2004	Million RMB
1	Leo Burnett	3,817.22	1	4,217.68
2	Saatchi and Saatchi	3,384.29	2	3,110.79
3	Mccann-Erickson Worldwide	3,099.30	3	2,775.45
4	Dentsu	2,706.57	4	2,503.74
5	JWT	2,406.38	27	305.74
6	Beijing Future Advertising Agency	1,935.54	5	1,700.00
7	Guangdong Advertising Co., Ltd	1,560.00	6	1,338.00
8	Shanghai Advertising Co., Ltd	1,252.00	7	1,223.16
9	Beijing Dayuweiye Advertising Co.	759.00	13	462.00
10	Hainan White Horse Advertising Co., Ltd	709.91	-	-

Source: *Modern Advertising*

Radio: In 2005 the advertising expenditure of radio was 3.89 billion, an increase of 600 million, at a rate of 18.0% growth. Radio makes up 2.7% of the total ad expenditure. In recent years radio has continued to grow at a high speed, which makes it a unique phenomenon among the four conventional media. There are three reasons for this: firstly the specialization of stations segments the audience to form different groups; secondly, the audiences of radio are usually young and educated, and they do not change stations; thirdly, the cost of radio advertising is low compared with other media.

Newspapers: The advertising expenditure of newspapers in 2005 was 25.6 billion, an increase of 2.53 billion at the rate of 11%. Newspapers account for 18.2% of the total advertising spending. In competition with the new media, such as the internet, through specialization, differentiation, and deepening of content and market positioning, newspaper advertising spending soared by 11%, and reversed the negative growth in 2004. Newspaper advertising will have three downward trends in the future: the proportion of ad expenditure by newspapers in total expenditure will probably decrease; the share of advertising will probably drop year by year as per the newspaper's total revenue; because of the rise of the expenditure base, the growth rate will go downward.

Magazines: In 2005, the advertising expenditure of magazines was 2.49 billion, an increase of 460 million at a rate of 22.1% (negative growth in 2004). Magazines make up 1.8% of the total advertising expenditure. With continuous domestic economic growth and the advancing of urbanization, magazines on finance, economics and city life have showed its value of existence and attract-

ed a larger share of advertising. The classification of magazine audiences tends to be clear. Due to consumer segmentation, advertisers can raise the cost of advertising to a certain audience group. The level of market orientation of magazines has gradually been improving and the multilayer sale pattern has increasingly matured. The Chinese magazine has entered an era of overt mass marketing.

Number of Four Media in 2005

Media Type	Number	Increase	Growth Rate
TV	2,800	50	1.82%
Radio	919	205	28.71%
Newspaper	1,845	-110	-5.63%
Magazine	4,056	50	1.25%

Source: China Advertising Yearbooks

Media Share in Advertising Expenditure 2000-2005

Unit: %

Media Type	2000	2001	2002	2003	2004	2005
TV	23.70	22.57	25.58	23.64	23.0	25.1
Radio	2.31	2.37	2.42	2.37	2.6	2.7
Newspaper	20.55	19.84	20.87	22.53	18.1	18.2
Magazine	1.59	1.49	1.68	2.26	1.6	1.8
Total	48.15	46.27	50.55	50.80	45.5	47.6

Source: Modern Advertising

• New media forms

New media forms have developed quickly depending on new technology. At present, it has rapidly captured market shares through positioning of "precise communication". The advertising expenditure by internet, mobile phone, outdoor and indoor LCD (liquid crystal display) all have increased at a fast rate.

Take the internet advertising for example, in 2005 the gross market share was 3.13 billion, which was an increase of 77.1% over the previous year and 7.6 times larger than 2001. Internet advertising has surpassed magazines (1.8 billion) and is approaching close to radio. It has already become the fourth largest advertising media. Its share of total advertising expenditure has also gone from 0.5% in 2001 to 2.3% in 2005.

Advertising Awards in China

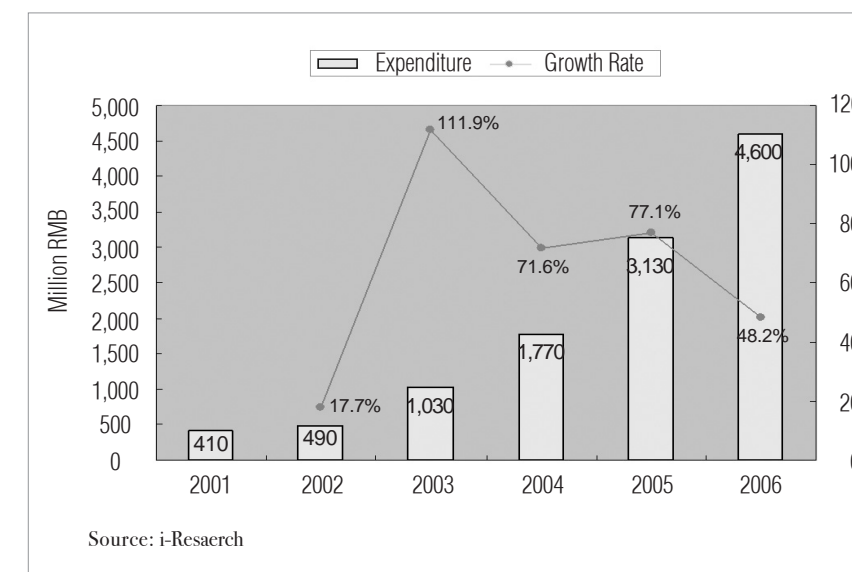
• The Chinese Advertising Award

The highest award in China's advertising field considers 26 aspects among four major categories of general advertisements, movie and television advertisements, radio advertisements and outdoor advertisements. The Annual Grand Award and the various Gold, Silver, Bronze and Nomination Prizes represent the highest annual awards for advertisement concepts and design in China. It is hosted by China Advertising Association.

• The Chinese Advertiser's Great Wall Award

The award is designed to recognize those advertisers making prominent contribution to China's advertising industry, and further encourage and enhance the participation of advertisers to contribute more to the development of advertising in China. The award also helps advertisers to further understand the fundamental significance of advertisements and bring closer cooperation

Internet Advertising Expenditure and Growth Rate 2001 - 2006



between advertisers, advertising agents and the media. It is hosted by the Newspaper Committee of China Advertising Association in 2006.

• The Chinese EFFIE Award

The award has an international milieu emphasizing the effect of advertising. It was established to recognize those advertisers and advertising companies that had fulfilled annual advertising goals and achieved prominent performance at the same time. It considers advertisements in terms of effect and concept, but more so focusing on effect. Works awarded represent the highest level of effective advertisements in China and also embody the cooperative spirit between advertisers and advertising agencies.

Advertising Education in China

Institutes of higher education in advertising in mainland China date back to the early 1980s. In June of 1983, the Journalism and Communication Department in Xiamen University established advertising major for the first time in China. From then on, education in advertising grew quickly along with the fast-paced development of China's economy and advertising industry.

- **The First Phase (1983-1992): Waiting and seeing: the beginnings of advertising education**

Holding the notion that advertising was not a subject to be studied, the entire Chinese education system showed an indifferent attitude towards advertising teaching and studies. During this period of time, the advertising major was brought into a few universities and colleges nationwide. From 1983 to 1988, no university or college had tried to make advertising into a formal full-time undergraduate training curriculum. In June of 1983, Xiamen University in Fujian Province began advertising courses. On November 9, 1988, the Journalism Department of the Beijing Broadcasting Institute (in 2003 it changed its name to the Communication University of China, with an aim to build a comprehensive university featuring information and communication sciences) set up the second advertising major in China. Then, the Mass Communication Department of Shenzhen University in Guangdong Province followed in step in September of 1990. As of 1992, there were six universities which established advertising major.

During this era, advertising's position as a subject was not accepted or recognized by society and academia. Many people doubted whether or not advertising could step up to the level of a uni-

versity major.

- **The Second Phase (1993-1996): The Extensive Development and Deepening of Advertising Education**

The main trait of this phase was a trend of extensive development with low quality education. The universities and colleges that began advertising majors increased rapidly. The excessive expansion left a lot of problems buried. The year 1992 was the turning point of China's advertising education. Since 1992, the number of higher education institution having established advertising major sky rocketed.

In 1993, The Beijing Broadcasting Institute started to enroll postgraduate students in advertising, which raised advertising education to a new level. Xiamen University was the second to enroll postgraduate students in 1995. Up to the end of 1996, there were 13 universities and colleges that had tutors for Master of Arts students. In March of 1994, the first advertising department in China was set up in Beijing Broadcasting Institute. Later on, Jilin University, Wuhan University and several universities established advertising (communication) department one after another. From this we can see the leveling up of advertising education.

- **The Third Phase (1997-present): Advertising education began to show its own characteristic and beginnings**

With more than 20 years of development, advertising education was no longer overcrowded. Several famous universities have laid the ground work for advertising educational circles and the field of advertising. Some universities and colleges which previously set up advertising no longer have the major. However, more institutes of higher education have adjusted their own

courses according to what they find practical, and have established a clear status among academia.

According to the 2006 Chinese Radio and Television Yearbook, as of 2005, 262 Chinese institutions of higher education offered programs on advertising.

Although advertising education in China has been relatively young as compared with the practice of advertising because of historical reasons, the current trend shows a healthy momentum towards development, such as the strengthening of education and pedagogy, introduction of foreign advanced ad theories, and the promotion of exchanges between institutes. Achievements in China's advertising education included: a change from translating and introducing foreign advanced theories to building a native theoretical system, a shift from hastily initiating a new advertising major in the 1990's to designing a curriculum with a clear position, and an improvement from isolated development to open exchanges.

Moreover, since professional advertising education in China started rather late, a large number of people working in advertising were not well qualified. As a result, the basic strategy of China for the training of advertising professionals was to combine professional education and intern training. As for intern training, institutions of higher education and advertising industry organizations may leverage their respective strengths and make an all efforts at cooperation. Intern training took the form of correspondence courses, short full-time training and training by overseas institutions, which played a major role in promoting the development of the advertising industry and enhancing the overall qualifications of the staff.

Advertising Organizations

- **The Chinese Advertising Association (CAA)**

The Chinese Advertising Association was founded on December 27, 1983. It is an organization for China's advertising industry, and also an independent legal entity as a social organization. Members of the CAA include groups, honorary members and individual members.

China Advertising Association is under the direction of the State Administration of Industry and Commerce, with a General Assembly Meeting which is held every three years as its supreme organ of the CAA power. It set up five professional committees including newspaper, radio, television, advertising agency and academic that all recognize the authority of the standing council of the CAA. The government administrative level above municipality has a branch association, led both by the Administration of Industry and Commerce of the same level and higher levels of the CAA.

- **The Chinese National Foreign Economy and Trade Advertising Association**

The Chinese National Foreign Economic and Trade Advertising Association was founded on August 21, 1981. It is the earliest advertising organization since China's reform and opening. It is a union formed by advertising agencies and press publishers within the foreign economic and trade system, and advertising departments in China's national import and export corporations of various different industries.

Its highest authority is the general meeting, which is held every two years. The association's routine work is in the charge of the standing council. It is under the leadership of the Ministry of Foreign Trade and Economic Cooperation. Its

membership is divided into professional groups, enterprise groups and individual members. A few branches are located in several provinces of China.

- **The International Advertising Association - Chinese Branch**

The Chinese Branch of the IAA was founded in May of 1987 in Beijing. The Chinese Branch was set up in the Chinese Advertising Association. It organized its members to attend the World Advertising Congress. It plays an important role in promoting Chinese advertising exchange and cooperation with the world.

- **Professional Advertising Magazines**

- *Chinese Advertising*

Chinese Advertising was launched in Shanghai on April 15, 1981. It was a quarterly, changed to a bi-monthly, and then to a monthly. Being the first specialized advertisement publication, it studies the present and future of advertising in China; conducts research on advertising, advertising theories and advertising related sciences; discusses design, creation, and production of various advertisements; and shows successful advertising cases and advertisements within and outside China; reports on changes in the advertising industry; and brings in new technology, materials and methods on advertising.

Address: Room 1805, Shenxin Building,
No. 200 Ning Hai Dong Road, Shanghai
Postal Code: 200021
Tel: 86-021-63552298, 63552118
Fax: 86-021-63551811
E-mail: china-ad@online.sh.cn, china-ad@ad-cn.net

Website: <http://www.ad-cn.net>
Beijing Office: Room 324, Xi Si Building,
No. 83 Fuxing Road, Beijing
Tel: 86-010-51606085, 13671339893

- *International Advertising*

International Advertising was launched in 1985 as a specialized advertising monthly within and without China. The magazine was under the Ministry of Commerce of the People's Republic of China and published by the Chinese Business Advertisement Association. In 1997, it went into a licensing agreement with Advertising Age, a leading marketing communication journal published in Chicago. *International Advertising* enjoys the largest circulation with the highest advertising rates among similar publications in China. The magazine includes five major sections: brand name, marketing, creative, media and public relations.

Address: 4th floor, Jianguomeiwai Street,
Beijing.
Postal Code: 100022
Tel: 86-010-65684490, 65670742
Fax: 86-010-65681942
E-mail: hhh@v.com.cn
Website: <http://www.ad-INT.com>

- *Modern Advertising*

In April 1994, *Modern Advertising*, a monthly, the flagship publication of the Chinese Advertising Association was started with the approval of the Press and Publications Bureau. This brand new specialized advertising magazine is under the State Administration of Industry and Commerce and published by the Chinese Advertising Association. It is also the largest specialized advertising publication in China. Since

1999, the magazine was changed from a bi-monthly to a monthly magazine. *Modern Advertising* centers on the reader and adheres to guidelines on quality, authority, professionalism and industry guidance. Focusing on the practical and pragmatic subjects, it strives to provide useful help and insights to readers through in-depth discussion on general issues, typical cases, theories and issues.

Address: Room 909-910, Machine Building,
No. 248 Guang'anmenwai Street, Beijing.
Postal Code: 100055
Tel: 86-010-63317498, 63317486
Fax: 86-010-63317499
E-mail: ad6898@vip.sina.com
Website: <http://www.maad.com.cn>

- *Advertising Panorama*

Advertising Panorama is approved by the General Administration of Press and Publication, and one of the four biggest professional advertising magazines in public distribution both at home and abroad. "New and sharp concepts, insight, and responsible" is the magazine's slogan, and "a sense of responsibility determines one's influence" is its motto. *Advertising Panorama* is the only professional advertising magazine issued every ten days, and the comprehensive theoretical media editions are published in early, mid and late month.

Address: B & C building, tenth floor, Gu Lou
unicom building, No. 32 Central Road,
Nanjing, Jiangsu Province
E-mail of Chief Editor: xubin-chen@vip.sina.com
Website: <http://www.cnadp.com/>
Tel: 86-025-83217901, 83217902
Fax: 86-025-83217905

With years of effort, *Chinese Advertising*, *International Advertising*, *Modern Advertising*, and *Advertising Panorama* have developed into the four biggest professional advertising magazines which are most influential in contemporary China. They have contributed their own strength to the advertising theory, practices and academic research with different positioning, styles and features.

- **Advertising Regulations**

- **Advertisement censoring authorities and the censorship system**

There are three kinds of advertisement censorship in China: First, censorship by advertisement operators, which is conducted by censors at advertising companies and media publishing outlets. Second, regulatory censorship, a special regulatory censorship over four kinds of special commodities like pharmaceuticals, medical devices, pesticide and veterinary drugs according to Advertisement Law. For these four kinds of commodities, qualifications have to be verified and advertisements censored according to regulations and rules of relevant regulatory authorities. Only with the approval documents from relevant authorities can these advertisements be released by the media. In other words, advertisements for special commodities like pharmaceuticals, medical devices, pesticide and veterinary drugs have to be censored by the Censorship Department of the State Administration of Industry and Commerce or other relevant administrations for approval. Thirdly, censorship according to the Advertisement Law by the Advertising Control Office of State Administration of Industry and Commerce for advertisements already released.

- Supervisory and administrative organs for advertisements

As stipulated in Article Six of the Advertisement Law, “the administrative departments for industry and commerce of the people’s government at or above the county level shall be the supervisory and administrative organs for advertisements.³” According to this clause, the government authority of State Administration of Industry and Commerce under the State Council and Industrial and Commercial Administrative Authorities at provincial, autonomous region, municipal, city and county levels are responsible for censoring, planning, managing, supporting, and supervising advertising and sanctioning illegal advertisements.

The State Administration of Industry and Commerce under the State Council has 13 departments under it and governments at provincial, autonomous region, municipal, city and county levels also have established Industrial and Commercial Administrative Authorities to perform the function of advertisement regulator. Industrial and Commercial Administrative Authorities at all levels are responsible for the censorship and management of all businesses defined in the Advertisement Law.

- Legal basis for advertisement censorship in China

- Advertisement Law

The Advertisement Law of the People’s Republic of China came into force on February 1, 1995. According to the law, advertisement censorship has two forms: censorship before release and censorship after release by the Advertising Control Office of the State Administration of Industry and Commerce.

- Management Rules of Advertisement Censors

In order to address various issues encountered in censorship, the State Administration of Industry and Commerce formulated the Management Rules of Advertisement Censors in the form of a notice, which entered into force on January 1, 1997. Advertisement creators and the media have to engage certain advertising censors, who will censor all advertisements before release and issue written approvals. Candidates for advertisement censors should be selected from staff of advertising agencies and the media that are trained by courses organized by the State Administration of Industry and Commerce and certified by an “Advertising Censor Certificate” acquired through examination.

- Interim Regulations on the Control of Radio and Television Advertising

Since advertising was revived in 1978, radio and television advertising has played an important role in the advertisement market. On September 24, 2003, The State Administration of Radio, Film and Television (SARFT) enacted the Interim Regulations on the Control of Radio and Television Advertising (“Circular 17⁴”), which stipulates that the amount of advertisements on radio, television and in films should be strictly controlled. According to the regulation, no in-program advertisements are permitted in television programs aired during prime time hours and loathful advertisements should not be released during meal hours. This was the first time for the State Administration of Radio, Film and Television to issue an Order for overall control over the content, number, frequency and supervision of advertisements over radio and television.

- Industry Self-regulation

In China, supervision of advertisements is mainly the responsibility of the government, but there is also self-discipline within the industry. The Chinese Advertising Association was such a self-regulatory institution. Established in 1983, it is responsible for instructing, supporting and advising the advertising industry according to relevant Chinese laws. The Chinese Consumers’ Association, established in 1984, can also be considered as a self-regulatory institution.

In 1994, the Fourth Congress of the Chinese Advertising Association reviewed and approved its self-regulatory rules. However, the rules serve only as a principle without detailed stipulations or necessary controls over management. Since the mid-1990’s, the supervisory function of media was strengthened. The Chinese Consumer Journal under the Chinese Advertising Association regularly publicizes illegal advertisements, and since 2001, administrative authorities like the State Administration of Industry and Commerce have also regularly publicized illegal advertisements in the mass media that fail to pass the censorship.

¹ “Advertising agency” refers to professional advertising agency, and “advertising units” refers to any unit that provides advertising service, i.e. an advertising department in a media or a company that partially provides advertising service.

² “Local Advertising Agencies” refers to agencies that provide services to local companies as opposed to international ones.

³ “縣級以上人民政府工商管理部門是廣告的監督管理機關”

⁴ “17號令”

A p p e n d i x

Movers and Shakers in the Development of Asian Advertising

Founding Chairman of AFAA - Antonio R. de Joya / Philippines

AFAA in Brief - Indra Abidin / Indonesia

Message from Gohei Kogure - Gohei Kogure / Japan

Dawn of the Modern Asian Advertising World - Shuzo Ishikawa / Japan

AFAA - A Driving Force in the Asian Advertising Industry - Kazuo Miyakawa / Japan

With Fellow Asian Advertising Practitioners, Celebrating 30 Years of AFAA

and 50 Years of AdAsia - Senyon Kim / Korea

An Aged Photo - Longmen Hu / Taiwan

The AdAsia Connection - Raymond So / Taiwan

AFAA Article - Vinit Suraphongchai / Thailand

Recalling 30 years of AFAA and 50 years of AdAsia - Bruce Cormack / Australia

AFAA and AdAsia - *a must place to joint* - Tran Hoang / Vietnam

A p p e n d i x

Movers and Shakers in the Development of Asian Advertising



Antonio R. de Joya

►Philippines

Founding Chairman of AFAA

“The winds of change are sweeping across the face of Asia. A new entrepreneurial thrust from a new breed of Asian Businessmen is rapidly transforming Asia into the place where the actions is.” Antonio R. de Joya in his keynote address at the opening of the Manila-hosted 11th Asian Advertising Congress in 1978, birthplace of the Asian Federation of Advertising Associations (AFAA)

Now in its 30th year, the AFAA has outlived its founding chairman Antonio R. de Joya of the Philippines, and this was exactly what he wanted—that it “will continue to exist and do all it can to help provide for a better and brighter future for advertising as a profession in Asia.”

His prophecy on Asia becoming the next growth area for economic miracles is being fulfilled in was he never even imagined. Within the Asian advertising community, the AFAA has prospered and indeed taken a nuclear and unifying role among its members- despite varying beliefs, cultures and levels of economic prosperity- just as De Joya had envisioned it.

The idea of an AFAA took shape as early as the 1st Asian Advertising Congress (AdAsia) in Tokyo in 1958. But it was at the Sydney-hosted 10th AdAsian in 1976 that delegated decided the time was right to pursue in earnest this dream of a having such an Asian federation

The mandate to make this organization a reality, by beginning the necessary conceptual and organizational work, fell on De Joya. During the AdAsia in Sydney, the Philippine delegation had won the bid to host the 11th Asian Advertising Congress in Manila. This meant that De Joya with the Philippine Board of Advertising (PBA) had the dual tasks of preparing for the Congress and of making sure there would be enough member-countries to form an AFAA and inaugurate it in time for the Manila-hosted Congress in November 1978.

Thus mandated, from April to June 1978, De Joya went at his expense on a 44-day one-man road show that took him to 13 countries in Asia, the Middle East and Europe.

This was before the era of PowerPoint and flash drives and so the 52-year-old De Joya lugged along from airport to airport 33 kilos of

photo and slide projector equipment with almost 600 color slides on carousel trays. He later recounted how he had more than 200 meetings with leading advertising association in the countries he visited, making over 50 presentations to promote attendance in the forthcoming 11th AAC, and enlisting them to membership in the nascent AFAA.

Long before the AFAA was founded, De Joya had made it personal mission to make advertising practitioners more aware that in Asia, they cannot just be talking about lifestyles when survival issues face half of the population day-to-day. Along with this, he urged governments to use communications and advertising as tools for promoting development at the grassroots level, a practice now known as development communications and development advertising. This was why one of the earliest projects of the AFAA was the publication of three books: Development Communication and the Asian Imperatives, and the 1980 and 1982 editions of Asian Advertising, all co-published by the De Joya Management and Development Corporation in cooperation with the PBA.

At the time when the AFAA was being organized, there was a swelling sentiment that Western-style advertising cannot just be imposed on the harsher realities in Asia. De Joya had always espoused that while Asians can learn from the sophisticated style, direction and creative techniques of the West, we need to sift through and adapt these to national goals.

De Joya carried his vision to the various pre-AFAA AdAsia congresses he attended, from the 5th AdAsia in Taipei in 1966, the 7th AdAsia in

Bombay in 1970, to the 10th AdAsia in Sydney in 1978 where he was given the mandate to organize the federation.

Occasional opposing views and passionate discussions among the organizing countries marked the AFAA’S founding period. However, De Joya managed to achieve a consensus and set the following directions that the proposed federation should take: that the AFAA will play a vital role in furthering the development of advertising in Asia; that the AFAA pledges itself to unifying all advertising associations in Asia; and, that the AFAA would upgrade advertising practice, standards and ethics through programs in education manpower development creativity and production information exchange, research and documentation, government relations, public relations, and promoting the use of development advertising and devcom in export marketing and export promotion (as a way to help achieve economic growth).

Another important role that De Joya defined was for the AFAA to serve as a continuing support mechanism for Asian advertising congresses. It had been noted that country hosts virtually had to start from scratch with every congress. The AFAA would fill in this lack by assisting future congress hosts in all phases of organization, serve as repository for all congress documents, and carry out decisions, plans and resolutions carried out in the various AdAsia.

It was a historic moment when the AFAA was officially inaugurated on November 15, 1978 at the 11th Asian Advertising Congress. Singing up as charter members were Indonesia, Israel, Malaysia, Pakistan, the Philippines, and Singapore, while Australia, Hong Kong, India, Japan, Republic of Korea, New Zealand, Papua

New Philippine president Ferdinand Marcos administered the Declaration of Membership in the presence of over 1,100 delegates from 21 countries.

Due credit must be given to the support and cooperation of the PBA and the many advertising associations and individuals that De Joya consulted with all over Asia.

At the same time, it has been widely acknowledged that De Joya played a key role in finally bring the AFAA to fruition, after pouring in considerable study, work and travel abroad to weave the workings of the federation.

De Joya served as chairman for four terms from 1978 to 1986. He was re-elected at the 1980 12th AdAsia in Singapore, the 1982 13th AdAsia in New Delhi, and the 1984 14th AdAsia in Seoul. By the time he ended his fourth term in 1986, the AFAA had 18 members, and had received various study and awards grants that were funneled to deserving practitioners.

Acknowledged as the Father of AFAA and a pillar of Philippine advertising, this Filipino advertising maverick was a futurist who scanned the Asian business environment with amazing perception and sensitivity. With his company, Advertising and Marketing Associates, then the largest Filipino-owned advertising agency, he scanned Philippine and Asian economics and political environment, spotting areas and opportunities for growth beyond selling toothpaste, detergents and soft drinks brands brands. He kept track of ad industry growth and spending, publishing the survey results in Philippine media, and this information became the ad business's guideposts

for many of their strategic directions.

De Joya would have been amused that his name would someday be spoken in the same breath as that of a Filipino world boxing champion:

In her keynote address during the 18th Philippine Advertising Congress in 2003, Philippine president Gloria Macapagal-Arroyo paid an unsolicited tribute to De Joya when she said, "it is not strange to us that the Founding Chairman of the AFAA was Antonio de Joya, a Filipino... (for) in all fields, intellectual and physical, from Antonio de Joya to Manny Pacquiao, we are world class."

He many have often marched to a different drumbeat, but always struck chords that were true. But here now lies De Joya's claim to immortality: that the AFAA, whose organization he had pursued with such passion and determination, now thrives and continues to grow in the service of the business he served and loved so well.

AFAA in Brief

Reacquainting with the rise of AFAA for me means going back 33 years. A journey which gives me pride to take part of what I call the institution and character building of Asian advertising that we are today.

As I write this, in front of my eyes and my memories, pass the proud faces of our beloved friends including The late Antonio De Joya, The late Dato Jaffar Mohammed Ali, Javed Jabbar, and Senyon Kim. They are what I call the Asian Advertising warriors.

It is they and many others, who have made us, stand where we are today. For them I give them the highest appreciation and respect.

This writing is based on my observations and perceptions of happenings and environmental spheres, dividing the past 33 years of Asian advertising in 3 phases. The first phase: Imperatives of Change 1976-1986, The second phase: Winds of Change 1987-1997, and The third phase: Be there or be behind 1998-2007

1) 1976-1986 Imperatives of Change

a. 1974 Jakarta "Modern advertising and the social responsibilities change in Asia"

Representing Fortune, as one of the Indonesian delegates, and participated in the AdAsia Advertising Congress 1974 in Jakarta. This was the first international event. I mingled; I met and exchanged views with many practitioners from Asia. 1974 was my first year working in advertis-

ing since graduating from my Graphic Design School Bandung Institute of Technology. I was very impressed to listen to all these prominent speakers from all over Asia.

AdAsia 1974 land marked the first time ever Asian advertising congresses to be opened by a country's leader; President Soeharto.

Since then, almost all AdAsia Congresses were opened by the host countries' national leaders.

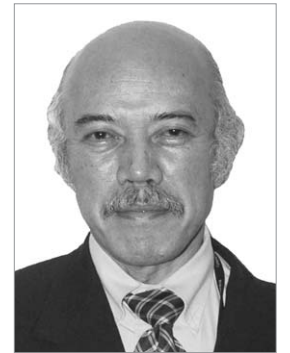
As many Asian countries opened their doors to economic development, foreign investments, and began to experience growth and categorized as the new developing countries of Asia.

Besides the commercial functions, President Soeharto called upon the Asian advertising industries to actively participate in their social functions in the development of their individual countries.

During these days, the transnational marketing against locals was of disharmony. Sentiments and emotions were built on the interactions of Multi National Marketing Companies bringing their international advertising agencies; operating insensitively to the local values.

Perceived as arrogant, dictating their commercial goals benefiting only to themselves, entering Asia only to make huge profits and have no sense of social responsibilities towards the young Asian industries.

During that period, majority Asian practitioners lacked education and trainings, created imbalance, frictions, and distrust towards the multi-nationals.



Indra Abidin

►Indonesia

Some countries applied laws that all advertising materials must be developed by local professionals and produced in their own countries.

There was a need for strong Asian advertising industries operated by Asians utilizing cultural sensitive disciplines, and skills.

It was this congress that attracted me to participate in the Indonesian Advertising Agencies Association/ Persatuan Perusahaan Periklanan Indonesia – PPPI. Since then I have taken an active role in the development of the industry through the PPPI.

b. 1976 AdAsia Sydney – “I did it my way”

As Secretary General of PPPI, I felt the heat between Asian and western values warming during the AdAsia Congress in Sydney.

The Congress was felt as very insensitive towards Asian cultures.

Amongst many, there was a pressing need to speed up the process of a body acting as a custodian, guiding and managing the AdAsia Congresses to meet the rising expectations of Asian Advertising strengthening the position of Asian advertising industries, and ensuring quality congresses, consistency and continuity.

c. 1978 Asian Federation of Advertising Associations, AdAsia - Manila

Spearheaded by Antonio De Joya, the making of AFAA was prepared. Under his leadership, the Organizing Committee and his Think Tank worked hard for the next two years, preparing the ground works for the future Asian Advertising. The Antonio De Joya I knew, after meeting him

several times; as a strategist, a far sighted man, tough negotiator, and disciplined. As a veteran Army Colonel Antonio stuck to his guns when situations got tough.

A heavy smoker of the long slim cigarettes with a pipe.

Antonio firmly believed that advertising industries across Asia can only grow with the presence of strong professional organizations in each country working together towards a common goal.

“An Asia federation must, by its very nature, be a servus populi, a servant of advertising practitioners in Asia, a planner/doer/ coordinator of the tasks that must be done rather than a would-be Asian overlord who might be tempted to infringe upon the prerogatives of individual trade associations or federations in our respective countries”

Quote of Antonio De Joya speech, Chairman Organizing Committee for the feasibility study that led to the formation of AFAA.

The establishment of AFAA in 1978, was attended by President F Marcos, and Mrs. Imelda Marcos. The president praised the founders in laying down the bricks of a better future for Asia through responsible advertising. He stated that developing advertising in Asia with 50% of the world population, and rich resources; can generate Asia to be the global engine of growth turning the wheels of economies, improving the welfare and equal distribution of wealth of the Asian people.

AFAA was founded with the following aims and goals:

Unify all Asian associations involved in various aspects of advertising. Upgrade standards, ethics

and practices of advertising and to bring more meaningful contributions from advertising activities to both regional and national socio-economic development. Set up the necessary mechanism for Asian Advertising Congresses. Foster self-regulation. Devise and implement educational programs.

The ten founding members of the AFAA that pledged for the achievement of the aims and goals were: the advertising associations of Australia, Hong Kong, Israel, Indonesia, India, Korea, Malaysia, Pakistan, Singapore and the Philippines. Thus was the beginning of AFAA.

Since then, the growth and consolidation of Asian economies has seen the rule of AFAA being recognized by an increasing number of Asian countries. Today, the AFAA has members hailing from Bangladesh, India, Indonesia, Japan, Korea, Malaysia, Mongolia, Pakistan, Singapore, Taiwan,



Opening Ceremony, listening to President Marcos speech. Front row table from right to left: Steve Ellis-Hongkong Delegate Savrinus Suardi - Chairman Indonesian Advertising Agencies Association/PPPI AM Chandra - Immediate Past Chairman and Chairman Honorary Council PPPI Indra Abidin - Secretary General PPPI.

Thailand, the Philippines, Sri Lanka, UAE, Vietnam and Nepal.

Membership Categories

There are four categories of membership:

Regular member: Regular member represents the Tri - partite organization of each country consisting of The Advertisers Association. The



Front row table, from left to right Delegate from Singapore Indra Abidin - Secretary General Indonesian Advertising Agencies Association/PPPI AM Chandra - Immediate Past Chairman and Chairman Honorary Council PPPI Savrinus Suardi - Chairman Indonesian Advertising Agencies Association/PPPI Steve Ellis-Hongkong Delegate.

Advertising Agencies Association and the Media Associations.

Other AFAA members are Associate Member, Corporate Member and Individual Member.

“Beggar’s Luncheon”

One of the memorable events during the 1978 AdAsia congress was with The First Lady Imelda Marcos. She hosted a lunch for the AFAA founders held in the premier venue: The Philippine International Convention Center served, in the Head of Nations’ room, Invitees were served a fully served banquet with very expensive gold plated table set.

The menu served was one salted fish, and plain water in a fine crystal glass!!

With this symbolic luncheon, Mrs. Imelda Marcos, called upon AFAA founders to embark on developmental advertising helping the rural populations in many parts, where many Asians were still uneducated, and poor.

She reminded that whilst advertising has successfully proven itself capable of increasing the wheels of economies in the increasing metropolitan cities of Asia, advertising should also be capable of improving the qualities of life amongst the rural areas and villages of Asia.

**AFAA Programs
Developmental Advertising**

Responding to the calls of the heads of Asian nations in previous AdAsia Congresses, AFAA embarked on developmental advertising programs. Pilot project - test markets spearheaded by Javed Jabbar and Antonio De Joya. Advertising as a tool empowering rural populations.

The projects continued, and expanded for many years in other Asian rural areas passing through AdAsia Congresses in Singapore 1980, 1982 India, 1984 Korea.

Self Regulation - Indonesia

Between 1978 -1982, Indonesia was assisted by AFAA to build a self regulating industry. An industry that sets down its own rules as responsible components of the national development.

Immediately after the establishment of AFAA in 1978 Manila; a body called The Advertising Council/Dewan Periklanan Indonesia was established.

The Advertising Council consisting of associa-

tions of all the advertising components including the Advertisers/Marketers Association/Asosiasi Penyantun Iklan Indonesia/ASPINDO, Advertising Agencies Association/Persatuan Perusahaan Periklanan Indonesia/PPPI, Publishers Association/Serikat Penerbit Surat Kabar/SPS, Commercial Radio Broadcasting Stations Association/Persatuan Radio Siaran Swasta Niaga Indonesia/PRSSNI, Cinema Owners Association/Gabungan Pengusaha Bioskop Indonesia/GPBSI, Television Association/Yayasan Televisi.

The Advertising Council/Dewan Periklanan Indonesia established in 1978, later changed name to Komisi Tata Krama dan Tata Cara Periklanan Indonesia. The first product of the Advertising Council was The Advertising Code of Ethics and Code of Practice accepted by the industry and the government as the standards in 1982.

d. 1986 AdAsia Bangkok – China membership – AFAA Chairmanship

For the first time, I met the delegates from China Advertising Association. In the AFAA General Body Meeting in Bangkok 1986, the representatives of China expressed their intention to join AFAA. The meeting was very pleased to accept China Advertising Association as AFAA member.

AFAA General Body Meeting in Bangkok, decided that The Chairmanship term of service will be 2 years, and that the Incoming Chairman should come from the next AdAsia Host.

It was also decided during General Body Meeting in Bangkok, that two vice chairmen will sit with the Chairman; the immediate Past Chairman and The Incoming Chairman.

This configuration was felt an improved struc-



Manila 1978 Indra Abidin, left, receiving certificate from AdAsia 1978 Organizing Committee.



ture, with both the past and the future chairman next to the Chairman, this will ensure continuity and consistency both in the operations of AFAA and primarily AdAsia congresses.

Indra Abidin right, conversing with delegates from Singapore, Hongkong.

Vinit Suraphongchai initiative - Financial Contribution for AFAA

AdAsia Bangkok Thailand was the first to start the practice of contributing to AFAA. During the AFAA General Body Meeting in Bangkok the Chairman of Organizing Committee Vinit Suraphongchai pledged support to AFAA and contributed a large sum of fund for AFAA. And that all future AdAsia congresses to contribute to AFAA. This fund if required can be used as a loan by the Organizing Committees that need working capital or seed money to prepare the future AdAsia. Since then most congresses contributed a sum of fund to AFAA.

International Council Members
AdAsia - Bangkok 1986.

AdAsia - Bangkok 1986.



AdAsia - Bangkok 1986.



2) 1987-1997 Winds of Change

a. 1989 Lahore – Advertising practitioners - Very Important Persons

AdAsia 1978 Lahore was another landmark for AFAA. The Organizing Committee, under leadership of Javed Jabbar; the Pakistan advertising practitioners set precedent of positioning Advertising practitioners as Very Important People. The Pakistan heritage, the great palaces were opened to the Advertising practitioners. Here we really felt honored, treated with high respect, and acknowledged as good citizens of Asia.

AdAsia Congress delegates experienced the highest respect, banquets in the palaces, in one of the Gengis Khan's fortress gardens, in the colonial

grass lawns. It was also in Lahore Pakistan that AFAA felt the change of the century was coming. The need for a strong institution capable of offering solutions to the fast changing world. Javed Jabbar, stressed that advertising has an important mission and duties to perform to its societies in Asia. Building/developing Asian brands - products and services, communicating, informing and educating these fruits of developments in the Asian way. The fruits eventually will be harvested by Asians themselves, creating employment opportunities for the Asians, generating prosperity, welfare, education, health. Thus increasing the qualities of life of Asians.

And that the advertising profession must be respected as "Very Important Person/VIP".

The Antonio De Joya and Javed Jabbar I knew were the persons with the most impactful presence.

Antonio De Joya, A soldier by background, his commitments and speeches have inspired many, sparked the fires inside many Asians burning Asian spirits and started to work towards common goal increasing Asian advertising standards, improving the qualities of life amongst Asians, turning the wheels of Asian economies.

I see Antonio as a person of commitment, traveled, shuttling to many cities across many parts of Asia to ensure a united AFAA.

As for Javed Jabbar, I see him as a statesman (who was Minister of Information in the Pakistan Cabinet) during the AdAsia 1989 in Lahore. Javed stated that advertising profession is vital to the development of the people that it serves. Whether practiced for local rural villagers or encompassing borders, territories, of many races, and ethnic groups.

He established a high position for advertising in

Asia. I remember Javed a charismatic person with his energy as stunning the audience each time he speaks.

Shuzo Ishikawa - AFAA Ad Asia Odd Year – IAA Congresses Even Year

Besides AFAA, in Asia, IAA was also present as an active advertising organization. Both were the most active organizations across Asia. IAA's similar interests with AFAA a federation of Advertising Associations from each Asian country; IAA was an organization of individual membership; since early stages have actively developed close relationships, and cooperation between AFAA and IAA.

IAA is a global partnership whose members represent advertisers, media, advertising agencies, public relations agencies, media companies, and educators, advocating self regulating industries. IAA since 1938 has built a common global voice through its grass root presence with over 4000 members in all 79 market economies. IAA inspires and empowers members to raise their sights and reach for the life they want. Increasing the advertising standards, and contributing to the betterment of economies worldwide.

In the early days, Congresses of both organizations were held in even years causing conflicts since both were inviting the same audiences. Both AdAsia AFAA and IAA want to invite as much delegates as possible.

"In order to avoid a head on collision with International Advertising Association/ IAA World Congress, AdAsia made a concession so that it would be held on an odd year since 1989 - Pakistan. Malaysia thus was supposed to be held

in 1991, but it wanted to do it a year earlier to coincide with that country's 'Visit Malaysia' year of 1990".

As Stated by Shuzo Ishikawa in one of his previous letters/correspondences.

AdAsia Venue bidding four years in advance

Proposed by Shuzo Ishikawa, the general Body Meeting in Lahore decided to ensure sufficient time and effective preparations, the bidding for the venue will be decided 4 years in advance.

The congresses were growing in term of program contents, and also in attendance. Issues were becoming more complex. From less than 100 in 1956, 1978 delegates grew to 600. To ensure smooth preparations for future congresses, there was a need for sufficient time for the organizers to plan, develop, prepare and implement.

Indra Abidin - Indonesia (left)
Saburosuke Suzuki - Japan. (center)



b. 1990 Kuala Lumpur

The AFAA General Body Meeting in Kuala Lumpur acknowledged that AFAA as the umbrella organization has improved the quality of AdAsia Congresses since 1978-1987.

The mechanisms for stability, consistency, and continuous Organization Developments were contributing factors for the increasing advertising standards in Asia. Thus contributing to the qualities of life of Asians.

Jaffar Mohammed Ali - Permanent Secretariat – Kuala Lumpur

As AFAA grows more active and members grew, there was a need for further strengthening of the institution. Coordination of AFAA activities, historical and documentation of all programs, conferences, AFAA meetings, proactive dissemination of information, news, developments, archives, library. All this was piling up without any central service to administer the body on a professional and permanent basis.

To further ensure progress, AFAA Chairman Dato Jaffar Mohammed Ali; proposed that a permanent secretariat must be established to serve as the AFAA Service Center administering all AFAA affairs. It was also noted that as AFAA body matures as an institution, the archives, library, and documents needed to be secured, serving all AFAA members, easily accessible, and servicing the Asian advertising communities.

The Permanent Secretariat will report directly to The Chairman of AFAA, operated and managed by Secretariat Services MarkComm Sdn.Bhd - Malaysia.

A professional company already servicing all the



AdAsia - Kuala Lumpur 1990.

components of the advertising industry in Malaysia. J Matthews was appointed as Executive Secretary.

c. 1993 Tokyo

Since the establishment in 1978, AFAA regular members with full voting rights comprise of tripartite organizations of each country.

Tripartite organizations include The Advertisers Association. The Advertising Agencies Association, and The Media Associations.

Other AFAA members non voting rights are Associate Members, Corporate Members and Individual Members.

Anticipating future growth developments in all the Asian market economies, it was felt that, not all areas are represented exclusively by one orga-



Left Yong Po Shin (left) - Singapore with International Council member from Australia.



Sitting at the table facing each other Shuzo Ishikawa, left, Japan Dato Mohamad Jaffar - Malaysia.

Indra Abidin, right, with delegates from Indonesia.



Delegates from India.



In front of Singapore Hospitality Counter. From left to right Yong Po Shin- Singapore, SQ Hostess, Ersnt Katopo, Fachry Muhamad-Indonesia.



nization body. There will be a need for representation by more than 1 organization from that one region in Asia. That AFAA should be open for more members rather than one body representing or originating from one area. It was possible that 1 organization representing one city/region and another representing another city/region.

Shuzo Ishikawa - AFAA – Non Political

Upon the recommendation of Shuzo Ishikawa as Chairman Membership Committee, AFAA Constitution was revised to accommodate future growth.

At the AFAA General Meeting held immediately before the Tokyo AdAsia, 1993, the AFAA Constitution was amended so that “Country Membership” read “Regular Membership”. Also, Taiwan’s application for a regular membership was approved.

This apparently led China to its silent departure from AFAA. It stopped all its communications with the Federation. It did not respond to inquiries by the succeeding AFAA Chairmen.

During 1993-1995, The Indonesia Advertising Council as the organizing committee for the next AdAsia Congress 1995 made tremendous efforts to invite China back to AFAA. I recalled Yusca Ismail AFAA Chairman, and I shuttled from Beijing, Hongkong and Taipei to seek ways for China Advertising Association to return to AFAA. We met the China Advertising Association Officers, and tried to negotiate a breakthrough solution to the issue.

d. 1995 Bali – AFAA responding to rising expectations

As Asia developed economically the advertising issues became more complex, AdAsia congresses also became an increasingly important global Forum for advertising leaders, professionals from Asia and world to meet, exchange information, experience, and to build global networking amongst the management executives for Asian advertising industries.

As the AdAsia - Asian Advertising Management forums covered more complex issues; it was felt that AFAA needed to expand its management forums to the other parts of advertising disciplines including creative.

A forum to increase creative standards amongst Asian advertising industries. Gather creative talents to meet creative leaders, learn, discuss, and build dialogs. Recognize and award the outstanding good works created by Asian Advertising.

The Creative Forum will require funds which



Delegates registration counters.



Opening Ceremony performance.



Balinese dance performance, Promoting AdAsia 2005, Bali, Indonesia.

Indonesian delegates Front row Nos. 2, and 3 from left Miranty Abidin and Aristides Katopo.



AdAsia - Tokyo 1993.



AdAsia - Tokyo 1993.



AFAA has not. AFAA has been a non profit organization that depends totally from membership dues, and small contributions from AdAsia Congress host Organizers. Since 1978 AFAA have never made efforts to be financially strong and healthy.

Proposed in 1993 Tokyo, AFAA General Body Meeting in Bali 1995 appointed Vinit Suraphongchai to lead and initiate the first creative forum –program; To prepare the making of a truly Asian Advertising Festival.

The AFAA International Council Meeting in Manila in 1997 approved the proposals forwarded by Vinit Suraphongchai.

The Forum will be managed –organized separately to AFAA, endorsed by AFAA, will be self financing, will not burden AFAA with losses and

debts, will be steered by individuals who are senior Asian practitioners.

An Underwriter will be solicited to secure and guarantee the initial investments, and running costs of the forum. A permanent venue to be selected in Thailand.

In 1997, AP AdFest –Vinit Suraphongchai

Asia Pacific Advertising Festival was established and launched in Bangkok. The founders were Shuzo Ishikawa, Vinit Suraphongchai, Senyon Kim, Indra Abidin

Founding Chairman Steering Committee Senyon Kim, Founding Chairman Working Committee Vinit Suraphongchai, key members of the Working Committee included Jimmy Lam, and Boonsri. Although facing the economic crisis, the first Asia Pacific Advertising Festival/AP AdFest was held in March 1998, Chiang Mai. With over



From left to right Mrs Ernst Katopo, Priest, Miranty Abidin, Indra Abidin, Lusiana Tanahdjaja - Indonesia.



Balinese performance during one of the evening dinners.



Left to right Senyon Kim - Korea Balinese dancer, Miranty Abidin, Mrs Ersnt Katopo, Yanti Sugarda.

Kechak Dance during one of the evening program.



Lef to right Indra Abidin, Baty Subakti, Gunadi Sukemi-Indonesia.



Front row from left to right Mahtum Maksum, Baty Subakti, Indra Abidin.



100 delegates and over 300 entries, the first AP AdFest was considered successful.

Upon review, AdFest was moved to Peach International Convention Center in Pattaya, to ensure higher interest and attract all the creative talents of Asia specially the young creatives each year to come, meet, exchange information, experience, and build networks amongst themselves. All this for the advancement of Asian advertising standards, increasing the economic wheels of Asia, and improving the qualities of life amongst Asians.

AP AdFest today is acknowledged to be the leading Advertising Festival in Asia a gathering of more than 1,500 leading world creative talents and over 5,000 entries. In 2007 The Festival was changed from 2.5 to 3 days event. A meeting point of cultures, a melting pot of creative talents from all over the world.

Besides the creative professionals, 20 young talents were selected from the Asian cities and gathered in Pattaya to attend the Advertising Festival, and attend a special workshop preparing them for future challenges. Equipping them with the winning edge skills, and tools.

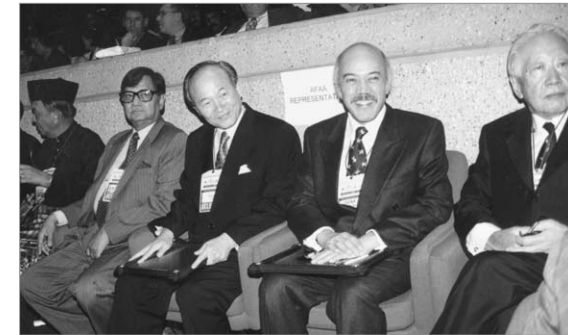
Shuzo Ishikawa, and Senyon Kim, I Knew

In this period I feel there were many who have contributed to the AFAA growth including the two names above.

Shuzo Ishikawa, a humble, yet very wise, and knowledgeable person who have attended the 1st AdAsia in Tokyo 1958. With his deep knowledge of AdAsia, Shuzo Ishikawa contributed to securing the basic spirit of AFAA, and the amendments

of the constitution when the urgency arose. He was firm with the principles of non-political for AFAA.

Senyon Kim was instrumental as the bulldozer and unifier of the rich diversity AFAA holds amongst its communities. Senyon was straightforward in straightening issues, making complex issues simple clean and clear for decision making. Senyon shuttled intensively west and east, north and south to address various intricate and serious issues for AFAA. Both Shuzo and Senyon were the warriors from the Far East with the strong spirit of Asia.



AFAA Service Awards Recipients.



AFAA Awards ceremony Indra Abidin receiving AFAA Service Awards.



President Ramos, Philippines, standing with the AFAA International Council Mmbers.

3) 1998-2007 Be there or be behind

a. 1999 AdAsia Pattaya

As the economic crisis continues to roll all over Asia, the emergence of new technologies globally impacted on the new media convergence. New paradigms emerged. Demanding the advertising industries to restructure. To change forms. To respond to the imperatives of change. To call on Asian industries to be there in front to embrace change or be left behind. The media landscapes now changed dramatically. The Media Specialists, the media giants entering Asia as new players, threatening the conventional integrated marketing communications.

Venue for AdAsia 1999 Peach International Convention Center, Pattaya.



New jargons were introduced including activation, 360 degrees, engaging the consumers not disrupting. All these major changes have created confusions, despair, and pessimism to the future of advertising. Will advertising fall and PR rise?

To respond to these major concerns of all advertisers, agencies, and media;

The General Body Meeting in Taipei 2001 mandated Indra Abidin to prepare a new AFAA Spirit, and a strategy to respond to the current and future challenges. The proposal for an Asia Media Forum was in process.

b. 2001 Taipei & Jaipur - New Millennium – New Spirit

As the new millennium entered Asia, and 9/11 disasters hit the world, AdAsia 2001 Taipei continued in full force to find new solutions responding to the rising expectations of its members. AFAA approved the improved logo symbolizing AFAA new millennium spirit. Also the proposals for an Asia Media Forum were gaining momentum and finalizing. AFAA General Body Meeting in 2003 Jaipur approved the proposed APMF Asia Pacific Media Forum.

The mechanism follows the AP AdFest.

The Forum is independent from AFAA, will be organized separately to AFAA, endorsed by AFAA, will be self financing, will not burden AFAA with losses and debts, will be steered by individuals who are senior Asian practitioners.

An Underwriter will be solicited to secure and guarantee the initial investments, and running costs of the forum.

Bali was selected as the permanent venue.

c. 2005 Asia Pacific Media Forum/APMF



One of the sessions during AdAsia 1999, Pattaya, Thailand.

APMF is the first advertising media conference of its kind in the region.

Supported by AFAA & IAA, the conference will discuss among others: critical advertising media issues, business issues, evaluate future advertising media trends. APMF aims to fertilize good understanding amongst different elements of Asia-Pacific Advertising Industry through friendship, exchange of information, enrichment of knowledge. To help increase the Asia-Pacific Advertising Industry standards, particularly in media related issues. To provide a unique networking opportunity for all related including advertising agencies, media, advertisers, research companies. To provide a forum for new business opportunities and be ready to anticipate changes.

To observe the laws of Indonesia, The Organizing Body was established and name AAPAM for Association of Asia Pacific



Exhibition scene in the congress building.



India AdAsia 2003 Promotion Booth.

Cultural performance during the Welcome Reception AdAsia 2001 Taipei.



Advertising Media Founding Steering Committee:
 Chairman: Senyon Kim
 Members: Indra Abidin, Kazuo Miyakawa,
 Vinit Suraphongchai, Gautam Rakshit
 The first Asia Pacific Media Forum was launched successfully in Bali in March 2005. Over 300 participants and speakers attended the conference. They were from the Asia Pacific Region, and also from the US, UK and Europe. The conference discussed advertising media trends, development of technology, the drastic changes and its impact upon advertisers, creative agencies, media specialists, various media, and media research.

Dato Jaffar Mohammed Ali, and Vinit Suraphongchai I knew

For this period there were many more which AFAA is indebted to, including the two names

above.

Ageing 30 years for AdAsia and 10 years for AFAA, there was an opinion of weakening, and lacking directions. There was slow progress for various AFAA developmental advertising programs, lack of internal and external communications. Almost no flow of information amongst AFAA members.

The Late Dato Jaffar Mohammed Ali, with his warm manner and often humor persistently pressed for AFAA organization changes to improve AFAA directions and growth. His warmth melted many icebergs within AFAA poles, and made consensus possible for decision making amongst hot issues at the time. The Late Dato Jaffar Mohammed Ali was a sincere and a true gentleman.

Vinit Suraphongchai, I knew, was instrumental for the making of the creative melting pot of cul-

tures in Pattaya. A visionary, optimist and committed, he created a strong dedicated organization to face the uphill struggle of the economic crisis 1997 hitting across Asia.

Asian economies were falling, advertising were dying, Vinit and his colleagues never lost their optimism and confident that with perseverance and patience AP Adfest will grow to meet its goals. A strong AFAA believer, Vinit persevered when AP AdFest were making huge losses during the first years.

Conclusions 1978 - 2007

Whether good or bad, advertising have played an important role in what Asian economies, and cultures have achieved today. From very heterogeneous, diverse, and different societies; Asians today are closer to each other, share common



From Left to right
 The founders of APMF Yong Po Shin, Senyon Kim, Indra Abidin.



IAA Meeting after Asia Pacific Media Forum event.
 Left to right
 N. Shutto - Japan
 Zhang Zeman - China



Closing Dinner APMF.

behaviors and attitudes, and generating as the center of world development. Where information, education, and communications are the vital components and players to improving the qualities of life in Asia. Strengthening the governments' taxes, providing employments, increasing the qualities of the mass media encompassing the most remote villages.

Advertising billings have grown to 20% of world expenditure and increasing. Asian advertising markets are leading in various technology applications. Yet we should also see the high complex issues, health, epidemics, environmental hazards, and many other social never seen before emerging jeopardizing all the fruits hard work gone through Ad Asia and AFAA since the past 50 years.

As Asia Pacific evolves dynamically, advertising today and tomorrow has the opportunity to function as the accelerator of social, economic and

cultural development in Asia Pacific improving qualities of life. As advertising gradually transcends to become a multilateral communications discipline, AFAA could position as the unifier and fertilizer of growth for all the communication industries including Above The Line and Below the Line industries, Mass Media, and Asian Brands.

Anticipating the continuous media convergence, new technologies, restructuring of the advertising industries; it is important for AFAA to be the instrumental body to prepare – equip our Asia Pacific industries to take a larger role within their own markets.

An Asia federation must, by its very nature, be a servus populi, a servant of communications practitioners in Asia, a planner/doer/coordinator of the tasks that must be done rather than a would-be Asian overlord who might be tempted to infringe

upon the prerogatives of individual trade associations or federations in our respective countries.

It is my opinion the time is now to elevate and position AFAA into higher grounds, enabling AFAA to be the central and source of development for all communications - ideas industries in Asia Pacific continuously and consistently.

AFAA social responsibility

It is anticipated that the consumerists will grow more aggressive pressures attacking the communications in various consumers issues following the movements in the other continents impacting to the freedom of communications/advertising speech and creativity.

AFAA should pre-empt / pro-activate and position leadership in public service advertising and social marketing programs, information education and communication that will create trust/confidence, acknowledgement and respect amongst the Asia Pacific publics towards advertising/communications industries.

Various issues can be initiated/undertaken by AFAA implemented by its members around their own respective markets. Social marketing/public service advertising campaigns that will result in social behavioral changes towards the betterment of its societies.

Promotion of advertising/communications profession

Developing high standards/practices in Asia Pacific need to attract the best talents/students that will be the future leaders of the communications/advertising industries.

This will require active continuous information educational and communication programs amongst higher schools, institutes, universities,

and the general public creating positive imageries on our industries. Long term the profession can be acknowledged as the most popular and the most promising career to build amongst the youth/students/young graduates.

The masters of ceremony during the finalists Awards ceremony.





Gohei Kogure
▶Japan

Message from Gohei Kogure

First of all I would like to extend my hearty congratulations to AFAA on the 50th anniversary of the Asian Advertising Congress. It is hard to believe that half a century has passed since the First Congress was held in Tokyo in 1958.

When I trace back the history of the Congress, two Japanese gentlemen come to my mind as being driving forces behind its formation. They were Messrs. Toyonobu Domen, then President of Ajinomoto and Hideo Yoshida, then President of Dentsu.

Mr. Yoshida particularly understood the importance of unity within the advertising industry in the Asian region for the improvement of the standards of the industry. He had the remarkable foresight to see that advertising would play a vital role in economic development and prosperity which would deliver higher standards of living for the people in the region.

I remember the First Congress held in Tokyo in 1958. It was a very modest affair with only eight delegates from overseas and a little over 100 from Japan. Though it was limited in size, the First Congress was a significant step for the advertising industry in this region. In these fifty years the Congress has grown into a big event with more than one thousand delegates and I am sure Mr. Yoshida would be delighted that the small seed he sowed has become a big tree with a lot of blossoms. He would be particularly happy that the seed has been nurtured by his fellow ad-men throughout Asia to grow into that big tree.

In the half century since the First Congress, the

advertising industry has achieved a remarkable growth in quality as well as in quantity. Yet there are still many unsolved issues and emerging new problems we never dreamed of fifty years ago. Some of these are unique to the advertising industry in this region and I expect AFAA members will continue to make united efforts to face these challenges, to make our industry more effective and meaningful, and to do so in a mutually beneficial and timely way.

Dawn of the Modern Asian Advertising World

Mr. Hideo Yoshida, elected president of Dentsu in 1947, believed strongly that advertising would play a vital role in the post-war reconstruction of the Japanese economy. He also felt that international cooperation among advertising professionals was essential, and decided in the mid-1950s to join the International Advertising Association (IAA). At that time, the IAA did not have a foreign chapter system and Mr. Yoshida established

the Japan International Advertising Association (JIAA) presumably as a step toward that end.

With enthusiastic support from the Japanese ad industry, the first regional advertising meeting was held in Tokyo in 1958. Eight international delegates from Hong Kong, Taiwan, Thailand, India and Egypt attended the three-day conference.

Tokyo also played host to a second meeting in the fall of 1960. On this occasion, 38 international delegates from five countries participated. For some unknown reason, this second gathering was referred to as a “congress,” while the first had been designated a “conference.” Perhaps the founding fathers, anticipating the future growth of this event, thought the term “congress” would be more appropriate.

As Mr. Yoshida was a prime mover for these first meetings, I was among several young Dentsu employees temporarily transferred to the organizing committee whereupon each of us was assigned to a different overseas representative. This was our first exposure to international business etiquette and I recall one of my colleagues being appointed to look after a female delegate. When he offered to carry her huge purse, she quickly chided him, saying, “A gentleman would never touch a lady’s purse.”

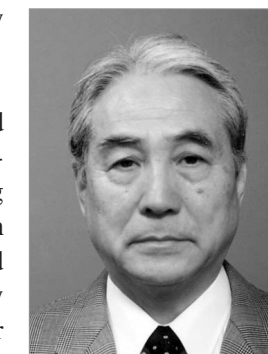
My early association with what has since evolved into AdASIA ended when I was transferred to New York a few months after the 1960 congress. By the time of the Manila congress two years later, Mr. Yoshida was seriously ill. Although unable to attend, he did send a message

wishing for its success. Mr. Yoshida passed away at the young age of 59 the following January.

The 14th Asian Advertising Congress was held in Seoul in 1984. During a break between sessions, I was asked by a reporter from a Hong Kong trade publication why Dentsu had not been paying its membership dues to AFAA (which had been established in Manila in 1978 by Mr. Tony de Joya). I had not been involved in AFAA for quite some time, even after returning from the States, and recall telling the reporter that I was not aware that Dentsu was a member of AFAA. I did tell him, however, that I would look into the matter.

When I got the chance to go through all the old documents, I discovered that Dentsu had not actually joined AFAA. Dentsu had instead donated an amount equal to the annual dues of a corporate member as a congratulatory gift. The confusion was understandable. I reported my findings to Mr. Gohei Kogure, then president of Dentsu, and recommended that Japan become a Country (now Regular) Member. I also suggested that Dentsu become AFAA’s first Corporate Member. Mr. Kogure agreed and decided to ask the Japan Advertising Federation (JAF) to represent Japan in AFAA.

As I look back, it is clear that the seeds sown by Mr. Yoshida and others a half-century ago gave birth to what is known now as AdASIA. However, it is the many dedicated members of AFAA whose enthusiasm and belief in the common causes of advertising that keep this biennial event ever growing.



Shuzo Ishikawa
▶Japan



Kazuo Miyakawa
►Japan

AFAA - A Driving Force in the Asian Advertising Industry

My involvement with AFAA began in 2001 with AdASIA Taipei and continued thereafter for the next five years. In looking back, those were clearly some of the most rewarding experiences of my career. I consider myself very fortunate indeed to have had the opportunity to work closely with so many outstanding individuals whom I still feel privileged to call friends. And it was over those five years that I became firmly convinced that AFAA is a crucial driving force in the Asian advertising industry. My reasons for holding such a belief are threefold:

1. AFAA promotes mutual respect and understanding. Membership seems to spawn the trust and desire necessary for members to work together effectively. Nowhere is this cooperative spirit more evident than at the biennial AdASIA congresses. The camaraderie among AFAA colleagues is the single lasting and overriding image I have from my participation in the AdASIA congress held in Taipei, Jaipur and Singapore.

2. AFAA members share common goals and values. There is a universal feeling of togetherness among the members of AFAA, as well as a very strong communal belief that problems can be overcome and standards raised. AdFest and the Bali Media Forum come immediately to mind as perhaps the two best examples of what can be accomplished when AFAA members take the initiative and work hand-in-hand toward a common vision.

3. AFAA embraces opportunities to work with others. As IAA VP and Area Director for

Asia/Pacific for several years, I experienced first hand the willingness of AFAA leaders to work with outside parties and other organizations. Without AFAA's cooperation and support, the considerable progress that has been made toward the establishment of a regional Professional Development Program would not have been possible. And who can forget the teamwork exhibited by AFAA in a cooperative effort with the IAA to raise funds for the needy following the terrible tsunami disaster.

Looking back now from the quiet perspective of retirement, I am reminded of the many enduring friendships developed, and the pleasure I always felt to be associated with such a professional organization. Thank you, AFAA!

With Fellow Asian Advertising Practitioners, Celebrating 30 Years of AFAA and 50 Years of AdAsia

1978 Manila

I visited Manila in early August 1978 in the full heat of summer. Thus began my 30 year long journey with the AFAA. The Philippine advertising industry was fully mobilized to prepare for the work at hand to found the Association and as for participation from the other countries there were just 12 participants from 9 countries. We were most impressed by the fervor of the Philippine advertising colleagues.

1958 Tokyo

The Asian Advertising Congress was founded with the initiative of Mr. Yoshida, President of Dentsu Corporation of Japan at the time in 1958 and this survived over the years with meetings being held every two years in different Southeast Asian countries. However, in the 1970s the enthusiasm gradually subsided and at the meeting in 1976 held in Australia the Congress was virtually at a crisis point.

AFAA

As the following conference planned in the Philippines in 1978, the Philippine advertising industry led by Antonio de Joya rose to the occasion in order to revive this congress. The congress which was handed down from one hosting country to the next reached the conclusion that a back-up organization needed to be established with participation of countries throughout Asia.

This meeting brought the Asian advertising fellows together in unity and established the found-

ing principles and constitutions of AFAA and in the fall of the same year at the Manila congress the established of the AFAA was formally announced. Hence the Asian congress averted the crisis and successfully opened a new era in Asian advertising.

AdAsia

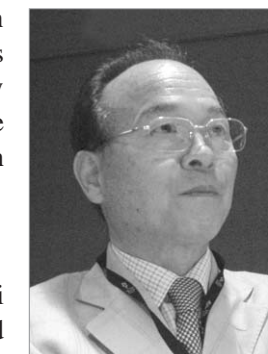
Thereafter following Singapore and New Delhi congresses, Seoul hosted the congress in 1984 and I was tasked to be in charge of the organizing committee and we held a successful meeting. It was noteworthy that the congress was renamed AdAsia and the name has been retained to this day.

Kashmir Issue

From 1984~1986 India and Pakistan were embroiled in the Kashmir conflict and this led to the recording of the first crisis for AFAA. Many including myself recall the difficulties we faced on this awkward 'political issue.' As a consequence of this Tony de Joya, the founding chairman, resigned from his position. Thenceforth it was decided that the chairmanship would rotate biennially from one host country to the next and this system has been maintained to date.

Japan

Japan, the founding country of AdAsia actually participated somewhat passively throughout the 70s and 80s. However, Mr. Kogure, President of Dentsu at the time took the decision to bid the Congress and in 1983 the hosting of AdAsia returned to Tokyo after a long duration. Thereafter Japan and Dentsu actively partook in the development of the AFAA and became an important pillar thereof.



Senyon Kim
►Korea

A founding member in 1978 and since International Council member, AFAA (1978-2005) Former World President, IAA (1996-1998)

AFAA/IAA

After the founding of the AFAA, the relationship to the International Advertising Association (IAA) needed to be established. Opinions ranged from those supporting coexistence and confrontation but recognizing that one was regional and the other was a global organization it was determined that the relationship should be complementary. Moreover, active industry leaders in each country hoped to utilize harmoniously the advantages of the two organizations. Since the latter half of the 80s both the AFAA and IAA consistently maintained a policy of cooperative coexistence and this was a mature and appropriate choice. In the '80s both associations held Congress in the same years. However, in 1991 at the Kuala Lumpur congress it was decided to postpone AdAsia by a year to take the initiative on this issue. Furthermore, the relationship between IAA and the AFAA have been maintained most actively in comparison to other regions.

China Issue

In 1986 at the Bangkok congress China which just joined the AFAA seemed to recognize Taiwan as a member state in the conciliatory mood of the times at first and even offered to host them at the 1995 congress. However, in 1990 China strongly insisted on the 'One China' policy taking issue with the denomination of Taiwan chapter and withdrew from the association. Many efforts were made thereafter by the leaders of AFAA at different occasions to persuade China but in spite of such efforts China has not formally returned to the association. This taught a valuable lesson as in the Kashmir issue that such political issues could not be readily resolved in industry organizations like the AFAA. In view of the considerable progress made by the Chinese advertising industry

and its share of the regional market, the absence of China is most regrettable.

Asian Hospitality

The most memorable moments are represented by the hospitality events such as those which impressed us at the Bali and Jaipur congresses. The hospitality events with folkloric presentations and delicious local food typify the evenings that we shared together after serious congress sessions during the past 30 years. Such very Asian and carefully considered banquets form a part of the tradition of AdAsia and have gained international renown.

Goodwill and Volunteer Spirit

We pride ourselves in the 50 years of AdAsia and 30 years of AFAA history since its inception. We have to think what gave rise to the success of the associations. In retrospect, the AFAA is a funny kind of organization. This is a loose organization which is not particularly strict as an organization without supporting financial resources and a established secretariat. The fact that this organization was sustained with considerable development over almost half a century is testament to the good will and the volunteering spirit of the leaders from each of the member countries. Only their passion and initiative made all this possible.

Asian Solidarity and Friendship

In the gatherings among Asians we stress Asian solidarity over and over again. It is most enjoyable to see that the friendship and camaraderie flourished during the many years of growth and progress. The passion shown by the Philippine participants and Tony de Joya in the early days and the dedicated service of the orga-

nizers from each of the AdAsia host countries in the years following are greatly appreciated. We would like to take this opportunity to show our express thanks to their outstanding service and friendship.

In particular, Datto Jaffar who passed away, the still active Vinit Suraphongchai, India Abidin, and Shuzo Ishikawa who since retired and others dedicated a great deal of time to developing ideas and taking initiative. Often it is said that advertising is a business of people. An organization such as AFAA is a people's organization and we believe that meeting good people are the greatest reward to our dedication to the association.

AdFest/APMF

Towards the mid of the 1990s, AFAA also broadened its scope. As AdAsia matured into a general forum of the Asian advertising industry, we all have come to agree on the necessity of an independent advertising festival for Asia with a view to resolving technical issues. Thus was created AdFest (Asia Pacific Advertising Festival) which is celebrating its 10th anniversary this year and this has grown to be one of the five top advertising festivals in the world.

In 2005 The Asia Pacific Media Forum (APMF) was launched after years of preparation. This is a biennial forum for media specialists and is slated to grow rapidly in view of the current development of the media industry. The AFAA has therefore been instrumental in giving birth to the likes of AdFest and Media Forum, and is entering a new era of trilogy.

New Era, New Challenges

It could be said that the past 30 years were the period of the first generation for the emerging advertising industry in the various Asian countries.

Common to the first generation is the pioneering passion, the focus on the vital role in the establishment a new industry and the vision of sharing new information among member countries. Therefore their mutual cooperation came by very naturally as a common issue. The Asian advertising industry in the new millennium is growing at a phenomenal rate and its environment and content are evolving accordingly. Hence the socio-economic position of the advertising industry in the region has changed considerably.

The 21st century and its new generation are expected contend and innovate with a commensurate level maturity to the increasing demands of AdAsia and AFAA. Moreover, Asian solidarity will be redefined and expressed in the years ahead.

AdAsia unique in the world with its 50 year history!

We look forward to a benevolent revolution in the future in light of the half century anniversary with unique advertising events and culmination of collaboration between advertising professionals.



Longmen Hu
►Taiwan

An Aged Photo

The other day, I discovered an aged photo accidentally. It's a photo from an overseas friend and it has brought back lots of memories. The photo was taken 41 years ago at the Fifth Asian Advertising Congress in Taipei while President Chiang Kai-shek was greeting all the representatives. That time, I was helping out at the Congress and I belonged to the General Affairs Committee. Apart from my job at work, I spent lots of time and energy in organizing the Congress. The Fourth Asian Advertising Congress was held in Hong Kong two years prior to the Taipei Congress. I was very young then. It was not only the first time I participated in an international congress it was the first time I traveled overseas. Therefore, everything was so new and foreign to me.

From then on, I attended almost every international congress held except for some special reasons.

No matter in which country the congress was held, the host made their best efforts and most of the time, the congresses ran very fantastic.

However, after each congress was over, when everyone had left, the enthusiasm seems to disappear. An empty feeling took over when life is back to normal. Through the noises and excitement at the festivity, we got to gather with old friends and meet new friends. There are many other ways to build up network and receiving new ideas. Are these the only contributions AFAA can offer to the Asian advertising industry?

Of course, there were work reports from each working committee during each meeting and all participants actively involved in the discussions. However, the issues discussed were not at enough depth and the discussions seemed to carry on only for the sake of discussing. The reason for this may be that the issues were not researched and thought through thoroughly before being brought up. Therefore, to achieve this, specially designated research personnel would be required.

Under the current condition, to ask each working committee to conduct such research would be quite difficult both in manpower and financially. Nevertheless, if we are able to put more manpower at the Secretariat to conduct research on issues facing the Asian advertising industry or even on the development of the Asian economy before bringing the issues to the International Council for decision making, the meetings will become much more productive. We will also be able to make higher contribution to the Asian advertising industry.

AdASIA is already 50 years old. After going through half a century, I hope the organization will become more mature and can make glorious contributions to the advertising industry in Asia.

The AdAsia Connection

My story began twenty one years ago in Bangkok. In 1986, I was asked by my boss to attend AdAsia Bangkok. Though I knew nothing about AdAsia, I accepted the offer happily. Who would say "no" to a vacation in Bangkok! When I got there, I became a little boy in the candy shop. There was so much to learn and see. I was impressed by the speakers and the chance to meet these industry leaders in person. I enjoyed the dinner parties and the cultural experience provided by AdAsia. I made a lot of friends from countries around the region. It was more than a vacation! It was a great chance for self-development and networking. I believed my AdAsia experience is a great asset to my career. Without hesitation, I put AdAsia on my "must do" list and joined all the following AdAsia Congresses. I was always an active and supportive delegate.

My experience with AdAsia took a new perspective when I turned from a delegate into an organizer of AdAsia. The Taipei Association of Advertising Agencies decided to bid for AdAsia 2001 and I joined the bidding team. We did a lot of homework to understand the spirit and organization of previous AdAsia Congresses. We also put together a direct marketing campaign to solicit support from AFAA members in the region. All our effort paid off and Taipei became the organizer of AdAsia 2001. I was appointed Deputy CEO of the organizing committee and spent almost four years in the preparation of AdAsia Taipei. It was not until then that I realized the tremendous amount of effort put behind an AdAsia congress. We had to overcome numerous challenges to make the congress meaningful and attractive to delegates. Fortunately, we had great support from

our Asian friends and AdAsia Taipei turned out to be a very successful congress. It was one of the most unforgettable events in my life.

Over these years, I am glad that the standard of AdAsia Congresses gets higher and higher. Every organizer tries to bring new perspectives and excitement to the Congress. However, I start to worry about the decreasing number of delegates from certain countries in Asia. Many of the younger advertising professionals in the region seem to lose interest in going to AdAsia. They are either too busy at work or do not recognize the value of AdAsia. I believe AdAsia should be more aggressive in promoting itself and enlarging its impact both in the industry and in the region. It is good to see old friends every time we go to AdAsia. However, it is more important to get new blood to AdAsia so it continues to be the leading industry forum in the region attended by industry leaders. AdAsia is a very valuable brand. We need to preserve it and revitalize it. I also urge all advertising elites in the region to attend AdAsia. I guarantee it is a fruitful experience.

This year we celebrate the 50 years of AdAsia and 30 years of AFAA. Congratulations to AFAA and AdAsia on this very special occasion! On behalf of the advertising professionals in Taiwan, I would like to thank AFAA and AdAsia for your wonderful contribution to the advertising business in Asia.

Viva AdAsia!

Viva AFAA!



Raymond So
►Taiwan

The Fifth AdASIA Congress in Taipei President Chang, Kai-shek was greeting all the representatives.





**Vinit
Suraphongchai**

► Thailand

AFAA Article

Is AFAA an historical relic or a relevant representative of today's advertising industry in Asia Pacific?

I first came into contact with the Asian Federation of Advertising Associations, or AFAA in 1984, when I attended the 14th Asian Advertising Congress held in Korea. It seems appropriate that I should be writing about AFAA and the Asia Advertising Congress when it is once again held in Korea, twenty-three years later.

Instead of using the full name of the "Asian Advertising Congress" as it was called originally, the Koreans shortened it to "AdAsia". Thailand followed in 1986 and the name has been adopted ever since.

My duty in 1984, if one can call it that, was not so much as a delegate but rather as to observe the organization and management of the event, as I was the Chairman of the Working Committee for Thailand, the next country to host the event, two years hence. It was the beginning of a twenty-three year relationship with AdAsia.

Faces were introduced to me and names came at me from every direction at first but two stuck with me. They were Senyon Kim (President) and In Sup Shin (Secretary - General) of the Organizing Committee. At the time, they had little spare capacity to teach me anything because they were busy managing the event, so I was left to make observations on my own, which did not amount to much. Half-way through, I just gave up and enjoyed myself. In those days, the event spanned over five days which, in the fast-paced

era we live in now would be seen as an over-kill. Gradually, the duration of the event has been reduced to the three days that it currently occupies.

But to start talking about AFAA or AdAsia straight away is too far ahead of the story. To get the whole picture, we need to go back about 50 years.

The History of AFAA and AdAsia

In 1958 Mr. Hideo Yoshida, president of Dentsu Japan, launched the very first Asian Advertising Congress in Tokyo. There were less than 100 delegates, many of whom were Dentsu people. Mr. Shuzo Ishikawa, a long time member of AFAA who has since retired, was among them. Held every two years by different Asia Pacific country, the event was to be the beacon of the industry, the hub and network that aims to promote friendship, knowledge and to elevate the standard of advertising in the region.

In those days there was no centre or a proper system to manage the affairs of AdAsia from one event to the next. This was resolved in 1978, when with the agreement of different countries, AFAA was established in Manila with Mr. Anthony de Hoya as the first chairman. There were teething problems in the beginning.

While the headquarters of AFAA were in Manila, the venue of AdAsia changed every two years. The result was that record-keeping and transfer of documents from one AdAsia to the next happened randomly. Things got even worse when it was decided that the headquarters of AFAA was to move in tandem with the host

venue. In response, Dato Mohamad Ali Jaffa of Malaysia (a long time member who passed away some time ago) volunteered to have Malaysia as a permanent centre. Since then the management of AFAA and AdAsia have become a professional affair.

AFAA's Legacy

When I joined AFAA in 1984, it was in the midst of a very exciting time for advertising in the region, when things were happening everywhere, accompanied by hope, vision and energy.

AFAA was not without its problems. Around the mid 1980's, political tension between India and Pakistan spilled into AFAA. India virtually boycotted Pakistan at AdAsia Lahore in 1988. In those days, the heavyweight group controlling the Indian advertising scene consisted of Dr Ram Taneja, Harish Mahindra and Ahmed Ibrahim. On the Pakistan side, there was Syed Haseen Hashmi, Wajid Mirza and Javed Jabbar.

The last was a fiery and eloquent orator who subsequently became a senator in the Pakistan government. They were all a product of their time, i.e., the classic Cold War warriors of a black-and-white world where you were either a best friend or a mortal enemy. Those were interesting times. Fortunately, since then, relationships have taken a turn for the better. India and Pakistan even play cricket together these days.

In 1986, the People's Republic of China attended the Bangkok AdAsia, with Mr. Chou Shin as the head of the Chinese delegation. In the same year, China applied and became a member of AFAA, through the China National Association for Foreign Economic Relation and Trade

(CNAFERT).

In 1990, the Taipei Advertising Agency Association (TAAA) also applied and became member, by amending some clauses in the AFAA constitution. It is too complicated and delicate to go into detail here, so suffice to say that as a result, China, withdrew from AFAA. Sadly in the last thirteen years, although much effort had been made by many members of AFAA to resolve the stand-off, no progress has been achieved.

So after 23 year with AFAA and AdAsia, I have come to some conclusions about this illustrious group.

As the custodian of AdAsia, AFAA has been most useful. The whole administrative machinery, oiled by the good office of Mr J. Matthews of Macom in Kuala Lumpur, has been in excellent hands. The bidding system for the event, typically in the Asian style, has worked well. Over the years countries across the region have been well represented as hosts of AdAsia. More importantly, AFAA has worked at and maintained good relationships across Asia Pacific and is truly a harmonious body, with no factions among the members.

AFAA's Challenge

If there is a weakness, it is that AFAA has an image problem. It has been around for 30 years but in terms of industry awareness, it has failed to promote its own 'raison d'etre'. When confronted, the advertising practitioners can be forgiven for asking the respective questions of "Who is AFAA?" or "What does AFAA do for me?"

Suggestions have been made to rename future AdAsia events, such as "AFAA AdAsia", but that may not be enough to improve industry recogni-

tion and respect. For belief, people must see results and many of the visions proposed by AFAA in the early years were simply not realized, among them a regional training project. AFAA suffers the same fate as many associations, in that the organization consists of mainly board members, with no executive team to implement ideas effectively. This is the main reason that many good and well-meaning proposals remained on paper.

For AFAA to be a stronger body for the good of the industry, a source of income is needed to help it change. For example, one way is to charge future host countries a “hosting fee” which might be managed by way of a bidding system for the organizational responsibility or through profit-sharing of the proceeds.

Significantly, the association also has an aging problem. New blood needs to be brought in, indeed forced in. AFAA should require that its members be active executives in the industry, as is the case with C4As (Confederation of Accredited Advertising Agency Associations). This may be just wishful thinking but it is a serious observation.

Ultimately, some questions have to be asked about AFAA’s current ‘modus operandi’; whether it is the issue of the aging council members who lack the energy and vision of younger representatives, or lack of money to fund active, working executives to implement ideas, or the need for new and inspirational projects to encourage wider participation around the region.

Perhaps more specifically, it is a question of

whether AFAA responds relevantly to the changing times in our industry and represents its current needs.

Forty or fifty years ago, the advertising industry in Asia was in its infancy. It was very small, highly fragmented and rather unsophisticated. The leaders in those days essentially became the visionaries and pioneers. They identified the industry need and formed a common forum that was AFAA.

But the times have moved on apace. The advent of globalization and the sophistication of communication technology have left their impact. International agencies are now well represented regionally, providing good internal networking and training. These days, information can be made available at the touch of the finger. Against this backdrop it must be said then that the need of an agency to belong to a regional institution is no longer as critical as it once was.

There is also the matter of current attitudes to take into account. Today’s generation is more self-centered and self-reliant than its predecessors - something the older generation complains about frequently. It seems that the sense of communal obligation or voluntary contribution is less imperative or simply extinct. To make matters worse, we are seeing a marked shift in culture towards high mobility, which negates any long-term commitment. If this is indeed the attitude of advertising young bloods, what does the future hold for AFAA?

It is clear that the organisation needs to reinvent itself and make itself relevant again to the

advertising community in the region. It is not enough to rely on its successful custodianship of AdAsia and affiliation with AdFest or Media Forum.

The Jewel in the Crown

AdAsia is AFAA’s shining jewel and the bi-annual event draws strength from the inspired input it gets from every new host country.

At the time of AdAsia’s inception, forty or fifty years ago, information and knowledge were very hard to come by. It played a vital role in periodically updating the region on the future trends for the industry. Although industry information is accessible through other sources nowadays, AdAsia still provides a broad spectrum of information and knowledge, particularly for small agencies and publications that have less access to the latest technology.

In recent times it can be seen that AdAsia speakers tracked the marked shift in the media scene, e.g. the unbundling of media buying from the traditional full service agency system and the rapid evolution in digital and new media fields, which in turn has affected the traditional media scene. While the role of AdAsia as a forum remains constant, its contents are change continuously, serving the needs of the times.

Ultimately, AdAsia is more than a knowledge forum. It is an institution; a heritage and a meeting place. It is a regional venue for long-lost friends to meet as well as for new friendships to develop. It is a place for hard-working executives to get away from the daily grind for a few days to ponder and refocus on the future. Last, but not least it is a place to enjoy the evening functions,

organised by the hosts.

Speaking from personal experience as a regular participant of AdAsia (I have been to every single one of them since 1984), I confess that some of my most vivid memories are largely of the evening functions and the ambience of the different venues: the grandeur of Shalimar Gardens and Lahore Fort, the fantastic dances in Bali, the food and pageantry in Jaipur, to name but a few.

This is not to belittle the rostrum of world class speakers. The main attraction of AdAsia is always the broad range of its speaking sessions, which I have devoured avidly over the years. Although I cannot tell you explicitly who spoke in the first session on the second day at AdAsia Singapore 2005, I believe that the knowledge received elegantly disappeared from the conscious and diffused into the subconscious, into one of those little drawers in Salvatore Dali’s painting of his dreams. At least I tell myself that!

Delegates to AdAsia these days average around twelve hundred people, compared to just one hundred at the inaugural gathering in Tokyo in 1958. As an industry milestone, it is the oldest, most important and prestigious event of the region. As long as the host of each country strives to be better than the last and provides programmes that are relevant and well balanced, AdAsia will continue to thrive.

This year we are celebrating the very healthy fiftieth year of a well-attended and well-respected AdAsia. Mr. Hideo Yoshida and AFAA should be very proud of what it has become.



Bruce Cormack

►Australia

Recalling 30 years of AFAA and 50 years of AdAsia

Some reminiscences by Bruce Cormack, AdAsia delegate for Australia to Bangkok 1986, Lahore 1989, Kuala Lumpur 1990, Tokyo 1993, Bali 1995 and AFAA Council Member from 1987 to 1993 and Russell McLay, Australian delegate to Manila 1978, Singapore 1980, Tokyo 1993

In the rear view mirror, AdAsia has been a kaleidoscope of colour and personalities, of differences and unexpected similarities and of long-lasting friendships arising from a common faith in our communications industry.

With some notable exceptions the venues, the organisation and the accompanying hospitality survive the trial of time rather more than the subject matter of the conferences. While they were not a forum for learning new ground-breaking advertising practice, we met and heard from many of the global leaders of the day in industry and in politics.

The last decade has produced some of the most far reaching changes in our industry since the advent of television. The rate of change will vary from country to country but the impact of the new digital age will be felt by us all. It is to be hoped that there will be a role for AdAsia in helping the region to understand this phenomenon and in helping our individual businesses to engage it effectively – and profitably. Here are some thoughts from the authors and a few of their surviving colleagues.

Hong Kong 1964 was the site of the fourth AdAsia conference, although it quite possibly had

another title at that time (Asian Advertising Congress-editor). The prime mover and first host was Elma Kelly who had started the pioneering Cathay Advertising agency in Hong Kong and Shanghai some years earlier. The business was part advertising agency and part media representation but it was unique in Asia as a contemporary western-style advertising business which had grown from its own resources. The Cathay business was not flown in from another place.

Miss Kelly practised as an industrial chemist in China in the early 30's, before she moved into the advertising business with Cathay. She was interned in Hong Kong by the Japanese during World War 2. Returning to advertising she retained a broad vision for the industry through the region. She was uniquely positioned to support an industry-wide initiative such as AdAsia through her unmatched contacts through the region. It is believed she was strongly supported in her vision of a future AdAsia by Otto-san (?) of Dentsu and Jake Romero of San Miguel. She sold her business to George Patterson Australia in 1961, a business which was to evolve into Bates Asia. However Elma continued her enthusiasm for AdAsia supported by her new George Patterson Chairman, Keith Cousins, himself to become a future-shaping force in the region.

Jakarta 1976 was held in a brand new conference centre carved out of an old section of the city and not yet equipped with air conditioning when the AdAsia meeting started. The conference itself was opened by President Suharto of Indonesia, supported by a strong retinue from the military, the air force being particularly noticeable. Despite the very real conference problems caused by on-going construction of the new centre the

military stepped up and helped to run the conference with great efficiency and with a minimum of interference from outside distractions. Security is remembered as being first rate.

Manila in 1978 was the second of three AdAsia meetings in that city. It is remembered as one of the first functions held in another major new convention complex developed near the harbour. What is not generally known, let alone remembered, is that this particular AdAsia was rescued from financial disaster at the last minute by the generosity and prompt action of the Australian agency George Patterson, Dentsu of Japan and a third party. These people stepped in quietly to make sure the event happened – and it did. Again, the opening duties were performed by the head of state – at that time Madame Marcos.

Manila is also recalled as the occasion when delegates were tempted by a government-sponsored offer to purchase duty-free, a veritable fleet of new Mercedes cars. The Government would retain the right, for a specified time, to call on these cars to be used for short periods as official transport for major conferences. The buyer enjoyed a deep discount and a two year commitment to make the vehicle available. It was part of a government initiative to generate more international convention business. In the manner of such things the trail has gone cold, but there may still be some local beneficiaries of the big car deal. Or their heirs.

Singapore in 1980 was held before many of us had much experience in staging international meetings, both from a logistics point of view and a programme aspect. There is a strong memory of

two linked hotels, call the Mandarin, at the top of Orchard Road with a confusing and labyrinthine track between meeting rooms and hospitality centres in the two properties. The Singapore “Mandarin” had no connection with the Hong Kong Mandarin, a benchmark for the region in those early days, and left many delegates disappointed and dismayed. Raffles, even in its then un-rebuilt state was a preferred site for many delegates.

Singapore itself was far from the sophisticated advertising hub it is today, assuming the mantle of a regional hub for many companies. But even then, the efficiency of the local organisers was a stand-out for its time. Today we take such organisation, service and efficiency for granted, even in venues which fall a little short. And one should not forget the benign influence of the Straits Times group which provided a glue which held together disparate members of the fledgling advertising industry.

Bangkok in 1986 carried some logistical problems, with a conference venue away from the downtown area and the city itself in the throes of enormous growth in people, development and traffic - change which continues to this day. The hosts were gracious as ever and painstaking in smoothing over the differences which can emerge when disparate cultures gather together. While the speakers did well on their day, one of the strongest forces to emerge came from a few key country delegates who were to carry on for some years and provide the framework which held AFAA together. This enabled AdAsia to continue as a viable event.

There were strong contributions and representation from Malaysia and Singapore. From Thailand and Pakistan. A powerful group from Japan and an emerging strength from Indonesia. Australia too was active on a wide front. We have a habit of identifying social periods by name, these days; in hindsight the Bangkok AdAsia might be called the first of the “modern era” of AdAsia meetings, in the same way that the ground-breaking 1956 Melbourne Olympic Games won a “modern era” cachet for performance, presentation and outcome. AdAsia showed its purpose was serious and the support from the senior leadership became increasingly evident and visible. The great catalyst was the hospitality of our Thai friends who provided an embracing forum. I remember many of the individuals well, to this day. It is a tribute that many, such as Vinit, are still contributing in Thailand and in other AdAsia countries.

Lahore in 1989 was the next AdAsia venue and the first time we saw the development of what was to become a serious bidding process by countries to hold future meetings. Times had changed and our Pakistan AFFA delegate Javed Jabbar had become the Pakistan Minister for Communications! Political times were not easy but Javed brokered a de'tente and cooperation between the federal and state authorities. The result was a stunning conference – a variety of top speakers and spectacles which defied imagination and which could only happen with full national support.

One memorable on-stage performance was a creative speaker, Bryce Courtenay from the Sydney ad agency George Patterson Bates. Bryce was a flurry of movement, flinging off coat and

tie and rolling up sleeves in a frenetic plea for more creativity in advertising. For days after, he attracted a rock star-style retinue of young believers clamouring for more. (One of the great initiatives of this and other AdAsia events was to allow young local delegates and students to fill the audience gaps at no charge, to expose them to the best minds in the business.) Bryce, on the other hand, was a little distracted because, in Lahore, he had just received first proofs of the dust jacket for his first novel *The Power of One*. It was the first of many, and Bryce now sells internationally in the millions.

We dined outdoors to tinkling fountains and ice sculptures, we lunched on the rolling lawns of the grand colonial style provincial Library, only steps away from a dedicated market of working artists and craftsmen and a dazzling array of colour and movement.

We dined on more acres of lawn at the original Governor's residence, still a seat of power, and were served impeccably (some hundreds of us) by dress-uniformed army personnel, being entertained the while by a large army band strategically positioned on an artificial hill. One could imagine the hill as a viewing platform for the grassed area where we were dining – and hear the thundering hooves of polo ponies in another time.

After decades, the fabled Shalimar Gardens were opened for an informal meeting and refreshments – magically lit for the occasion by the generosity of Philips of Eindhoven. The senses were almost totally overwhelmed by the parade of singers, dancers and musicians, colourfully dressed in their own village styles, who danced through the paths and flowers and ponds of the

palace adjoining our high vantage point. There seemed to be thousands rather than hundreds in a swirl of colour and movement and music – a total assault on the senses. And we farewelled Lahore from a hill-top fort – surrounded by the culinary delicacies of provincial Pakistan and stunned by the night release of hundreds of colourful hot-air paper balloons, candle-powered and drifting into the starry night. To this day I do not know how we avoided burning down half the city of Lahore.

I am conscious that this AdAsia, at times, seems more tourist than professional conference. The professionalism was there – each day – with speakers treated like celebrities. But it was also one of the most concentrated, cultural impacts one could experience anywhere in the world – I believe the impact came not so much from the grand and impressive sights and venues – but from the impact of the people of Lahore, those with authority and duties, and those who sang and danced and talked about cricket.

Kuala Lumpur 1990 was hugely attended and formally opened by the King and by Prime Minister Mahatir. Several of the delegates were later fortunate enough to join His Majesty for morning tea, and an unusual insight into the development of Malaysia.

There was a growing sense of camaraderie among delegates from different countries who were now getting to know each other over a series of AdAsia conferences. This, of course, was spurred on by lobbying amongst delegates for votes for the venue of the next conference (actually, the conference after the next to allow preparation time). The lobbying was climaxed by on-stage presentations from delegations from the

competing nations.

In a novel and spectacular move, the Malaysian hosts built a spectacular “village”, for eating and entertainment, right in the centre of downtown, only minutes from the main conference venue and opposite the classic lines of the old Kuala Lumpur railway terminal. You could say that AdAsia literally spilled over on to the streets – and took them over in a huge, happy gathering.

Tokyo 1993 was run with great precision, and meticulous attention to timing and detail. The opening ceremony attended by the Crown Prince of Japan was accompanied by a stunning concert-hall performance by a full symphony orchestra. This raised the bar and set a standard for the ensuing conference. The captains of Japanese industry attended along with the legends of the local – and international – advertising industry. At the glamorous welcome party in the Imperial Hotel, delegates could meet the “names on the brands.” (The author writes this still wearing a watch, presented later in the conference, by Mr Seiko.)

The conference rolled on with the smoothness of a Bullet Train. But behind the scenes there had been some turmoil at the AFAA meeting preceding the conference. Newly-joined delegates from the Peoples Republic of China were most anxious to be nominated to host the AdAsia after next, a venue which had been previously allocated to Australia. This caused tensions, and potentially some embarrassment to the hosts of the Tokyo conference and to the AFAA Chairman. The problem was resolved, as it usually was, within the AFAA Council. The Australian delegate offered to vacate their long allocated position as next

hosts, after Indonesia, in favour of the Peoples Republic of China, recognising the future importance in the region of this new recruit to AFAA. Accordingly the competing presentations for the honour of being next venue were cancelled and Australia publicly invited the Peoples Republic to take their position. The Japanese hosts, and the delegates in general, showed appreciation of this resolution.

Our hosts were outstanding in presenting a series of professional papers and also in orchestration a number of awards, on a trans-national basis, including the extraordinarily difficult task of arranging an international jury to judge a market research award. This author, as a jurist, was most impressed.

Bali 1995 was held at the conference centre at Nusa Dua, adjacent to several Sheraton Hotels, sparkling clear water and sunny skies - a true tropical masterpiece.

Yet it was somehow quite appropriate for then President Suharto to helicopter in to open AdAsia and to give delegates a light-hearted lesson in geography. Later, at morning tea, the author was able to ask the President if one of the 13,000 islands of Indonesia, he had spoken of, could be dedicated as a retirement home for old advertising people? The President laughed but did not say no. His Air Force aide did not seem amused.

The conference and the venue attracted a particularly outstanding programme presented by world leaders in advertising. Somehow Bali did not seem so far from London or New York.... The venue certainly contributed to a relaxed atmosphere and good inter-action between the dele-

gates. Setting up a moonlight picnic dinner on a remote, but nearby, headland did nothing to spoil the mood of the delegates! For this delegate, it was a memorable end to an extraordinary series of AdAsia conferences spread over a decade.

AFAA and AdAsia - a must place to joint

Dear friends and colleagues,

With its mission, commitments and experiences, AFAA has made great contribution to the promoting of advertising standards and professional development in Asia and her membership associations through such Only One events such as: AdAsia, AdFest, A/P Media Forum, etc.

AFAA is also an ideal place for emerging advertising market and young local practitioner, communicators to learn and exchange precious experiences with world class leading advertising guru in Asia and around the world.

AFAA and its membership associations, partners such as TAAA, KFAA, Dentsu, AdFest, IAA^o¶ have supported and donating many books, magazines, and advertising materials to the advertising library initiated by VietnamMarcom in Vietnam.

With this precious and generous supports, the professional development program initiated by VietnamMarcom and University of Economics (Hochiminh City) from April 2001 until now has provided the advertising training courses for more than 3,000 students and local practitioners for the Vietnam young advertising industry. The program is keep growing well with regular new launching other specializing modules such as: IMC, copy-writing, creative communication, marketing, brand communication, event...

On the 30th anniversary of AFAA foundation and the 50th anniversary of AdAsia, it^oØs my great pleasure to send our best regards and sincere

thanks to all of AFAA leaders and members, who always give generous supports and true friendship to made our beliefs and mission come true.

Warmest regards and all best wishes,



Tran Hoang

►Vietnam

President
VietnamMarcom
(an individual member of AFAA)

A p p e n d i x

About the Writers

Dr. Pradeep Bhattarai / Nepal

Ramon Faustino L. Dolor II / Philippines

Raymond Kalaw Nacino / Philippines

Cynthia S. Jacinto / Philippines

Ramesh Narayan / India

Indra Abidin / Indonesia

Tanvir Kanji / United Arab Emirates

Japan Advertising Federation (JAF) / Japan

In Sup Shin / Korea

Dong Hyun Kim / Korea

Nantha Kumar / Malaysia

Eddie Chan / Singapore

Jonathon Chen / Taiwan

Cheng Tzu-leong, Ph.D. / Taiwan

Saravudh Anantachart, Ph.D. / Thailand

Wen Chunying, Ph.D. / China

A p p e n d i x

About the Writers



**Dr. Pradeep
Bhattarai**

►Nepal

Dr. Pradeep Bhattarai, a multi-dimensional personality with a deep knowledge of Nepalese advertising industry in ground reality has a long experience in advertising in Nepal. He has been involved in this sector since last 15 years in the position of senior most executives in execution as well as creative in different advertising agencies.

Schooling in mass communication and specializing in "Socio-cultural effects of Cinema in South Asia" he has contributed a lot as an opinion-maker in favor of competitive Nepalese advertising industry and as a university teacher of Advertising and Public Relations, he has played a significant role in human resource development in this sector.

He has been involved in the development process of AAN since its journey begun and played a significant role to draft country's first advertising policy paper, a progressive guideline of its kind to breakthrough the Nepalese advertising up to the mark.



**Ramon Faustino
L. Dolor II**

►Philippines

Ramon Faustino L. Dolor II, aka Beting Laygo Dolor, is a veteran newspaperman. He is presently managing editor of MAXIM Philippines, managing editor of Prime Asia, and contributing editor of Philippine News.

He was previously editor-in-chief of Inquirer's Bandera and worked in the US as managing editor of Philippine News based in San Francisco, CA. Before that, he was managing editor of Manila Standard. He had a lengthy stint in BusinessWorld as senior reporter and section editor. He also had a two-year stint as business sub-editor in Gulf News based in Dubai. He began his journalism career as columnist for the Sunday Times Magazine.

Beting has won awards in investigative journalism, including a fellowship from the East-West Center in Honolulu, the JV Ongpin Awards, and the Economic Journalists of the Philippines. He was also cited as outstanding media practitioner by his alma mater, De La Salle University. Beting has completed his first novel, part of a trilogy.



**Raymond Kalaw
Nacino**

►Philippines

Raymond Kalaw Nacino, aka Emon Nacino is the Coordinator for Industry Development, External Affairs and International Relations Committee of the Advertising Board of the Philippines (ADBOARD). Emon has been in the service of the advertising industry for five years now and has significantly helped managed industry events and special projects of the ADBOARD such as the Philippine Advertising Congress, ARAW Values Advertising Awards, Cannes Lions in Manila and ADUKASYON Student Advertising Training Program, among others.

Emon graduated Cum Laude from the Polytechnic University of the Philippines with a degree on Advertising & Public Relations in 2002 and is currently taking his MBA unit.

Cynthia S. Jacinto

►Philippines

Unfortunately, we were not able to get any information and photo of Cynthia Jacinto. She was with Patalastas - The Official Publication of the Association of Accredited Advertising Agencies of the Philippines, August, 1984.

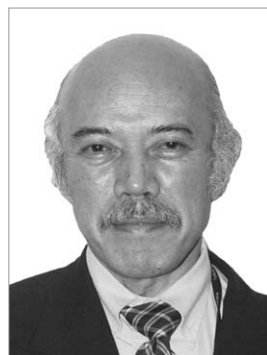


Ramesh Narayan

►India

Writer, columnist, photographer, entrepreneur, advertising professional. Ramesh Narayan is all of these.

In 1983 he founded Canco Advertising Pvt.Ltd. an agency that was to be known for its penchant for professionalism. Ramesh Narayan has been the President of the Advertising Agencies Association of India Club and President of the Advertising Club Bombay. He has served on the Board of the Audit Bureau of Circulations, National Readership Survey Council and the India Chapter of the International Advertising Association. His columns on advertising and marketing appear in several leading newspapers and magazines.



Indra Abidin

►Indonesia

Since 1974 active in the organization development of the advertising industry in Indonesia regionally and worldwide. He has climbed the ladder of the advertising organization from Secretary General Indonesian Advertising Agencies Association/Persatuan Perusahaan Periklanan Indonesia/PPPI to the Chairman of Indonesian Advertising Agencies.

Founding Member of The Indonesian Advertising Council/komisi Periklanan Indonesia in 1978.

1981 Chairman of the National Convention establishing The Code of Ethics&Code of Practice.

1982 First Advertising Practitioner as Member of the Indonesian Press Council/Dewan Pers.

Actively Advocate for the Advertising Laws. 1993 Founding Member of the Indonesian school of Advertising/Institute of Marketing & Communications Technology.

1993 Founding Chairman of The Uni Sadhu Guna Joint Venture with University of New South Wales and Monash University.

1995 Acquired The British Institute, language School as part of The Uni Sadhu Guna.

Founding member of Asian Federation of Advertising Associations /AFAA.

Joined International Advertising Association in 1992

President Indonesia Chapter 1992-1994.

1997 Received The AFAA award for Recognition of Service.

1998 Founding Steering Committee Member of Asia Pacific Advertising Festival, Pattaya Thailand.

2005 Founding Steering Committee Member of Asia Pacific Media



Tanvir Kanji

►United Arab Emirates

Forum Bali.

2006 Elected as Senior Vice President International Advertising Association, World President Elect 2008-2010.

Tanvir Kanji heads the Inca Tanvir consortium of Advertising, Public Relations, Media and Internet companies headquartered in Dubai and Sharjah (United Arab Emirates).

He was a founding member of the United Arab Emirates Chapter of the International Advertising Association in 1979 and was its President till November 2006. Under his stewardship the UAE Chapter emerged as the most active and the largest Chapter in the world. The Chapter is the recipient of the Golden Tulip Award for Excellence, twice.

He was on the Organizing Committee of "Dubai 2006" - the 40th IAA World Congress, held in March 2006. The Congress was billed as the most successful Advertising Congress ever anywhere.

He also had the responsibility of chairing the IAA Awards Committee (2006). He represents the IAA-UAE in the Asian Federation of Advertising Associations (AFAA).

Awarded the 'Medal of Merit' in 2006 by the IAA for meritorious service to the Advertising Industry.

He was instrumental in forging a joint venture with the International Advertising Festival - organizers of the Cannes Advertising Festival - and the IAA to stage the Dubai Lynx Awards in March 2007.

The group's flagship company Inca Tanvir Advertising, has been successfully operating in the Gulf region for over 30 years, with a stable of local, regional and international accounts (www.incatanvir.com).

Media Seen represents several prestigious Media for the Gulf and Middle East region (www.mediaseen.com).

The group own www.nri-worldwide.com - a dedicated portal for Non-Resident Indians (NRI). The portal has won several awards in the Community Service Category internationally and has become the voice of NRIs worldwide (contact@nri-worldwide.com).

A native of Mumbai, India, Kanji relocated to Dubai/Sharjah (UAE) in 1976 and has since been living there.

Group URL: www.incagroup.biz



Japan Advertising Federation (JAF)

►Japan

The Japan Advertising Federation (JAF) is the representative member association of AFAA in Japan. JAF is responsible for all the materials presented here and reserves copyright.

Japan Advertising Federation (JAF)

Established: October 20, 1953

Members: Advertisers, Media, Agencies and related companies

Address: 7F Dentsu-Ginza Bldg., 7-4-17 Ginza, Chuo-ku, Tokyo, 104-0061

Tel: 03-3569-3566 Fax: 03-3572-5733



In Sup Shin

►Korea

Professor In Sup Shin's career in advertising covers over 40 years. He was the secretary-general for the 14th Asian Advertising Congress (AdAsia) in 1984 and the 35th IAA World Advertising Congress in 1996 held in Korea.

He wrote some 20 books on advertising and public relations ranging from copywriting, introduction to advertising, media and agency. He co-authored Advertising in Korea, the only English-language book on the development of advertising in Korea in addition to two books on advertising in Japan and China. His landmark book, History of Advertising in Korea, is now a classic which is a culmination of his 40-year-long experiences media, advertiser and advertising agency.

Fondly called the "Grand Dad of Korean Advertising", he says he is "actively retired".

Address: Room 401, Hayanjip

105-15 Sangdo 5-dong, Dongjak-ku

Seoul, Korea 156-035

Telephone (Mobile): 82 19 229 1329

e-mail: insshin@freechal.com



Dong Hyun Kim

►Korea

Mr. Dong Hyun Kim started his journalist career at the Dong-A Ilbo in 1969. He was forced to resign after six years for his fight against press policy of the military regime. In 2001, however, his fight for democratic movement was recognized and his honor was restored.

After his forced resignation, he joined the Ssangyong Group of Companies as public relations manager advancing to the manager of the Cheongju Cement Plant of the Group eventually to become the executive managing director in charge of the Group public relations. During his 22-year service at the Group he served as a member of the board for nine years. While at the Ssangyong, a leading advertiser, he served as a member of the steering committee and self-regulatory committee of the Korea Advertisers Association.

In 2002 Mr. Kim was appointed as the vice chairman of the Korea Federation of Advertising Associations and is in charge of Advertising Development Committee, Press Advertising Ethic Committee and Advertising Competition for University Students among other duties.

He was decorated with the Order of Chultap Industrial Award of the Korean government in 1995. He authored two books, New Nomads of the 21st Century and Free Press.

Address: 410 Jeokseon Bldg.

80 Jeokseon-dong, Jongno-gu,

Seoul, Korea 110-756

Telephone: 822 733 1201

Fax: 822 722 4288

e-mail: dhkim@ad.co.kr



Nantha Kumar

►Malaysia

Nantha Kumar. Prior to his leap into freelance journalism, the writer covered media industry issues during his six year tenure at The Star. He also currently serves as the Marketing Manager (Creative) of Mehla Arts Sdn Bhd, which specialises in the event and multimedia content sectors.

**Eddie Chan**

►Singapore

In 1957, Eddie Chan started a career in advertising which spans almost 50 years. He had worked for about two decades with international advertising agencies including Ogilvy & Mather before setting up his own agency.

During this time he had continuously served the local advertising industry including 3 terms as President of the 4As and 3 years as ASAS Chairman in the 80's. Eddie had been honoured by the SAA with the 'Max Lewis' Gold Medal Award for lasting contributions to the advertising industry as well as the 4As with the 'Excellence Award' and by CASE with ASAS Gold Medal Award for long service. In 1965, he graduated from College of Distribution of Trades with a Communication, Advertising & Marketing (CAM) Diploma in London and subsequently served as an examiner for the professional final examinations in Singapore.

In 2001, Eddie as Vice Chairman joined Mr. Yong Poh Shin, Chairman of ADASIA 05 Bid Committee and went to Taipei to help secure the bid for Singapore. Last year Eddie as 4As Executive Director and SAA Administrator was a member of the ADASIA 05 main committee as well as served in numerous sub committees, marketing and promotion, finance and hospitality. He found the experience both challenging as well as satisfying as it was the most successful ADASIA congress to date. Indeed he is a true adman in all his adult life.

Address: 279 Holland Road
Singapore 278620

Telephone: 65 6464 6275

Fax: 65 6464 6275

e-mail: eddchan@singnet.com.sg

**Jonathon Chen**

►Taiwan

The Secretary General of the Steering Committee of AdASIA 2001 TAIPEI.

Presently the Deputy Regional Director of Greater China Region, Beijing Dentsu who was the COO of United Asatsu and Managing Director of United Advertising Co. in Taiwan for years.

**Cheng Tzu-leong,
Ph.D.**

►Taiwan

Professor, Department of Advertising, National Chengchi University in Taipei.

Chairman, Broadcasting Development Fund (sponsored by Taiwan Government)

General Editor, Advertising Yearbook of Taiwan

The author of

"Strategies of Election Campaign" (1992)

"Political Advertising" (1995)

"Advertising Management" (2001)

"Election Campaign Communication in Taiwan" (2004)

"Marketing of Cultural Industries" (2001)

"Branding Taiwan: An Overview of the GIO's International Advertisements" (2007)



**Saravudh
Anantachart,
Ph.D.**

►Thailand

Saravudh Anantachart is currently an Associate Professor and Head of the Advertising Sequence in the Faculty of Communication Arts, Chulalongkorn University, Bangkok, Thailand. He holds a B.A. in Advertising (first class honors) from Thammasat University and B.Com.Arts in Public Relations from Sukhothai Thammathirat Open University, Thailand. His M.B.A. in Marketing was from Chulalongkorn University's Graduate School of Business. From the University of Florida, Gainesville, USA, he received an M.A.M.C. in Advertising (with distinction) and Ph.D. in Mass Communication/Advertising. His work was presented at the conferences/conventions of the American Academy of Advertising (AAA); Association for the Education in Journalism and Mass Communication (AEJMC); Association for Consumer Research (ACR); International Communication Association (ICA); Florida Communication Association (FCA); and International Academy of Business Disciplines (IABD).

Some of his publications can be found in the *Journal of Promotion Management*, *Business Research Yearbook*, *Advances in Asia-Pacific Consumer Research*, *Proceedings of the Conference of the American Academy of Advertising*, *Proceedings of the Asia-Pacific Conference of the American Academy of Advertising*, and *Thailand's Journal of Communication Arts*.



**Wen Chunying,
Ph.D.**

►China

Wen Chunying is an associate professor at the College of Advertising, Communication University of China, Beijing.

After her BA degree in the Department of Library Science (now Dept. of Information Management), Heilongjiang University, she received her Ph.D. at the Department of Communications, Seoul National University, South Korea.

Her primary interest is in the study of the history of advertising in China, Korea and the West. Trilingual(Chinese, Korean, English) she frequently contributes her articles in the academic journals published in Korea. Her latest book is *Advertising in China* (in Korean language) co-authored with a noted Korean scholar In Sup Shin .

Liu pengzhe also contributed to the article on China.

Address: Department of Advertising, Communication University of China, Dingfuzhuang East Street, Chaoyang District, Beijing 100024, China
e-mail: astrowen99@yahoo.com.cn