

SPEECH BY

MARGARET LIM

CHAIRMAN - AUDIT BUREAU OF CIRCULATIONS.

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When I took over as Chairman of ABC mid last year, ABC was at a crossroad in its journey as the watch dog for the industry:

- Industry members were ridiculing the integrity of some of the circulation numbers which we had approved,
- Majority of magazine publishers were not members of the bureau
- The relevance of ABC was questionable with:-
 - Planners relying heavily on readership data rather than circulation
 - Where magazines had no readership data, advertisers/agencies were buying based on claimed circulation data
- The website was outdated . With services offered FOC to the Bureau, we could not apply any pressure to get the updates.
- Expenses exceed revenue and the Bureau did not have the resources to do some of the work we had planned to do.

Someone mentioned to me that my first task would be to raise funds for the Bureau. As a longtime member of the industry, I immediately know that raising funds for an organization that was on the verge of being obsolete was not on. What we had to do was to re-examine our role vis a vis the needs of the marketplace today and revamp accordingly. Otherwise, we might as well close shop and each of the Board Member would not have to “waste” half a day every month to discuss the same issues over and over and over again

Lets go back and look at the role of ABC .

In Malaysia, Media advertising started in 1845 in a very small way with the first copy of the Straits Times which is the first newspaper to be printed and distributed in the country. Then came the Malay Mail 51 years later in 1896, the NYSP in 1923, the SCJP in 1929, Utusan in 1938, the Berita Harian 1957, the Star in 1971 and the Sun in 1999. TV came in much later, with the launch of RTM1 in 1963 and RTM2 in 1969. Colour TV was introduced in 1978 and TV3 the first private TV network was launched in 1984 and then the launch of Astro in 1996. We are witnessing an acceleration in the introduction of alternatives and new media, as audiences change in their media habits and becoming more discerning .

Within this context, the associations for the industry were set up, with membership and guidelines which were relevant for the industry at the time they were set up. The Malaysian Advertisers Association – was the first in 1959, followed by the 4As and the MNPA in 1971, ABC in 1975, ASA in 1977, CMCF in 2001, MSA in 2003 and MDA in 2010.

As a country, the print media in Malaysia has always garnered the largest share of adex and the trend over the past decade has been of a declining share. With Print being the dominant medium being used by advertisers at that time the Audit Bureau of Circulations or ABC was birthed to be the watchdog of industry and primarily to guarantee the integrity of the circulation data that the print media presented to the industry for the purpose of accountability in their media planning. ABC bodies existed in the other markets and based on our heritage, we modeled our auditing guidelines based on the UK model. A major difference with ABC Malaysia is that we do not do the actual auditing but have a panel of approved auditors who are members of MACPA.

Our Board members comprise of 8 publisher members (who are elected at the AGM), 4 MAA members, 2 4As members and 2 MSA members. The Chairmanship of the Board rotates between the MAA ; 4As and MSA ..

A fact about those who work in industry bodies is that all of us have day jobs which inevitably take precedent over our role in the industry body. So, many of us come to the meetings once a month, make our contribution according the guidelines laid down in 1975, and then feel frustrated or helpless when confronted with issues that seems unsurmountable, and then, its time to move on and let others manage it later.

I would like to give appreciation to the 2010/2011 Board Members of ABC who are remarkable and so committed. Active Committee meetings are like once a week, presentations and meetings regarding pertinent issues to potential members, active membership calls are on an on going basis, and at every Board meeting we would have arrived at a different level from where we left off.

I would like to introduce them to you (slide with faces of all board members & Matthews) and especially to the heads of the subcommittees who have been working tirelessly . I will talk to you briefly their role and from there you can see the plans we have for the transformation of ABC as the watchdog for our industry.

- Firstly we have **Margaret Au-Yong** the Chairman of our Audit Committee. Margaret and her committee members examines every submission with a magnifying glass, questions every unexplained movement in circulation, has consulted with many auditors including forensic auditors, and will be amending and tightening the audit rules. She has in her agenda plans to do check audits and re-audits of the submitted circulation numbers.
- Then we have **Ranganathan Somanathan** who besides being CEO of Starcom and President of MSA is our ABCi chairman – He and his team are working closely with the digital publishers and Effective Measure to ensure that the industry will be able to get on a comparable and consistent basis, data on audience levels for all websites monitored. In the pipeline, we would get for example, print circulation numbers for the star followed by numbers for thestar.com.my, subscribers for the star under mynews.com as well as the version for the ipad.
- Then we have the Chairman of Publicity/Membership committee **Sherene Mak**. Under Sherene, we made many visits to publishers who are not yet members .. find out what their issues are as

well as see how we can accommodate some of their requests/needs. Our membership drive is active and the organization of this event is by her and her team.

- **Datuk Johnny Mun** heads the Workshop Committee. Once every two years, ABC organizes a workshop with the objective of elevating the standard of professionalism in our industry. The event will be held mid 2011 and I think Datuk Johnny is working around the theme of “The New Mainstream Media” – which will encompass the total communication process.
- **Calvin Kan** is the man who is responsible for launch of our new website. (show screen grabs of website). .. so that every member of our industry will be able to access updated data which will carry questions and queries to the ABC board.
- Last but not least is **Chan Sheow Vern** the Vice Chairman of ABC as well as the one who had headed the revamp committee. Vern has made the analysis and proposal for the increase in subscription rates for members and after the approval of the majority of publishers, this is about to be circulated and implemented after our AGM on this.

Media planners use readership/audience data as reported by AC Nielsen to rationalize their selection of media mix and strategy. The research company deals with each subscriber separately and individually, companies often lack the fire to want to question or make changes to the methodology and questions asked. Major media players do not subscribe to the research today because they question the methodology and accuracy of the reports.

We felt that as ABC comprise of all interested parties – the media, advertisers, ad agencies and media specialists, that we would be the right group to work alongside the research company to ensure that the sampling frame, the methodology is updated and still relevant in todays context, and that the media covered and the questions asked is in line with our needs. Towards this ends, we have started a committee under **Vern** to start and manage this dialogue. I believe the first meeting that we had was not an easy one but we will learn and get better.

With progress, Self Regulation is the way to go. And as we move forward, integrity and accountability must prevail. For this to happen, we need your support.

For Publishers – that you will be a member of ABC and ensure that all publications under your group, become members and submit circulation data for audit. Work with MDA and our ABCi committee to ensure that your digital formats are eventually included in the audit.

For Advertisers/Ad agencies and Media Specialists – put pressure on the publications you are using to give you ABC audited circulation (ie numbers, computed on the same basis, for the same comparable period).

For all, to work in the spirit of cooperation with the research companies, to ensure that the readership/audience data that the industry uses is as accurate as it can be. For any of you who have been criticizing the way the Bureau is run, give us your input on how it can be improved. We will listen. The Industry needs the support of each and every one of you. Help us to help you.