



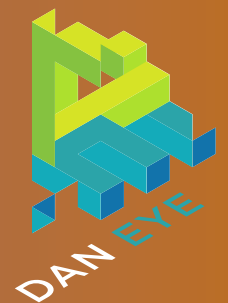
AUGUST 2017

# MALAYSIA ENTERS SECOND HALF ON GUARDED NOTE

20 YEARS AFTER THE ASIAN FINANCIAL CRISIS, CHINA IS THE WEAK LINK

ALCOHOL GIANTS' PIVOT INTO ORGANIC DRINKS SHOWS THE TIMES ARE A-CHANGIN'

WITH SENTIMENT STILL SOUR, ADEX SUFFERS



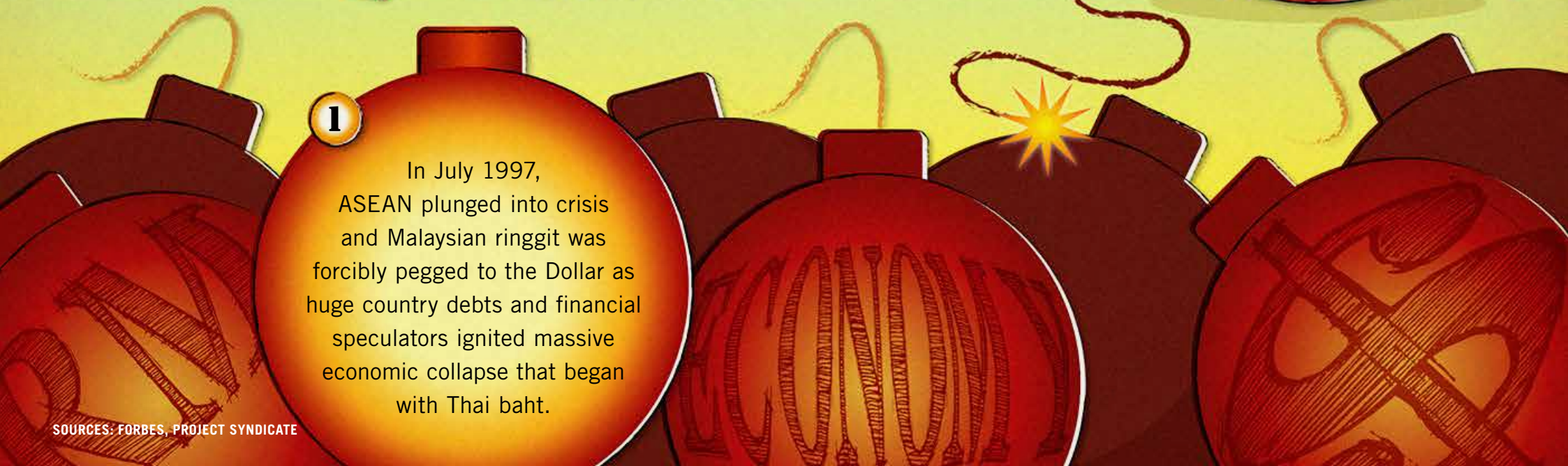
# 20 YEARS AFTER THE ASIAN FINANCIAL CRISIS, CHINA IS THE WEAK LINK

**2** 2017 is also the tenth anniversary of the last financial collapse, sparking fears of a possible repeat this year or next.

**3** ASEAN is more resilient now, thanks to more sustainable growth, more flexible currencies, bigger reserves and more coordination.

**4** But China's debt addiction and focus on high growth is the main regional concern as huge ASEAN investment gives rise to contagion fears.

**1** In July 1997, ASEAN plunged into crisis and Malaysian ringgit was forcibly pegged to the Dollar as huge country debts and financial speculators ignited massive economic collapse that began with Thai baht.



# AUGMENTED REALITIES, A MARKETERS DREAM

1

Augmented Reality (AR) is fast supplanting the sunset medium of traditional TV as expected annual revenues of \$692 billion by 2025 means **AR will soon be a trillion-dollar industry.**

AR forces brands to be omnipresent to influence an always-connected consumer.

2

As contextual marketing seamlessly transitions to commerce, **only trusted brands will help consumers augment their world with tailored experiences.**

3

MEDIA CONSUMPTION  
**10 HOURS & 39 MINUTES**  
OF MEDIA IN A DAILY

4

In 2016, American adults set new records of media consumption by ingesting 10 hours and 39 minutes of media in a daily average of 17.2 awake hours — a massive 62% of a typical day.



# ALCOHOL GIANTS' PIVOT INTO ORGANIC DRINKS SHOWS THE TIMES ARE A-CHANGIN'

1

**AB InBev**

Anheuser Busch InBev's move into non-alcoholic drinks with purchase of organic energy drink maker Hiball is a sign of two things: a shift in tastes and a nod that growth exists outside traditional markets.

2 Global non-alcoholic drinks market to grow 4.30% annually to \$1.95 trillion by 2020.

2

3

While global catalysts include growing awareness of healthy living, changing consumer preferences and rising disposable income, socio-economic demographics such as growing Muslim populations also matter.



4

Asia-Pacific is No. 2 only to North America as the biggest non-alcoholic drinks market currently, but this will change by 2020 as changing lifestyles in economies such as China, Singapore, and India propels this region into the most lucrative market by 2020.

5

Growth categories include Super-Premium Juices, Premium Hydration, Probiotics/Kombucha and Craft Soda.



# INSTAGRAM, A SOCIETAL INFLUENCE, GOOD AND BAD

 700M USERS GLOBALLY

**1** Instagram, with 700m users globally, has had a profound influence on society, including on fashion, art, design, food, activism and fame.



**3** The US is its biggest market, followed by Brazil (45 million users), then U.K., Japan, Indonesia, India and Turkey: proving Instagram's assertions that 80 percent of its users are outside America.



**4** However, Instagram has the worst impact on mental health, contributing to anxiety, depression, sleep deprivation, and body-image issues in young people, who are the heaviest users of social media.

**2** At twice the size of Twitter's userbase, analysts say Instagram will soon join the Billion-user club, headlined by WhatsApp and Messenger (1.2 billion users each) and Facebook, with 1.8 billion.

INSTAGRAM:  
**2X**  
TWITTER'S USERBASE



1.8B USERS

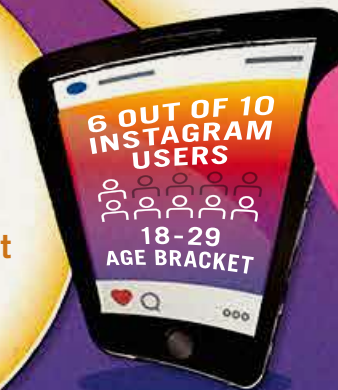
**BILLION-USER CLUB**

1.2B USERS



1.2B USERS

**5** Studies show that nearly six out of ten Instagram users are in 18-29 age bracket, with women the dominant gender, at 38% of all users.



# AS RIDE-SHARING SPREADS, SO TOO NEW DEVELOPMENTS, INNOVATIONS



**1** Ride-sharing, which analysts say might herald the end of car ownership, is spawning fresh developments and innovations.

**2** In the US, carmakers (Toyota in Uber, Volkswagen in Gett, BMW in Scoop and GM in Lyft) have bought equity in the biggest ride hailing players, hedging their bets on fleet demand in addition to individual ownerships.

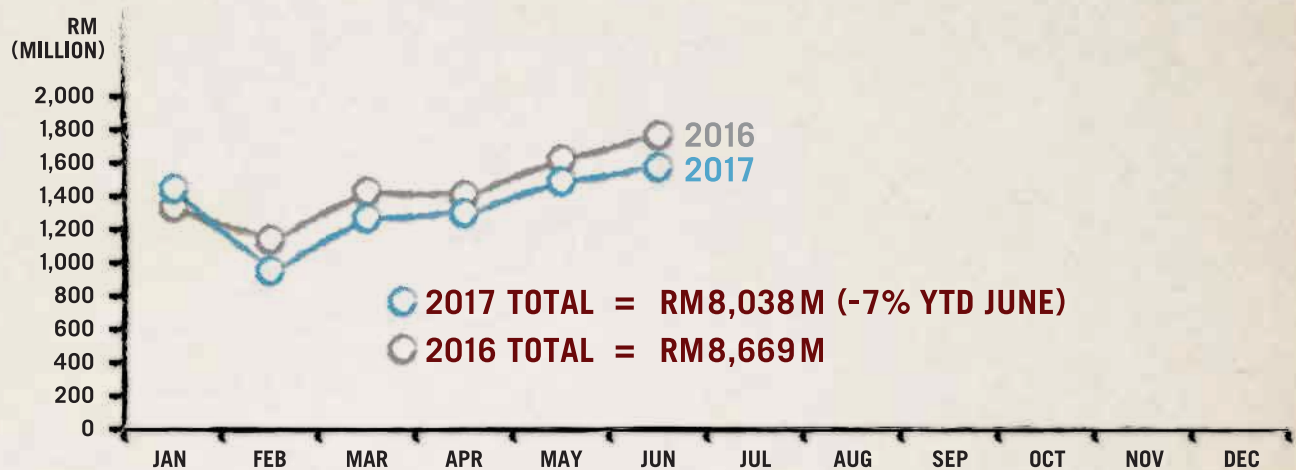
**3** Cargo, a startup funded by Detroit Venture Partners, wants to monetise riders by offering items like gum, aspirin, condoms, deodorant and toothpaste via a dashboard-mounted app, while offering commissions to drivers.

**4** Uber itself is losing steam. As Didi Chuxing, Yandex and Lyft's market values gain, Uber's is dropping, leading some to speculate ride hailing's pioneer could end up like Yahoo: forgotten.

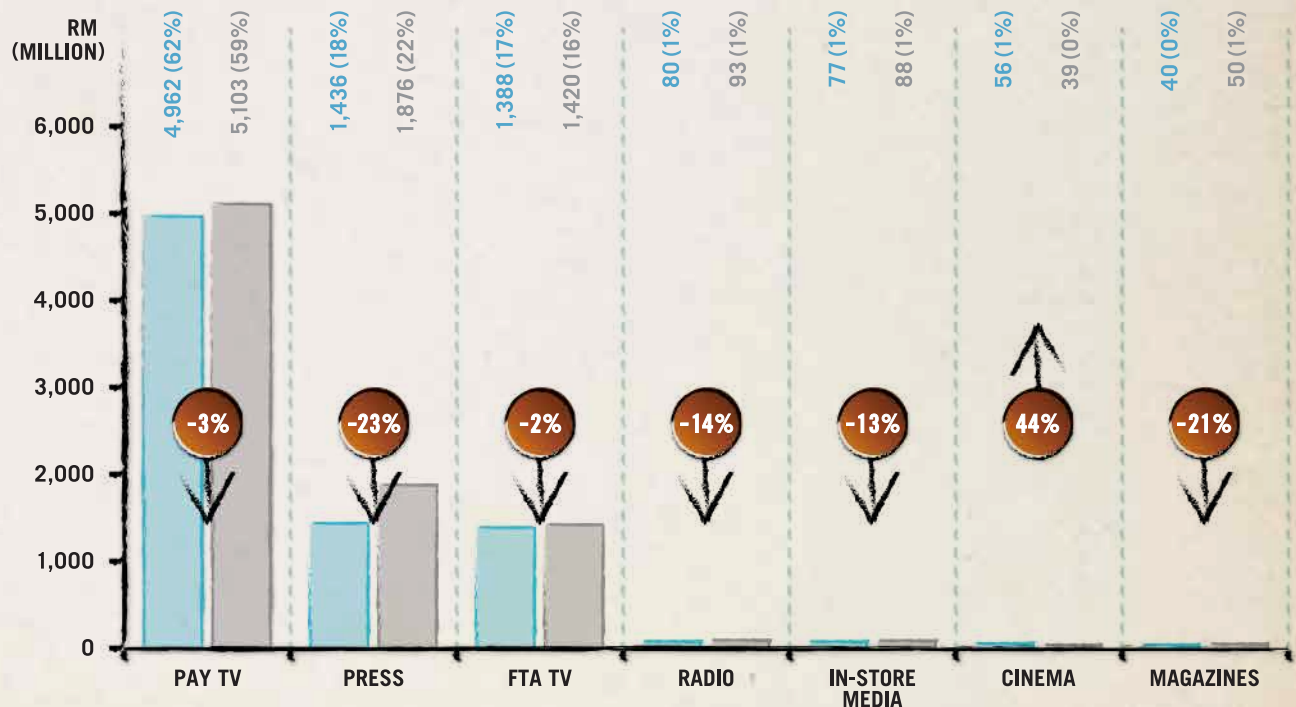


# WITH SENTIMENT STILL SOUR, ADEX SUFFERS

- For the second straight month, only Cinema (+44%) gained while all other segments [Press (-23%), Magazines (-21%), Radio (-14%), In-Store Media (-13%), Pay-TV (-3%) and FTA TV (-2%)] dropped.
- Two biggest segments of FTA TV and Press (by value, after PayTV) have now recorded YTD declines in every single month of the year until June.
- However, Govt Institutions remain largest category spenders, up 7% QoQ, perhaps due to pre-election spending.
- 2017 adex sentiment should be supported by ASEAN's 50 anniversary, 29th Sea Games, 9th ASEAN Para Games and potential 14th General Election but will be offset by weak Ringgit and rising business costs.



## COMPARING JAN-JUN 2017 WITH JAN-JUN 2016



SOURCE: DUE TO RECENT MEDIA MONITORING CHANGES, THE ABOVE ADSPEND FOR PAY TV IS EXTRACTED FROM KANTARMEDIA DTAM, OTHER MEDIA ADSPEND FROM NIELSEN AIS WHILE ASTRO RADIO FIGURES HAVE BEEN REMOVED FOR CONSISTENCY.



**DAN EYE** is a monthly snapshot that captures the most current and essential macroeconomic, social and technological influences driving industry change. Our 'eye on everything' approach aims to provide clients with the most relevant, innovative and integrated solutions in addressing their marketing challenges today.

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**CARAT MALAYSIA** is

**Malaysian Media Awards**

– Agency of the Year 2015

**A+M Magazine's Agency of the Year Awards**

– Media Agency of the Year 2015 (*Gold Winner*)

– Media Agency of the Year 2016 (*Silver Winner*)

**Campaign Asia-Pacific Agency of the Year Awards**

– Malaysian Media Agency of the Year 2014 (*Gold Winner*)

– SEA Media Agency of the Year 2014 (*Gold Winner*)

**RECMA**

– #1 Global, #1 APAC & #1 SEA Network in 2015

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