

The Digital Media
Habits and Attitudes
of Southeast Asian
Consumers

October 2011

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Overview

The current state of the digital marketplace in Southeast Asia: Evolution or revolution?

Throughout Southeast Asia deep changes are taking place with respect to how consumers watch and interact with various forms of media. These changes have been brought about by rapid technological development. From high speed Internet access and WiFi to smartphones and tablets, it's easier now for consumers to get online than it has ever been.

As a result, we have seen strong uptake in digital activities throughout the region and more than ever, the digital landscape in Southeast Asia is at a turning point. For many consumers, digital media is ingrained in their everyday lives, and in some countries Internet usage is even surpassing time spent on traditional media such as television or print. There is another relatively new dimension within the digital landscape which is gaining significant momentum – that of the Internet-capable mobile device, including smartphones, tablet computers, eBook readers, connected games devices or some other hybrid form that will likely emerge. These mobile devices provide on-the-go access to all kinds of online activities such as social networking, reading news and communication such as emails. With ownership of mobile devices in the region, particularly smartphones, set to surge in the year ahead, this will have a profound impact on the digital behaviours of Southeast Asian consumers.

We have also seen the continued rise of social media, which is revolutionizing the way digital consumers communicate, share, entertain themselves and others, socialize, form relationships and source information. Social media has forever changed the way in which consumers can connect with brands, connect with other consumers to discuss brands, and read other consumers' opinions and experiences related to brands. To keep pace with this revolution, marketers themselves have had to evolve. Social media has provided more customer touch points, more methods of content and communication distribution and more information about customers and their preferences.

In other areas of digital media another revolution has been taking place – the 'on demand', anytime, anywhere nature of media consumption. Supported by multiple device ownership, mobility, greater bandwidth and access to a global pool of content, consumers are sourcing information, entertainment and other tools via the Internet in addition to traditional methods. This is particularly true of entertainment content such as TV programs and movies. Behaviours around video uptake indicate opportunities for video advertising, to deliver digital consumers with compelling messages in the online environment, to complement those previously confined to television.

So the online landscape has seen both a revolution and an evolution – revolution in the behaviour of consumers and evolution in the way marketers and content providers can interact with those consumers and distribute content.

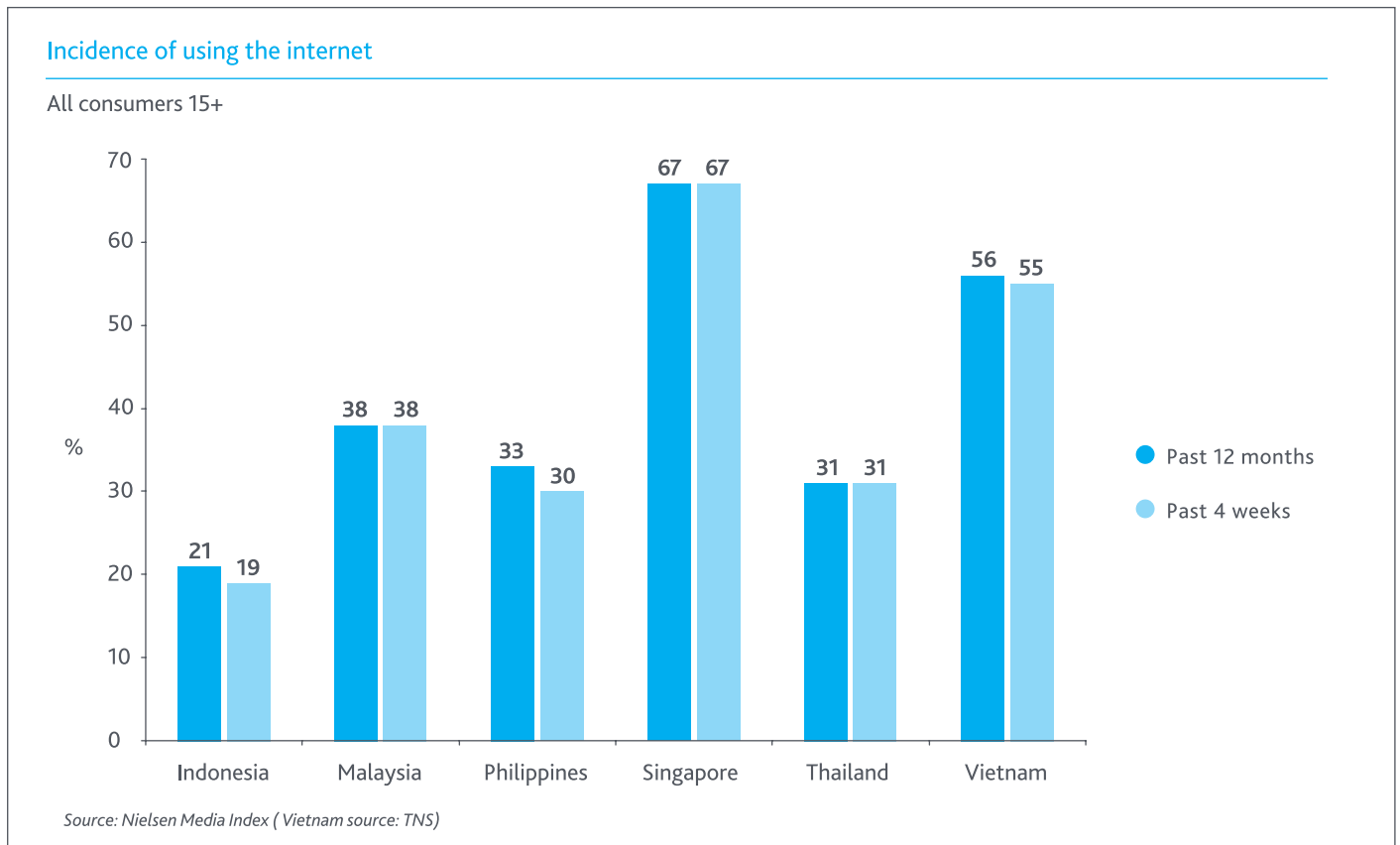


Internet Adoption

For many consumers in Southeast Asia, digital media is ingrained in their everyday lives, and in some countries internet usage is even surpassing time spent on traditional media such as television or print.

Key Findings

- Singapore has the highest Internet penetration at 67 percent, whilst Indonesia trails the region with just 21 percent penetration
- Most Internet users around the region access the Internet on a regular basis, the vast majority at least several times per week, if not daily
- Internet usage is highest amongst younger consumers, and declines with age
- With the exception of the Philippines, men are more likely to be regular internet users than women



Incidence of Internet use in past four weeks split by key demographic segments

All consumers 15+

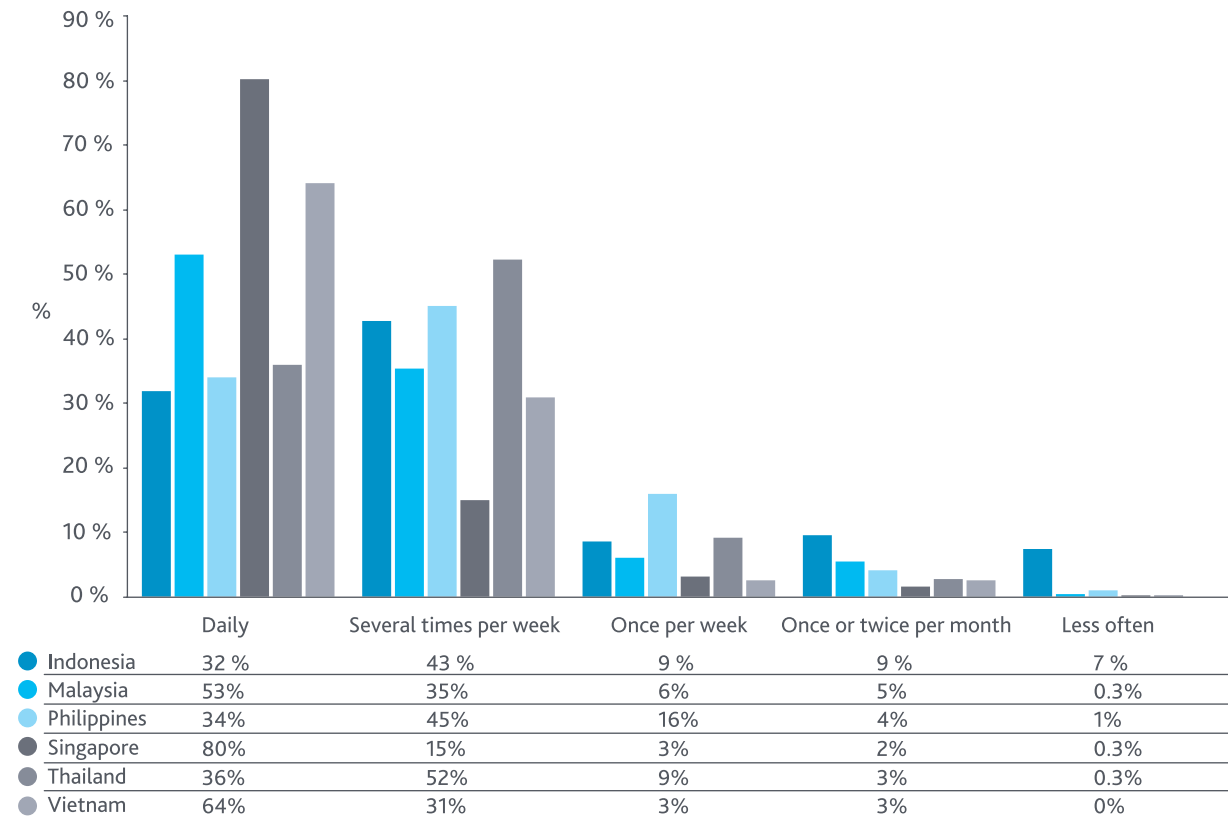
	Total	Male	Female	15-19 years	20-29 years	30-39 years	40-49 years	50+ years
Indonesia	19%	23%	16%	55%	26%	14%	5%	1%
Malaysia*	38%	43%	32%	60%	55%	41%	19%	
Philippines	30%	29%	30%	60%	43%	21%	11%	3%
Singapore	67%	70%	64%	97%	92%	86%	72%	33%
Thailand	31%	33%	30%	76%	52%	34%	23%	9%
Vietnam	55%	63%	48%	92%	76%	43%	27%	17%

*Highest Malaysian age segment is 40+ years

Source: Nielsen Media Index (Vietnam source: TNS)

Frequency of internet use

Internet user past four weeks, aged 15+



Source: Nielsen Media Index (Vietnam source: Nielsen Southeast Asia Digital Consumer Report)

Consumer Technology

An increasing number of Southeast Asian consumers have internet-capable devices at their disposal, with rapid uptake expected in 2012.

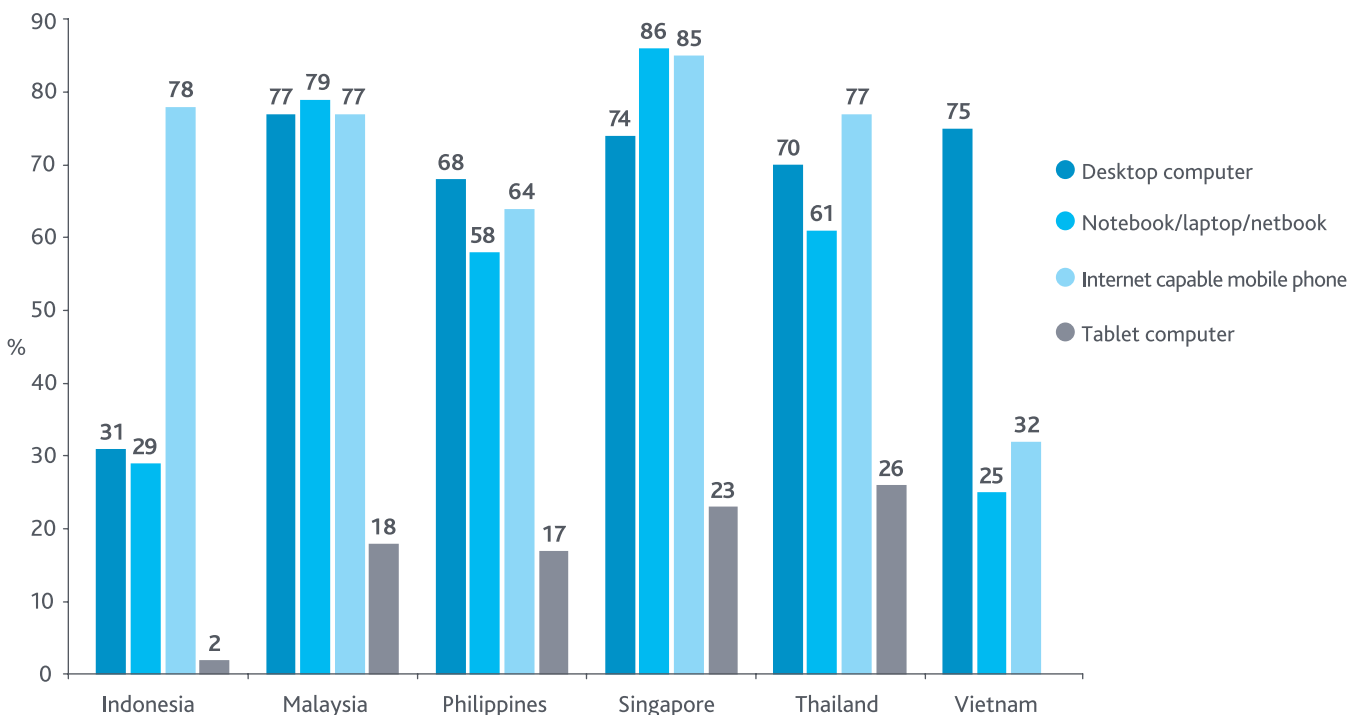
Key Findings

- In all markets except Indonesia, desktop computer ownership is high
- In Indonesia, ownership of an internet-capable mobile phone is more than double that of desktop or notebook computers
- Notebook computers are more prevalent in Singaporean digital consumers' households, than desktop computers
- Tablet computers have seen strong uptake across the region, with the exception of Indonesia and Vietnam. Tablet ownership is expected to further increase in the year ahead, in particular in Malaysia, Singapore and Thailand

- Amongst digital consumers, mobile phone ownership has reached saturation point. Smartphones are prevalent in Singapore and Thailand, and gaining ground in Malaysia, Indonesia and the Philippines. Penetration is considerably lower in Vietnam at just 11%
- Like tablet computers, smartphones are gaining in popularity amongst digital consumers and purchase intent in the year ahead is high, particularly in Malaysia and the Philippines. An increasing number of Southeast Asian consumers have internet-capable devices at their disposal, with rapid uptake expected through 2012
- A large proportion of digital consumers are making use of mobile phone applications. Games-related and Facebook apps are largely the most popular across all six Southeast Asia markets
- Although smartphone and internet-capable mobile phone penetration varies across the region, use of apps sees widespread popularity, including paid apps. Popularity of mobile apps in Indonesia, however, trails the rest of the region

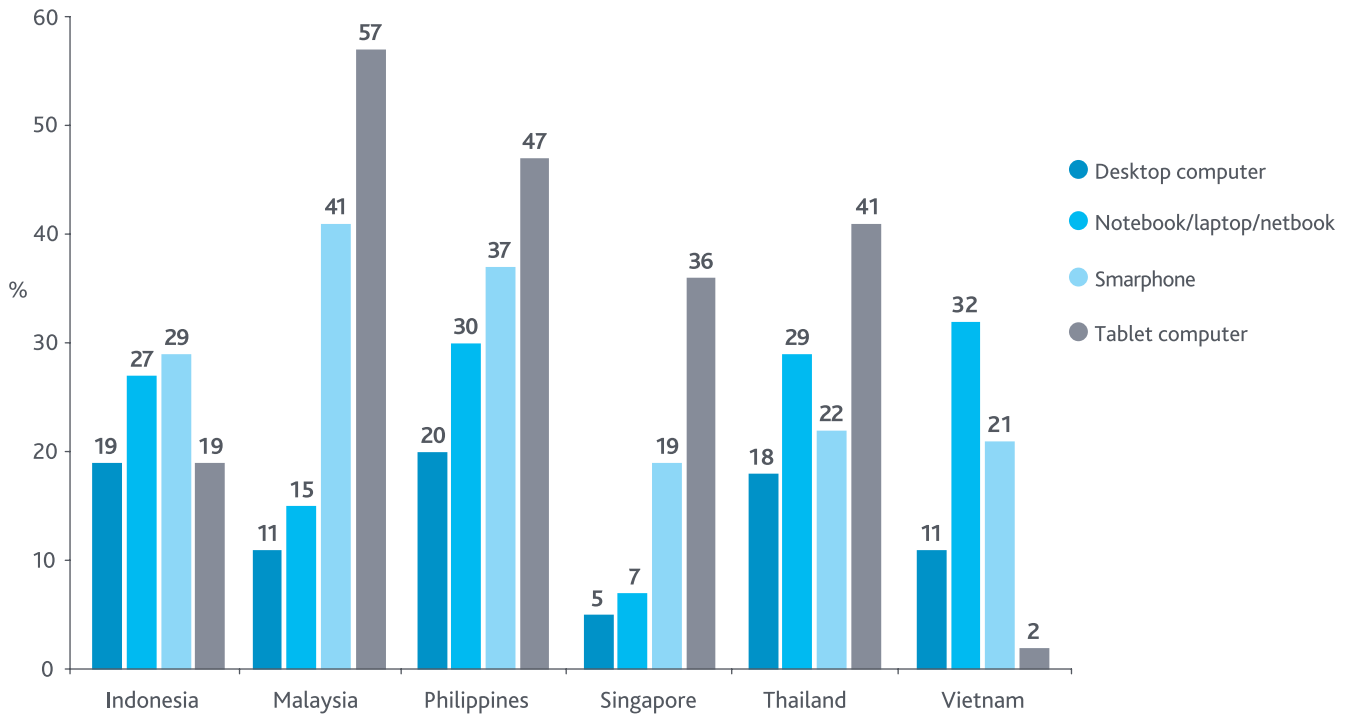
Household ownership of devices

Digital consumers aged 15+



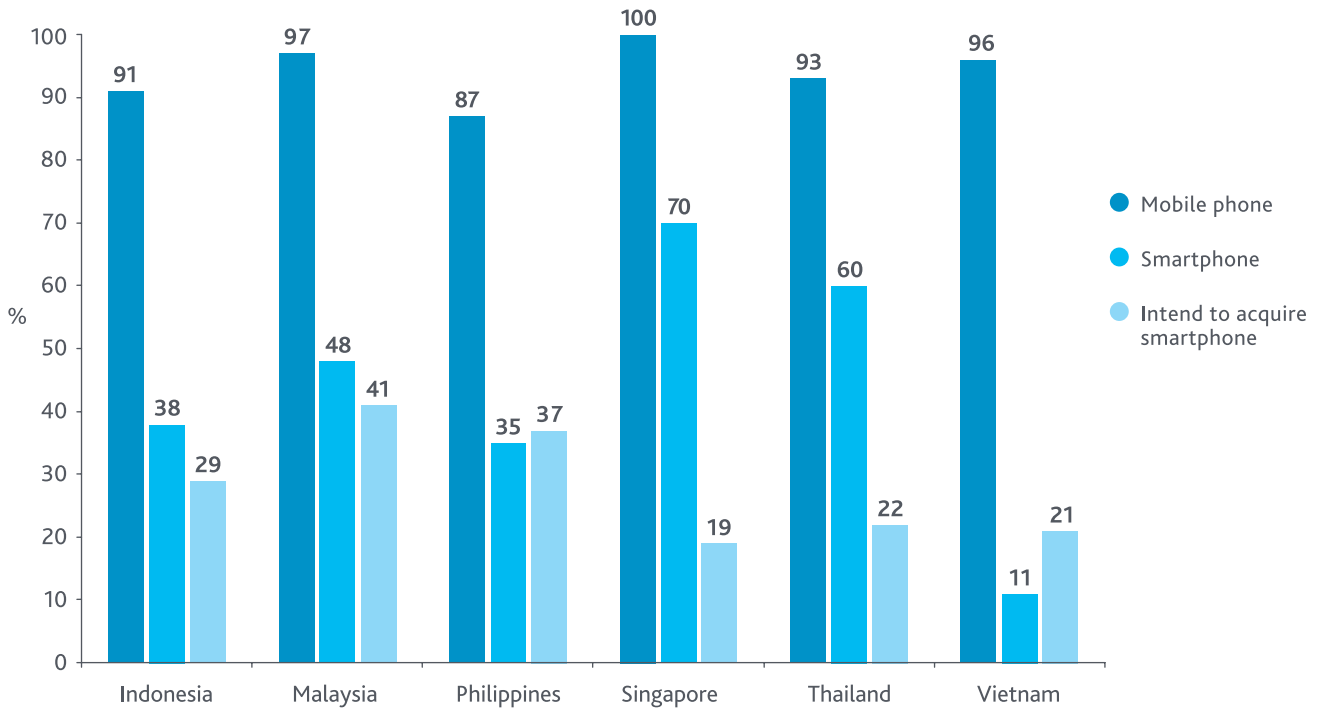
Household intention to purchase devices in next 12 months

Digital consumers aged 15+



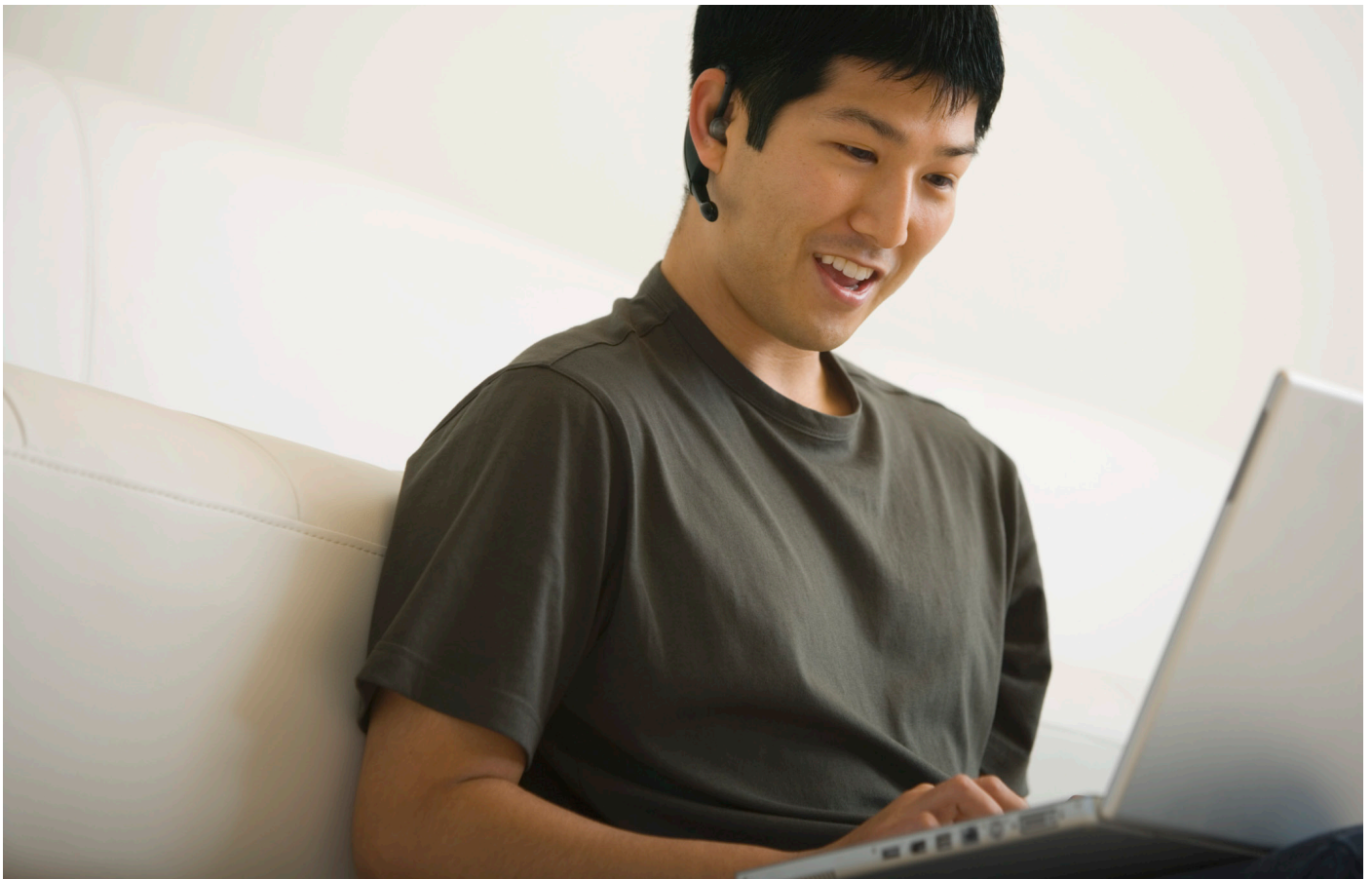
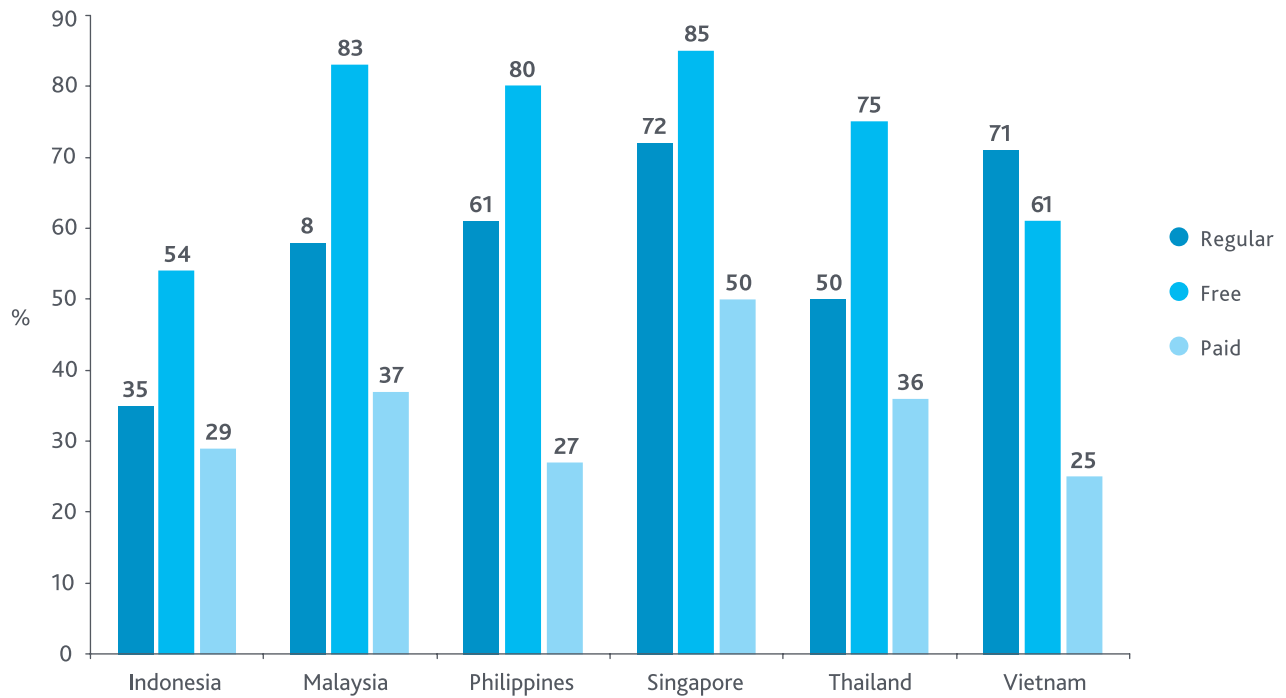
Mobile phone, smartphone ownership and intention to purchase

Digital consumers aged 15+



Use of mobile phone applications ('apps')

Digital consumers aged 15+ with an internet-capable mobile phone

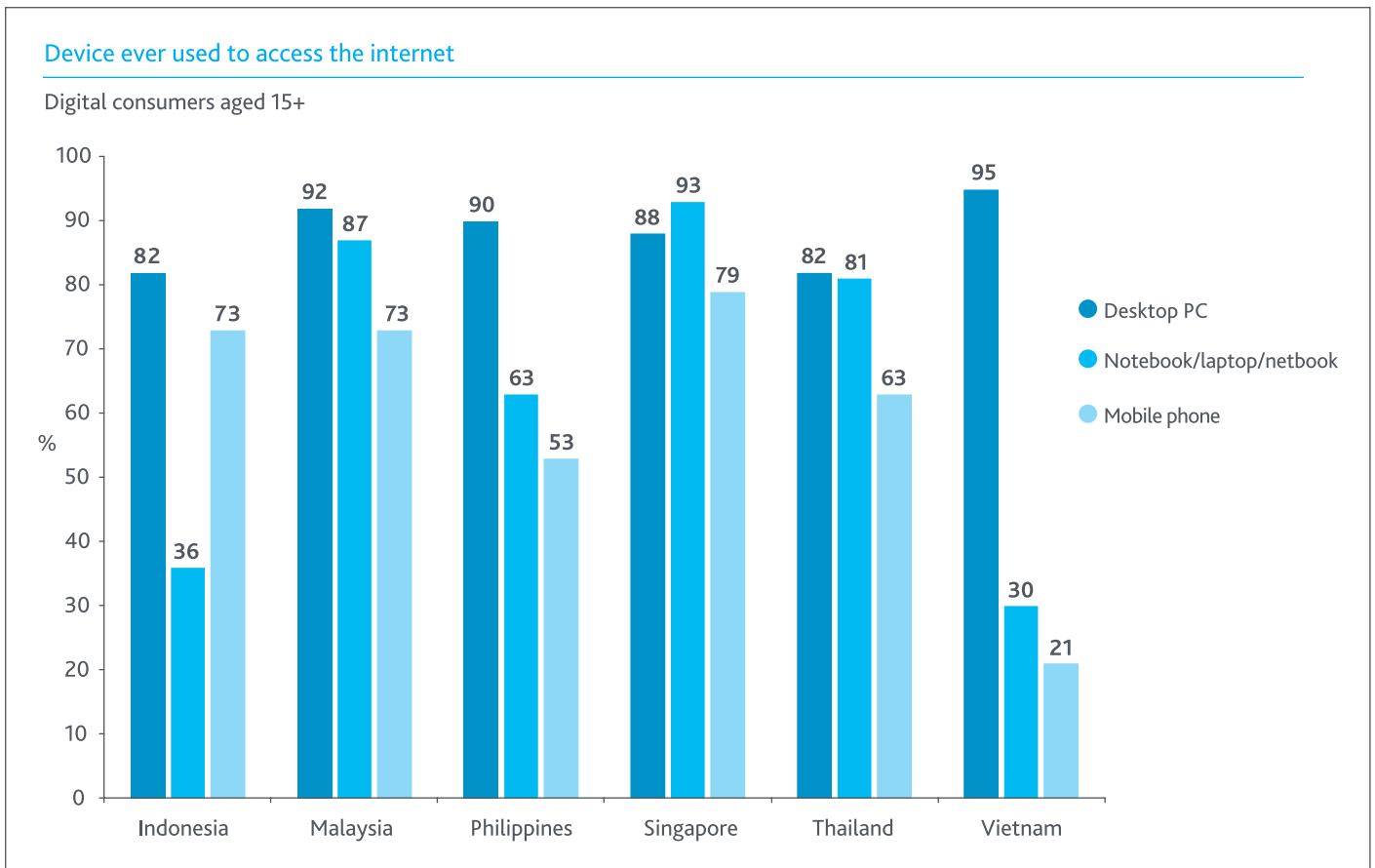


Online User Environment

While desktop and notebook computers remain the main device for Internet access across the region, mobile phones are gaining traction, and in markets such as Indonesia, the mobile phone is cited as the single, main device for internet access by a significant proportion of the digital population.

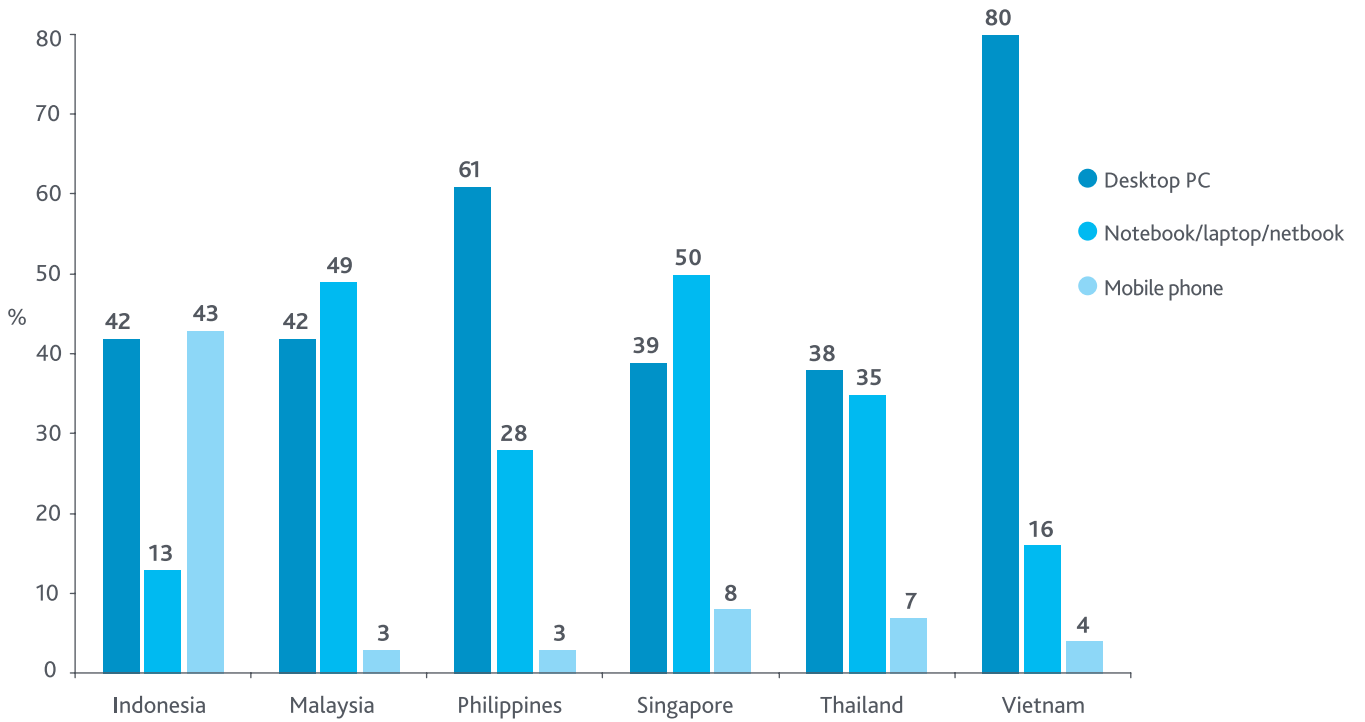
Key Findings

- Desktop computers have widespread use among Southeast Asian digital consumers, likely as they facilitate internet access not only in the home, but also in the workplace and in internet cafes
- In Indonesia and the Philippines, a significant proportion of digital consumers mainly access the internet at an internet cafe, while in other Southeast Asian markets home-based use is most prevalent
- The mobile phone, as a facilitator of internet access, is now very popular across Southeast Asian markets, with the exception of Vietnam
- In Indonesia the mobile phone is now the most popular means of accessing the internet, being cited by a significant proportion of the digital population (43%) as the single, main device for internet access
- In the Philippines and Vietnam, internet use is predominantly via a desktop computer while in Malaysia and Singapore the more portable notebooks and laptop computers are popular
- In line with ownership and purchase intentions, new devices are making their mark for consumers' internet access. With the exception of Vietnam and Indonesia, devices such as tablet computers, media players, internet-capable games consoles, eBook readers and internet-capable televisions are now being used for internet access by a considerable proportion of digital consumers in Southeast Asian markets



Device mainly used to access the internet

Digital consumers aged 15+



Cross Media And Cross Screen Behaviour

No longer is TV content only available via broadcast channels, as the rise of the internet paves the way for digital consumers to view TV shows and movies via online sources, whilst increasing ownership of portable devices is resulting in more media multi tasking.

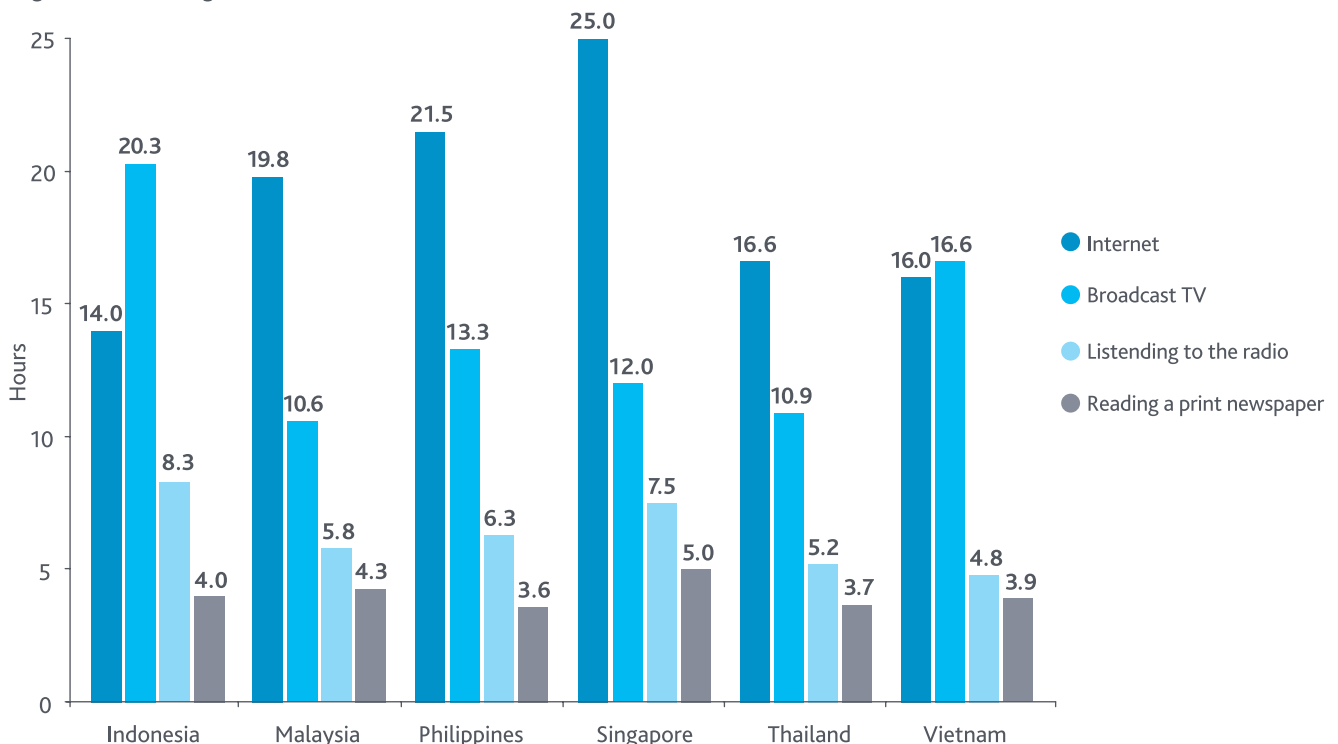
Key Findings

- Online media is capturing a significant amount of digital consumers' media time each week. In markets other than Indonesia and Vietnam, digital consumers now spend more time, on average, accessing the internet than they do with main media including TV, radio and printed newspapers. In Vietnam, time spent using the internet is largely on par with that spent watching TV
- Singaporean digital consumers spend the most time with online media, averaging 25 hours per week

- Simultaneous media consumption or 'media multi tasking' is becoming more prevalent with the increasing ownership of portable devices – accessing the internet whilst watching TV is the most common media multi tasking activity undertaken, occurring at least several times per week
- Whilst simultaneously consuming media, participating consumers indicate that the internet has most of their attention. These changing patterns of behaviour impact media engagement levels and are important to understand in today's media landscape
- Another evolution is that relating to TV content. No longer is this content only available via broadcast channels, as the rise of the internet has paved the way for digital consumers to obtain TV shows and movies online. While broadcast TV remains the more popular option for watching television, a considerable proportion of Southeast Asian digital consumers now stream and/or download TV content from unofficial and official online sources
- The emergence of PVRs / DVRs (eg TiVo) among digital consumers in Southeast Asia, and strong purchase intentions in many markets (notably in the Philippines, Malaysia and Thailand) will also impact TV viewing habits with the facilitation of time-shifted viewing and potential ad-skipping

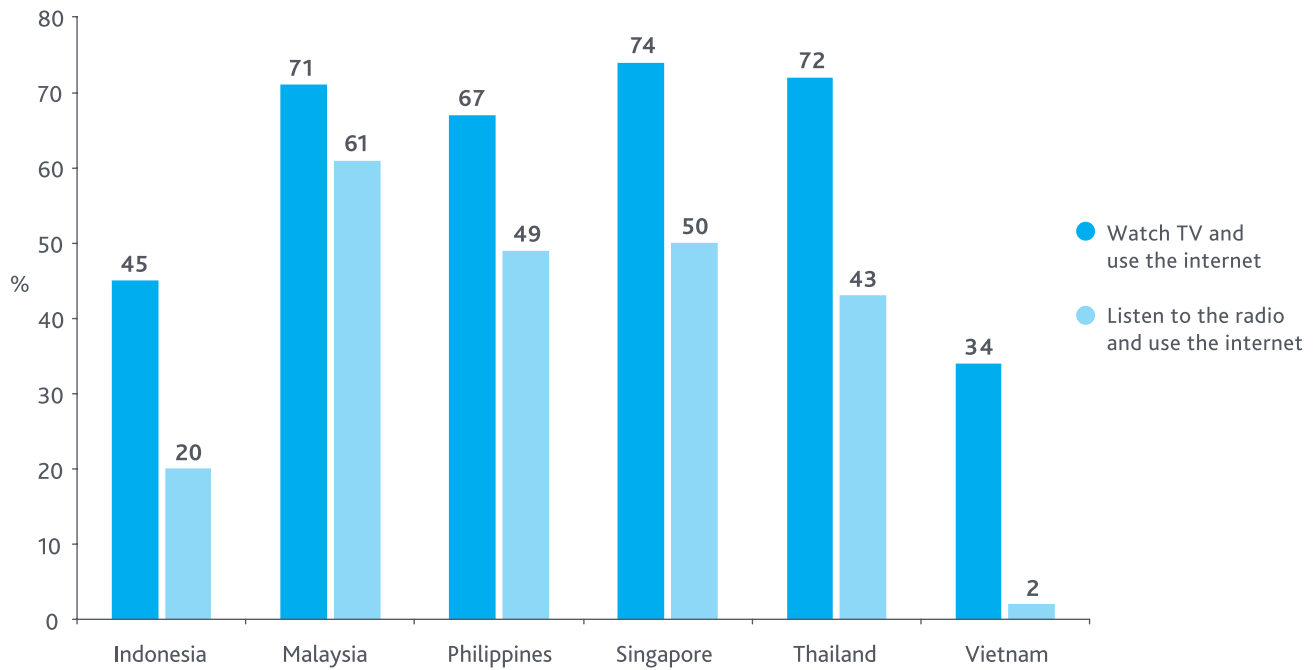
Total average time spent with internet and main media per week

Digital consumers aged 15+



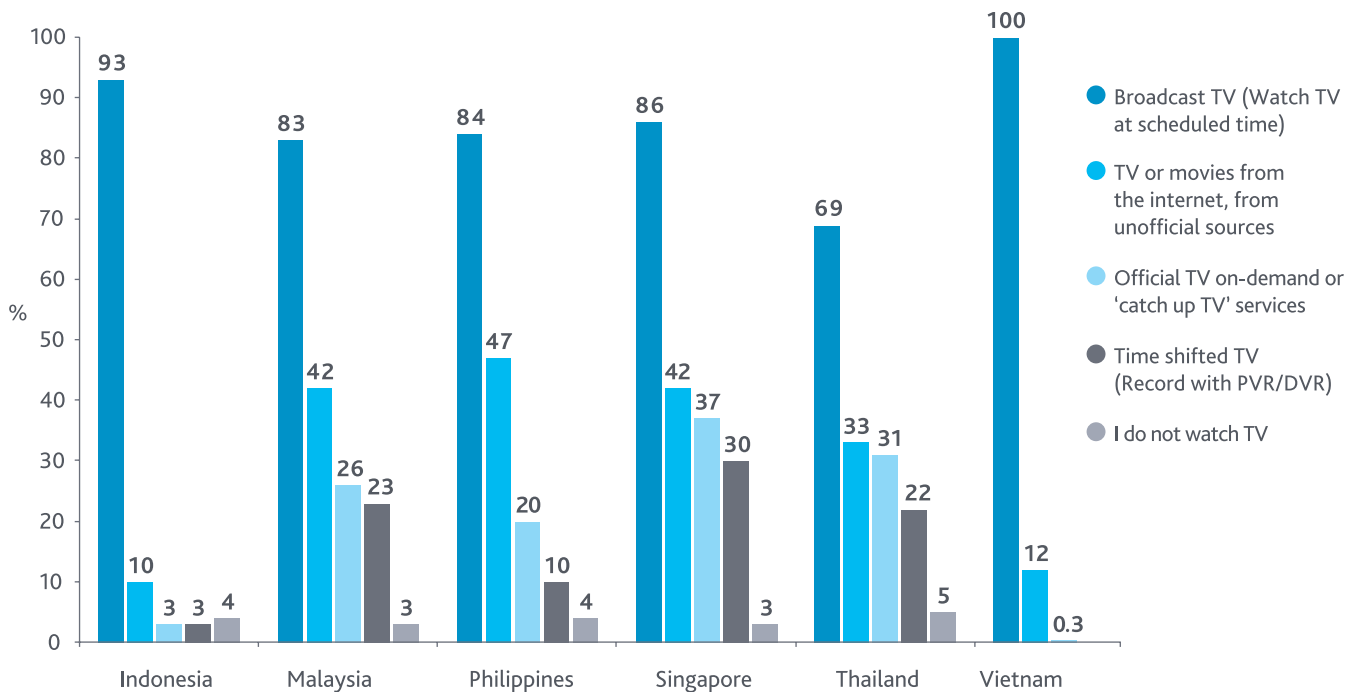
Simultaneous consumption of internet and TV, and internet and radio

Digital consumers aged 15+



Source of TV content

Digital consumers aged 15+



Online Services, Activities And Content

The popularity of online video amongst Southeast Asian digital consumers points to opportunities not only in content delivery via the internet, but also rich online advertising messages, to complement those previously confined to television.

Key Findings

- Email is the most popular online activity undertaken by Southeast Asian digital consumers on a weekly basis (or more often), in all markets except Indonesia

- In Indonesia, social media activities make up the four most frequently undertaken activities, with private messages on social networking sites the most popular
- Communicating via social networks, accessing online news and using search are common activities conducted on a frequent basis among Southeast Asian digital consumers
- Although not amongst the top five frequent activities, but with strong adoption, streaming and/or downloading video via the internet is now popular

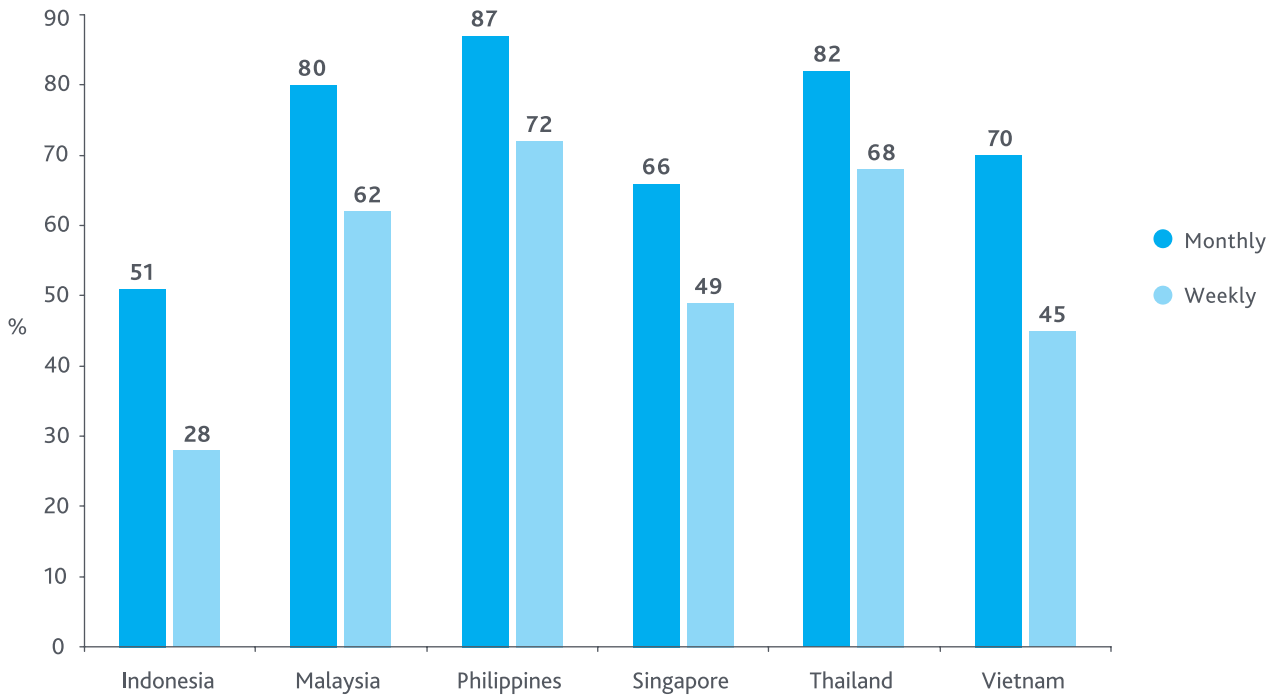
Top five online activities conducted on at least a weekly basis

Digital consumers aged 15+

Indonesia	Malaysia	Philippines	Singapore	Thailand	Vietnam
Private msgs on SN sites 71%	Email 92%	Email 90%	Email 96%	Email 85%	News 90%
Public comments on SN sites 61%	Private msgs on SN sites 83%	Private msgs on SN sites 83%	News 86%	News 79%	Search 81%
Browsing people's profiles 59%	News 82%	Wall posts/status updates/group msgs via SN sites 81%	Search 81%	Private msgs via SN sites 74%	IM 68%
Updating SN profile 56%	Search 79%	News 79%	IM 70%	Reading comments about brands/products 70%	Gaming online 52%
Email 51%	IM 75%	IM 78%	Private msgs on SN sites 67%	Sharing content 69%	Streaming audio 47%

Proportion of digital consumers who stream / download online video

Digital consumers aged 15+



Social Media



















The rise of social media provides brands with more customer touch points and more information about their customers and preferences than ever before.

Key Findings

- Online social media exploded onto the media scene at the end of the last decade. Southeast Asian digital consumers are on-board and in all markets except Vietnam, social media activities can be found in the top five most popular online activities to stimulate frequent conduct
- As in many other markets globally, Facebook has won the hearts and loyalty of Southeast Asian digital consumers. A massive 90 percent of Indonesian digital consumers actively maintain a Facebook profile. Facebook dominates the social media landscape in all markets except Thailand (where 4shared maintains decent market share) and Vietnam (where Zing Me has slightly more active profile holders than Facebook)
- YouTube also enjoys widespread popularity in Southeast Asia. Not surprisingly it dominates when it comes to the site most used to view video
- The rise of social media provides brands with more customer touch points than ever before. Digital consumers in Thailand, Philippines and Malaysia are the most likely to have interacted with, or engaged with, a brand or company via a social media site like Facebook, Twitter or YouTube
- Not only can brands deliver messages and content to customers via this channel, but they should also listen to the conversations taking place through social media. Southeast Asian digital consumers are actively posting their own opinions about brands and services online, and reading other consumers' comments, as part of the decision making process
- Rich media, in the form of online video about products or services, also plays a role in many consumers' decision making process
- Online forums and message boards, together with social networking sites and review sites, provide an ideal mechanism to tap into other consumers' opinions, and publish one's own opinion. A significant proportion of digital consumers visit forums at least monthly

Proportion of digital consumers with an active profile

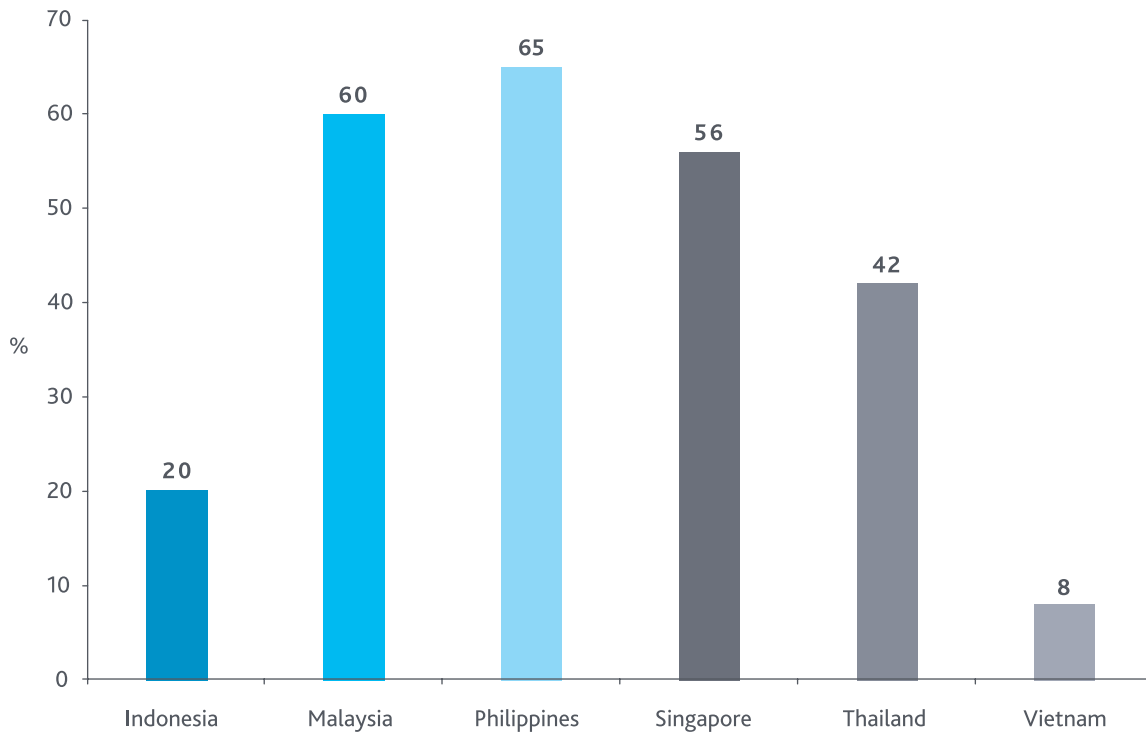
All digital consumers aged 15+

Indonesia	Malaysia	Philippines	Singapore	Thailand	Vietnam
 90%	 78%	 81%	 77%	 56%	 33%
 23%	 51%	 51%	 45%	 43%	 28%
 19%	 31%	 32%	 31%	 39%	 24%

Proportion of digital consumers who have connected with / interacted with brands, products or companies via social media in the past 12 months

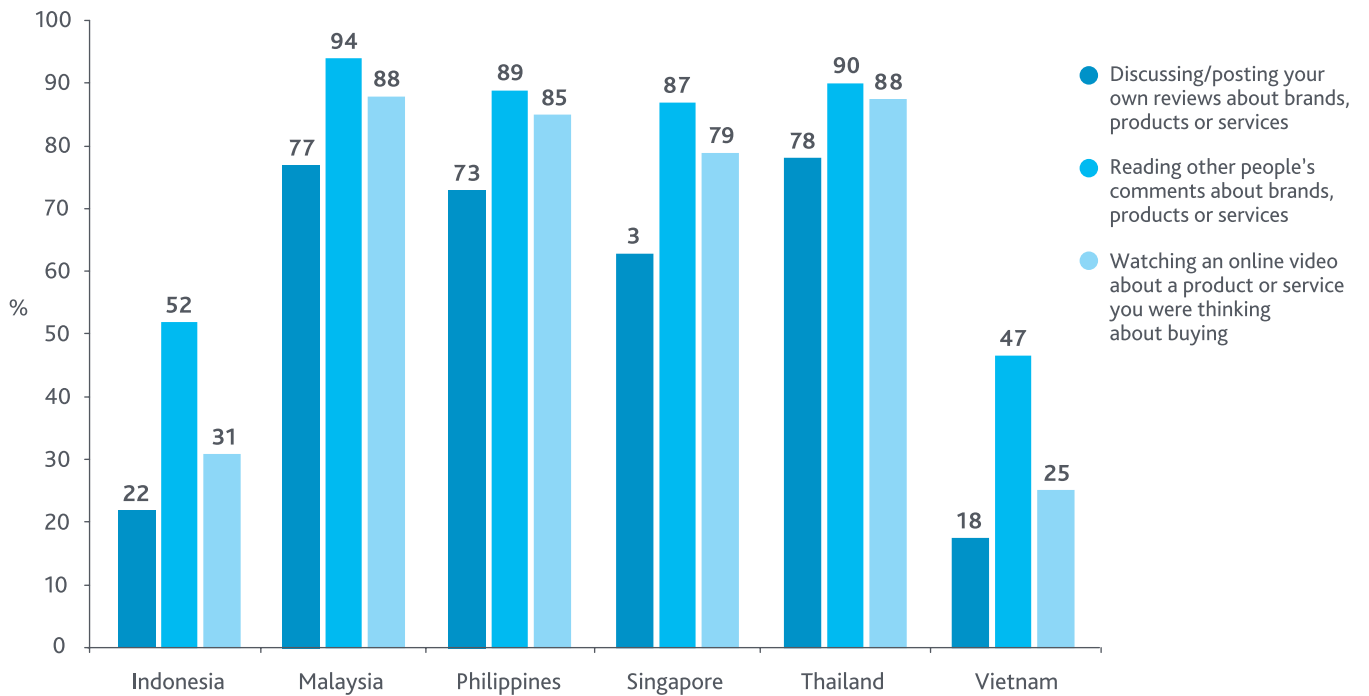
All digital consumers aged 15+

Connecting / interacting with brands or companies on SN sites



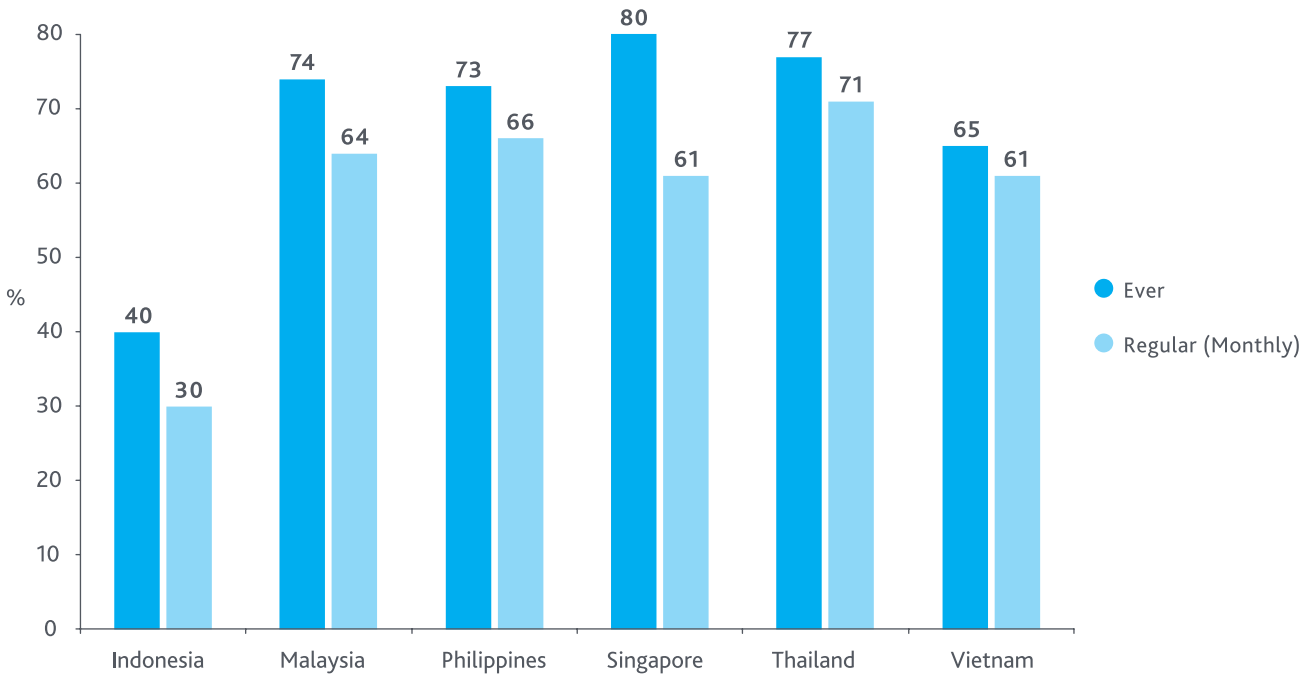
Social media supporting consumer decision making – participation in past 12 months

All digital consumers aged 15+



Proportion of digital consumers ever visiting online forums vs. visiting monthly

All digital consumers aged 15+

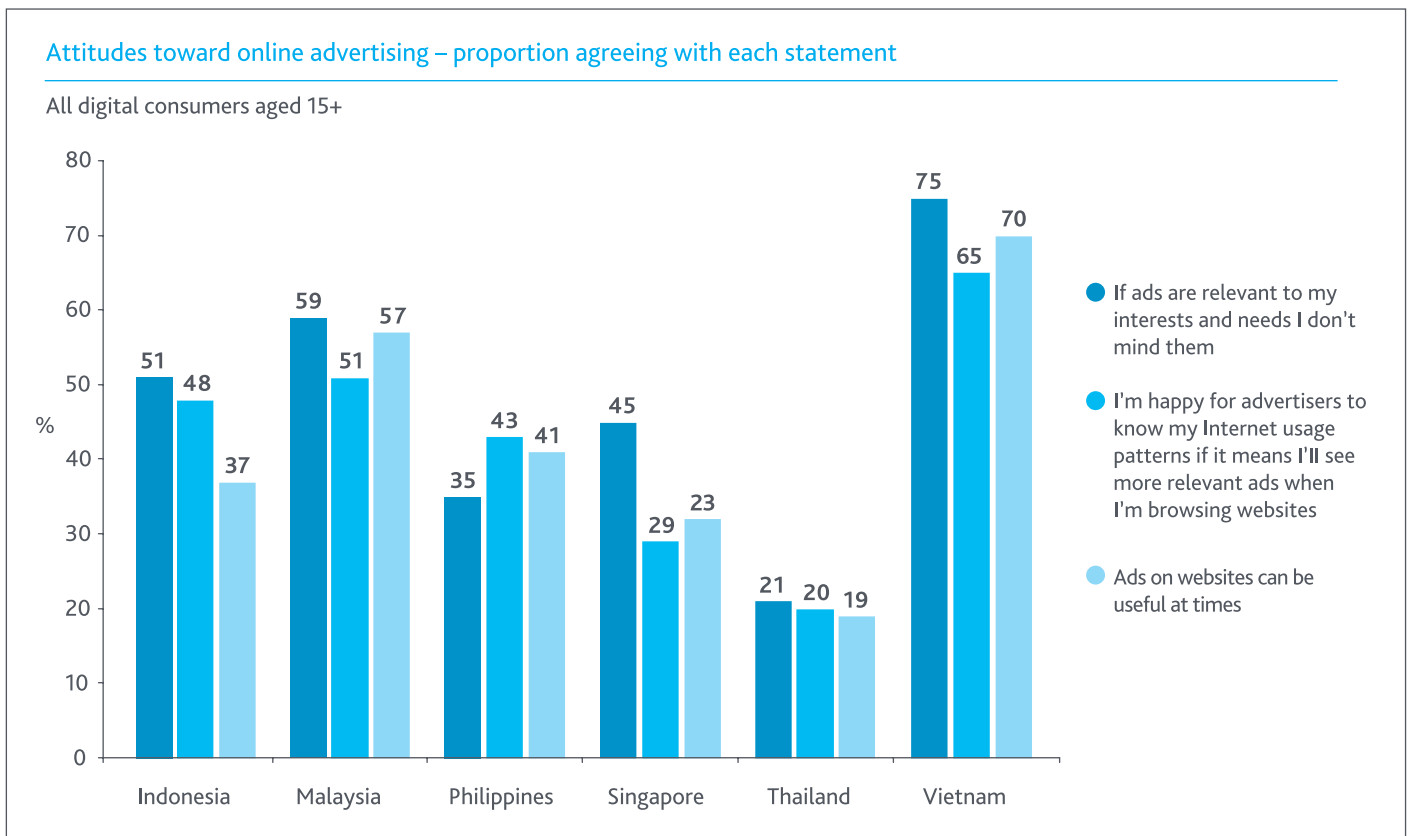


Online Advertising

Online advertising expenditure continues to grow in Southeast Asia, albeit off a very low base. Online media's share of total advertising is very low, for example, in Singapore it represents 6.9 percent of total ad spend while in Thailand and Malaysia online advertising represents less than one percent of total ad spend¹.

Key Findings

- Increasing consumer up-take of mobile internet and online video provide brands with opportunities around new, innovative online advertising formats and executions
- Digital consumers in Vietnam show the greatest positivity toward online advertising while those in Thailand are the least positive
- Digital consumers are more likely to feel positive towards online advertising that is relevant to their needs and interests



¹All figures come from Nielsen Advertising Information Services (AIS) reports

Nielsen introduces the most in-depth study of consumer digital behaviour in Southeast Asia

Gain the latest insights on Southeast Asian consumers' digital behaviour with the Nielsen Southeast Asia Digital Consumer Report 2011

The digital landscape in Southeast Asia is a dynamic and constantly evolving environment. As new technologies continue to emerge, consumers are assessing online media via an ever-expanding array of devices and screens, often simultaneously with other forms of media.

The Nielsen Southeast Asia Digital Consumer Report uncovers the drivers of digital behaviour and its role in the lives of today's consumers. It is a vital resource for any business wanting to stay abreast of the digital media space to inform decision making and planning for 2011 to 2012.

This unique report delivers country-specific insights to shape key digital investment.

The insights included within this whitepaper are topline findings from the Southeast Asia Digital Consumer Report. For further information on the Nielsen Southeast Asia Digital Consumer Report email nielsenonline.apaccommunications@nielsen.com.



About Nielsen

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