



OPPORTUNITY FOR THE NEW MEDIA PLATFORMS

**BURSA – HLIB
STRATUM FOCUS SERIES X
DIGITALIZATION: SHAKING THINGS UP!**

6 FEB 2020

Industry Under Threat



BBC News to close 450 posts as part of £80m savings drive

🕒 29 January 2020 | 📰



Around 450 jobs will be cut from BBC News under plans to complete its £80m savings target by 2022.

Media Prima confirms going ahead with 'manpower rationalisation exercise'

Monday, 16 Dec 2019

2:02 PM MYT

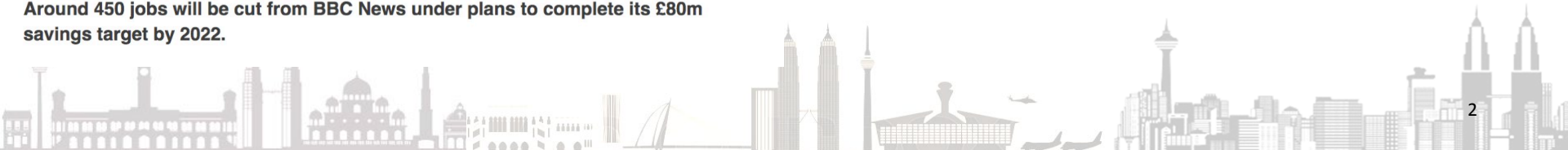
PETALING JAYA: Media Prima Bhd has confirmed that it will go ahead with its “manpower rationalisation exercise” and that affected employees were given their official notifications on Monday (Dec 16).

The media group said that compensation payments would be made in full upon completion of internal and regulatory processes.

It added that the new operating structure and list of affected employees were determined after several consultations with unions.

These include the Sistem Televisyen Malaysia Berhad Employees Union (KSKSTMB), the TV3 Executive Union (KESTMB), the National Union of Journalists Peninsular Malaysia (NSTP Branch) (NUJ NSTP), and the National Union of Newspaper Workers (NUNW).

“The group has ensured a fair and equitable compensation governed by the Employment Act, the respective union collective agreements, and employment contracts.



01

Global Overview

02

Overview of the Malaysian Telecommunications & Multimedia Industry

03

The Need to Go Digital

04

Enhancing Audience Measurement

05

Opportunities Ahead



01 Global Overview

JAN
2019

DIGITAL AROUND THE WORLD IN 2019

THE ESSENTIAL HEADLINE DATA YOU NEED TO UNDERSTAND GLOBAL MOBILE, INTERNET, AND SOCIAL MEDIA USE

TOTAL
POPULATION



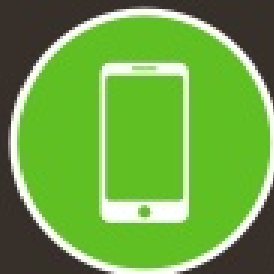
7.676

BILLION

URBANISATION:

56%

UNIQUE
MOBILE USERS



5.112

BILLION

PENETRATION:

67%

INTERNET
USERS



4.388

BILLION

PENETRATION:

57%

ACTIVE SOCIAL
MEDIA USERS



3.484

BILLION

PENETRATION:

45%

MOBILE SOCIAL
MEDIA USERS



3.256

BILLION

PENETRATION:

42%

SOURCES: POPULATION: UNITED NATIONS; U.S. CENSUS BUREAU. **MOBILE:** GSMA INTELLIGENCE. **INTERNET:** INTERNETWORLDSTATS; ITC; WORLD BANK; CIA WORLD FACTBOOK; EUROSTAT; DIGITAL GOVERNMENT BODIES AND REGULATORY AUTHORITIES; MIDEASTMEDIA.ORG; REPORTS IN REPUTABLE MEDIA. **SOCIAL MEDIA:** PLATFORMS' SELF-SERVE ADVERTISING TOOLS; PRESS RELEASES AND IN-VESSOR EARNINGS ANNOUNCEMENTS; ARAB SOCIAL MEDIA REPORT; TECHRASA; HIKI AG HAI; ROSE.RU (ALL LATEST AVAILABLE DATA IN JANUARY 2019).



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JAN
2019

ANNUAL DIGITAL GROWTH

THE YEAR-ON-YEAR CHANGE IN KEY STATISTICAL INDICATORS

TOTAL
POPULATION



+1.1%

JAN 2018 – JAN 2019

+84 MILLION

UNIQUE
MOBILE USERS



+2.0%

JAN 2018 – JAN 2019

+100 MILLION

INTERNET
USERS



+9.1%

JAN 2018 – JAN 2019

+367 MILLION

ACTIVE SOCIAL
MEDIA USERS



+9.0%

JAN 2018 – JAN 2019

+288 MILLION

MOBILE SOCIAL
MEDIA USERS



+10%

JAN 2018 – JAN 2019

+297 MILLION

SOURCES: POPULATION: UNITED NATIONS; U.S. CENSUS BUREAU. MOBILE: GSMA INTELLIGENCE. INTERNET: INTERNETWORLDSTATS; ITU; WORLD BANK; CIA WORLD FACTBOOK; EUROSTAT; DIGITAL GOVERNMENT BODIES AND REGULATORY AUTHORITIES; MIDWESTMEDIA.ORG; REPORTS BY REPUTABLE MEDIA. SOCIAL MEDIA: PLATFORMS' SELF-SERVE ADVERTISING TOOLS; PRESS RELEASES AND INVESTOR EARNINGS ANNOUNCEMENTS; ARAB SOCIAL MEDIA REPORT; TECHRASA; HIKI AGHRA; SCORE.BU (ALL LATEST AVAILABLE DATA IN JANUARY 2019).



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JAN
2019

DIGITAL IN ASIA-PACIFIC IN 2019

THE ESSENTIAL HEADLINE DATA YOU NEED TO UNDERSTAND MOBILE, INTERNET, AND SOCIAL MEDIA USE

TOTAL
POPULATION



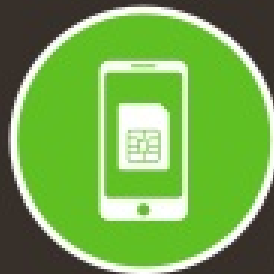
4.250

BILLION

URBANISATION:

48%

MOBILE
SUBSCRIPTIONS



4.416

BILLION

vs. POPULATION:

104%

INTERNET
USERS



2.210

BILLION

PENETRATION:

52%

ACTIVE SOCIAL
MEDIA USERS



1.997

BILLION

PENETRATION:

47%

ACTIVE MOBILE
SOCIAL USERS



1.931

BILLION

PENETRATION:

45%

SOURCES: POPULATION: UNITED NATIONS; U.S. CENSUS BUREAU. **MOBILE:** GSMA INTELLIGENCE. **INTERNET:** INTERNETWORLDSTATS; ITC; WORLD BANK; CIA WORLD FACTBOOK; EUROSTAT; DIGITAL GOVERNMENT BODIES AND REGULATORY AUTHORITIES; MIDASTMEDIA. **CMG**; REPORTS IN REPUTABLE MEDIA. **SOCIAL MEDIA:** PLATFORMS' SELF-SERVE ADVERTISING TOOLS; PRESS RELEASES AND INVESTOR EARNINGS ANNOUNCEMENTS; ARAB SOCIAL MEDIA REPORT; TECHASA; HIKI AGHAR; ROSE.RU (ALL LATEST AVAILABLE DATA IN JANUARY 2019).



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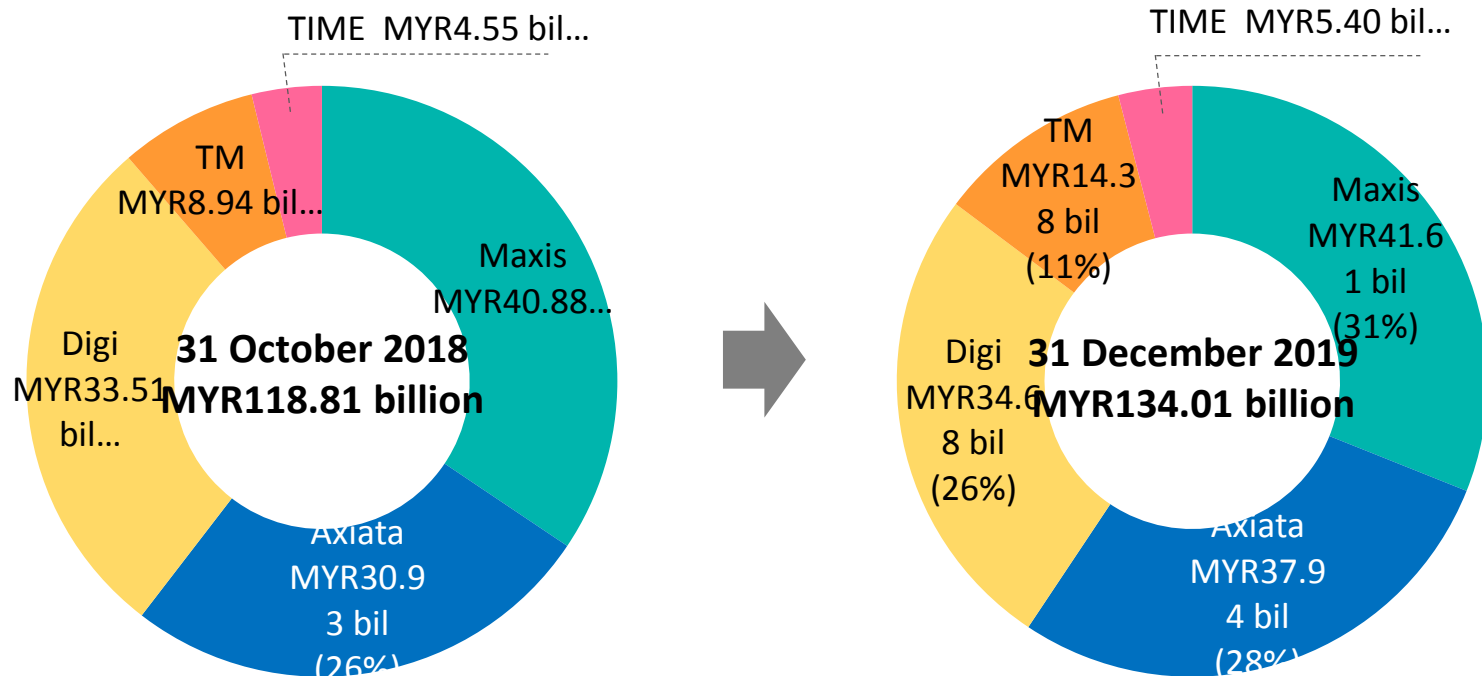
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02

Overview of the Malaysian Telecommunications & Multimedia Industry

Total market capitalisation for telecommunications companies is at **RM134 billion** - increased 12.8% since 31 October 2018

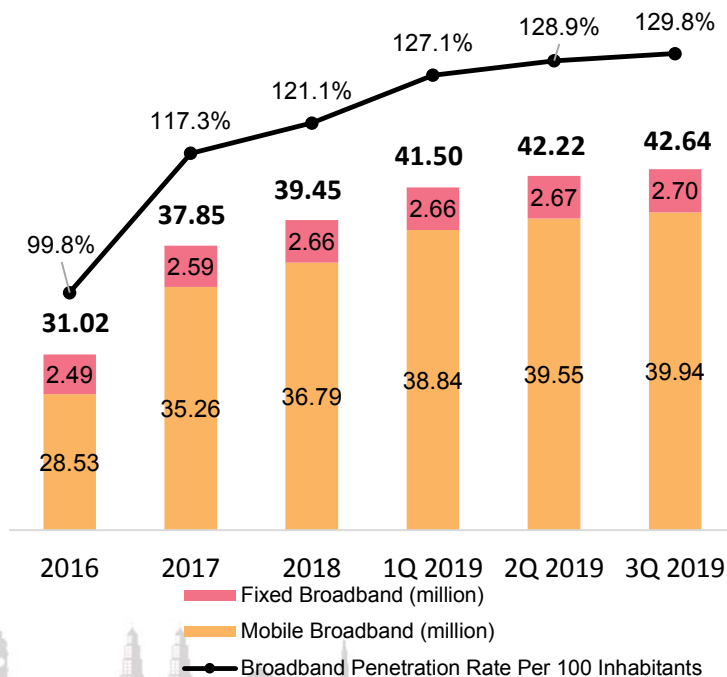


State of Connectivity in Malaysia (1/5)

Broadband subscriptions updated as at 3Q 2019



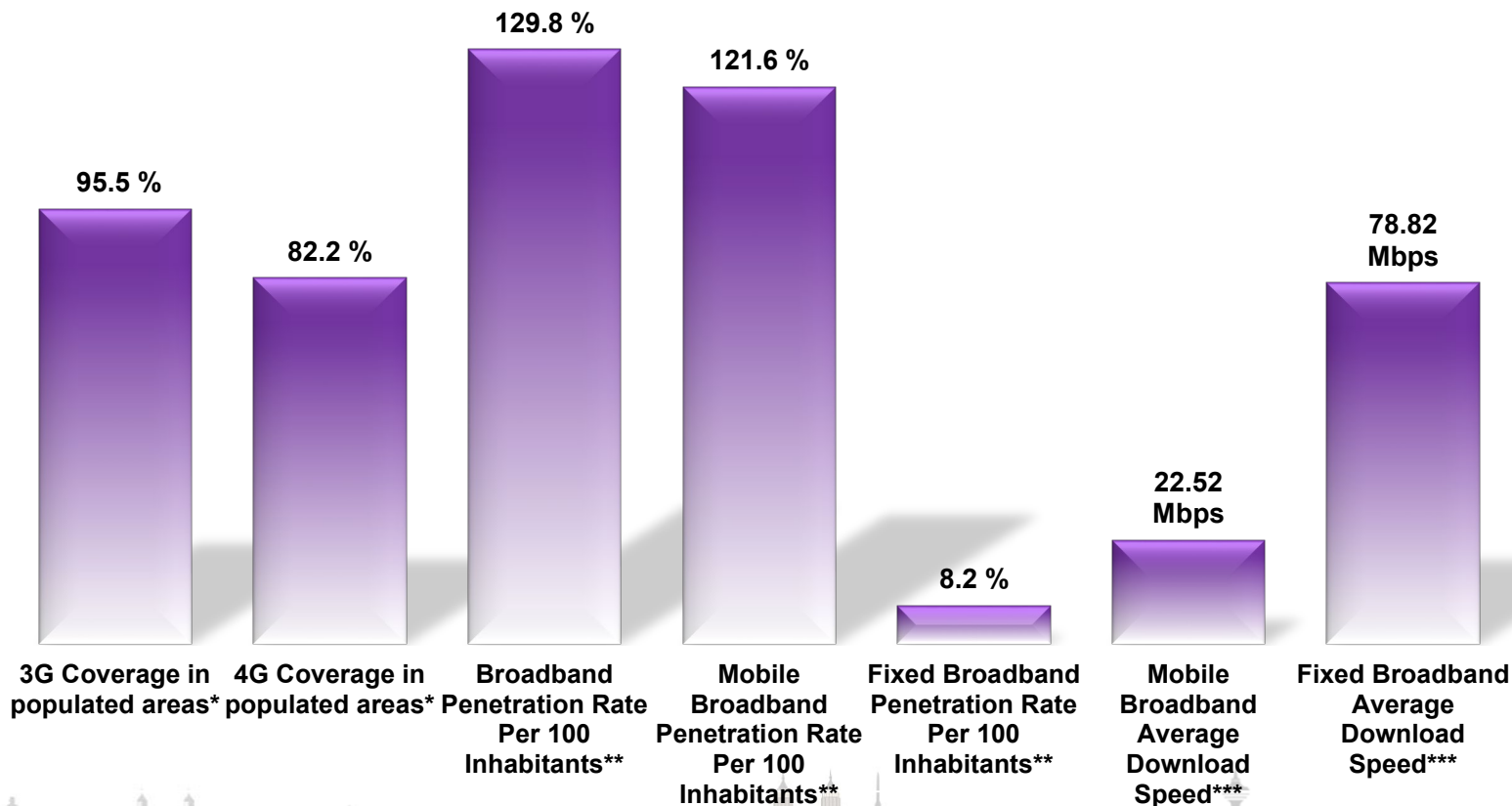
BROADBAND SUBSCRIPTIONS AND PENETRATION RATE
4Q 2016 – 3Q 2019



- Growth driven by improved network coverage and demand for mobile data
- Fixed broadband subscriptions: ↑ 1.3% (quarter-on-quarter – 2Q to 3Q 2019)
- Fibre subscriptions ↑ 3.6% to 1.92 million due to Government's drive for affordable broadband – 2Q to 3Q 2019
- Mobile broadband: ↑ 1.0% (quarter-on-quarter – 2Q to 3Q 2019)
- 3G population coverage: 94.9% for 2Q 2019 (2018: 94.7%)
- 4G LTE population coverage: 80.1% for 2Q 2019 (2018: 79.7%)

Note: Mobile broadband consists of 3G and 4G subscriptions

State of Connectivity in Malaysia



Note:

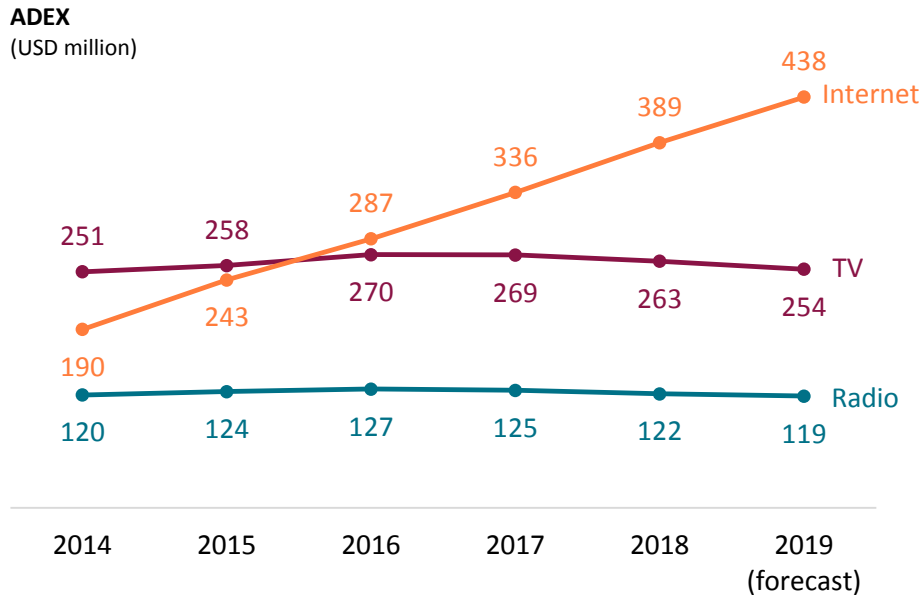
* As at 2Q 2019

** As at 3Q 2019

*** As at October 2019, by Speedtest Global Index

Internet Adex overtook traditional TV starting 2016 and has increased exponentially by 52% in 2019 due to the shift in audience behavior

MALAYSIA ADEX BY SELECTED MEDIUM 2014 – 2019



Source: Bloomberg, MAGNA Global Advertising Data published on 17 June 2019

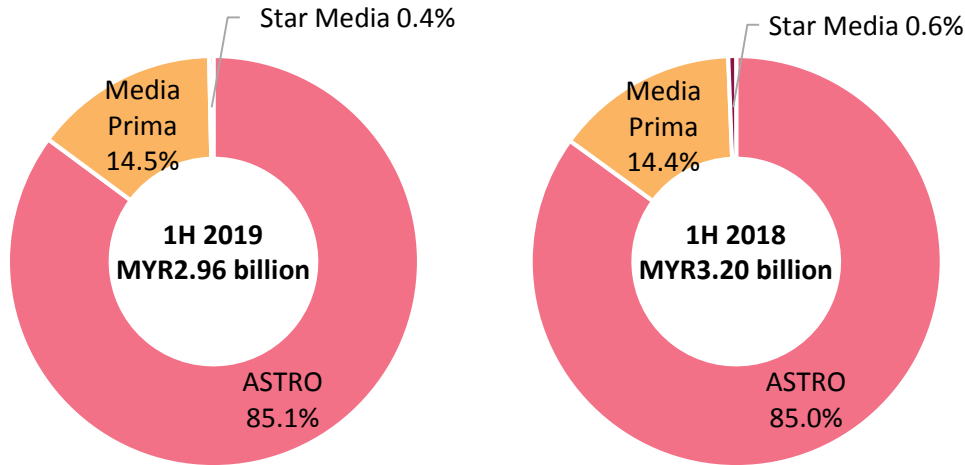
Note: For 2019: USD1 = MYR4.18; 2018: USD1 = MYR4.14

- MAGNA forecasts Malaysian Internet Adex in 2019 recorded:
 - Total of **USD438 million (MYR1.8 billion)**
 - A growth of **13%** from USD389 million or MYR1.6 billion in 2018
- Internet Adex is driven by:
 - More online content
 - More Internet users
 - Pervasive mobile access
 - Availability of higher Internet speeds
 - Shifts of spending by advertisers

Broadcast Sector Revenue

Pay TV (ASTRO) dominates the sector since its inception in 1996 with more content, applications and on-the-go service offerings to date

BROADCASTING SECTOR REVENUE 1H 2018 VIS-À-VIS 1H 2018



Source: Industry, MCMC

Note: 1. Media Prima excludes print revenue

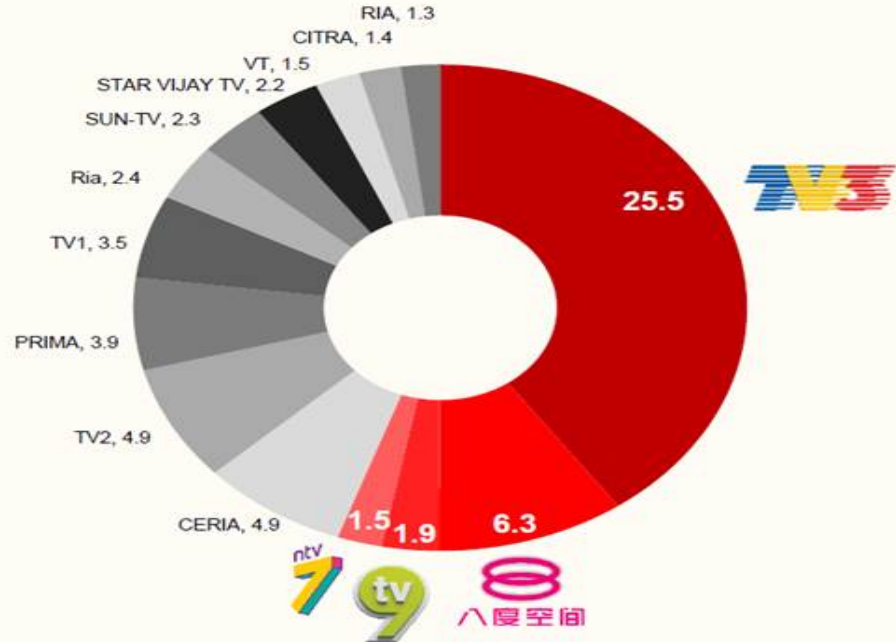
2. ASTRO revenue adjusted by calendar year

3. Star Media excludes print & digital and other revenues

- Despite the dip in broadcasting sector's revenue from 1H 2018 to 1H 2019 on the back of OTT services, the Pay TV sector maintains its healthy position as the preferred medium of television viewers.
- Broadcasters continue to offer compelling content across multi-platforms to maintain and enhance viewership.
- Pay TV constitutes **85%** while FTA TV hovers about **15%** of the total broadcast sector revenue

Audience market share between Pay TV and FTA TV

Despite the dominance of Pay TV service, Free-to-Air TV service provider, Media Prima garners the largest audience market share



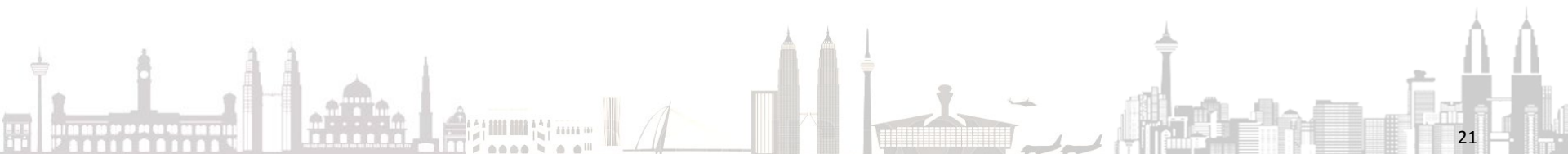
Source: Nielsen Audience Measurement (1 January – 30 September 2019)

- Media Prima is the leading FTA broadcaster, with its channel portfolio accounting for **35.2%** of audience market share.
- Media Prima operates four FTA channels TV3, NTV7, 8TV, and TV9
- Astro constitutes **19.9%** while RTM commands **8.4%** of audience market share



03 The Need to Go Digital

- Malaysia has completed its analogue switch off by 31 October 2019
- Gradual transition from analogue to digital television broadcasting began with a pilot analogue switch-off in Langkawi, Kedah on 21 July 2019
- The nationwide transition was implemented in 3 phases:
 - ❖ Central and South (30 Sep 2019)
 - ❖ North and East (15 Oct 2019)
 - ❖ Sabah and Sarawak (31 Oct '19)



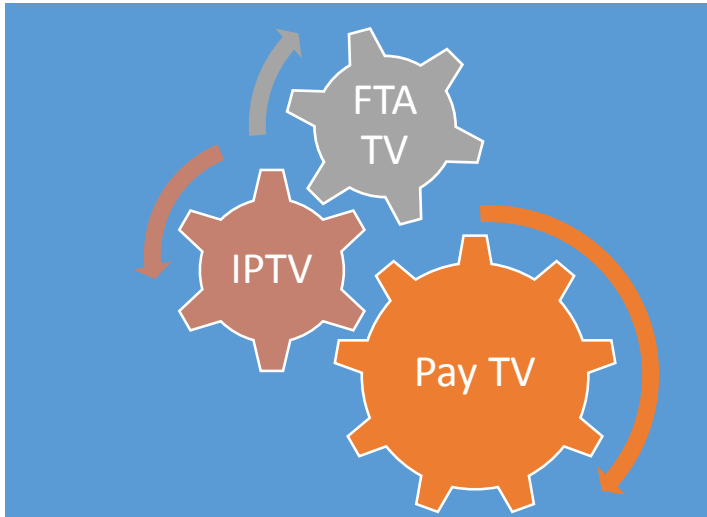


04 Enhancing Audience Measurement

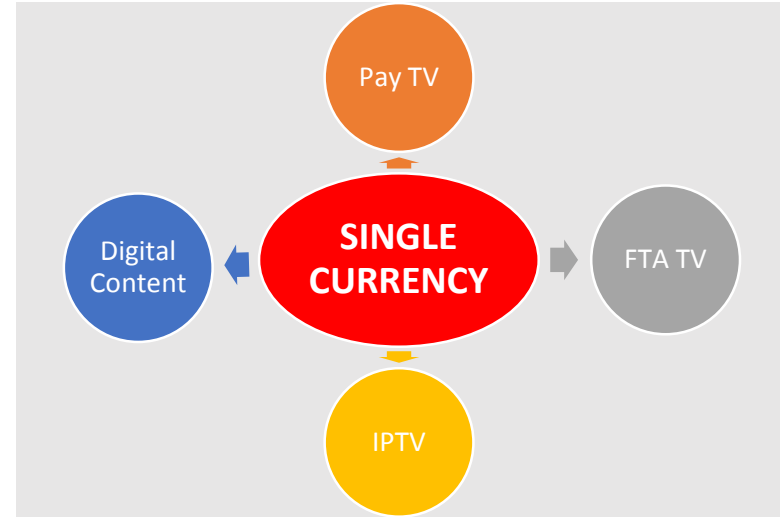
Single Audience Measurement on Digital Platform

- ❖ Malaysia aims to establish a single currency to facilitate audience measurement data across all digital media platforms

Current Scenario



Future



- ❖ Each player establishes its own audience research data which has caused fragmentation and poses a challenge to media buyers

- ❖ A single industry body to manage and generate audience measurement data for accessibility to industry players



05

Opportunities Ahead

June 2019, MCMC Announced a Call for Collaboration (CFC) for the 5G Malaysia Demonstration Projects (5GDP)



The implementation of 5G Malaysia Demonstration Projects aims to:



Facilitate, build and nurture development of promising 5G use cases in a live but controlled environment; and in a broader context, grow the 5G ecosystem in Malaysia.



Facilitate collaboration between Ministries, key industry partners across industry verticals, SME's and start-ups to develop and grow early promising 5G use cases.



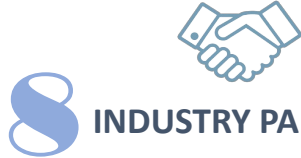
Create awareness and stimulate demand for the use of 5G technology.

MCMC Identified 100 Use Cases Proposed by Government and Industry : 72 Use Cases will be rolled out in 56 live 5G sites across 6 States



9 VERTICALS

- Agriculture
- Education
- Entertainment/Media
- Healthcare
- Manufacturing and Processing
- Oil and Gas
- Smart City
- Transportation
- Tourism



8 INDUSTRY PARTNERS

- Celcom Axiata Berhad
- Digi Telecommunications Sdn Bhd
- Edotco Malaysia Sdn Bhd
- Maxis Broadband Sdn Bhd
- Petroliam Nasional Berhad (PETRONAS)
- Telekom Malaysia Berhad
- U Mobile Sdn Bhd
- YTL Communications Sdn Bhd



5 MINISTRIES PARTICIPATION

- Ministry of Agriculture and Agro-based Industry (MoA)
- Ministry of Health (MoH)
- Ministry of Housing and Local Government (KPKT)
- Ministry of Transport (MoT)
- Ministry of Water, Land and Natural Resources (KATS)

28 Government Use Cases

72 Industry Use Cases

100

28 Use Cases: Further facilitation and engagements are being undertaken with relevant stakeholders for deployment in 2020.

5G Malaysia Demonstration Projects



PENANG

Verticals:

- Manufacturing
- Smart City
- Tourism
- Entertainment/Media
- Smart Transportation

Live Location:

- Bayan Lepas
- Komtar
- Padang Kota
- Penang Hill
- Penang International Airport
- Pengkalan Raja Tun Uda Ferry Terminal
- Pengkalan Sultan Abdul Halim Ferry Terminal
- Taman Perindustrian Batu Kawan
- USM



KEDAH

Verticals:

- Agriculture
- Digital Healthcare
- Education
- Smart City
- Tourism

Live Location:

- Berjaya Resort Langkawi
- Boustead Shipyards
- Hospital Sultanah Maliha
- IPD Quarters
- Kuah Town
- Langkawi International Airport
- Langkawi Port
- Langkawi Skycab
- Maktab Rendah Sains MARA
- Meritus Pelangi Beach Resort & Spa
- Pantai Cenang
- PI Kampung Padang Wahid PI Kuah



PERAK

Vertical: Manufacturing

- Tanjung Malim

SELANGOR

Verticals:

- Digital Healthcare
- Education
- Smart City
- Tourism

Live Location:

- Gamuda Cove Experience Gallery
- RekaScape Cyberjaya
- Majlis Bandaraya Petaling Jaya
- SS14, Subang Jaya
- SS15, Subang Jaya
- SS18, Subang Jaya
- UiTM Shah Alam



TERENGGANU

Vertical: Oil & Gas

- INSTEP, Kuala Terengganu



WP KUALA LUMPUR

Verticals:

- Education

Live Location:

- Aquria KLCC



RM143 MILLION

9 VERTICALS

72 USE CASES

56 LIVE SITES

6 STATES

5G Malaysia Demonstration Project Ceremony (19 – 21 Jan 2020)



19 JANUARY 2020

The 5G Malaysia Demonstration Projects Ceremony, Langkawi, Kedah



20 JANUARY 2020

The 5G Malaysia Demonstration Projects Tour, Langkawi, Kedah



20 & 21 JANUARY 2020

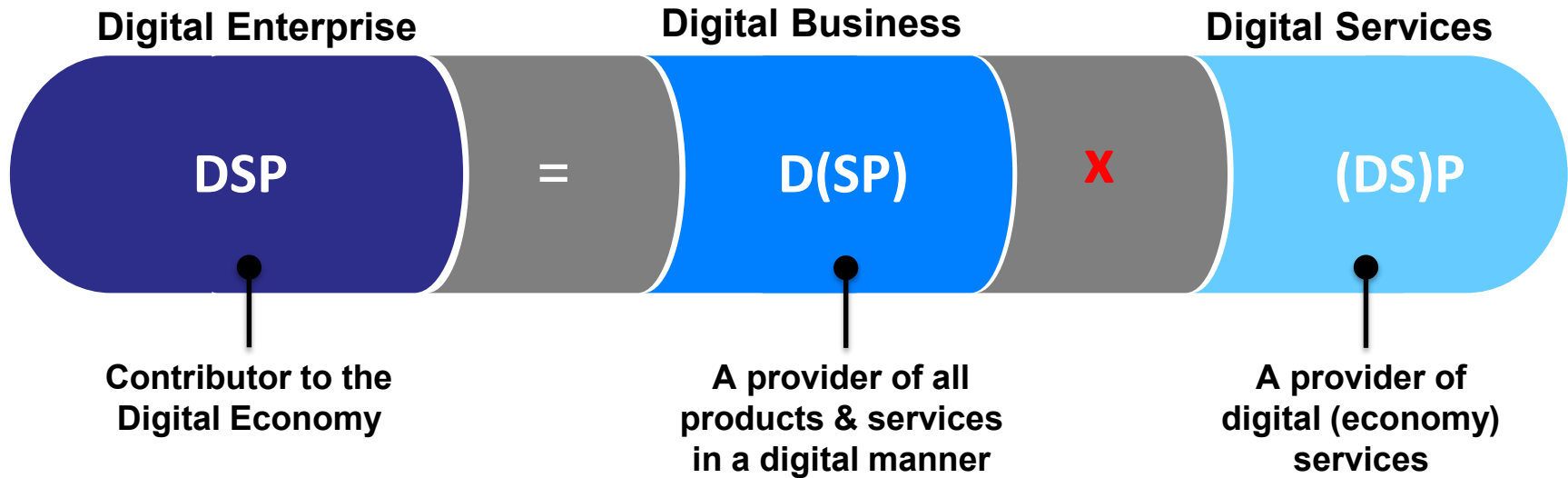
The 5G Malaysia International Conference, Langkawi, Kedah





MALAYSIA
PROGRESSING HUMANITY™





DSP = Digital Service Provider

Audiences are already digital 1st + online + mobile. Where are we?

Malaysian Media must become the Digital Platform

Not enough to be digital. We must Digitalise (inside & outside)



*Thank
you!*

