

ACIIES

Executive
Summary

MALAYSIA



Shakeup In
The Media World

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ACIES Malaysia, an offshoot of INVOKE
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INTRODUCTION

ACIES IS AN OFF- SHOOT OF INVOKE MALAYSIA

Acies is an offshoot of INVOKE, the only organisation that successfully predicted the fall of Barisan Nasional ('BN') government in the May 2018 general election. Technology is our bread and butter; we provide our clients with the efficiency of technology and the comfort of an uncluttered future.

Naturally, we hope that Malaysia and the world would embrace the rounds of technology that could make our lives easier—to maximise what is convenient and democratic, and to rid the elements that are mundane and mechanical. Digital disruption is at once exciting and controversial in every discussion. Unlike many other industries, the media industry in Malaysia had been thoroughly affected by digitisation of news and information even when digital adoption is generally slow in the country. This makes the media industry a stimulating area of study and heightens the need for intelligent and analytical insights.

We are confident that we can cater to our clients' needs, with improved quantitative knowledge that provides a foundation to our reasoning, and qualitative insider knowledge that propels our findings to a class above the rest.

EXECUTIVE SUMMARY

The media industry is one of the first industries to be disrupted by modern technology. Although many media companies prefer the word 'rightsizing' to the word 'downsizing', there is no question that cost-rationalisation measures had taken hold. The media companies' gradual and intermittent announcements of these measures are designed to prevent shock to the market that could put pressures to their share prices. However, no efforts could hide the consistent trend of labour-related cost cuts that is occurring throughout the industry.

In most industries, technological disruptions could be delayed, and in some cases, prevented, because modern technologies depend to a large extent on the active adoption by businesses and governments. However, the media industry is different in that internet and social media platforms had unleashed streams of news and information that had directly threatened the existence of traditional news media. In Malaysia, the media companies are particularly affected since they do not hold the weight of credibility like traditional media powerhouses like New York Times, Wall Street Journal, or BBC. Malaysia's news publications had been mired with allegations of bias and propaganda. Such claims were confirmed in recent years as the former prime minister Najib Razak did not even attempt to conceal the slanted reporting of mainstream media or make subtle the publication of his political propaganda. Consumer and investor sentiment towards these media outlets had been negative.

This report focuses on the key moves made by media companies and the potential trajectory moving forward. The structure of this report is divided into three parts. First, we analyse the current media landscape and see what the staying and departing powers of media are. Then, we discuss the strategies to cope by media companies amidst the uncertain future. Third, this report predicts a major shakeup in the media industry involving dominant personalities and business movers.

We find that while significant changes are bound to happen, there is staying power in the newsprint business. Media companies concede that the fall of revenue in newsprint is inevitable, and the capture of the digital market must be swift and large enough to make up for the shortfall in newsprint. There is, however, also a need to rethink media companies' strategies in dealing with the vast competition for news and information in the digital space and seek innovative business methods to adapt and expand.

The shift from print to digital is permanent, but it is not total. Media companies are finding potential synergies with other companies through partnerships, joint ventures, and consolidation. These adaptive strategies could revise the valuation of media companies and reshape the business these companies offer to the market. In rethinking the future of media, we provide you with critical insights that could help you make informed decisions.

OUR PEOPLE

RAFIZI RAMLI, FCA

Rafizi is a Fellow of the Institute of Chartered Accountants in England & Wales (ICAEW) and a former Member of Parliament of the constituency of Pandan, Malaysia. Rafizi graduated with a degree in Electrical and Electronics Engineering from Leeds University and qualified as a chartered accountant at Jeffrey's Henry LLP in London.

Rafizi was the youngest manager ever appointed at PETRONAS, a Fortune-100 international oil and gas conglomerate, at the age of 25. He went on to manage petrochemical assets worth US\$10 billion at the age of 27. By 30, Rafizi was the finance head of PETRONAS's international upstream operation, covering 34 countries around the world.

He went on to assume the role of general manager at Pharmaniaga PLC, the largest integrated pharmaceutical conglomerate in Malaysia, before joining the Economic Advisory Office for Selangor as its CEO.

Rafizi joined politics as People's Justice Party's youth executive council member at age 21. He went on to win the parliamentary seat of Pandan with the largest majority for his party. He was elected Vice-President in 2014 and was subsequently appointed as Secretary General. Bold and firm at the frontline, he was barred from contesting in Malaysia's 2018 General Election on politically motivated criminal charges for exposing classified audit report relating to the 1Malaysia Development Berhad (1MDB) scandal.

Despite not being a candidate for the general election, Rafizi had founded INVOKE, an organisation that used Big Data and micro-targeting techniques, that were proven instrumental in Pakatan Harapan's first ever victory.



ANDREW CLASTER

Andrew is the earliest advisor to INVOKE. He provided technical expertise in predictive modelling and micro-targeting techniques that ultimately helped put Barisan Nasional's unbroken rule to an end. He was educated in Yale University, London School of Economics, and the University of Barcelona.

Among others, Andrew's most illustrious career highlight includes serving as Deputy Chief Analytics for President Obama's 2012 re-election campaign. He helped create and lead the Obama Analytics team of more than 50 analysts, statistical modellers, and engineers. His tenure at Penn, Schoen & Berland involved working with Big Data technologies that helped big businesses and renowned political candidates including Hillary Clinton, Tony Blair, Gordon Brown, Leonel Fernandez, Verizon, Alcatel, Microsoft, BP, KPMG, and others.





JAMES CHAI

James was one of the early volunteers for INVOKE and later researcher for INVOKE Centre for Policy Initiative. He was an award-winning First-Class degree law student at Queen Mary University of London, and soon emerged top of his class in Master of Science (Distinction) at Oxford University. His dissertation at Oxford received sterling reviews from academics at Oxford University, London School of Economics, King's College London, and the University of Rome.

At university, James was the legal advisor for the award-winning Queen Mary Legal Advice Centre and was the runner-up at the George Hinde Mooting Championship, judged by the former President of the Supreme Court, Lord Neuberger. He was also an associate editor for the prestigious Oxford University Commonwealth Law Journal at Oxford University.

He worked at the top litigation firms in the country and was the research officer for former member of parliament Rafizi Ramli intermittently for 4 years. He is also the youngest columnist for Malaysiakini, the most widely-read news site in Malaysia. James is the holder of the Certificate of Legal Practice where he ranked among the top 0.4% of candidates nationwide.



KOH WYHOW

Wyhow graduated with a Bachelor's in Mathematics from the National University of Singapore.

He was a Further Mathematics lecturer in the Cambridge A-Level programme at Taylor's College for 4 years before joining EY Advisory's Data and Analytics team (Malaysia) as a data scientist. He consulted in data visualisation and predictive modelling projects in the airline and government sectors before eventually moving on to INVOKE. He started at INVOKE as a volunteer to assist the Analytics team in developing statistical methods for political profiling and writing R and Python scripts to conduct sentiment analyses before joining full time as Chief Analytics Officer. He has experience in data visualisation work (using PowerBI and Tableau) and is fluent in data mining and predictive modelling using R, Python and Julia.



DANESH CHAKO

Danesh graduated with a degree in Geomatics (Mapping Science) from RMIT University, Melbourne. He started his mapping career in Australia's leading travel book publishing company, Explore Australia. Subsequently, he joined a Melbourne-based multimillion-dollar asset management business where he introduced mapping technologies to enhance business pitches.

Simultaneously, Danesh started working with Malaysian-based NGO called Tindak Malaysia in fair electoral boundary projects. He also produced Malaysia's first ever interactive electoral map platform that won a global technology award by ISIF Asia. Danesh is a frequent speaker on specialised topics of electoral boundaries and open data status, in Australia, Singapore, and Malaysia. He had also worked as a GIS engineer with TomTom, Sydney, before joining INVOKE full-time as a senior data analyst.



**NUR SYAHIRAH
ABDUL RAHMAN**

Syahirah is a national scholar who has graduated with a First-Class Bachelor of Science degree from National Energy University, Malaysia (UNITEN).

At UNITEN, she received multiple awards, including Vice Chancellor award, subject-specific awards, and consecutive Dean's List awards.

She had previous experience at the renowned Panasonic Manufacturing Malaysia and had undertaken projects and certifications on Big Data and programming.

She is proficient in multiple programming languages and analytics software. Syahirah currently serves INVOKE in monitoring and protecting data integrity and health, as well as developing key statistical models to facilitate data-driven decisions within INVOKE.

SEBASTIAN SU

Sebastian is a law graduate from the University of Leeds. Besides being a book prize winner and chosen to the Dean's list, he was also elected as the President of the Taylor's University Law Society in 2016. Sebastian is also an accomplished national and international debater with a keen interest for active political involvement. This interest manifested itself in his internship with the Member of Parliament for Subang, YB Wong Chen, where he helped conduct research on Bills of Parliament, including the Malaysian Border Security Agency Bill 2017 and the Law Reform (Marriage and Divorce) Bill 2017.

He subsequently undertook an internship with the People's Justice Party (PKR), and went on to gain first-hand experience by being part of the campaign team for a national politician in the largest party election in history.

Sebastian's interest in public policy could be seen by his paper in analysing the Malaysian government's refugee policy, laws, and regulations, which was published in the 2017 edition of the Taylor's Law School newsletter, and a paper explaining the challenges youth faced in the 21st century.

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