



PublicAffairsAsia

STATE OF THE INDUSTRY REPORT

2018

A Report By Prospect and PublicAffairsAsia

Foreword and Executive Summary



To download the full report visit:
www.publicaffairsasia.com/soi2018
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This report follows telephone and face-to-face interviews with 67 practitioners and an online survey. The survey was conducted in the final quarter of 2017 via self completion. For the purposes of this report 403 relevant responses were analysed.

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Watch Video:

Click the link below to watch Emma Dale introduce the preliminary findings at PublicAffairsAsia's Leaders on Communications Live event



foreword



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Emma Dale, Prospect

Welcome to the Prospect and PublicAffairsAsia 2018 State of the Industry report covering the communications and corporate affairs industry in the Asia Pacific region.

This year we expanded our coverage, interviewing more than 67 professionals at a variety of levels within corporate affairs, corporate communications and government relations to understand the trends and issues they are facing across the APAC region. In addition, an on-line survey was completed by more than 400 individuals at a variety of levels in both corporates and agencies, where professionals shared information on remuneration, explained what kept them loyal to their current firms and outlined what factors would count if they were thinking of joining a new one.

We would like to thank everyone who took part in the salary survey and interviews.

The report has been divided into five sections:

- Section 1: Salary and Workplace Issues
- Section 2: What's Changing? What's not?
- Section 3: In-House Issues
- Section 4: Agency Issues
- Section 5: People Issues

Section one shares the data from the survey plus our commentary, informed by our work as recruiters in the APAC corporate affairs and communications industry.

Sections two to five provide commentary and insight on various trends, including the continuing need to grapple with the digital environment and its implications for talent, resources and costs. We also look at the markets in APAC that are buoyant and those where growth has slowed in the current economic climate. Our section on People Issues shows there is still a shortage of mid-level local talent but employers are having more success in retaining people. Training and development still appear to be a concern for many practitioners, who worry that the training on offer is not necessarily beneficial.

However, it is encouraging to hear that the outlook for the profession in Asia is positive, with many communications leaders and agency CEOs excited about what lies ahead in 2018. With technological advances, the role of a communicator in a corporate or agency is needed more than ever to get the message across over a multitude of channels.


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Emma Dale, Managing Director, Prospect
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Executive Summary


PublicAffairsAsia's Executive Director, Craig Hoy, offers a brief review of this year's main State of the Industry Report findings

Money Matters:



This year's survey reveals a 5% increase in average pay in 2017, taking the average regional salary across the industry to US\$141,000. In most categories and countries, men earn more on average than women and in-house salaries remain higher than those in the agency sector, with the gap widest in China. Bonus payments were good in 2017, averaging out at US\$36,000. Australia and New Zealand remained the top-earning countries, with Singapore next. Employees who took on new roles within their organisations secured an average 10% increase for doing so. Those professionals who moved companies secured an average salary increase of 8%. Corporate affairs salaries continue to be the highest, with PR and internal communications remaining at the low end of the spectrum.

Internal Issues:




The big trend we identify this year is disintermediation. For many practitioners, the advent of digital and the pressures on traditional media give them the opportunity to engage directly with stakeholders, bypassing newspapers and TV. Content is a vitally important commodity, with companies working internally and with agencies to generate editorial, social media commentary, graphics and video material to attract the attention of consumers and the wider stakeholder community.

Many companies are refocusing their communications functions, turning them into de facto newsrooms and studios capable of populating corporate branding and messaging across many channels. Digital is the new normal and die-hard government relations professionals are starting to think digitally as they seek to mobilise support through non-traditional mediums of communication.

As global MNCs embed themselves further in APAC markets, there is pressure to localise, meaning the profile of teams is changing. While many expats work in senior roles, the entry and more mid-level (under 35 years of age) of the profession looks increasingly local. However, Asian MNCs are going through the reverse process, seeking to hire internationally experienced individuals capable of taking their messaging to a global audience. For all companies, securing and defending the licence to operate is central to the communications function.

External Issues:



Within Asia, several big challenges have developed in recent years. At a macro-level, economic nationalism is creating a more difficult operating environment, which requires a careful recalibration of communications and corporate affairs strategies.

The arrival of tech-enabled disruptive industries is shaking up many marketplaces, with a new breed of Asian technology companies at the forefront of this change. The link between sustainability, corporate reputation and brand are strong and companies feel increasingly vulnerable to external reputational shocks.

Watch Video:

Click the links below to watch short interviews with Shih-Huei Ang, CEO, Klareco Communications and Michael Hanretta, Managing Director, Global Communications, Dianrong



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Digital:

Digital has been transformational. But now that it is no longer new, the focus shifts back from the medium to the message. Content creation and curation are now big business for agencies. Data analytic capabilities are becoming increasingly important as companies work out how best to use finite resources in the infinite digital environment. Fake news is a cause of concern for many.

Agency Issues:

Across APAC, most agencies report a positive performance in 2017 and have high hopes for 2018. But in some of Asia's biggest growth markets of recent years, such as China, things are slowing a little. Agencies which have operated in these markets for long periods recognise that the levels of growth seen in the last decade cannot be sustained. Indonesia, Malaysia, Vietnam and Japan are being targetted by agencies keen to identify new business opportunities.

Within the agencies, the profile of the workforce is changing. The focus is moving to creative, design, planning, data and analytics, and away from PR and traditional communications. Traditional PR agencies are starting to think and look like ad agencies, moving into paid media alongside earned and owned.

Agencies still suffer at the hands of their clients. While they want to be recognised as strategic high-level counsel, they are often hired solely for more routine "arms and legs" work such as events and PR.

At a time when the costs of servicing clients in the digital space are rising, clients are routinely spending less.

A shift towards the use of procurement policies for professional services is worrying agencies.



Watch Video:

Click the link to watch Phoebe Ho, Head of APAC PR, T. Rowe Price, discuss industry trends

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PublicAffairsAsia



PublicAffairsAsia is the network for senior government relations, corporate affairs and corporate communications professionals operating across the Asia Pacific region. We offer cutting edge insight through events, intelligence, publications, awards and our professional development programme PublicAffairsAsia Advance. We also connect corporations to their stakeholders through a series of online briefings and events: convening MNCs, governmental groups and NGOs on neutral platforms to debate emerging policy, regulatory and partnership-based developments.

For more information about how to engage with us contact Craig Hoy by email craighoy@publicaffairsasia.com, or visit our website: www.publicaffairsasia.com



Prospect is a global talent resource consultancy within the PR and corporate communications sector with offices in London and Asia. Our long standing dedication to this field enables us to provide a truly insightful and value-added service to clients. In Asia, Prospect specialises in providing mid to senior level talent to global PR/PA consultancies and major corporates across the Asia Pacific region. With an office in Hong Kong and Singapore and a very strong network across the Asia Pacific region, Prospect is unique in its specialism of the PR and corporate communications industry across all sectors.

From internal communications, government relations and media relations through to corporate affairs and CSR, Prospect has the knowledge and capabilities to advise on the trends in the Asia market, offering advice on recruiting and retaining staff and assuring the fit is right.

For any enquiries across the Asia-Pacific region, please contact Emma Dale, Co-Founder and Managing Director (Asia), +852 9177 8123, via email at emma@prospectresourcing.com or visit www.prospectresourcing.com