

S'pore eyes bigger slice of the pie in branding

More firms based here taking on marketing projects for big names

By RENNIE WHANG

ARCADE, an advertising agency, is just four years old but since it started here with four employees in 2010, it has doubled in size and revenue every year.

Now 30-strong, the firm, which has handled such projects as Unilever's global campaign for Clear shampoo, credits its growth to the increasing presence of leading consumer companies here.

"I've been in this industry for 20 years, and it's pretty exciting to think a Singaporean company could create a campaign for a product launch in North America," said group CEO Nick Marrett. "Twenty years ago, would it have been possible? I don't know, but I'm proud to have been a part of this development."

As Singapore develops as a global business hub, the Economic Development Board is anticipating job growth in marketing and branding, and market research, EDB managing director Yeoh Keat Chuan told The Straits Times in an interview on Wednesday.

The consumer industry here is expected to create 2,400 jobs, with \$2.1 billion of value added from this year to 2016, he said.

"A unique characteristic of this sector is a very strong focus on branding. There is, therefore, a

pull comes in."

Consumer conglomerate Reckitt Benckiser set up its Latin America and Asia-Pacific headquarters in Newton Road in 2012.

The firm, which owns brands like Durax, Dettol and Strepsil, manages critical areas like procurement, supply chain, sales and consumer market research from its office here with 90 staff.

Executive vice-president for the Latin America and Asia-Pacific Area at Reckitt Benckiser Roberto Funari said the investment here was to "bring decision-making to where the point of impact of that decision-making is, closer to where the consumers are".

Its aims to lift its emerging markets revenue share from 40 per cent now to 55 per cent by 2020.

Asia's consumer goods market, covering everything from food-stuff to fashion and electronics, is estimated to more than double in value to US\$65 trillion (\$\$71.5 trillion) by 2030.

Reckitt Benckiser is increasingly using Singapore as a springboard for new products and marketing models, Mr Funari said. "We also hope to attract talent from Singapore in digital areas like digital marketing and e-commerce, big data."

It was just that need to cater to global clientele in Asian markets



EDB's Mr Yeoh (left) says the board expects job growth in marketing and branding. Reckitt Benckiser's Mr Funari said his firm is using Singapore as a springboard for new products and marketing models. ST PHOTO: DESMOND FOO

EDB to focus on consumer insights, R&D and analytics

The Economic Development Board will continue to focus on investing in strategic capabilities such as pan-Asian consumer insights, R&D and analytics.

■ Consumer insights

Singapore is developing capabilities that will allow companies to get a better understanding of Asian consumers and so tailor innovations to them.

Platforms will also be created to facilitate multi-party

collaborations that can further develop companies' understanding of consumers and help create tangible products.

■ R&D

Singapore has integrative research capabilities in biomedical sciences and engineering that complement companies' internal R&D resources.

It also offers the private sector opportunities to collaborate with world-class

institutions to enhance research capabilities and accelerate product development.

■ Analytics

Singapore is positioning itself to be a global hub for applied analytics, enabled by data.

To that end, the Government will train up to 2,500 data analytics professionals over the next five years and set up centres of excellence to apply analytics capabilities to specific areas, like supply chains.

Stores is working on a global retail programme for Proctor & Gamble's (P&G) SK-II brand, managed from Singapore, and another project based here for P&G's hair-care business in the Philippines.

"As designers, we understand

are not always the most locally sensitive and we help bridge the gap," said CEO Tim Kobe, whose office here has grown to 15 people from the six when it started.

To cater to demand for research into pan-Asian consumer

"unique differentiating proposition for Singapore, especially in the consumer business space".

It launched a Master of Science programme in marketing that year and the first batch of 12 has already graduated, he said.

“ BRANDING HUB

A unique characteristic of this sector is a very strong focus on branding. There's, therefore, a need to oversee and orchestrate the branding strategy from a location in Asia; that's where Singapore comes in.

– EDB managing director Yeoh Keat Chuan, on Singapore's consumer business industry

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at their preferences and values – in partnership with Unilever, Coca Cola and DBS Bank.

P&G is due to open a research centre here next Friday to house 500 researchers, engineers, PhD holders and other employees – the largest private sector lab here.

Mr Yeoh said some companies need a science-based illustration of the evidence of the value they are creating. "For example, how does a skin-care product work on an Asian consumer? How do you demonstrate this through rigorous scientific testing?"

A P&G spokesman said the company, which manages \$22 billion in brands from Singapore for its "strong, growing scientific community that fosters scientific and technology partnership across the public and private sectors, as well as academia that we felt would best help accelerate consumer-focused innovation".

As for maintaining Singapore's competitiveness in the face of rising business costs, Mr Yeoh said EDB's positioning of Singapore has not been as a low-cost centre.

"It's really about value that companies derive. We believe that Singapore provides a very unique proposition... as the launchpad to the Asian market... Companies will find significant value here.