

# Buzz@biz

on reaching out to the digitally empowered consumers

Social media. Digital media. Digitally empowered consumers.

Today's consumers demand exciting and personalised services. They no longer look to traditional media to get updates on current events. Instead, they now scan the headlines on their mobile devices while listening to the latest tracks from iTunes.

This is an age where consumers don't even try out a new restaurant without searching the internet to find the nearest location, reading online reviews about the place and recommended dishes from previous patrons. In short, consumers are informed and empowered to make decisions in real time.

In this changing environment, executives must understand the value of technology and weave it into the fabric of their organisation. As Marcel Fenez, PwC's Global Leader for Entertainment and Media rightly put it, "We've reached the point at which talking specifically about 'digital' increasingly misses the point. As digital becomes the standard, its rising penetration ceases to be a topic for discussion itself. What matters now is how companies capitalise on it and operate within it."

So what is your organisation doing to leverage digital technologies to innovate and reach out to your stakeholders?



**pwc**

September 2012

**Buzz@biz** is PwC's e-newsletter that helps you whiz through key information and insights on corporate, legal, or regulatory topics relevant to your business.

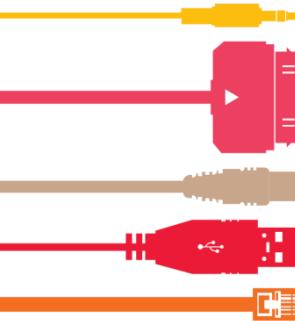
What should the next issue of Buzz@biz be about?  
Email your suggestions and feedback to  
[vivian.s.ko@my.pwc.com](mailto:vivian.s.ko@my.pwc.com)

## 3 takeaways

1. Consumers today expect to get (and share) information and do business anytime, anywhere.
2. The consumerisation of IT: Businesses should use digital technologies to innovate and reach out to consumers.
3. Opportunities cut across a whole spectrum of consumerism - health, finance, entertainment, travel, education and more - not just retail and consumer.



## Gain more insights from our thought leadership



### Customers take control: How the multi-channel shopper is changing the global retail landscape

This survey reveals a world now rife with online 'experts' who are using online as a platform to shop across all product categories. It's clear that multi-channel shopping is not just here, but here to stay. Our biggest conclusion from this study is that the global consumer is becoming increasingly sophisticated and retailers find it hard to adapt their operating models at the same pace. This results in lost opportunities and revenue for companies.

### Global Entertainment and Media Outlook 2012-2016

Global digital spending is rising sharply and will account for 67% of total E&M spending growth to 2016. The various segments of the E&M sector are at different stages of digital development, but they are all embracing digital to meet the ever-changing demands of consumers effectively and profitably. The challenge now is for them to focus on planning and executing their digital strategies in a world where use of digital mediums are already the norm.

### Reaching the connected consumers: Best practices in advertising effectiveness

Social media, online channels, digitally-empowered consumers are just a few of the changes impacting the advertising departments. This paper describes how companies can realign business models governing media spending to manage agency relationships, react quickly to a changing marketplace, and deliver the highest returns across brands, markets and platforms.

### Raising your digital IQ

The Digital IQ findings call for business leaders to lead their organisations to change and innovate from the inside out. The report findings suggest that IT has not been used effectively to differentiate and enhance companies' competitive advantage. Indeed, IT-enabled, multi-channel connections with customers on demand 24/7 can make a marked difference to business bottom lines. But to succeed, today's CIOs — and the C-suite more broadly — must start mobilising their new plans into action not only within the firm, but in the marketplace as well.

### Consumer Intelligence Series

Gain insights on consumer attitudes and behaviours in the rapidly changing media landscape from this series and see how you can embed the ideas into your digital strategies.

Some of the topics covered in the series include:

- Evolution of video gaming and content consumption
- The consumer-led mobile smartphone transformation
- Making sense of the rapid change in mobile innovation



"To make the most of their digital investment and the information it yields, companies must have the right processes and skills in place. Without these, the customer data a company gathers may be of limited value."

Ken Esch, Partner, PwC US

## Other related publications

- The future of retail : Consumer adaptive retailing
- 2012 Outlook for the retail and consumer products sector in Asia
- Engage customers through social media: Digital transformation
- Emerging mHealth
- Social media likes healthcare
- The new digital tipping point for retail banks (Asia)
- Dialing up a storm: How mobile payments will create the most significant revenue opportunities of the decade for financial institutions
- The PwC mobile innovation forecast
- Internal audit takes on emerging technologies



# Regulatory updates

## Compliance

MASB extends transitional period for agriculture and real estate companies for another year

On 30 June 2012, the Malaysian Accounting Standards Board (MASB) announced that it would allow Transitioning Entities\* to defer mandatory adoption of the Malaysian Financial Reporting Standards (MFRS) for another year (until 1 January 2014). This is in light of the developments and revision of the project tenure of the International Accounting Standards Board (IASB) on the new Revenue standards and proposal to amend the agriculture standards.

\* *Transitioning Entities are those entities within the scope of MFRS 141 'Agriculture' and / or IC Interpretation 15 'Agreements for the Construction of Real Estate', including a parent, significant investor and venturer of such entities.*

For further details, please visit the MASB website at [www.masb.org.my](http://www.masb.org.my)

## Taxation

### Rules and Orders recently gazetted

Income Tax Rules and Orders	Effective date	What's in it
Transfer Pricing (TP) Rules 2012	01.01.09	Detailed TP implementation framework in Malaysia
Advance Pricing Arrangement (APA) Rules 2012	01.01.09	Guidance on application process of APA
Deduction for Participation in an Approved Career Fair Rules 2012	YA 2012-2016	Details on approved deductions
Deduction for Expenditure Incurred for the Provision of an Approved Internship Programme Rules 2012		
Determination of Approved Individual and Specified Year of Assessment under the Returning Expert Programme Rules 2012	YA 2012	Ascertainment of chargeable income for approved individuals under the Returning Expert Programme
In respect of Treasury Management Centres (TMC) • Income Tax (Exemption)(No.3) Order  • Stamp Duty (Exemption)( No.2) Order 2012	• YA 2012  • 08.10.11 - 31.12.16	• Exempts a non-citizen on employment income with a TMC exercised outside Malaysia • Exempts all instruments of loan or services agreements executed by a TMC

### New Public Rulings and Guidelines issued by the Inland Revenue Board

Public Rulings	Guidelines
2/2012 Foreign Nationals Working in Malaysia: Tax Treaty Relief	• Procedures to claim income tax and stamp duty exemption on expenditure incurred to obtain Green Building Index
3/2012 Appeal Against an Assessment (Supersedes Public Ruling 3/2001 and Addendum)	• Deduction of expenses incurred in obtaining accreditation for a laboratory or as a certification body • Certification for recognised quality systems and standards, or halal certification
4/2012 Deduction for Loss of Cash and Treatment of Recoveries	• Tax treatment of charges for maintenance and management of common property received by a developer, Joint Management Body and Management Corporation
5/2012 Clubs, Associations or Similar Institutions	• Recognition of gross business income for property developers adopting the 10/90 scheme under the Build-Then-Sell method

# Latest from PwC

## Thought leadership

### Government & economy

- Malaysia in focus
- Above the parapet : Where finance needs to position itself in the public sector
- The Southeast Asian tigers roar again: This time for real

### Governance, risk & sustainability

- Business risk: A practical guide for the boardroom
- Prospering in an era of uncertainty: The case for resilience

### Industry issues

#### Financial services

- Banking industry reform: A new equilibrium
- Cutting through the regulatory knot... What regulation is in the pipeline for insurers?

#### Communications & technology

- Making waves: Stake of the telco industry in Southeast Asia (Spotlight: The Philippines)
- Clearing the way: 2012 outlook for network decommissioning
- China's impact on the semiconductor industry: 2012 update

#### Oil & Gas

- Executing a successful listing: Markets for oil & gas
- Talent and skills for future business performance: Oil, gas and mining

## The Academy programmes

### Getting ready for IFRS convergence

- 13 & 14 September 2012, Kuala Lumpur

### Global Reporting Initiative (GRI)

#### Certified Training Course

- 16 & 17 October 2012, Kuala Lumpur

*For more information on The Academy's corporate programmes, please contact Yanti Abd Rahman at +(60) 3 2173 0213 or yanti.abd.rahan@my.pwc.com*



### PwC Seminar 2012: Getting up to speed

This annual seminar brought to you by The Academy features topical tax and finance issues that affect you and your organisation.

Our tax specialists will share with you an in-depth analysis of Budget 2013 which is to be tabled on 28 September 2012. They will also share implications from these proposals as well as how they affect you. The Keynote Address for the KL session will be delivered by the CEO of Lembaga Hasil Dalam Negeri (LHDN), YBhg Tan Sri Mohd. Shukor.

- 4 October 2012, Kuala Lumpur
- 9 October 2012, Penang
- 10 October 2012, Johor Bahru

*To register online for the KL Session, [click here](#).*

*For more information on the events and registration, please contact Che Sham Ahmad at +(60) 3 2173 0410 or che.sham.ahmad@my.pwc.com*

## Let's chat...

... on communications and media as well as digital transformation, contact:

**Irvin Menezes**

Partner

Assurance – Communications & Media

[irvin.menezes@my.pwc.com](mailto:irvin.menezes@my.pwc.com)

+60 (3) 2173 0668

**G Devan Nair**

Executive Director

Consulting - Technology

[g.devan.nair@my.pwc.com](mailto:g.devan.nair@my.pwc.com)

+60 (3) 2173 1184

**Heather Khoo**

Senior Executive Director

Taxation Services

[heather.khoo@my.pwc.com](mailto:heather.khoo@my.pwc.com)

+60 (3) 2173 1636

... on customer centricism\* and business improvement, contact:

**Sundara Raj**

Senior Executive Director

Consulting – Strategy & transformation

[sundara.raj@my.pwc.com](mailto:sundara.raj@my.pwc.com)

+60 (3) 2173 1318

**Calvin Jacob**

Executive Director

Consulting – Customer centricism

[calvin.jacob@my.pwc.com](mailto:calvin.jacob@my.pwc.com)

+60 (3) 2173 1229

**Joazral Azam Yusof**

Executive Director

Consulting – Business improvement

[joazral.azam@my.pwc.com](mailto:joazral.azam@my.pwc.com)

+60 (3) 2173 1272

... on other issues and PwC services, contact:

**Pauline Ho**

Partner

Assurance Services

[pauline.ho@my.pwc.com](mailto:pauline.ho@my.pwc.com)

+60 (3) 2173 0946

**Jagdev Singh**

Senior Executive Director

Taxation Services

[jagdev.singh@my.pwc.com](mailto:jagdev.singh@my.pwc.com)

+60 (3) 2173 1469

**Tan Siow Ming**

Senior Executive Director

Advisory Services

[siow.ming.tan@my.pwc.com](mailto:siow.ming.tan@my.pwc.com)

+60 (3) 2173 1228

*\* In a customer-centric model, products and services are often designed around the customer. Channels are fully integrated, offering a synchronised customer experience.*

Whilst every care has been taken in compiling this newsletter, we make no representations or warranty (expressed or implied) about the accuracy, suitability, reliability or completeness of the information for any purpose. PricewaterhouseCoopers accept no liability, and disclaim all responsibility, for the consequences of anyone acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it. Recipients should not act upon it without seeking specific professional advice tailored to your circumstances, requirements or needs.

© 2012 PricewaterhouseCoopers. All rights reserved. "PricewaterhouseCoopers" and/or "PwC" refers to the individual members of the PricewaterhouseCoopers organisation in Malaysia, each of which is a separate and independent legal entity.