



**SPOTLIGHT ON SINGAPORE, MALAYSIA
AND THE PHILIPPINES**

**UNDERSTANDING THE
CONSUMER PERSPECTIVE
ON DATA PRIVACY IN
SOUTHEAST ASIA**

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FOREWORD

The Interactive Advertising Bureau Southeast Asia and India (IAB SEA+India) Regional Board wanted to understand more about what consumers understand, or think they understand, about online privacy. Where there is a plethora of information available about what the digital advertising sector is doing - or needs to be doing - to ensure consumers' data is kept secure, there is little recent data about online privacy from a consumer perspective.

This survey was answered by more than eight thousand consumers in Singapore, Indonesia, Malaysia, Thailand, Vietnam and the Philippines. Just over 4710 respondents live in Singapore, Malaysia and the Philippines and surveys were sent to these latter respondents in English.

The results show regional consistencies and a few discrepancies between countries as to their level of understanding of how their information is used by companies; and what they, the consumer, can do to protect their online data. It also reveals how consumers feel about access to free content in exchange for their personal information, and their attitudes to paying for advertising-free online content.

As you read this report you may find there are variances in statistics quoted. This is because multiple at-source references were used.





METHODOLOGY

1. Questions were devised by a special projects group of the IAB SEA + India Regional Board
2. Surveys were created in four languages -
 - a. English (99% of responses were from Singapore, Malaysia and the Philippines)
 - b. Bahasa Indonesia
 - c. Thai
 - d. Vietnamese
3. Surveys were distributed by the IAB SEA+India, the Carousell Media Group, and GrabAds to their databases across Singapore, Malaysia, Indonesia, India, Philippines, Vietnam and Thailand
4. The survey was conducted from mid-July to mid-August 2022
5. It was voluntary to answer each question
6. Age groups ranged from 18 years old up to 75 years or older, categorised into two main groups - 34 years and under; and 35 years and over
7. Any significant differences in responses between genders is noted in the summary of each of the answers to questions
8. Additional research was done by IAB SEA+India Research Team to provide context and background to this survey and to analyse the results.

In Singapore/Malaysia/Philippines

9. 55% of respondents were female
10. The main body of respondents (59%) was in the age group of 18-34 years so younger respondents dominate the sample
11. According to the survey tool, the typical timeframe to complete the questionnaire was between 2 minutes 45 seconds to 3 minutes 45 seconds.

KEY POINTS OF INTEREST FROM THIS SURVEY



34% of respondents are willing to pay to access advertising-free online content



43% of respondents are willing to login to a website in return for fewer, more relevant advertisements



50% of respondents over 35 years of age are willing to log on to a website compared to 39% of those under 34 years of age



71% of respondents would prefer to have just one login to access any website



94% of respondents say they understand, or think they understand what data privacy means and how to protect their privacy when online



80% of respondents say they fully understand, or think they understand what internet cookies do



85% say they understand, or think they understand that they see online advertisements in exchange for access to free content



34% of respondents in Singapore/Malaysia/Philippines say they will not pay for advertisement-free online content yet more than twice this number (72%) have paid for subscriptions to online streaming platforms. This may imply confusion about the definition of online content.

Gender differences

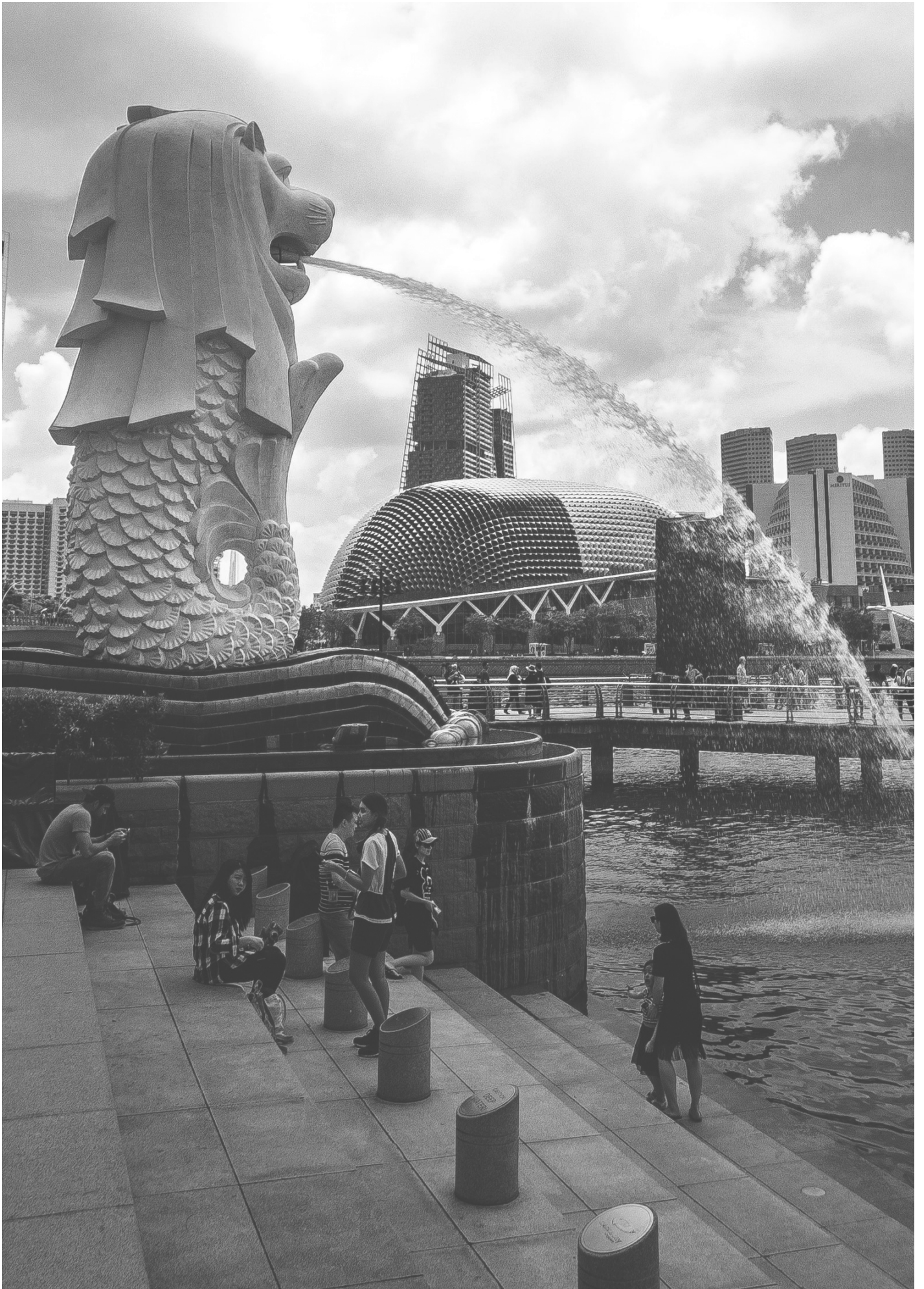
For some questions there was little difference between the responses of men and women. However, the following responses, all relating to internet cookies, had more than 5% in the variances:

- 44% of women and 54% of men say they fully understand what internet cookies do
- 40% of women and 50% of men say they fully understand when internet cookies are or are not being used
- 41% of women and 55% of men say they fully understand what happens when they accept cookies when browsing websites
- 36% of women and 46% of men say they are fully aware of changes to internet cookies in the future.





BACKGROUND



SINGAPORE

Population and Economy

The parliamentary republic of Singapore has a [population of 5.64 million](#) as at end June 2022, four million of whom are citizens and permanent residents. The median age of the resident population is 42 years. Among the resident population, 49% are female and 51% are male. Six out of 10 (60%) of residents aged 25-34 years, are university graduates, as are 40% of residents aged 45-54 years.

According to the International Monetary Fund (IMF), Singapore's economic recovery from the pandemic is [outperforming similar economies](#) although sectors like tourism, aviation, construction and in-person services are lagging behind. In August 2022 the Ministry of Trade and Industry narrowed Singapore's GDP [growth forecast](#) to 3%, down from 4%.

Internet Penetration

As of June 2022, the number of Singapore households with [broadband wired connectivity](#) was 93%. The wireless broadband penetration rate was 201.3%, and the mobile population penetration rate was 163.5%.

Free shipping is important to 57% of Singaporeans when making online shopping choices. 63% of Singaporeans make an online purchase via mobile phone each week, and there has been a 53% year-on-year rise in the value of digital payment transactions.

According to a report released by [Meta and Bain & Company](#) in September 2022, consumers are spending more per transaction this year, with the online basket size increasing to USD131 in 2022, up from USD119 in 2021.

The majority of Singaporeans (83%) get their news from [online sources](#) of whom 78% access online content using their smartphones. Just 17% pay for online news. Less than half of Singaporeans (43%) trust in the news. Just 22% think the media are independent from undue political or government influence.

In September 2022 the Asia Video Industry Association (AVIA) released the results of a study on [where Premium OTT](#) sits in the market in Singapore, the key results of which are provided in this table. It shows that while viewers say that premium services offer the best quality content and viewers are the most immersed while watching, with the highest levels of attention, it is on Free to Air TV that they are most likely to notice advertising and where they feel they see the highest quality advertisements.

	Average OTT Premium Svcs	Average Social/ Video-sharing Svcs	Average Linear TV	Average Messaging Apps
Best quality content	58%	36%	47%	19%
Highest levels of attention	49%	35%	42%	24%
Most likely to notice advertising	42%	59%	76%	23%
Ads too intrusive	22%	37%	27%	19%
Highest quality ads	24%	24%	41%	11%
Sought more info after seeing ads	16%	20%	25%	13%
Made purchase after seeing ads	14%	25%	19%	8%
Most immersed while watching	51%	39%	44%	18%

Online Privacy

The Personal Data Protection Act 2012 (PDPA) governs the collection, use and disclosure of personal data by organisations, providing a [baseline standard](#) of protection. It complements sector-specific legislative and regulatory frameworks such as the Banking Act and Insurance Act.



MALAYSIA

Population and Economy

Malaysia is a parliamentary democracy with a constitutional monarchy. As of July 2022 its population was [32.7 million](#) of whom 78% live in urban areas and [22% live rurally](#). Just over half (52%) of the population are male and [48% are female](#). In 2021 17% of the population had graduated from a tertiary institution. According to the Central Bank of Malaysia the [economy grew](#) 8.9% in Q2 of 2022 (Q1 was 5% growth), and is the second most [developed economy](#) in Southeast Asia.

Internet Penetration

Malaysia's internet penetration is 90% with 92% of the population active social media users. In its [Hand Phone Users Survey 2021](#) the Malaysian Communications and Multimedia Commission reported that 94.8% of Malaysians use smartphones, and 7.5% are feature phone users. While 41% of Malaysians had used mobile payment apps, of the 59% who had not, the main reason for not was lack of knowledge, confidence or skill. Less than 30% of users trust their service providers to keep data confidential.

The preferred OTT video applications are YouTube (82.6%) and Facebook (65%), followed by Netflix (21%) and VIU (10%).

Online Privacy

Cyberattacks are common in Malaysia, and one cybersecurity company placed it as the [11th most breached country](#) globally in Q2 2022. Malaysians' personal information has been stolen from government servers and sold both on the dark web and the conventional internet.

The Ministry of Communications and Multimedia Malaysia (K-KOMM) cites one report stating that most organisations in Malaysia believe they will be [attacked in the next 12 months](#), particularly small and medium enterprises and critical national information infrastructures. However, K-KOMM reports that the current cybersecurity knowledge workers available is insufficient to support the needs of the industry.

Amendments to the Malaysian Personal Data Protection Act 2010 (PDPA) are expected to be tabled in Parliament's October 2022 sitting including, amongst other things, the mandatory notification, within 72 hours, of a data breach to the Malaysian Personal Data Protection Department; and the requirement for data users to appoint a data protection officer.



THE PHILIPPINES

Population and Economy

The Republic of The Philippines has an estimated [population of 110.4 million](#) as at October 2022, according to the Commission on Population and Development (POPCOM). A little over half are male (51%) and 49% are female. 48% of the Philippines' population live in urban centres and 52% in rural areas. A report by BusinessWorld in June 2022 notes that more than 1.6 million students [will graduate](#) this year.

The Asian Development Bank forecast of September 2022 is that the Philippines' [GDP will grow 6.5%](#) in 2022 and 6.3% in 2023. However, the International Monetary Fund has kept its economic growth forecast for the Philippines at 5% in 2023.

Internet Penetration

In March 2022 The Department of Information and Communications Technology reported an internet penetration [rate of 73%](#), meaning that 27% of the population remained offline at the beginning of 2022. Smartphone penetration among internet users in the Philippines is 81.7%, [the lowest in the region](#). Internet connection speeds remain low, with the [median mobile connection speed](#) 18.68 Mbps; and the median for fixed internet connection speed is 46.44 Mbps.

Television remains the [preferred medium](#) in the Philippines with a steady growth of online news consumption including social media platforms. Facebook is the most widely used (73%). However, TikTok, used by just 2% for news in 2020 is now used by 15%. Revenue from e-papers grew by 25% in 2021, outperforming other countries in the region. Trust in the news overall is 37% and trust in preferred news sources is 41%.

Online Privacy

A survey by the National Privacy Commission (NPC) in 2021 showed that while public awareness of and knowledge about the Data Privacy Act grew from 13% in 2017 to 25% in 2021, most Filipinos with internet access still [lack awareness of internet security](#). The NPC said that the survey showed that individuals who consider the Data Privacy Act as relevant are aware of data privacy and can explain its use. Conversely, those who found the Act to be irrelevant, mostly in rural areas and from poorer households, had insufficient awareness of data privacy. Efforts are now being made to increase data privacy and protection awareness, particularly via social media channels.

In September 2022 the Philippines and Singapore signed a Memorandum of Understanding to foster closer collaboration and cooperation in personal data privacy and protection. The two countries can now exchange information and provide mutual assistance in potential or ongoing investigations in their respective jurisdictions relating to a suspected data privacy and protection violation.

Freedom of the Press

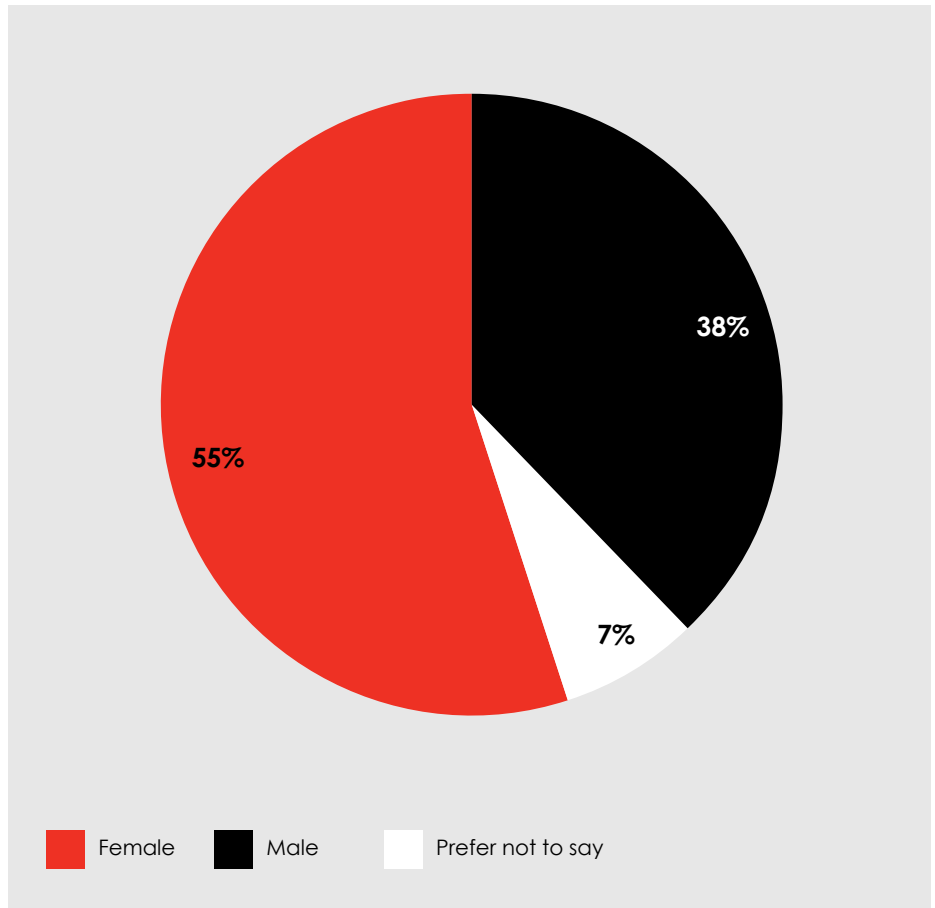
There are concerns that the press are hampered by the government both by threats and disinformation, especially in the lead up to the election in May 2022. These appear to be continuing and in June 2022, more than two dozen sites were blocked and accused of having links to 'Communist-Terrorist Groups' [including two media organisations](#), one of which, Bulatlat has won a preliminary injunction against the order. Bulatlat has been the target of distributed denial of service attacks since 2018, the latest incident happening in May 2021. A Swedish investigation traced the IP addresses of the hackers to the Philippine Army with infrastructure set up by the Department of Science and Technology.



SURVEY RESULTS:
**SINGAPORE, MALAYSIA AND
THE PHILIPPINES**

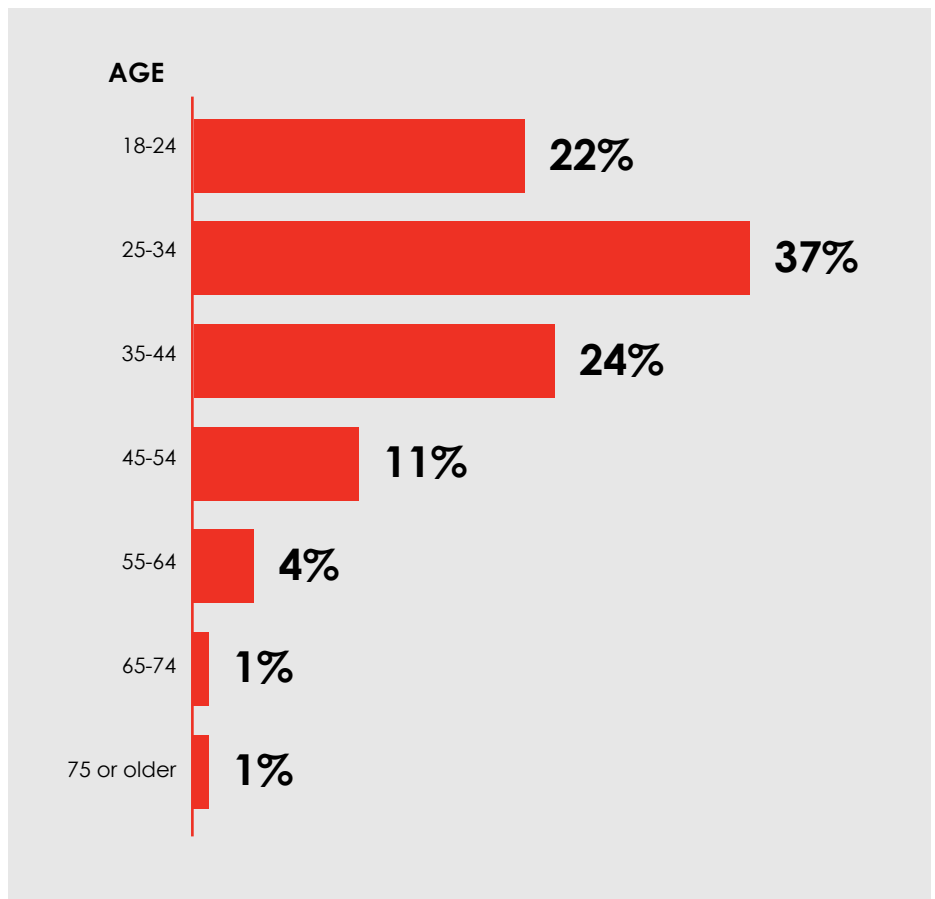
Gender Profile

More than half of respondents (55%) are female.



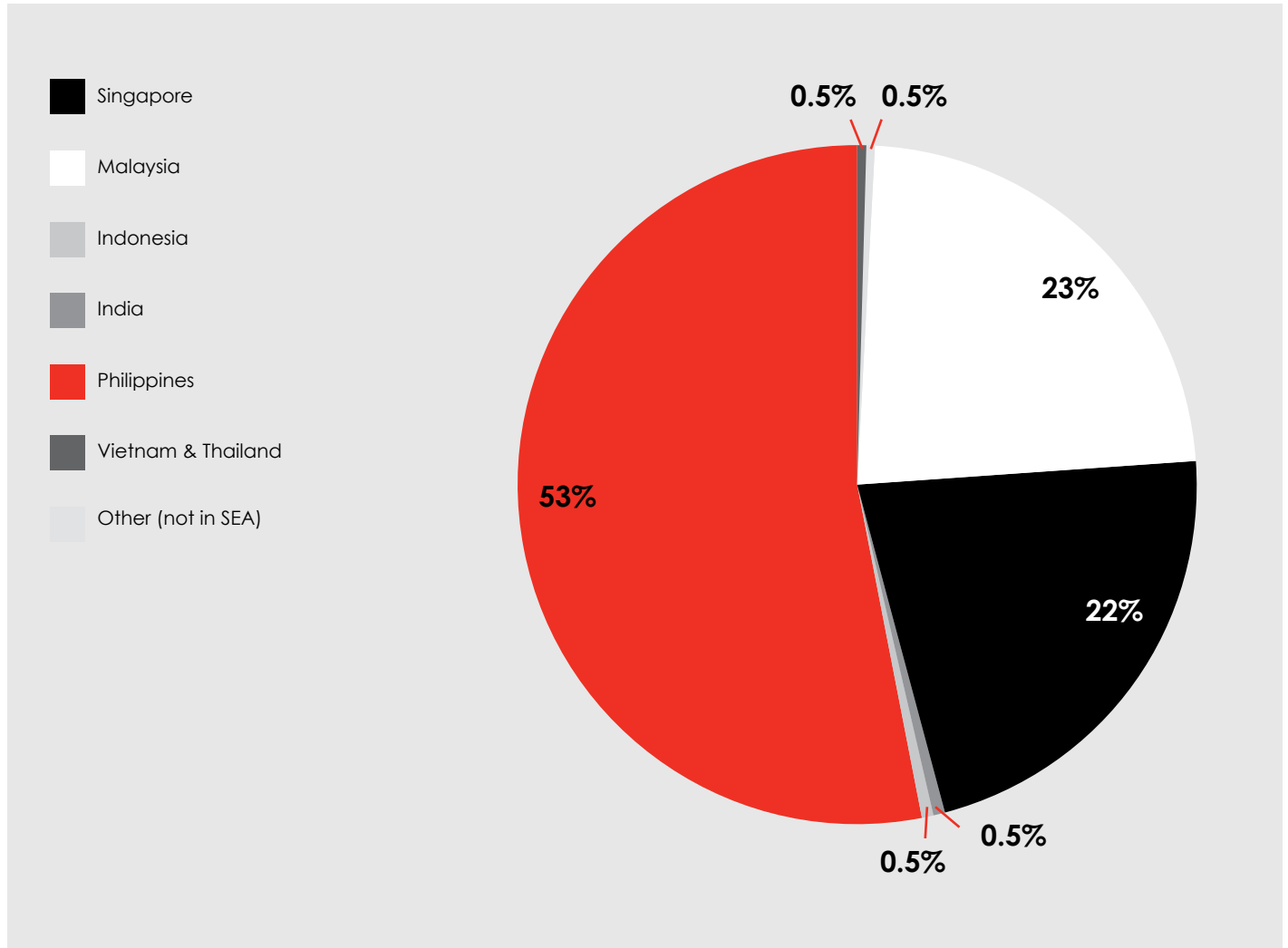
Age Group

Most respondents are aged 25-34 years, followed by the 35-44 age group and the 18-24 age group.



Where respondents live

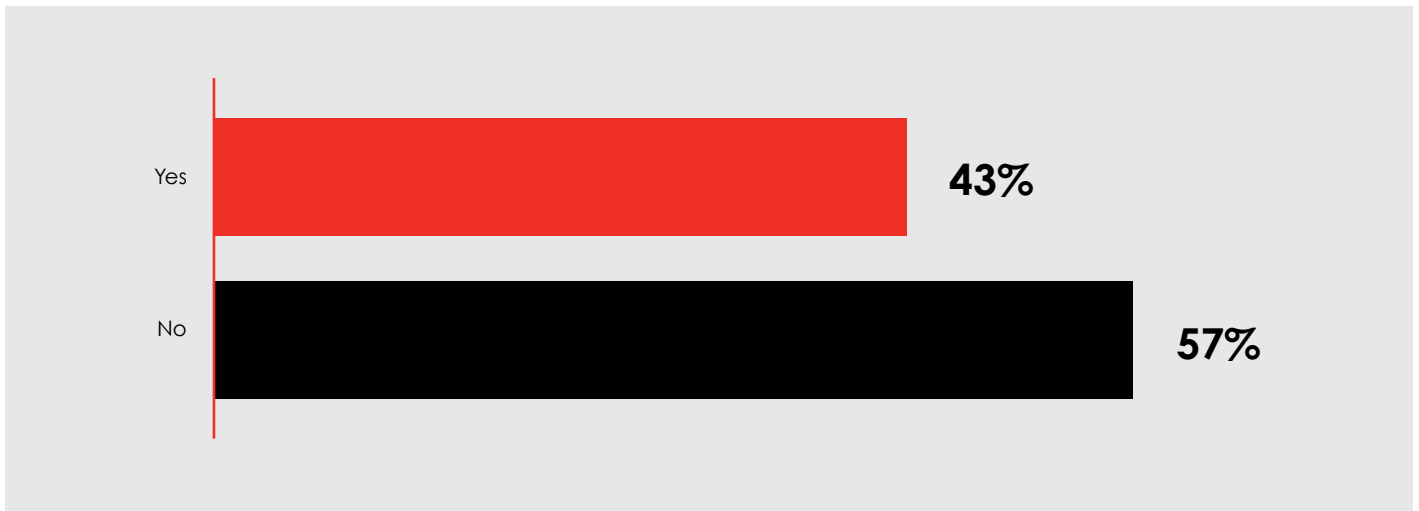
More than 50% of respondents to this survey (53%) live in the Philippines, which is also the country with the youngest population in the region. Other larger respondent countries are Malaysia (23%) and Singapore (22%).



Willingness to login to a website if it means fewer, more relevant advertisements

Overall, less than half of respondents (43%) are willing to provide login details to a website in return for receiving fewer, more relevant advertisements. Of these, 42% were women and 48% men.

Willingness to login to a website if it means fewer, more relevant advertisements

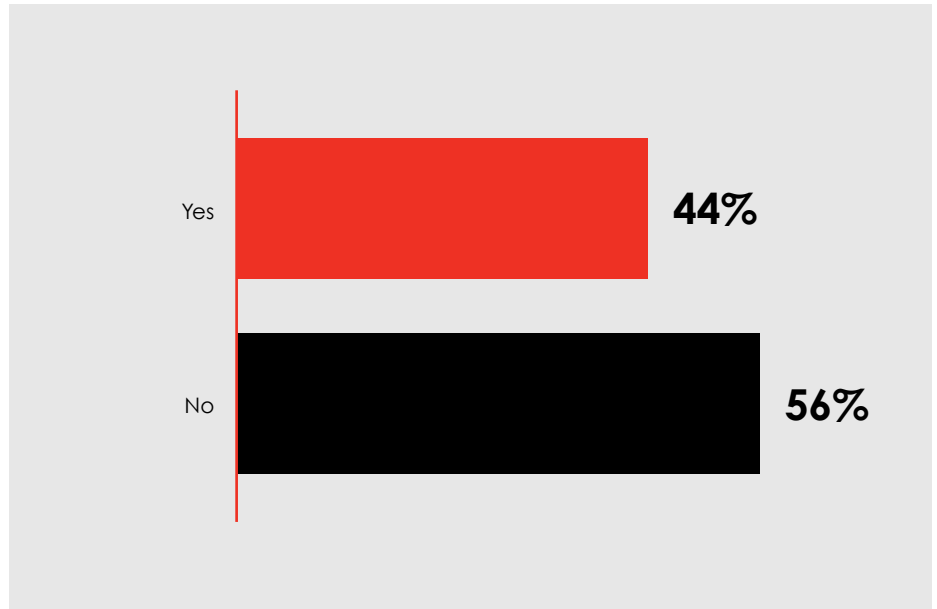


Across the two age categories, half of respondents aged over 35 years are willing to provide login details so they receive less, but more targeted advertising; compared to four out of 10 (39%) of those under 34 years.

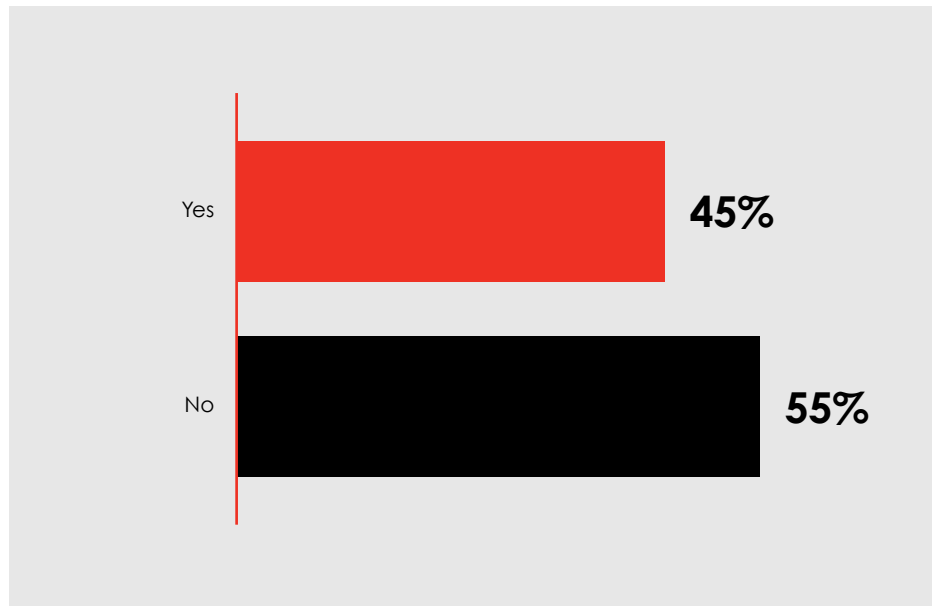
By Age Group: Willingness to login to a website with fewer, more relevant ads



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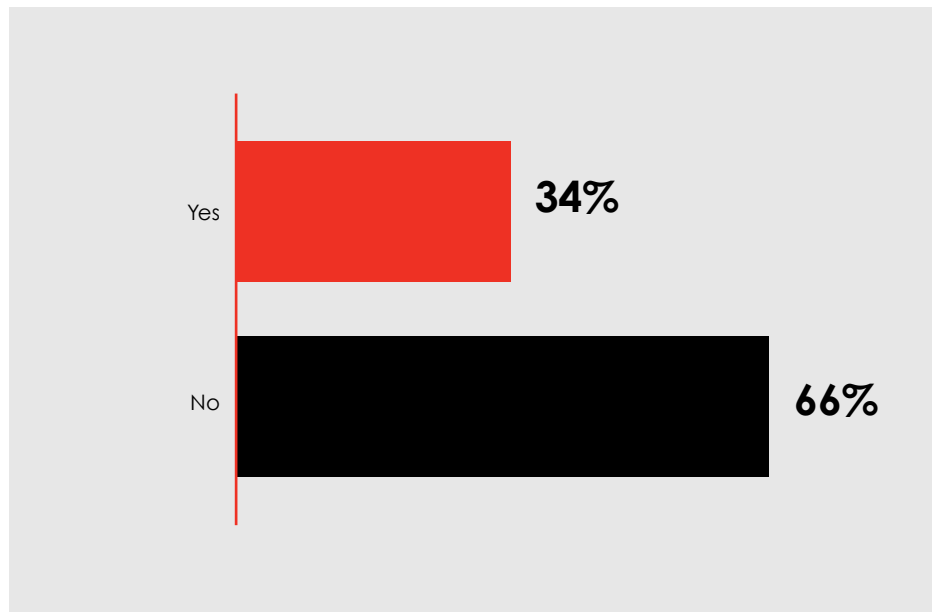
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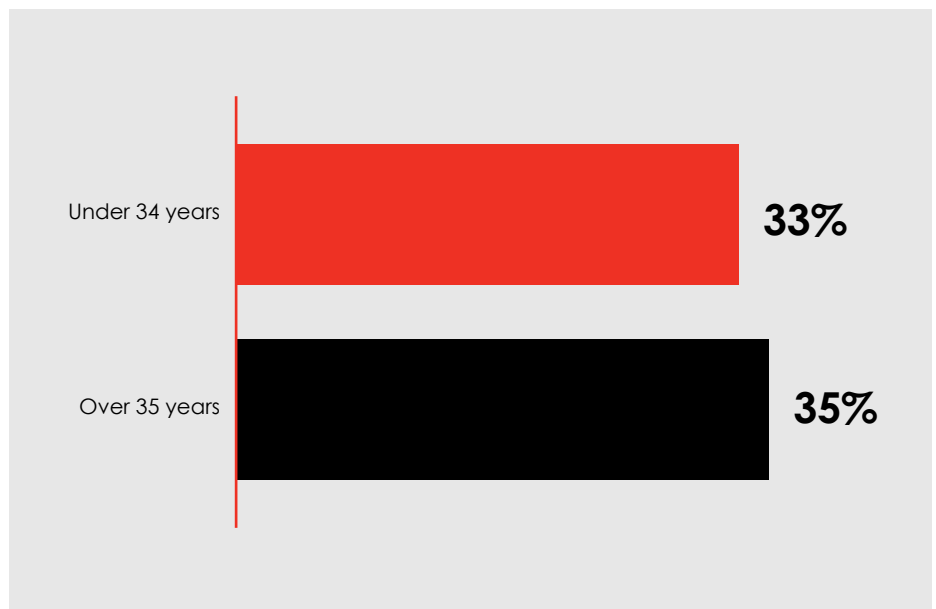
Willingness to pay to access online content if it means not seeing online advertisements

Overall, most respondents (66%) do not want to pay for content in order to stop seeing online advertisements. This remains consistent across all age groups, and is not affected by whether or not people understand what data privacy means or what internet cookies do. Of those who do not want to pay, 32% are women and 38% are men.

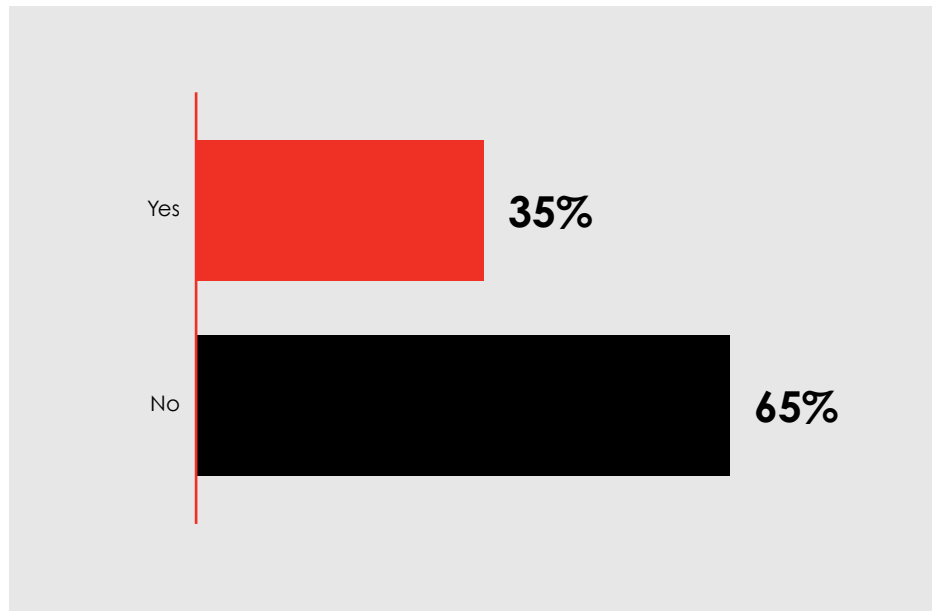
Willingness to pay to access advertisement-free online content



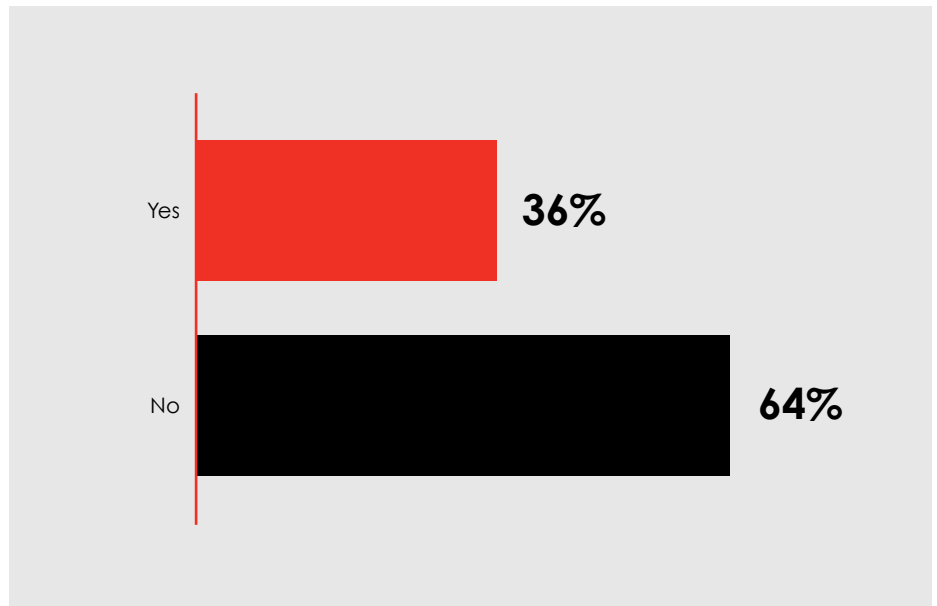
Willingness to pay to access online content if it means not seeing online advertisements



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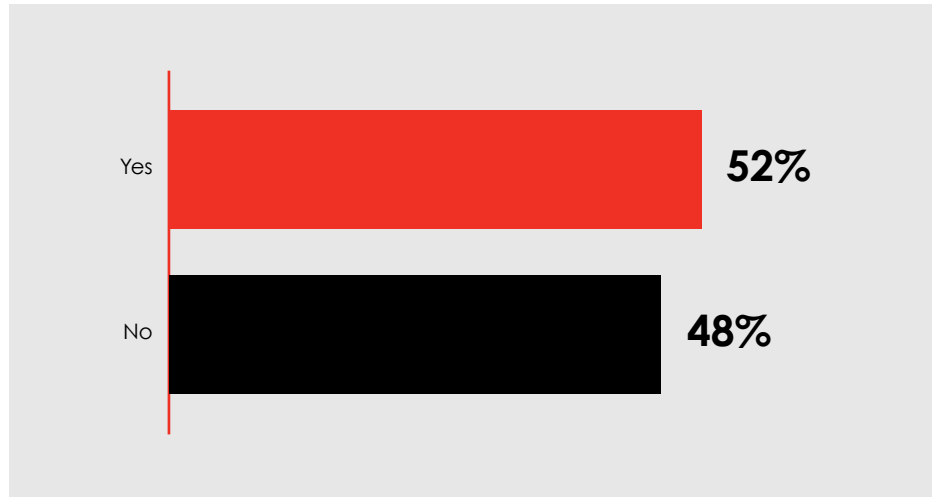
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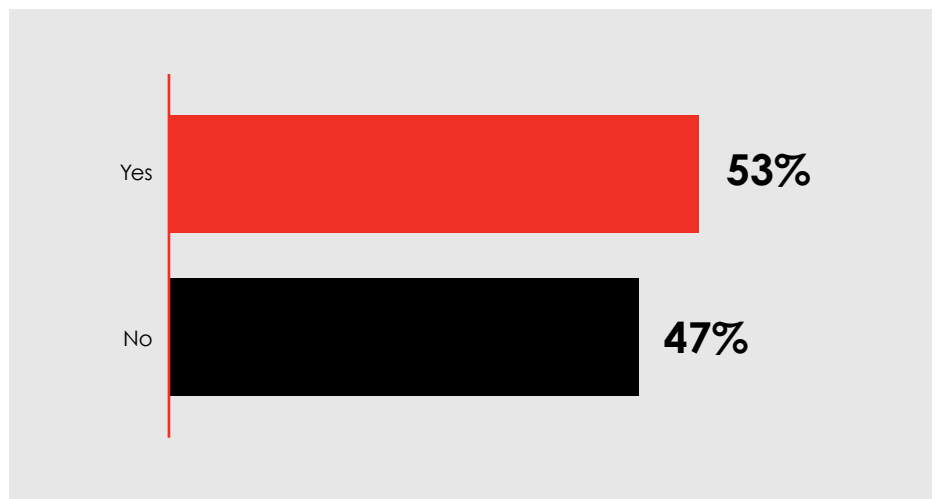
Willingness to share information about interests in return for free content

Just over half of respondents (52%) would share information about their interests in return for free content. This is consistent across both genders and age groups.

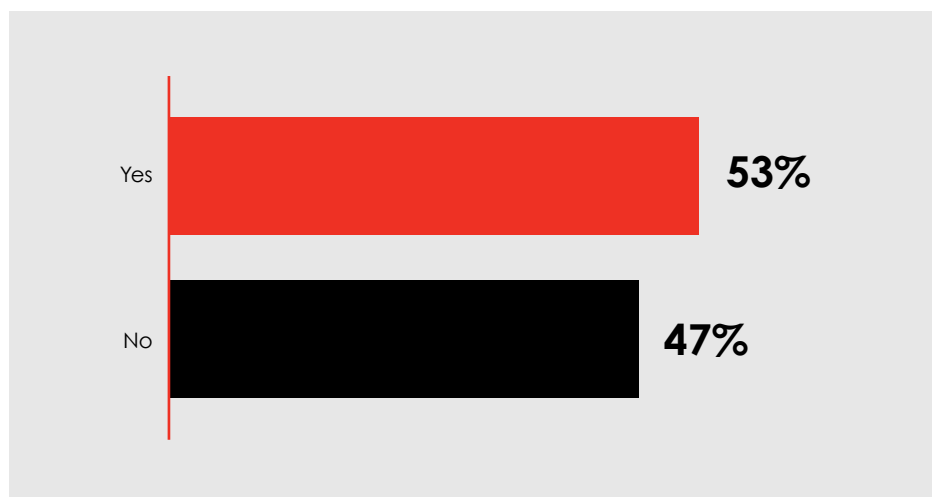
Willingness to share information about interests in return for free content



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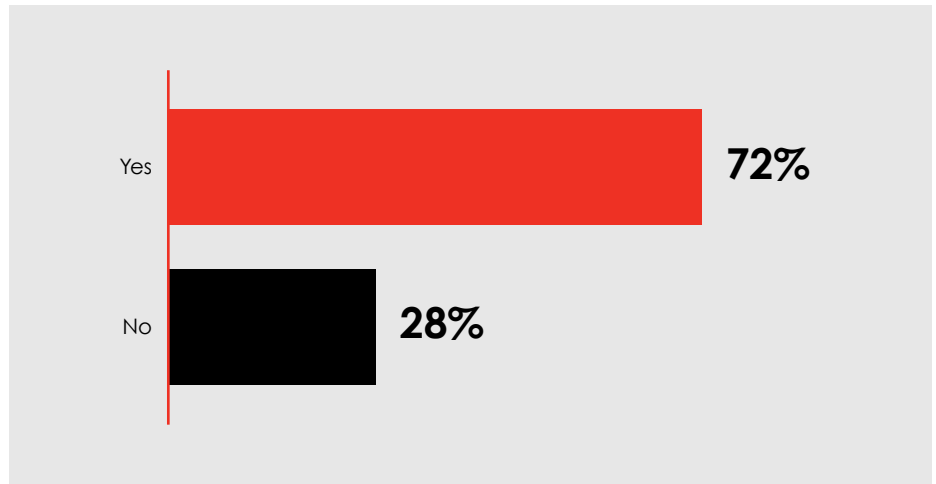
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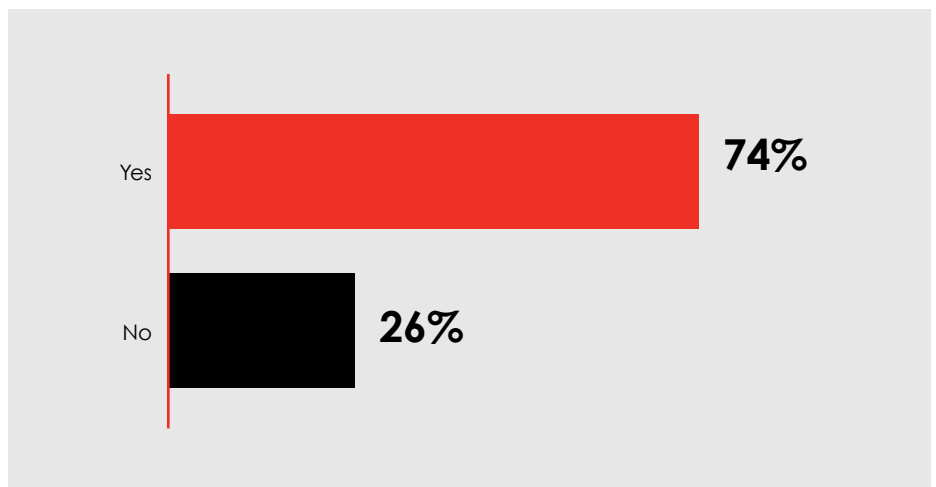
Respondents who have paid for subscriptions for digital content such as Netflix, Spotify, newspapers, sports

Most respondents (72%) have paid for subscriptions to channels that provide digital content. This is consistent across all age groups. Slightly more men (74%) than women (72%) have paid for online subscriptions.

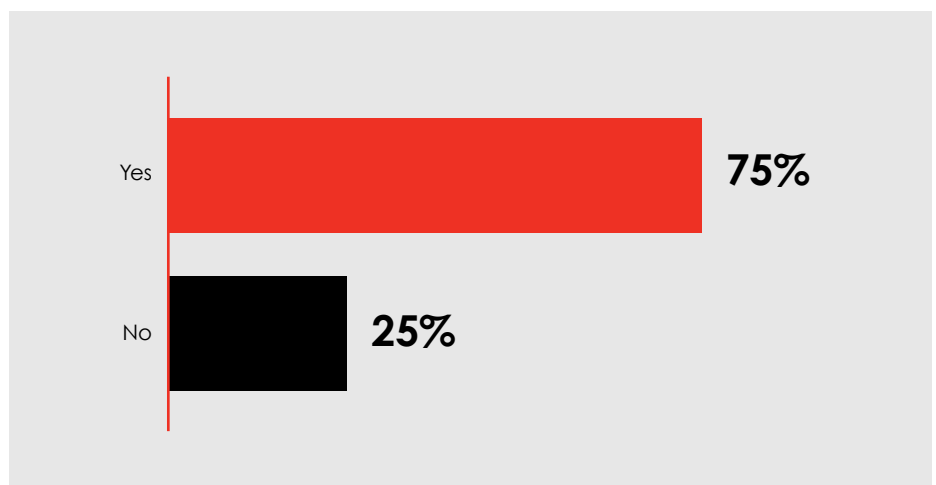
Respondents who have paid for subscriptions for digital content such as Netflix, Spotify, newspapers, sports



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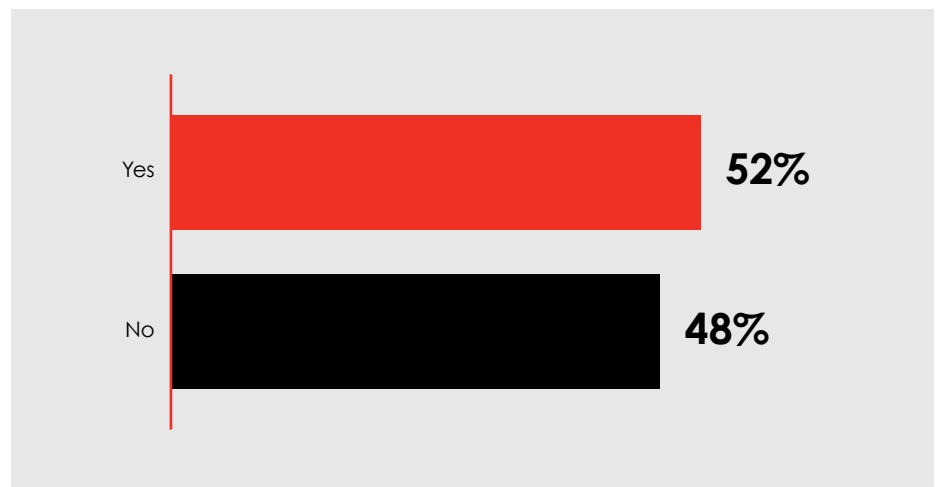
Respondents willing to enter email address into website for access to free online content

An even split between people who are or are not willing to enter their email address into a website if it gives them access to free online content. Slightly more men (54%) than women (51%) would enter their email address.

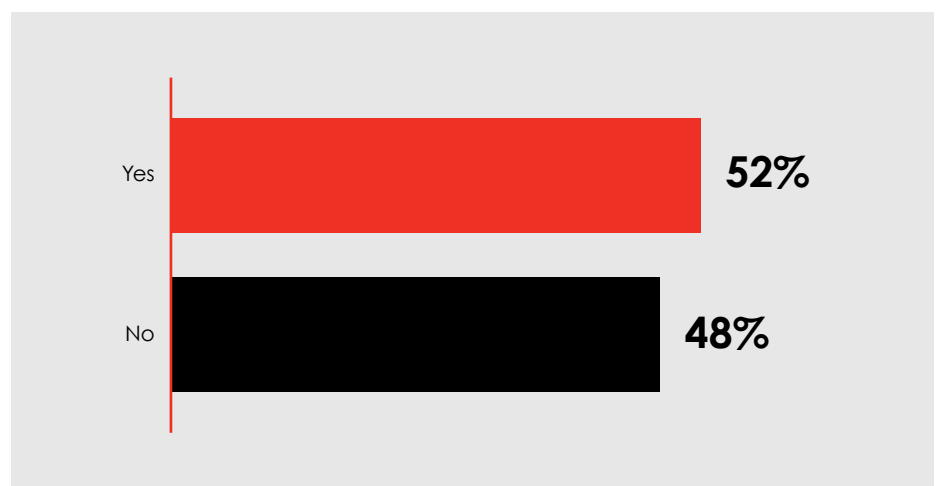
Respondents willing to enter email address into website for access to free online content



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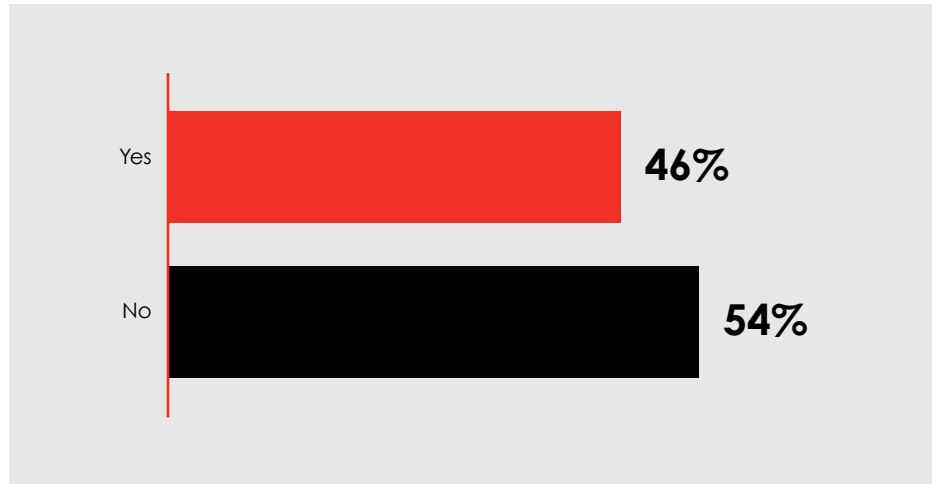
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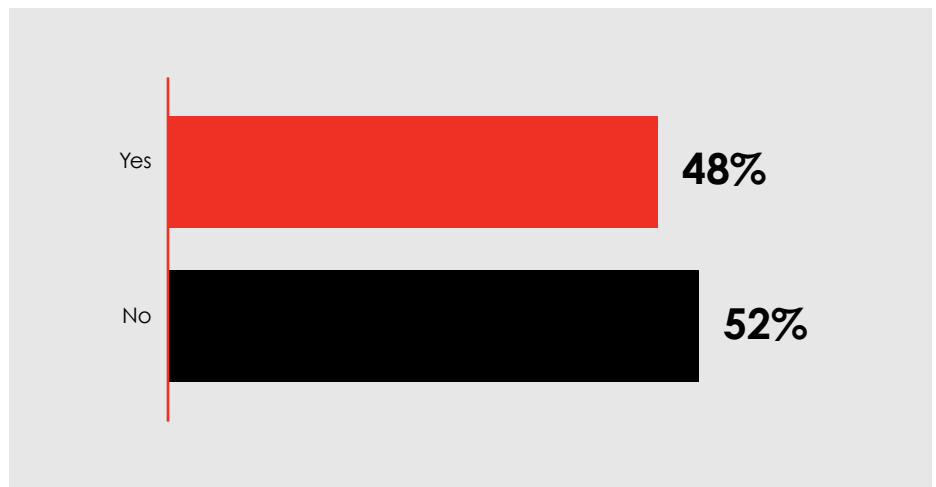
Respondents who would prefer to log in to a website using their mobile phone number instead of their email address

Just under half of respondents (46%) would log in to a website using their mobile phone instead of an email address. This remains similar across the age groups. Both genders were identical (48%) in their affirmative response.

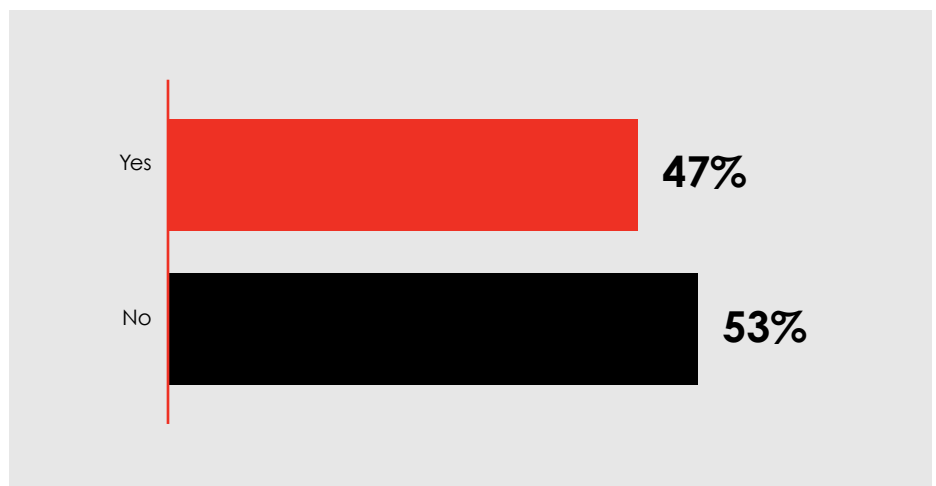
Respondents preferring to log in to a website using their mobile phone number instead of their email address



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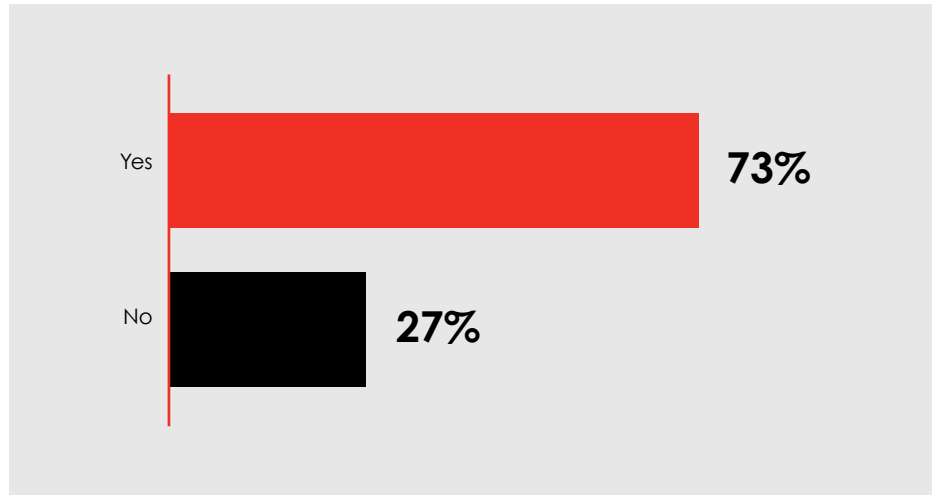
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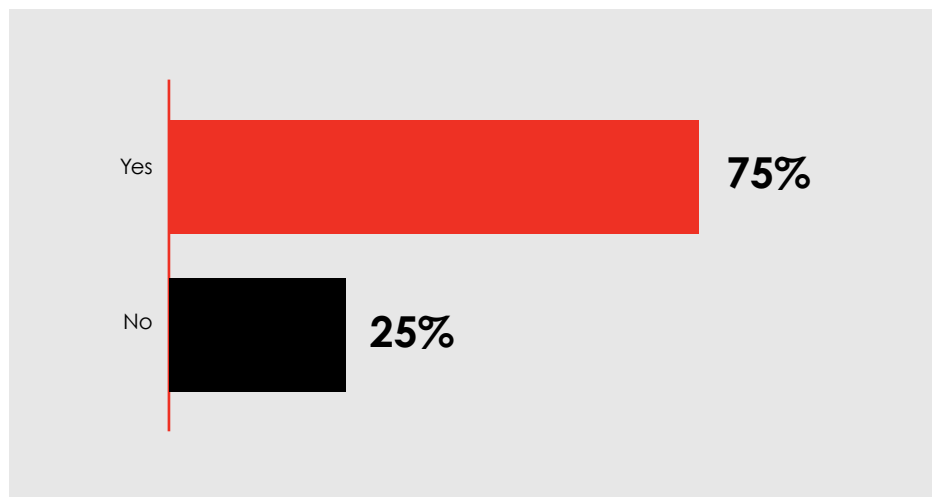
Preference to receive a verification code when logging in to a website

Most respondents (73%) want to receive a verification code when they log in to a website. Slightly more women (76%) than men (71%) would like to receive this code.

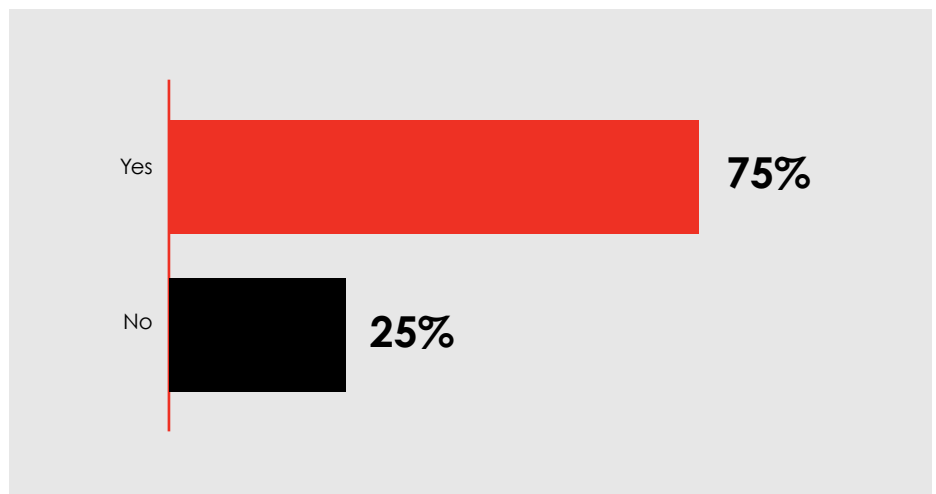
Respondents preferring to receive a verification code when logging in to a website



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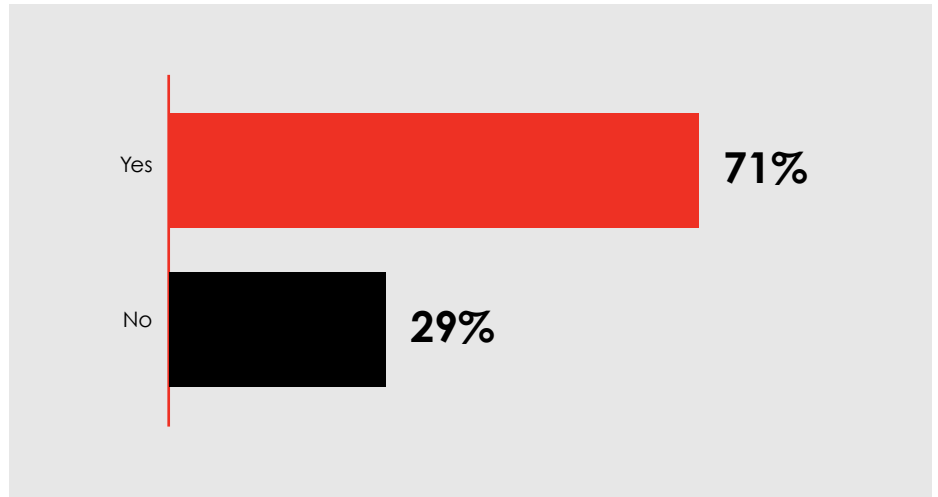
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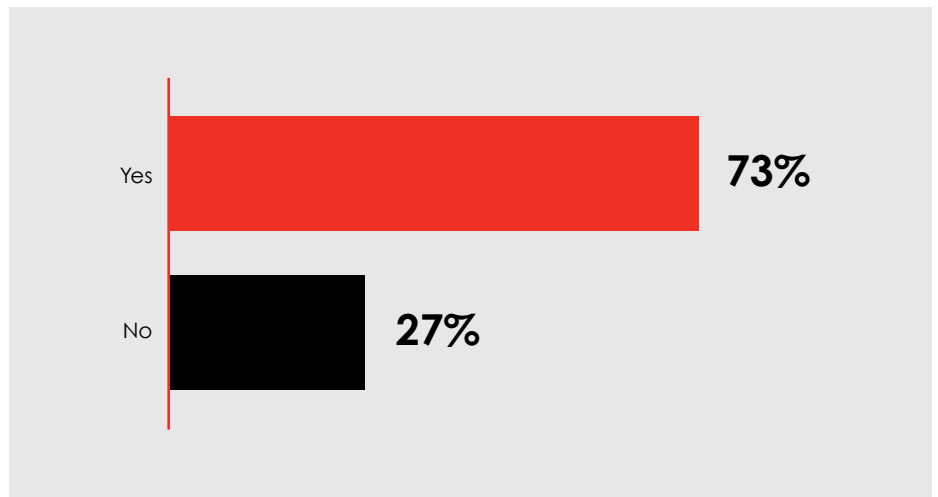
Single login to access any website

Most respondents (71%) would prefer to have a single login that they can use to access any website, rather than creating logins for each website separately. Both genders (73%) want a single login.

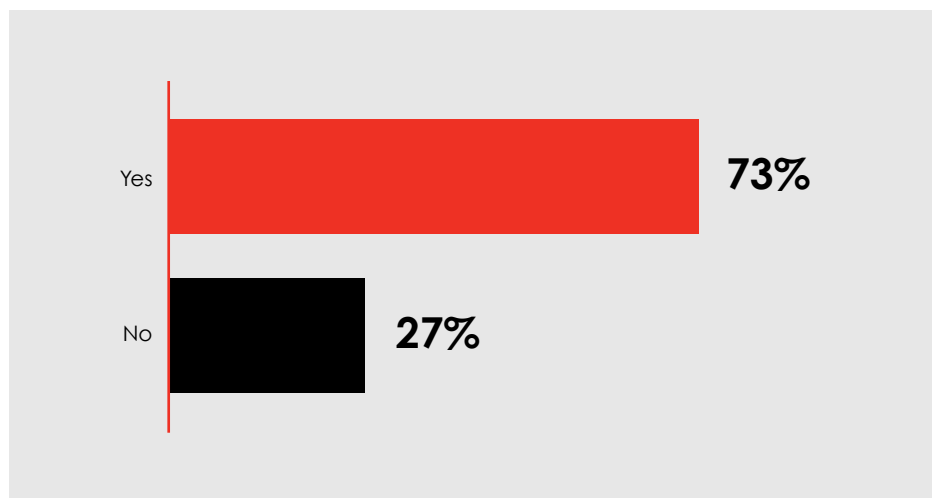
Single login to access any website



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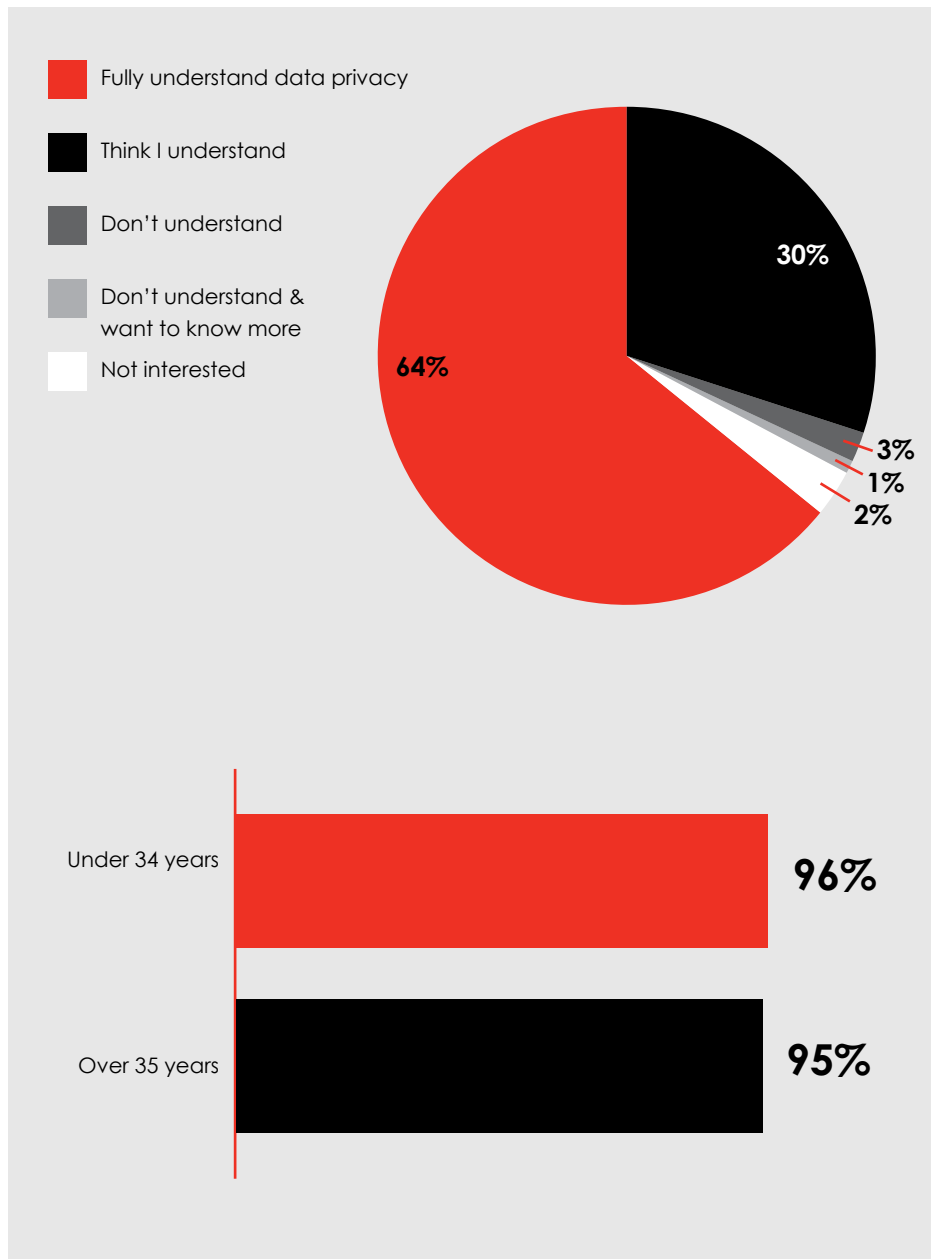


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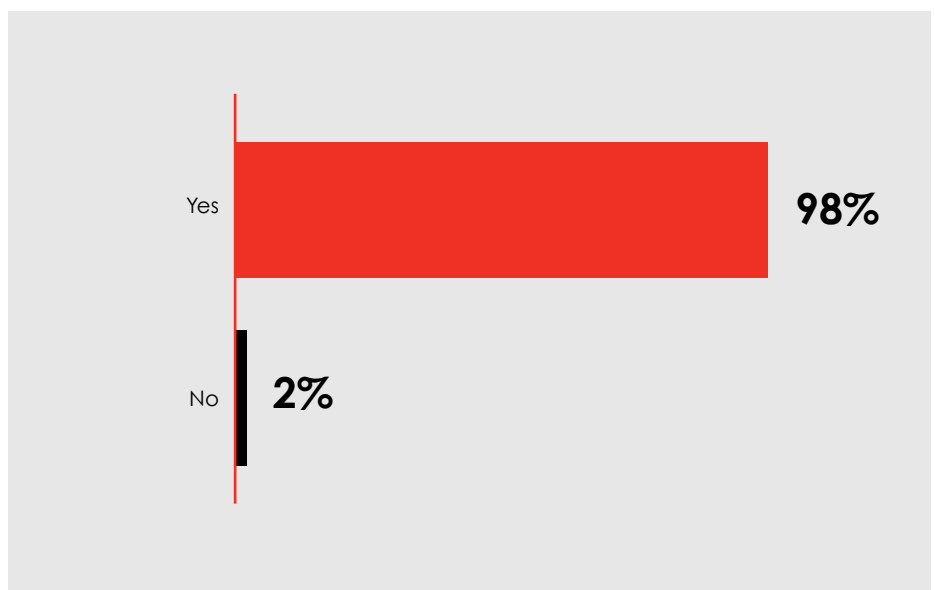


I understand what data privacy means

Most respondents (94%) say they fully understand, or think they understand about data privacy. These percentages are consistent across both age categories. 65% of both men and women say they fully understand what data privacy means.

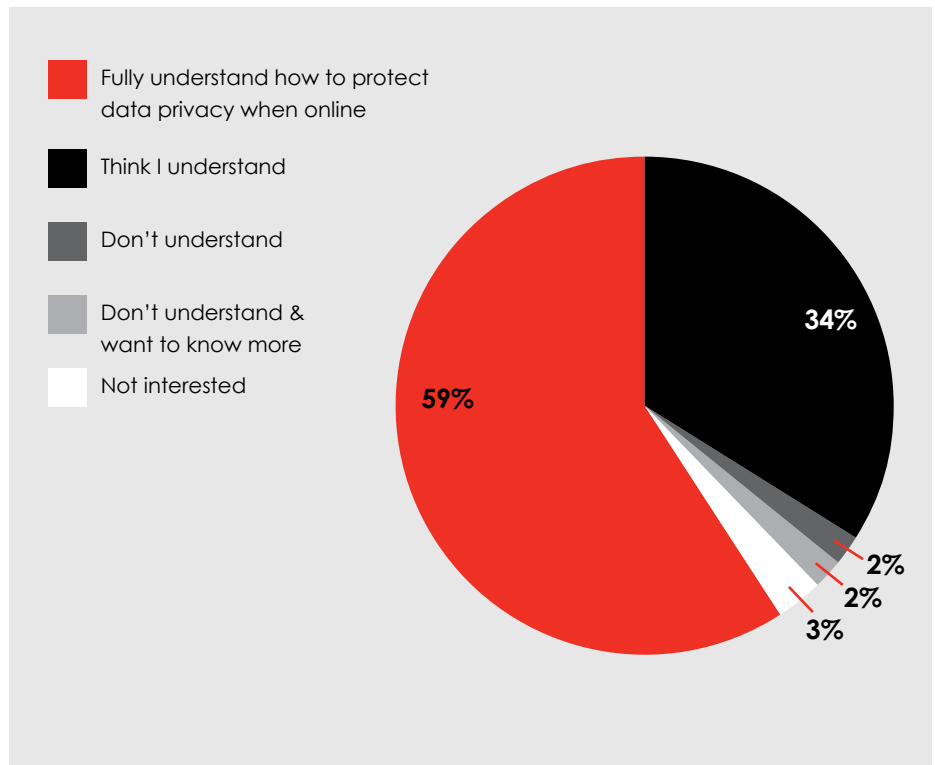


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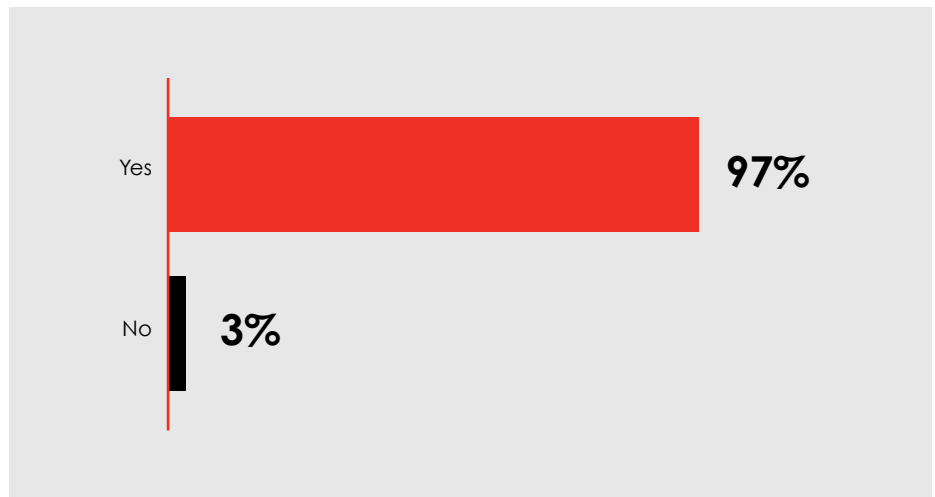


When I'm online, I understand how to protect my privacy if I want to

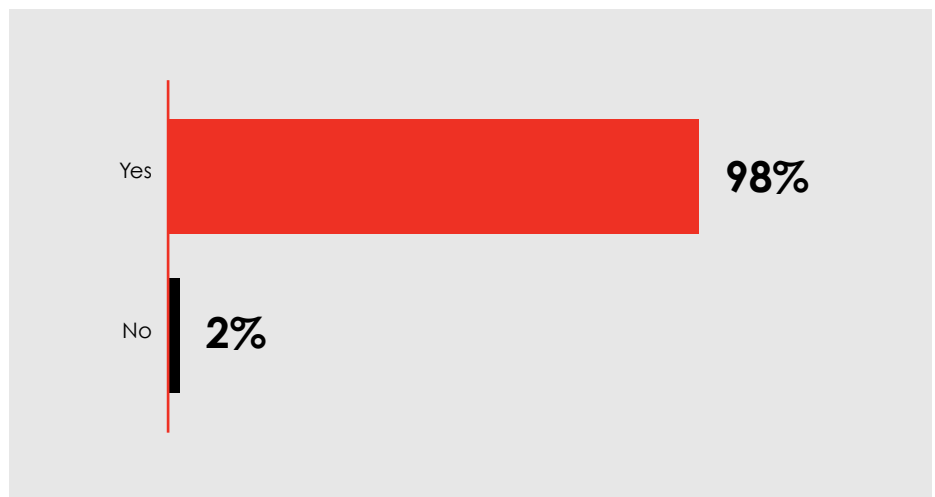
Most respondents (59%) say that when they're online, they fully understand how to protect their privacy if they so wish, while 34% of respondents say they think they know. These figures are consistent across both age categories. More men (61%) than women (59%) say they fully understand how to protect their privacy online.



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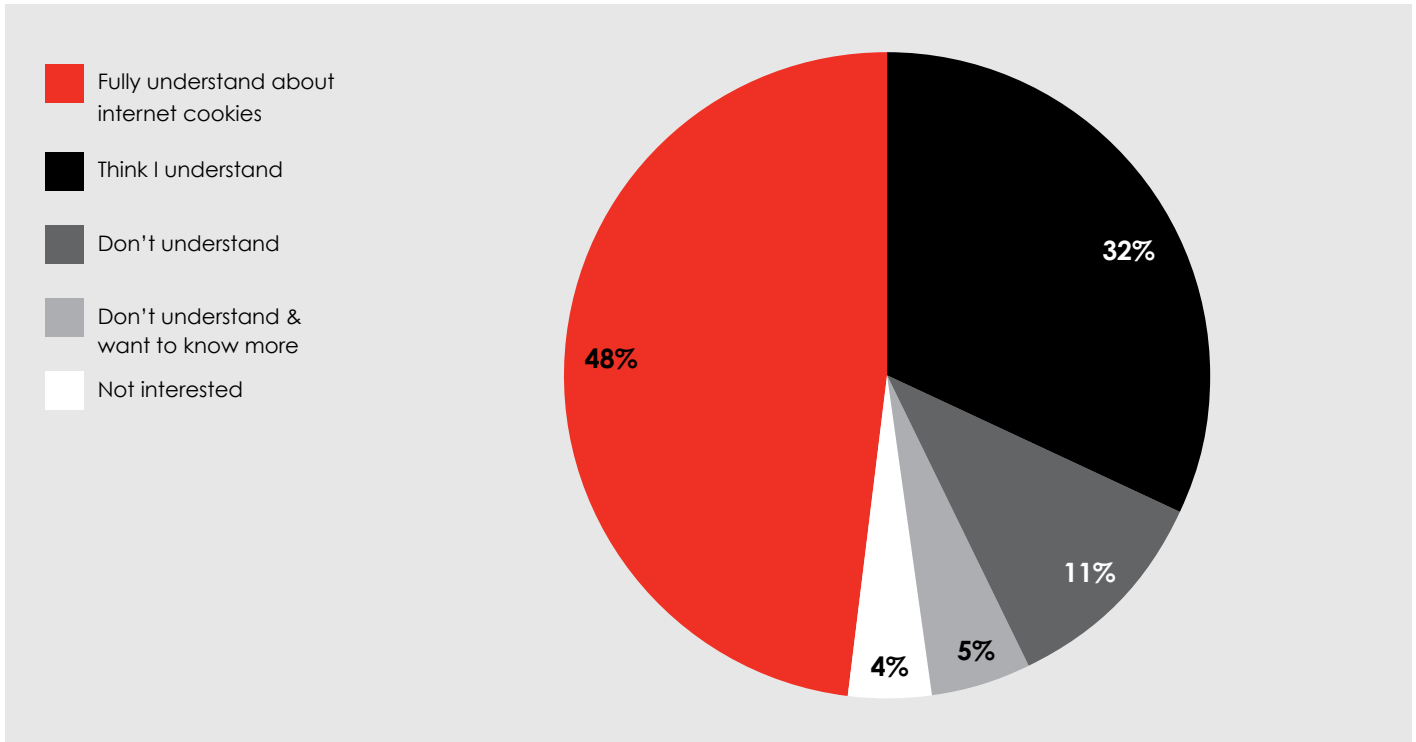


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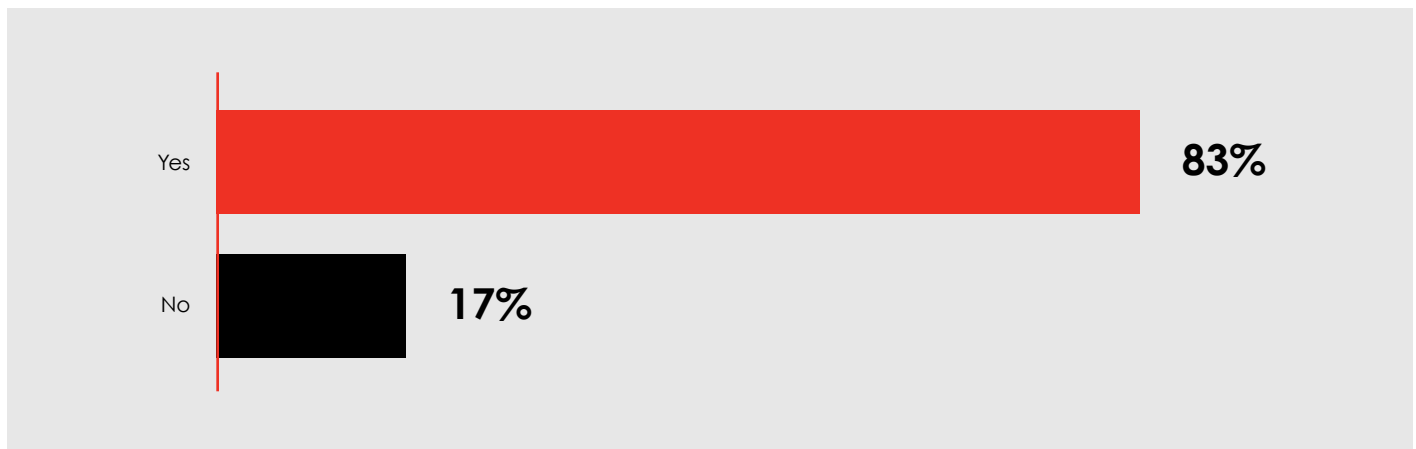


I know what internet cookies do

Most respondents (80%) either fully understand or think they understand about internet cookies. Of these, 83% say they fully understand, or think they understand what data privacy means. More men (54%) than women (44%) say they fully understand what data privacy means.



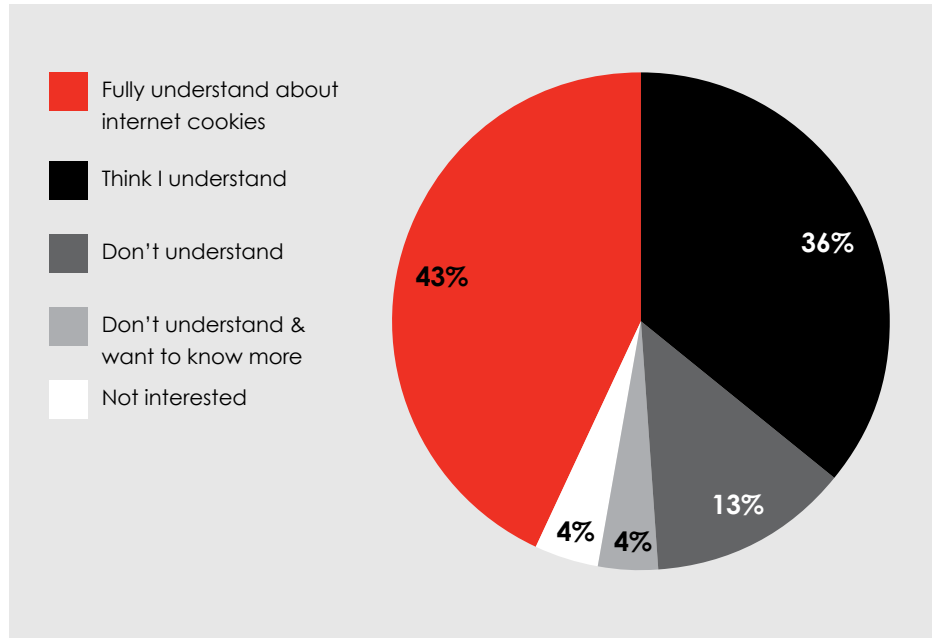
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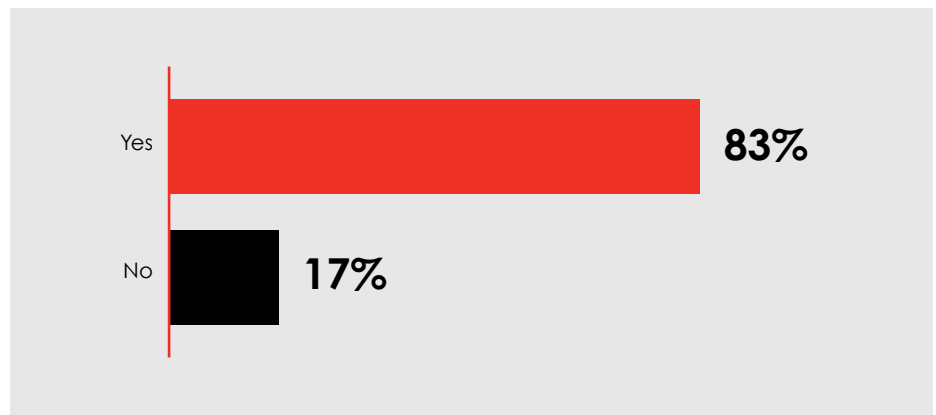
I know when internet cookies are or are not being used

The majority of respondents (94%) say they fully understand or think they understand when internet cookies are, or are not being used on a website they are browsing. Of these, 40% are women and 50% are men.

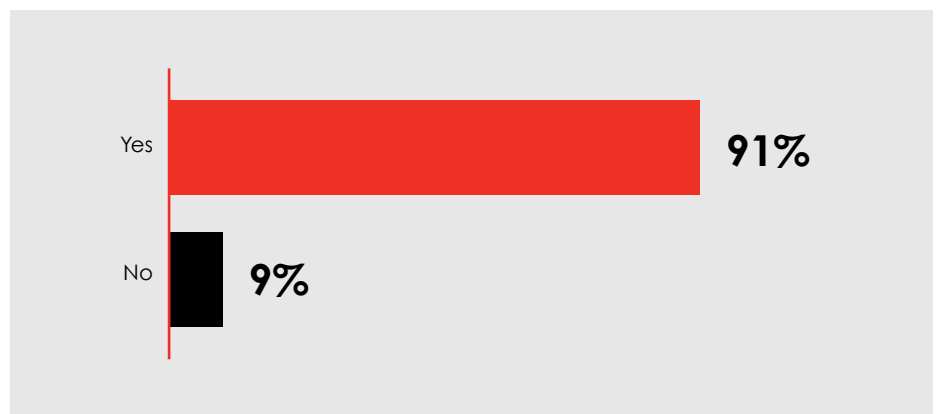
I know when internet cookies are or are not being used



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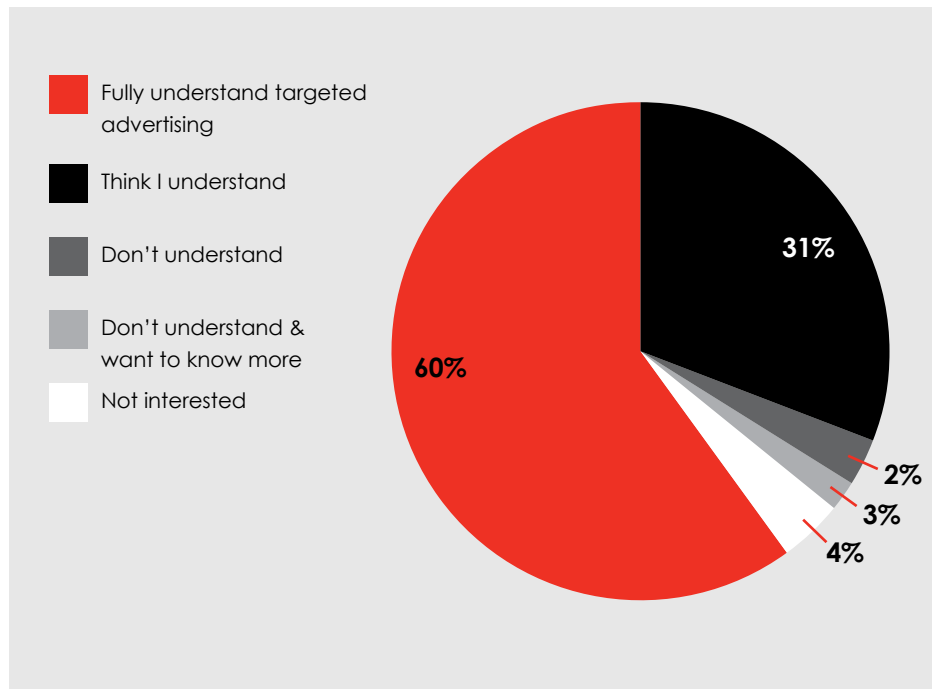


Filtered by I understand, or think I understand what cookies do

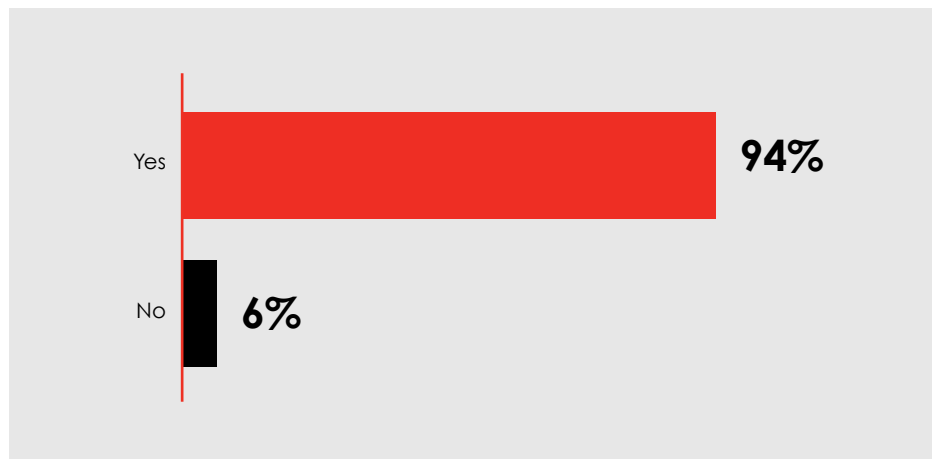


I know that I receive advertisements for products and services of interest to me based on things I look at online

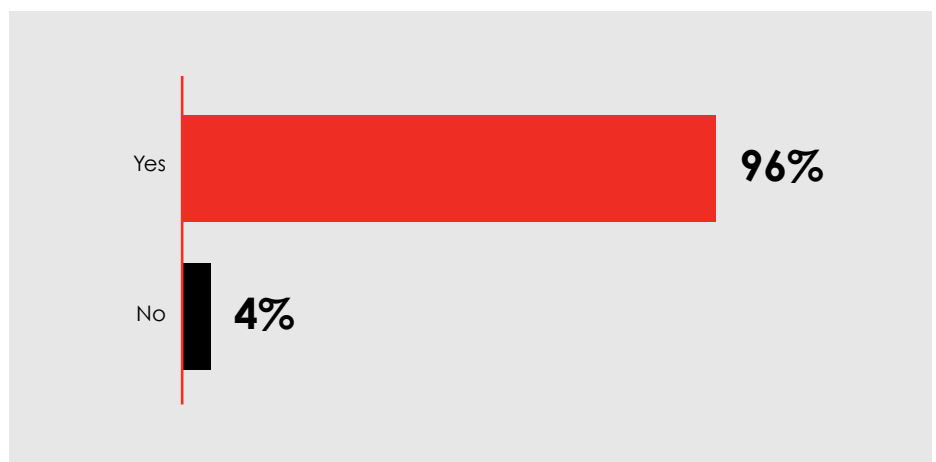
Nine out of 10 of respondents (91%) say they fully understand or think they understand how they receive advertisements based on what they've been looking at online. Of these, 60% are women and 62% are men.



Filtered by I understand, or think I understand, what data privacy means

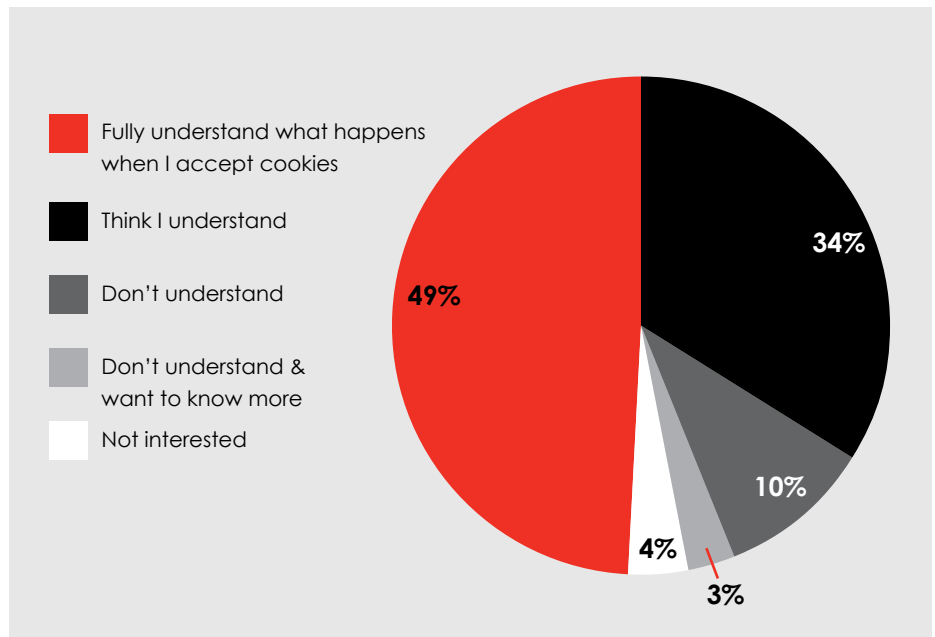


Filtered by I understand, or think I understand what cookies do

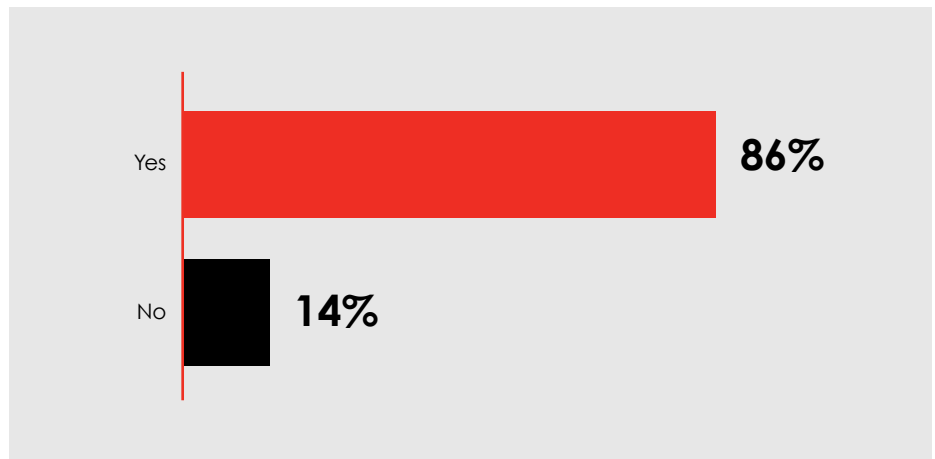


I know what happens when I accept cookies when looking at websites

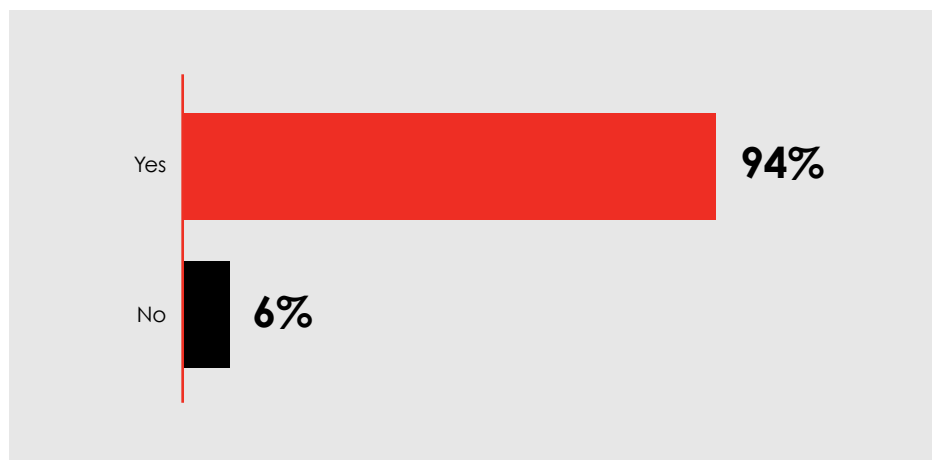
More than eight out of 10 (83%) respondents say they understand or think they understand what happens when they accept Internet cookies when browsing websites. Of these, 41% are women and 55% are men.



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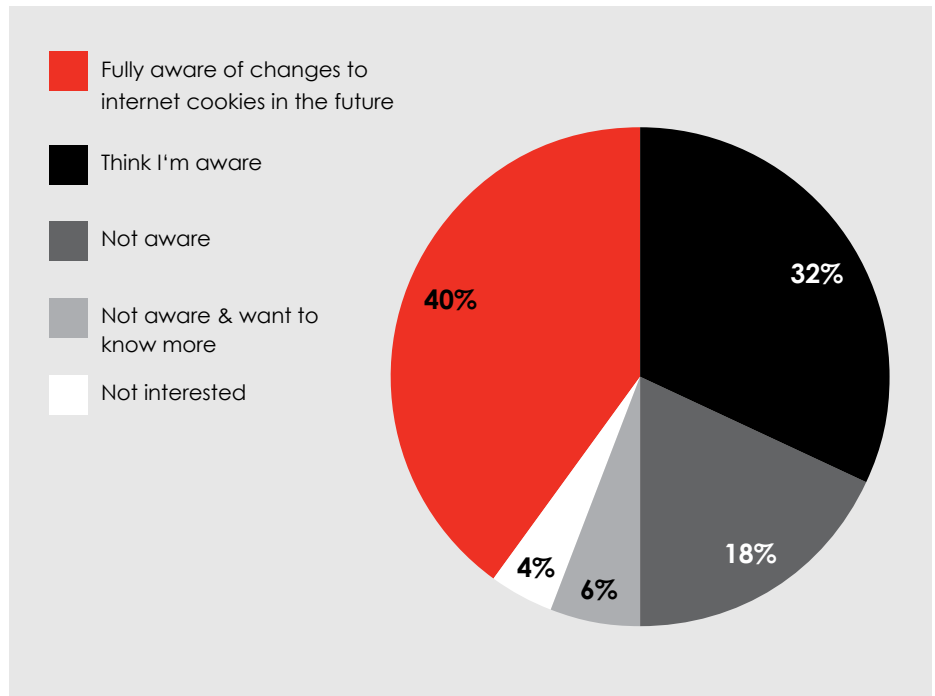


Filtered by I understand, or think I understand what cookies do

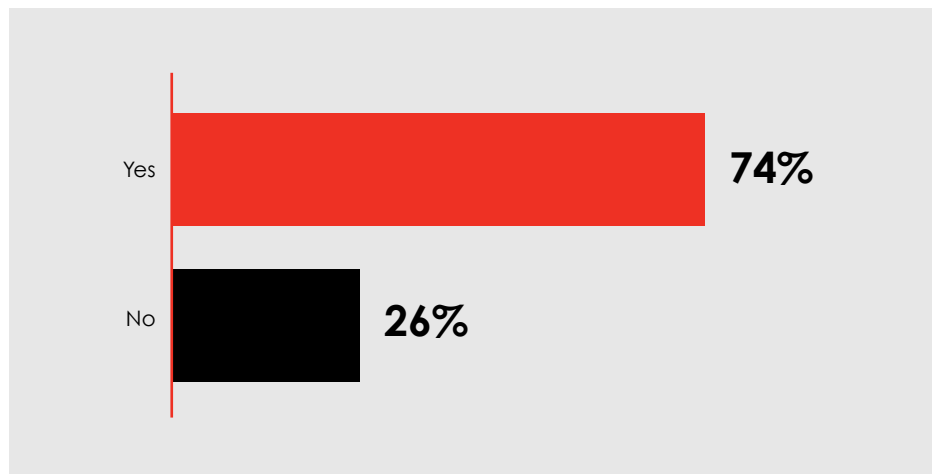


I am aware of changes to internet cookies in the future

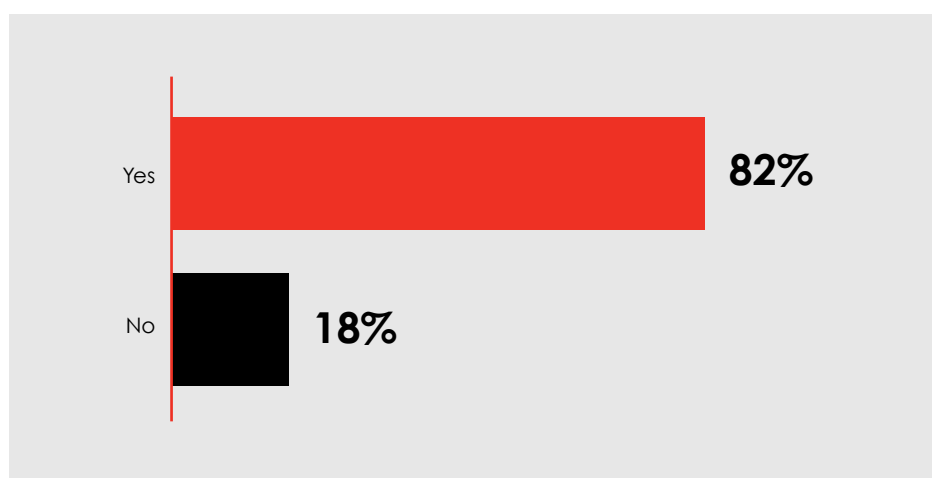
Most respondents (72%) say they are fully aware or think they are aware of changes to internet cookies in the future. Of these, 36% are women, and 46% are men.



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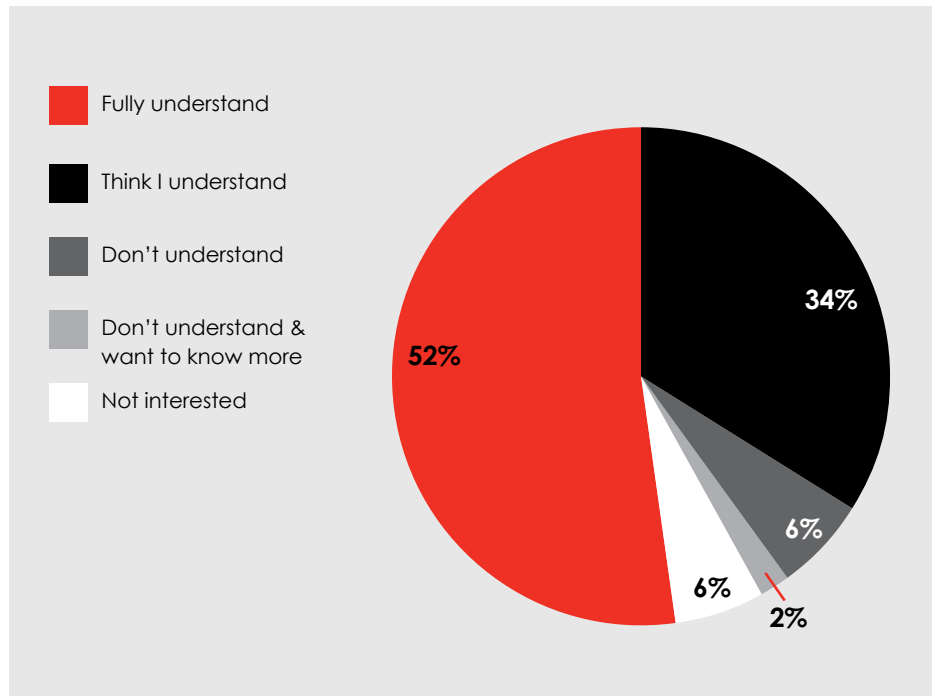


Filtered by I understand, or think I understand what cookies do

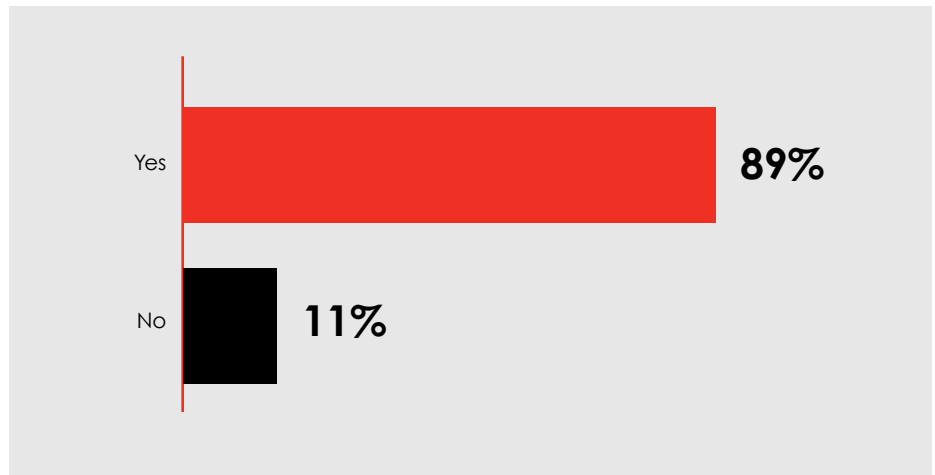


I understand I will see advertisements online in exchange for access to free content

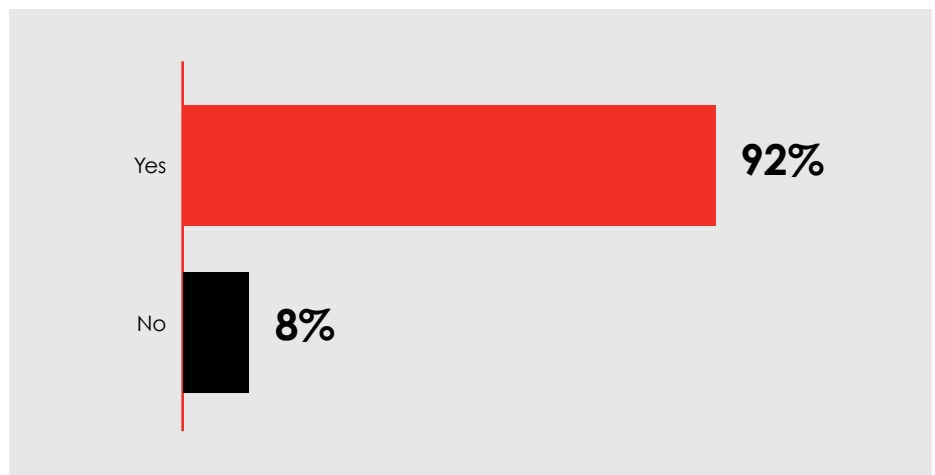
Most respondents (86%) fully understand or think they understand that they see online advertisements in exchange for access to free content. Of these, 50% are women and 56% are men.



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