

CHAPTER 11

Policy Evaluation: Singapore

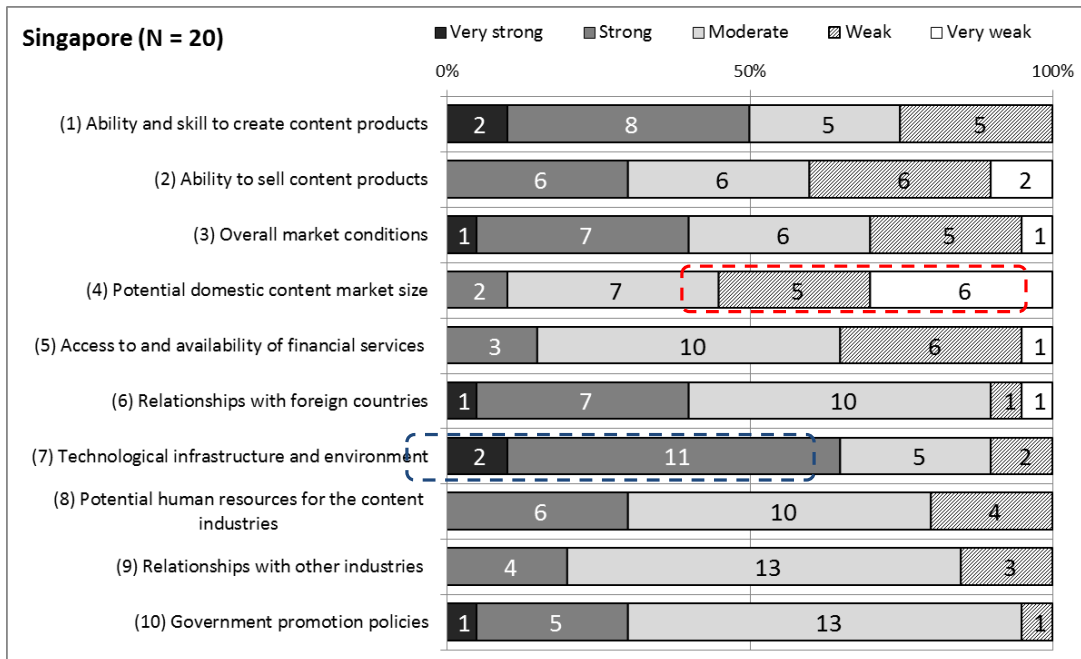
1. Strength/Weakness, Opportunity/Threat (SWOT) Analysis

1.1. Strengths and Weaknesses: Survey Results

Figure 11-1 shows strengths and weaknesses, and Figure 11-2, strengths and weaknesses by respondent category. The majority of respondents recognise ‘technological infrastructure and environment’ as the industry’s strength, with ‘very strong’ and ‘strong’ combined exceeding 50 percent. The policy has the most votes from each respondent category and is strongly recognised by industrial organisations, academic experts, and policymakers.

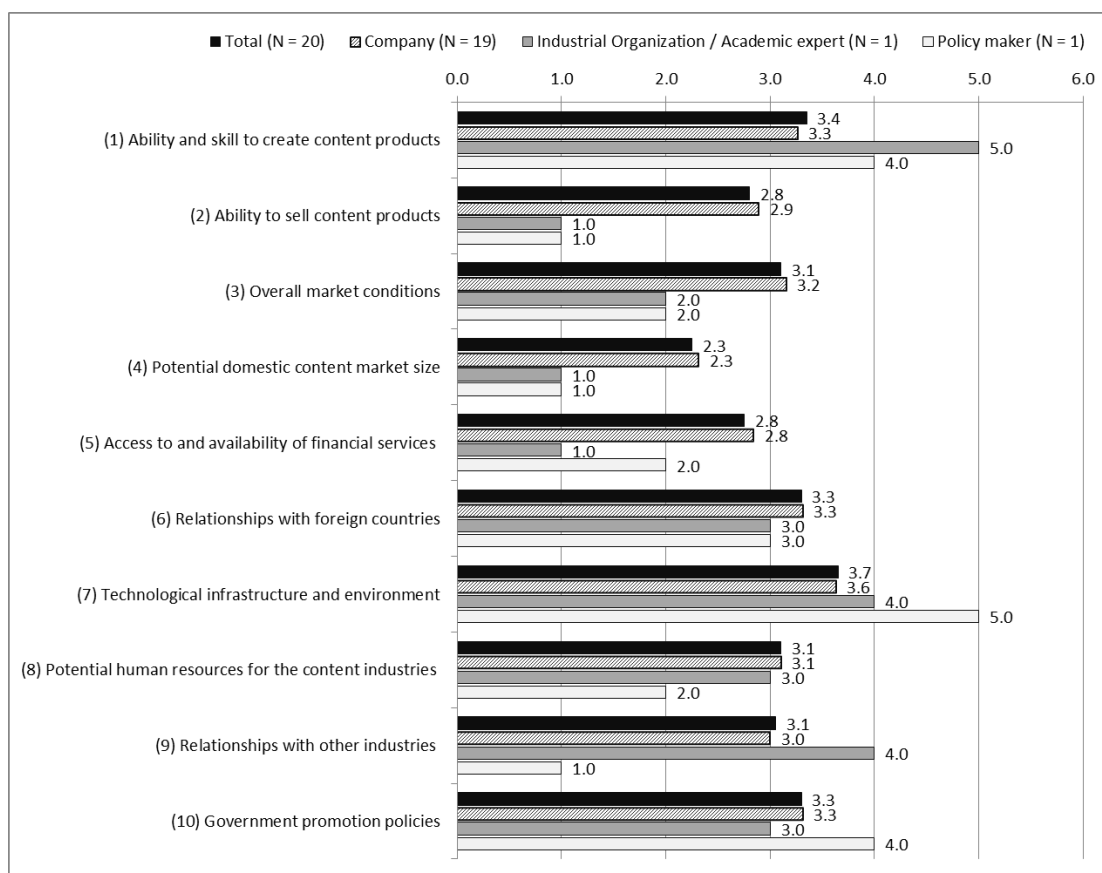
‘Potential domestic content market size’ is considered a weakness by more than half the respondents. It has driven Singapore to strengthen its international competitiveness and overseas development.

Figure 11-1: Strengths and Weaknesses



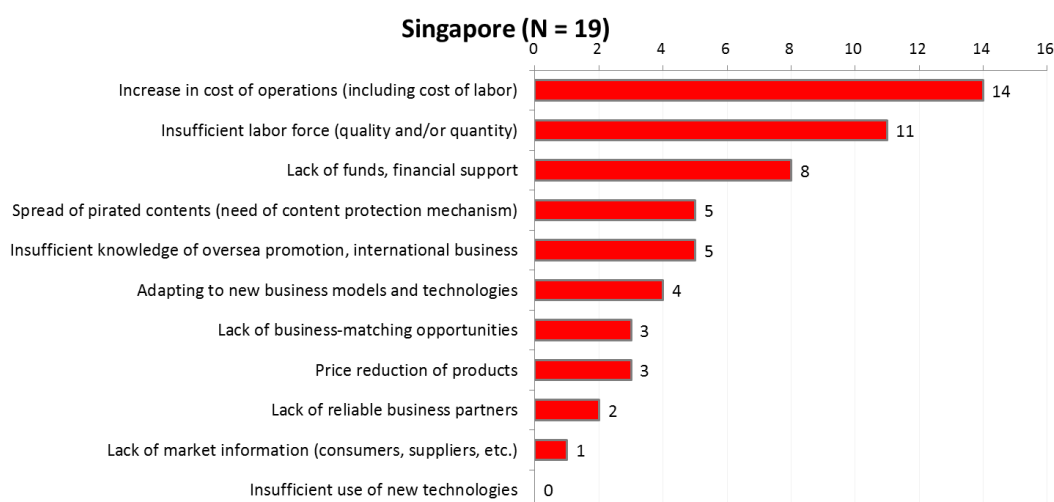
Source: Evaluation Survey of Content Industry Promotion Policies.

Figure 11-2: Strength and Weakness Score: Respondent Comparison



Source: Evaluation Survey of Content Industry Promotion Policies.

Figure 11-3: Current Challenges



Source: Evaluation Survey of Content Industry Promotion Policies.

Table 11-1: Free Descriptive Answers Regarding Current and Future Challenges

Category	Comment
Company	<ul style="list-style-type: none"> ● Difficulty in composing high-quality Mandarin lyrics to compete in the regional Chinese pop music industry [5/1,5,6] ● Domestic business development. Limited access to funding, small domestic market, strict censorship, limited ability to produce various genres of content [1,2/4,5,6] ● International business development. Insufficient financial muscle to invest and participate in and produce major blockbusters, insufficient networks of partners, limited ability in marketing and distribution [1,2/4,5,6] ● Difficulty in finding stable jobs, planning ahead to meet demand, and coping with the ever-changing industry climate [1,2/1] ● Need to go overseas for new opportunities and growth, fierce competition due to greater market entry of overseas companies (setting up international headquarters or regional bases) [4/1] ● Need for good local partners who can show how business is done in other Asian countries [4/1] ● Difficulty in introducing or adapting to new business models and distribution channels [education software/-] ● Limited production budgets vis-a-vis major content markets such as Korea and China, proliferation of nonlinear platforms, and weak language proficiency [1/1,2,3,4,5] ● Online piracy, higher annual broadcast licence fee (2.5 percent of total revenue) than other developed countries, lack of creative content, and restrictive content regulations such as censorship [1/3] ● Building a competitive market environment, adapting to market trends in Internet downloads and content streaming, anti-piracy measures in response to market saturation [2/4] ● Difficulty in creating content that satisfies not only the small domestic market but also regional audiences [1/1,2] ● Insufficient funding and lack of suitable manpower [publishing/1,2,4,5,7] ● Lower production budgets, need for competitive incentive programmes similar to those of the United Kingdom, Australia, and Canada; escalating business costs; lack of a large pool of internationally exposed local personnel; lack of investment and financial support instruments [1,2,3/1,2,5]
Industrial Organisation and Academic Expert	<ul style="list-style-type: none"> ● Complete intellectual property protection continues to be a challenge, and this will probably remain so in the short to midterm. A vibrant market for locally produced content is still missing, at least in music. A strong local market is always the platform for actors and artists to propel themselves to larger regional and world markets. [5/Association and Collective Management Organisation]

Note: Numbers after each comment describe the sector and operation the respondent is engaged in. [1 = TV programme, 2 = film, 3 = animation, 4 = games, 5 = music, '-' = no response / 1 = production, 2 = post-production, 3 = broadcasting, 4 = distribution, 5 = sales, 6 = purchase/aggregation, 7 = manufacturing, '-' = no response]

Source: Evaluation Survey of Content Industry Promotion Policies.

1.2. Current and Future Challenges

Figure 11-3 shows the results for current challenges facing the content industry. The most recognised issues are ‘increase in cost of operations’ and ‘insufficient labour force’.

Table 11-1 shows that, due to Singapore’s small market, some companies see the need for content-related businesses to go overseas for new opportunities and growth. Other challenges are high licence fees and restrictive content regulation.

1.3. Strength/Weakness, Opportunity/Threat (SWOT) Analysis: Update of the FY2012 Report

The update of the ‘Study on the Development Potential of the Content Industry in East Asia and ASEAN Region’ (FY2012 Report) (Table 5-2) takes into account the survey results as well as recent market trends (Chapter 2) and policies (Chapter 4).

Singapore considers as strengths its technology infrastructure and environment, and its ability to create content products based on connections with neighbouring countries through language (English, Chinese, and Malay). Singapore’s content industry has developed under its well-established economic and legal environment.

Its small domestic market, however, is highly recognised as its weakness. Facilitating opportunities to develop international marketing is therefore one of the most important ways to promote the industry. The current increase in cost of operations and insufficient labour force are also weaknesses that hinder the industry’s use of its strengths.

2. Policy Evaluation

2.1. Overall Evaluation

Figure 11-4 shows the survey results of the overall assessment of related policies. Twelve out of eighteen respondents (66 percent) indicate positive evaluation (‘successful’; no ‘very successful’ response).

Table 11-2: SWOT Analysis—Singapore

Internal	
<p style="text-align: center;">Strengths</p> <ul style="list-style-type: none"> ● Technological infrastructure and environment ● Ability and skills to create content products ● Strong connections with English-, Chinese-, and Malay-speaking world ● Host to international broadcasters, international games, and animation companies ● Open economy, strong governance for business, financial hub in Asia, and legal framework to protect intellectual property rights ● Host to high-end visual effects studios that use state-of-the-art technologies 	<p style="text-align: center;">Weaknesses</p> <ul style="list-style-type: none"> ● Small domestic market ● Increase in cost of operations ● Insufficient labour force ● Lack of ability to sell content products ● Limited access to and availability of financial services ● Highly fragmented market due to language segmentation ● Media not seen as a career choice ● Small production companies
<p style="text-align: center;">Opportunities</p> <ul style="list-style-type: none"> ● High gross domestic product per capita ● High penetration of smartphone and mobile Internet subscriptions ● Cosmopolitan market with an appetite for global and regional content ● Transition to terrestrial digital broadcasting 	<p style="text-align: center;">Threats</p> <ul style="list-style-type: none"> ● Competition with foreign content producers ● Small talent base (not limited to content industry) ● Ageing population

External

SWOT = strength/weakness, opportunity/threat.

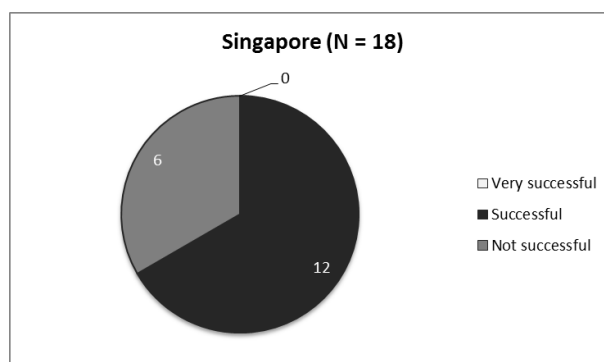
Source: Authors.

Figure 11-5 shows the score for each respondent category, indicating the gap between stakeholders.

2.2. Effectiveness of Current Policies

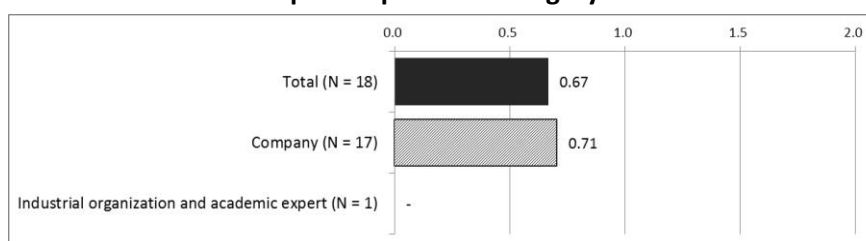
Figure 11-6 shows the survey results on implementation awareness and policy effectiveness. The results indicate the respondents' awareness of how the policies meet their expectations. All policies, except #1 (Communicate industrial development visions, master plans, statistics), #13 (Introduce and review regulatory frameworks for market entry, content quotas), and #15 (Introduce and review content-rating framework) are supported by the majority of respondents. Policies #4 (Support building of business relationships) and #8 (Support education) are strongly recognised as effective. Policy #12 (Foster research and development and technological innovation, develop communication networks and media) has the most negative votes.

Figure 11-4: Overall Assessment of Content Policies



Source: Evaluation Survey of Content Industry Promotion Policies.

Figure 11-5: Overall Assessment of Content Policies—Score per Respondent Category



Note: Figures indicate weighted average of number of respondents and weight (very successful = 2, successful = 1, not successful = 0).

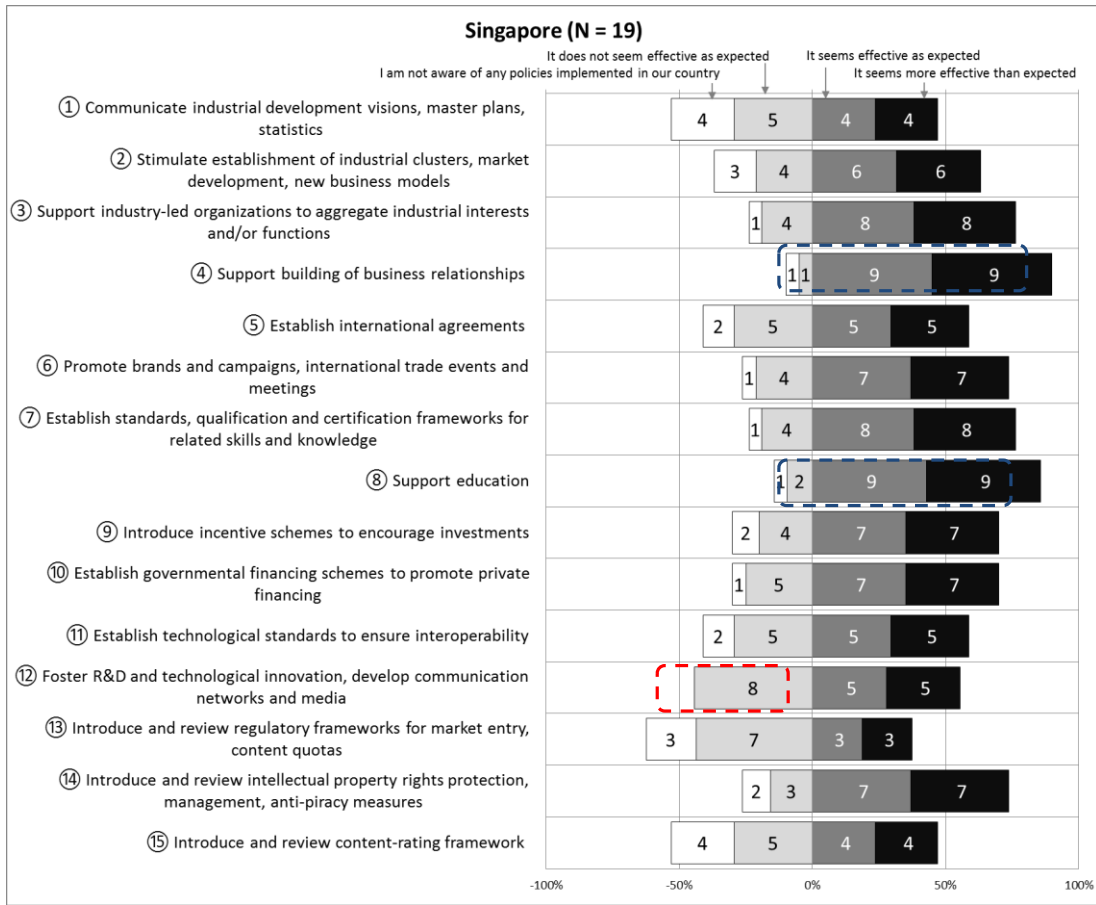
Source: Evaluation Survey of Content Industry Promotion Policies.

Figure 11-7 shows, in descending order, the policies considered to be highly effective. Policy #10 (Establish government financing schemes to promote private financing) has the most votes. Figure 11-8 describes the effects and outcomes that have resulted from #10. Most respondents have enjoyed increased opportunities for business and for receiving financial sponsorship.

2.3. Key Success Factor

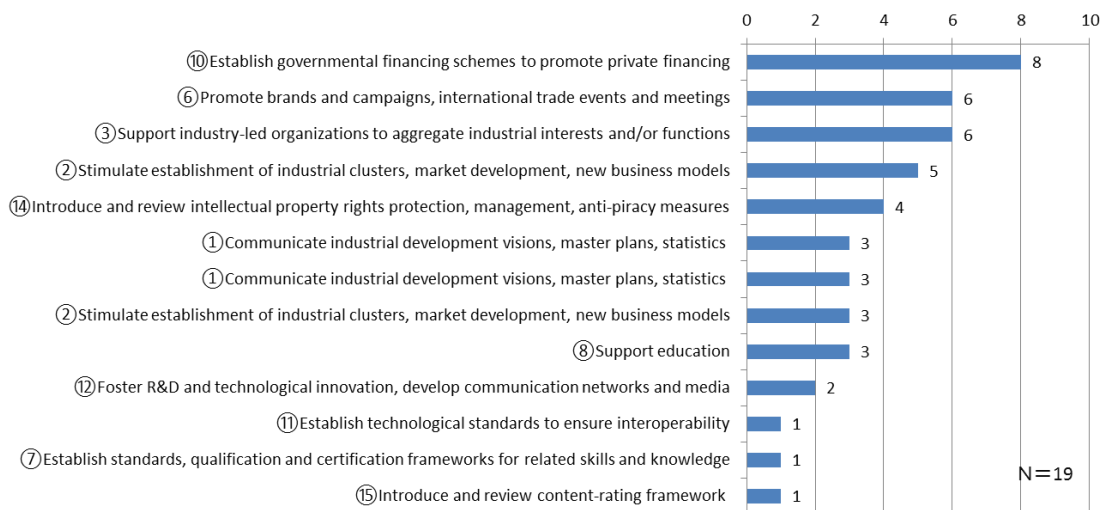
Figure 11-9 shows what respondents consider an important element (key success factor) for maximising the effectiveness of policy #10 (Establish government financing schemes to promote private financing). Many respondents consider ‘encouraging incentives, willingness, and independence of related parties’ as the major factor.

Figure 11-6: Policy Effectiveness



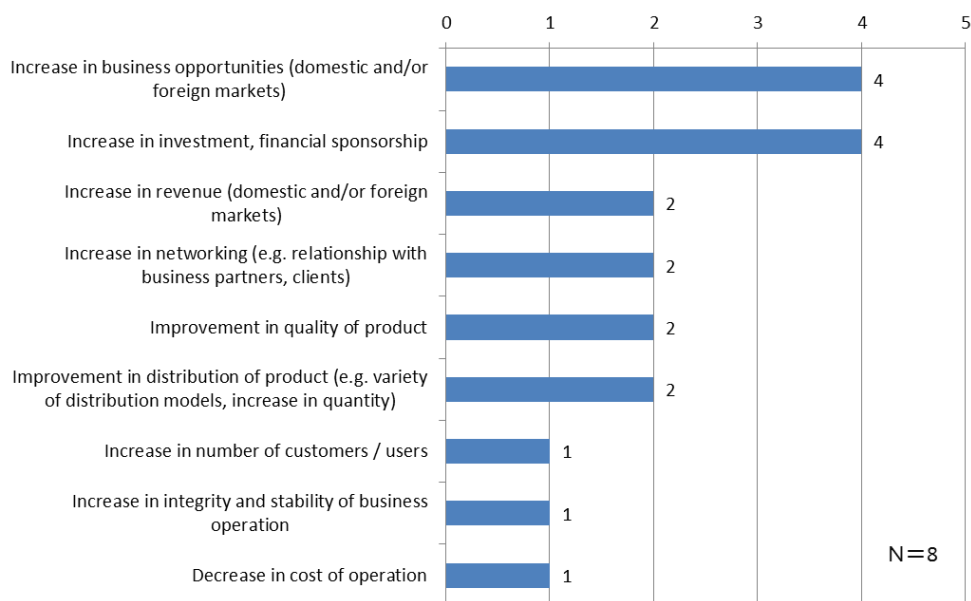
Source: Evaluation Survey of Content Industry Promotion Policies.

Figure 11-7: Policies Regarded as Effective



Source: Evaluation Survey of Content Industry Promotion Policies.

**Figure 11-8: Effects and Outcomes as a Result of Policy #10
(Establish government financing schemes to promote private financing)**

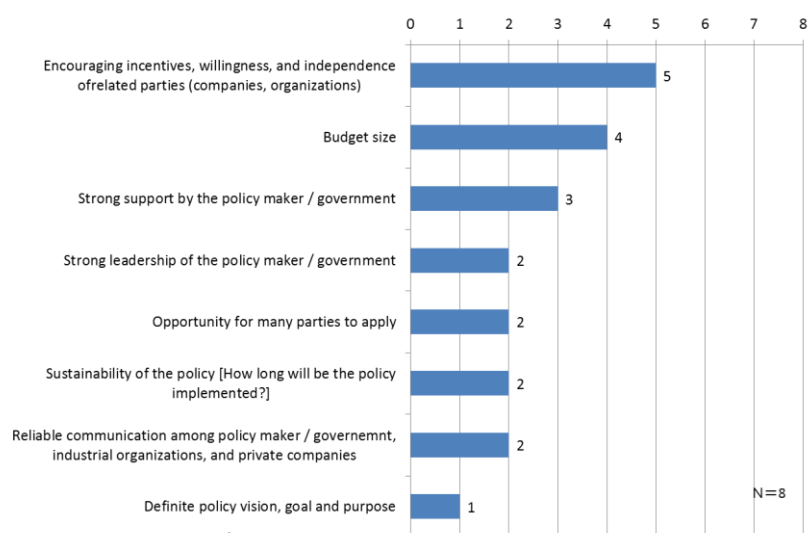


Source: Evaluation Survey of Content Industry Promotion Policies.

2.4. Challenges

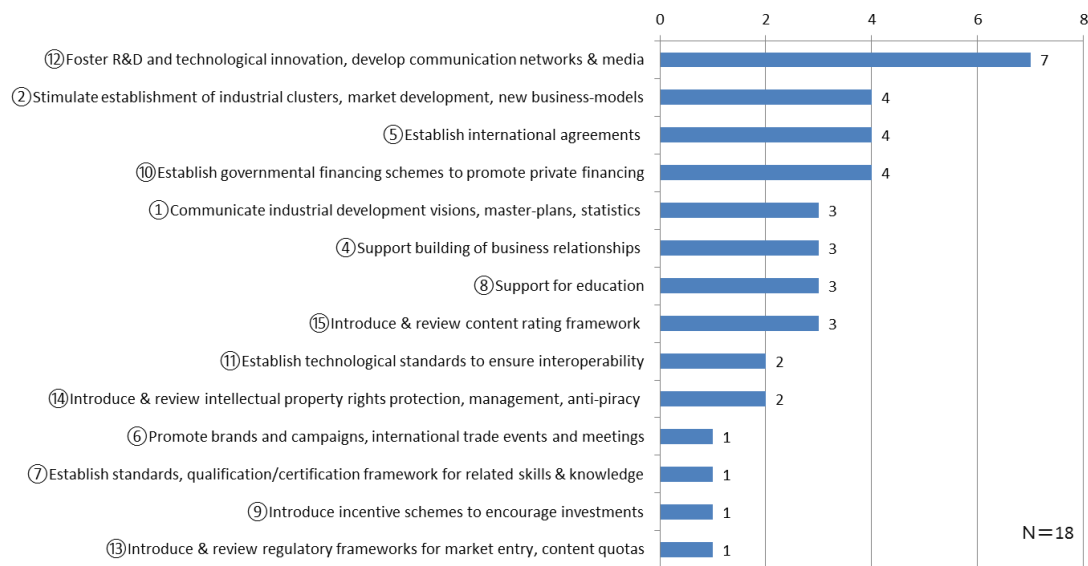
Figure 11-10 shows the policies considered to face challenges. Policy #12 (Foster research and development and technological innovation, develop communication networks and media) has the most votes. Figure 11-11 suggests that many respondents consider clear policy vision, goal, and purpose as the key to overcoming the challenge

**Figure 11-9: Key Success Factors of Policy #10
(Establish government financing schemes to promote private financing)**



Source: Evaluation Survey of Content Industry Promotion Policies.

Figure 11-10: Policies Needing Improvement



Source: Evaluation Survey of Content Industry Promotion Policies.

**Figure 11-11: Difficulties and Constraints of Policy #12
(Foster research and development and technological innovation,
develop communication networks and media)**



Source: Evaluation Survey of Content Industry Promotion Policies.

2.5. Necessity of Current Policies and Expectations

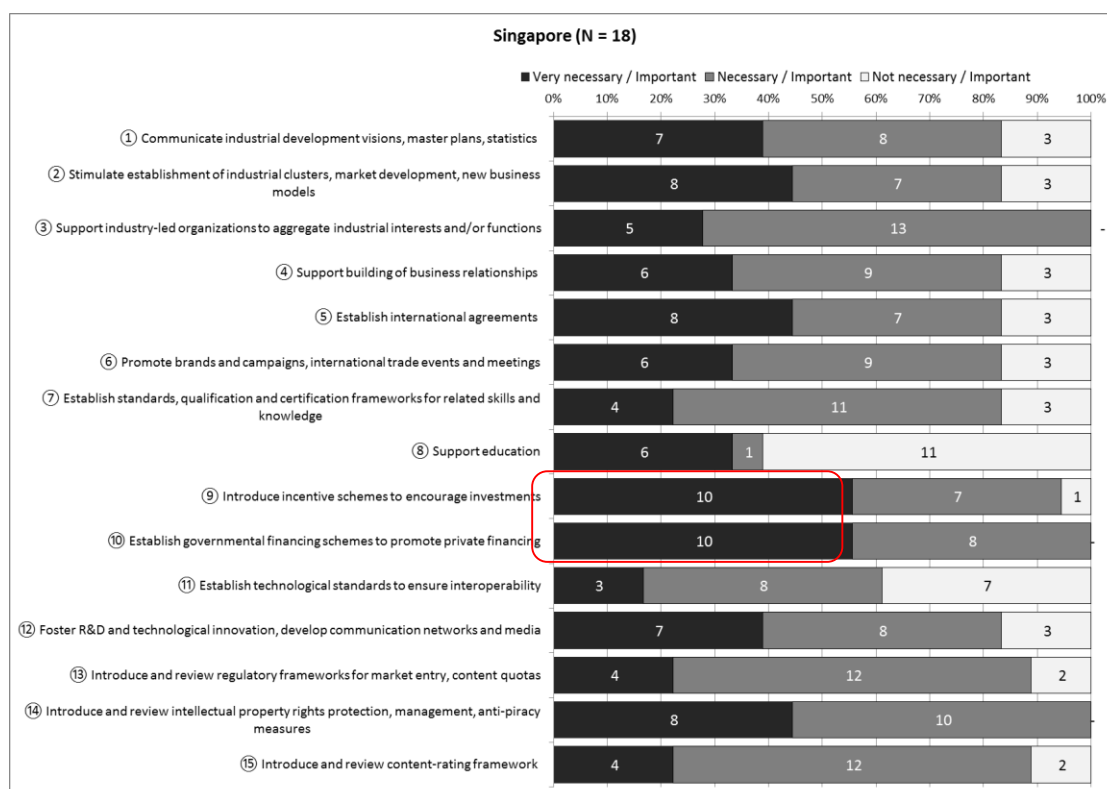
Figure 11-12 shows the survey results on the necessity of policy. Considered the most necessary are policies #9 (Introduce incentive schemes to encourage investments) and #10 (Establish government financing schemes to encourage investments).

Figure 11-13 shows the respondents' expectation of policies, irrespective of current implementation. The majority of respondents expect increase in revenue.

2.6. Policy Prioritisation

Figure 11-14 maps the effectiveness and necessity of each policy. The figures are converted into deviation values to relatively map the results. Each plot describes the policy activity. Overall, policies for Singapore have relatively high performance, as six policies have higher effectiveness than necessity. There is demand for policies #9 (Introduce incentive schemes to encourage investments), #10 (Establish government financing schemes to promote private financing), and #12 (Foster research and development and technological innovation, develop communication networks and media), but effectiveness does not seem to meet expectations.

Figure 11-12: Necessity of Policies



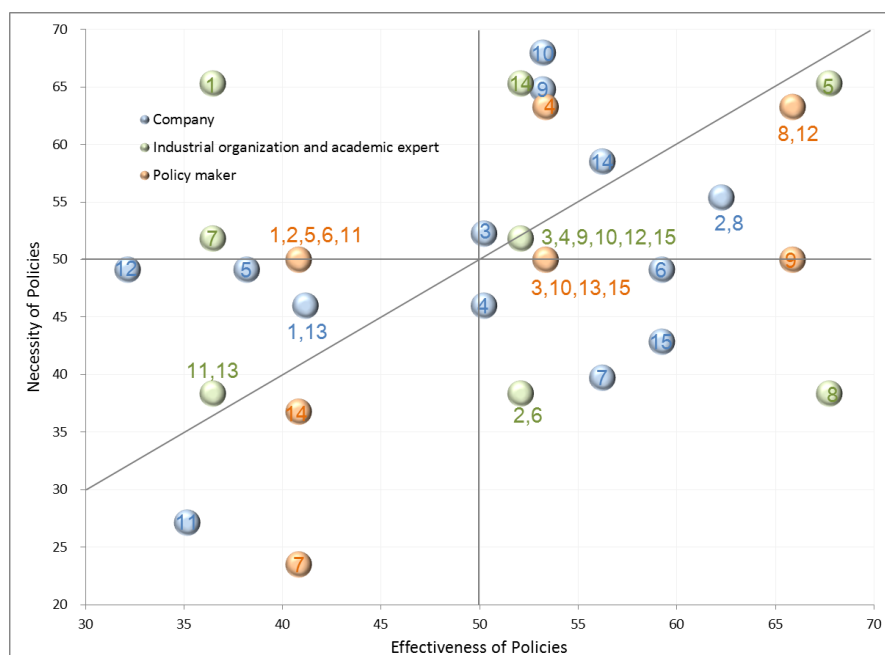
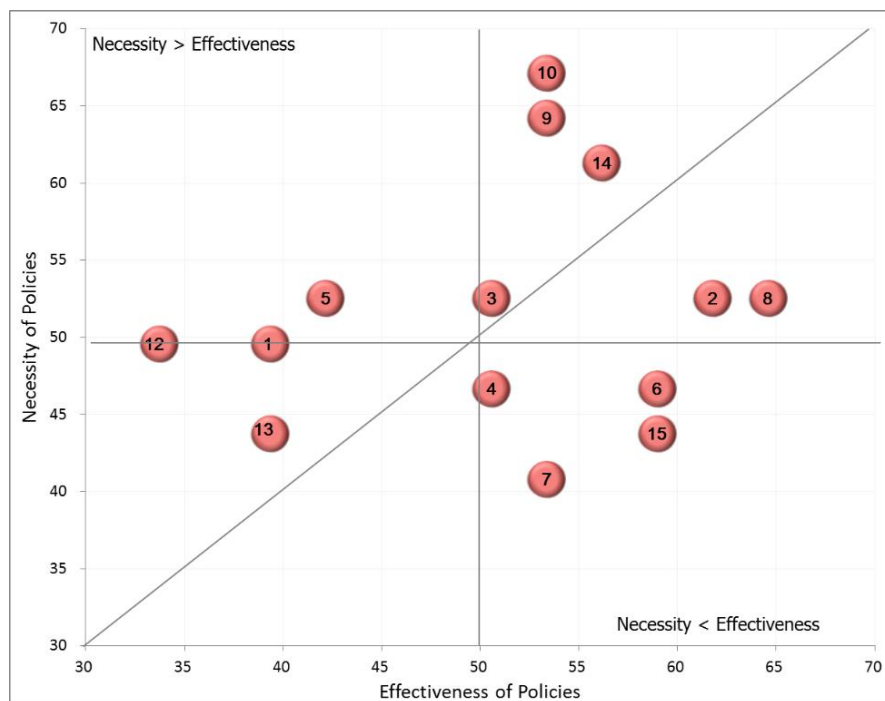
Source: Evaluation Survey of Content Industry Promotion Policies.

Figure 11-13: Expectation of Implemented Policies

Source: Evaluation Survey of Content Industry Promotion Policies.

Table 11-3 describes the overall analysis results. It provides the performance indicator for each policy activity, describing the priority level, or the relative distance between necessity and effectiveness (see Chapter 1 for a more detailed explanation of performance indicator). The table also provides the coefficient of variation and a normalised measure of dispersion, which describes the variance amongst respondent categories. The results show that policy #12 has the highest priority for improvement.

Figure 11-14: Effectiveness vs. Necessity of Policies
 (above: average, below: by category)



Source: Evaluation Survey of Content Industry Promotion Policies.

Table 11-3: Analysis Results of Policy Evaluation

Policy Area	Policy Activities	Performance	CV Effectiveness, %	CV Necessity, %
Industry and Market Development	1. Communicate industrial development visions, master plans, statistics	- 7.3	6	17
	2. Stimulate establishment of industrial clusters, market development, new business models	6.5	9	18
Organisational Schemes, Business relationships	3. Support industry-led organisations in aggregating industrial interests and/or functions	- 1.4	2	0
	4. Support building of business relationships	2.7	2	6
International relationships	5. Establish international agreements	- 7.3	28	14
	6. Promote brands and campaigns, international trade events and meetings	8.7	6	12
Human Resources	7. Establish standards, qualification/certification framework for related skills and knowledge	8.9	21	13
	8. Support education	8.5	4	18
Finance	9. Introduce incentive schemes to encourage investments	- 7.7	1	11
	10. Establish government financing schemes to promote private financing	- 9.8	1	13
Technology	11. Establish technological standards to ensure inter-operability	5.3	2	17
	12. Foster research and development and technological innovation, develop communication networks and media	-11.2	24	3
Legal Frameworks	13. Introduce and review regulatory frameworks for market entry, content quotas	- 3.1	6	9
	14. Introduce and review intellectual property rights protection, management, anti-piracy measures	- 3.6	4	5
	15. Introduce and review content rating framework	10.7	6	17

CV = coefficient of variation (variation among respondent categories).

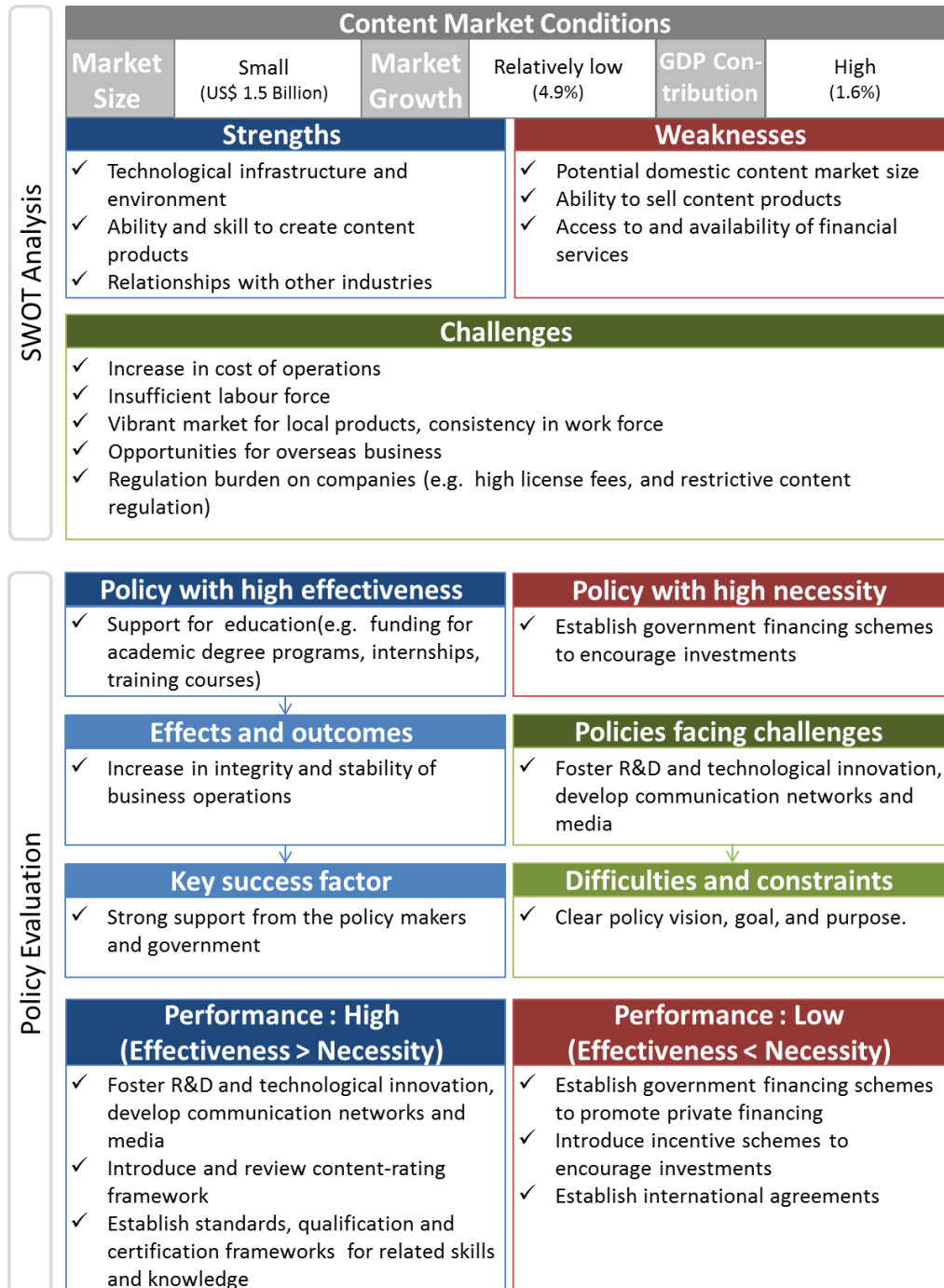
Note: 'Performance' indicates the relative distance where: (a) Figures above zero: Effectiveness outperforms necessity/expectation; (b) Figures below zero: Effectiveness underperforms necessity/expectation.

Source: Evaluation Survey of Content Industry Promotion Policies.

2. Summary

Figure 11-15 summarises the results.

Figure 11-15: Overall Results—Singapore



GDP = gross domestic product, SWOT = strength/weakness, opportunity/threat.

Source: Authors.

Since establishing the Media Development Authority in 2003, Singapore has focused on developing a vibrant creative and media sector, nurturing home-grown media enterprises, and fostering a cohesive and inclusive society. Through initiatives such as the Singapore Media Fusion Plan (2009) and recent discussions to develop the industry toward 2025, the country has set strategic goals to enhance its content industry's economic contribution.

Singapore sees its strength in its technological infrastructure environment and its ability and skill to create content products, while recognising its small domestic content market as a weakness. With regard to capacity building, the country has focused on supporting education, recognised to be effective in increasing the integrity and stability of business operations. The performance of these technology and human resource policies, and regulations in the content-rating framework is rated more highly than other policies.

Due to rapid economic growth, however, the country is facing domestic economic issues such as increasing cost of operations and insufficient labour force. Such factors are driving the industry to engage in overseas business and to collaborate with other countries through human resources. Although the government has provided financial schemes and funds to the sectors, especially broadcasting, the industry is strongly aware of demand for further financial support and improved government support for international agreements.