



EMPLOYMENT MARKET OVERVIEW

Staffing levels in white-collar markets are stabilising after the fall in hiring activity that commenced in the second half of 2008. Our annual employment survey, which this year includes responses from 250 senior managers from leading organisations in the corporate, financial services and public sectors in Hong Kong, reveals 51% of respondents believe their headcount will remain stable over the coming 12 months. A further 34% predict their staff numbers will increase, with only 15% saying more cuts are likely.

These figures substantiate the view that most white-collar employers have already made their deepest staff cuts and are now looking to increase or at least maintain headcount. Business confidence is also increasing and 63% of employers surveyed think trading conditions will improve further by the end of the 2009.

We have seen staffing levels stabilise in recent months as a sense of cautious optimism returns to the market. Most recruitment activity is for replacement hires but we are also seeing new jobs being created, particularly within new and established companies that are focused on business opportunities in mainland China. Multinationals are still recruiting in Hong Kong and activity levels are improving

in sectors such as financial services and consumer products. The frustration for job seekers is that many of the final hiring decisions are made outside of Hong Kong, in global headquarters located in the United States and Europe. This trend has prolonged the recruitment process and job seekers are having to wait longer for the final decision to be made.

Most demand is for permanent staff but there has been a slight increase in contract opportunities, primarily at the administrative level in accounting and for specialist technical skills in marketing, engineering, procurement and supply chain. People who accept contracts in the current market may be offered their roles on a permanent basis as business conditions improve. We respect that employers will want to retain these valuable skills to position themselves for growth during the upturn.

The retention of skills has remained an important consideration despite the deterioration in business conditions over the last 12 months. To avoid staff cuts many companies have pursued alternate strategies of payroll cost reduction. Our employment survey reveals 48% of companies have frozen salaries, 13% have reduced their office rental costs and 7% have reduced working hours.

While employers have been strategic in their approach to retention, many are operating under a misconception when it comes to the ease with which new staff can be recruited. The pool of active job seekers may have increased but in the majority of situations the most talented and well regarded professionals have been retained. These workers remain cautious about changing jobs despite early signs of market stabilisation. To attract them, employers need to offer competitive salaries and demonstrate the role is secure with the opportunity for career growth.

Our forecast for the next 12 months is for a steady increase in hiring activity rather than a sharp recovery. Employment tends to be a lagging indicator and jobs growth will only occur after sustained improvement in consumer and business confidence. The second half of the year is likely to see moderate improvement off a stable base, with new job creation a more realistic proposition for early 2010.

We anticipate salary levels will remain constant or increase marginally for people who remain in their roles. Those who change jobs can expect an average increase of 5-10% although the stability of the role and opportunity for progression are also key consideration points.

SECTOR TRENDS – SALES & MARKETING

- The FMCG sector has remained relatively stable for the first half of 2009 while other markets, for example luxury goods, have experienced greater volatility due to the global economic downturn. Hiring freezes have been the norm in some markets but we are now beginning to see some encouraging signs.
- Within the Information Technology & Telecommunications (IT&T) sector, many US-based software and hardware vendors have implemented global hiring freezes and a number made considerable staff reductions in early 2009. The exception to this has been the Chinese telecommunications market, where consumer demand for mobile and fixed line services continues to drive sales and hiring activity.
- Manufacturers of all varieties have faced steep declines in revenue because of reduced export demand from the United States and Europe. Many small to medium sized firms in southern China have closed down or relocated to reduce operating costs. Those manufacturers that survived the downturn have to significantly reduce their overheads and payroll costs. After making these cuts to their workforce and production capacity, manufacturers have begun to hire sales staff in recent months, with a view to increasing revenue and market share.
- The media and entertainment industries have experienced mixed fortunes. Advertising and public relations agencies have continued to make redundancies to adjust to significant declines in marketing spend. The publishing and broadcasting markets have also experienced challenging times but they have been more resilient and we have seen some attraction of jobs here.
- Marketing positions in the banking, finance and professional services sectors have been impacted significantly, with redundancies occurring at the beginning of 2009 and ongoing headcount restrictions. Across most markets, companies have continued to cut marketing budgets and there are limited employment opportunities as a consequence more positive attitudes have changed recently.
- Despite the cautious environment, there is ongoing demand for junior to mid-level FMCG account management and sales roles. Candidates with technical marketing



SECTOR TRENDS – SALES & MARKETING – CONTINUED

skills, such as product and trade marketing, are also in demand. Local language proficiency and regional experience tend to be a core focus coupled with proven industry experience. Employers are very specific in the skills they are looking for in the current business environment.

- While the market for contract-based marketing and sales professionals is limited,

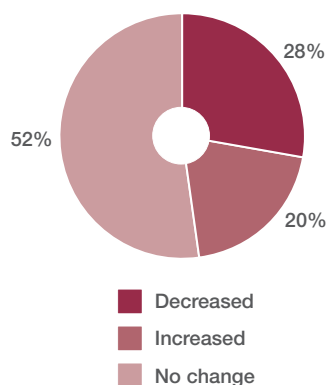
we have seen more companies offering contracts as an interim staffing solution. The contracting alternative enables employers to bring skills on board while avoiding permanent headcount restrictions.

- For most companies, salaries have been stable over the last 12 months. Strong candidates who are currently employed are negotiating 5-10% increases in the current

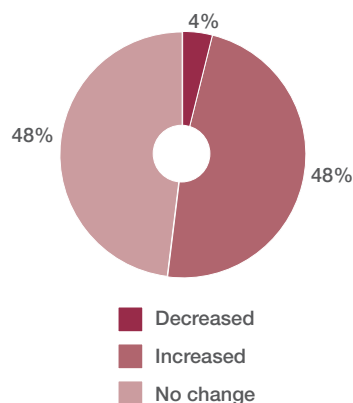
market. Active job seekers are willing to take considerable salary reductions to secure permanent employment. Where there are entitlements for bonuses, most are provided on a discretionary basis with consideration given to both individual and company performance.

MARKET RESEARCH RESULTS

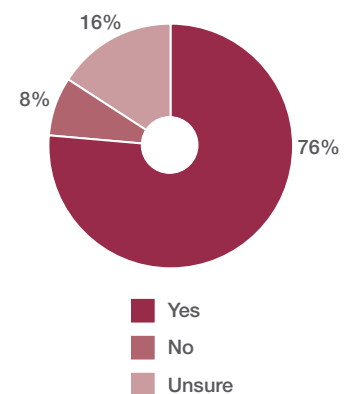
Over the last six months, how has your headcount been impacted by the global economic downturn?



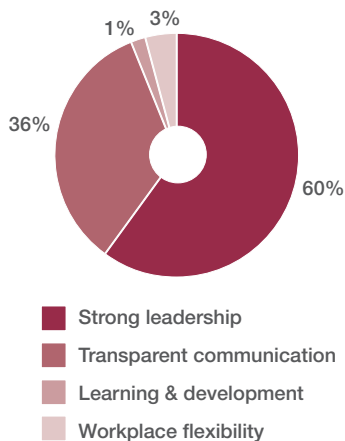
In the next 12 months, how do you see your headcount being impacted?



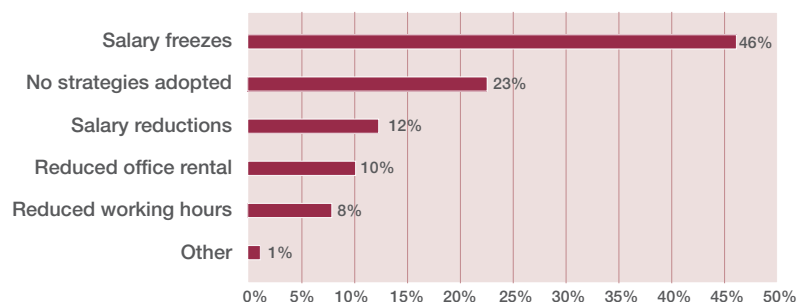
Do you anticipate business conditions will start to improve by the end of 2009?



What employee engagement strategies are proving most effective in the current environment?



What strategies has your organisation implemented to avoid job cuts?





SALES & MARKETING SALARY & EMPLOYMENT FORECAST

Michael Page
SALES & MARKETING

SALARY TABLES

Role	Experience	HK\$'000
CONSUMER PRODUCTS		
Assistant Brand Manager/Assistant Product Manager	2-3 years	300-400
Brand Manager/Product Manager	3-4 years	350-600
Assistant Key Account Manager	1-3 years	400-550
Key Account Manager	3-6 years	500-700
Senior Brand Manager/Senior Product Manager	4-6 years	500-700
Public Relations Manager	6-8 years	500-800
Trade Marketing Manager	4-6 years	550-750
Category Manager	2-6 years	550-750
Marketing Manager	6-8 years	600-800
Manager – Research, Product Development & Planning	6-10 years	700-900
Business Manager	7-10 years	800-1 million
Public Relations Director	8-12 years	800-1.4 million
General Sales Manager	7-10 years	800-1.1 million
Marketing Director	8-12 years	900-1.4 million+
Sales Director	10+ years	1.0-1.4 million+
General Manager	12+ years	1.4-1.8 million+
MEDIA – PUBLISHING		
Circulation/Direct Marketing Manager	4-6 years	500-700
Advertising/Media Sales Manager	4-8 years	600-900
Circulation/Marketing Director	7-11 years	650-13 million+
Advertising/Media Sales Director	8-12 years	800-1.4 million
MEDIA – ENTERTAINMENT		
Account Manager	5-8 years	350-500
Assistant Sales Manager	2-4 years	400-600
Assistant Marketing Manager	2-4 years	400-800
Account Director	8-10 years	450-750
Marketing Manager	4-6 years	500-900
Sales Manager	4-6 years	600-900
Marketing Director	6-10 years	900-1.4 million+
Sales Director	8+ years	800-1.4 million
General Manager	10+ years	1.5 million+
MEDIA – ADVERTISING AGENCIES		
Group Account Director	10-12 years	650-900
Business Director	10-15 years	900-1.4 million+
Managing Director/General Manager	15+ years	1.7 million+
MEDIA – PUBLIC RELATIONS AGENCIES		
Account Manager	5-8 years	350-500
Account Director	8-10 years	450-750
Director	10+ years	800-1 million
Executive Director	10-15 years	1-1.5 million
Managing Director/General Manager	15+ years	1.5 million+
IT & TELECOMMUNICATIONS		
Assistant Marketing Communications Manager	3-4 years	400-550
Channel Account Manager/Account Manager	3-5 years	500-750
Senior Product Manager	4-6 years	550-800
Marketing Manager	6-8 years	650-900
Communications Manager/Regional Communications Manager/Public Relations Manager	5-8 years	700-1 million
Sales Manager/Global Account Director	6-12 years	800-1.2 million
Division Manager/Sales & Marketing Manager/General Sales Manager	8-11 years	1-1.4 million
Public Relations Director/Marketing Communications Director	9+ years	1-1.4 million
Sales Director/Business Development Director	12+ years	1.4-1.8 million
Managing Director/General Manager	12+ years	1.5 million+
Vice President, Sales & Marketing/Sales & Marketing Director/Marketing Director	10+ years	1.5-2 million

Please note:

- Salaries indicated are based on an annual basic salary, excluding bonus/incentive schemes.
- While we have taken great care, these salary ranges can only be approximate guides, as there are often specific circumstances relating to the individual companies. Please call us for additional information.



SALES & MARKETING SALARY & EMPLOYMENT FORECAST

Michael Page
SALES & MARKETING

Role	Experience	HK\$'000
FINANCIAL SERVICES		
Product Development Manager	3–6 years	500–700
Philanthropy/Corporate Social Responsibility Manager	4–8 years	500–800
Media Relations Manager	6–8 years	500–850
Internal Communications Manager	6–8 years	500–850
Marketing Communications Manager	4–9 years	500–900
Event Manager	6–8 years	500–900
Market Research Manager	4–8 years	550–900
Public Relations/Corporate Communications Manager	4–8 years	600–1 million
Corporate Sales Manager	5–8 years	800–1.4 million
Market Research Director	10+ years	900+
Marketing Communications Director	10+ years	900–1.5 million
Public Relations/Corporate Communications Director	8–12 years	1–1.6 million
Product Development Director	10+ years	1.2 million+
PROFESSIONAL SERVICES		
Sales Engineer	3–5 years	300–500
Marketing Specialist	3–5 years	350–450
Marketing Manager	5–8 years	400–650
Sales Manager	6–8 years	450–700
Marketing Manager	6–8 years	500–850
Public Relations/Media Communications Manager	6–8 years	500–850
Business Development Manager	8 years	600–800
Marketing Director	10+ years	900+
Business Development Director	10+ years	1 million+
MANUFACTURING/INDUSTRIAL		
General Manager/Director	12+ years	1–1.7 million

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CONTACT US

Joanne O'Reilly, Associate Director

t +852 2848 9501

e joanneoreilly@michaelpage.com.hk

Cris Antonas, Manager

t +852 2848 4710

e crisantonas@michaelpage.com.hk

Hong Kong

Suite 611, One Pacific Place,
88 Queensway, Hong Kong

t +852 2530 6100

Kowloon

Suite 1011, Tower 1, Grand Century Place,
193 Price Edward Road West,
Mongkok Kowloon, Hong Kong

t +852 3476 6300

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