

Pitch

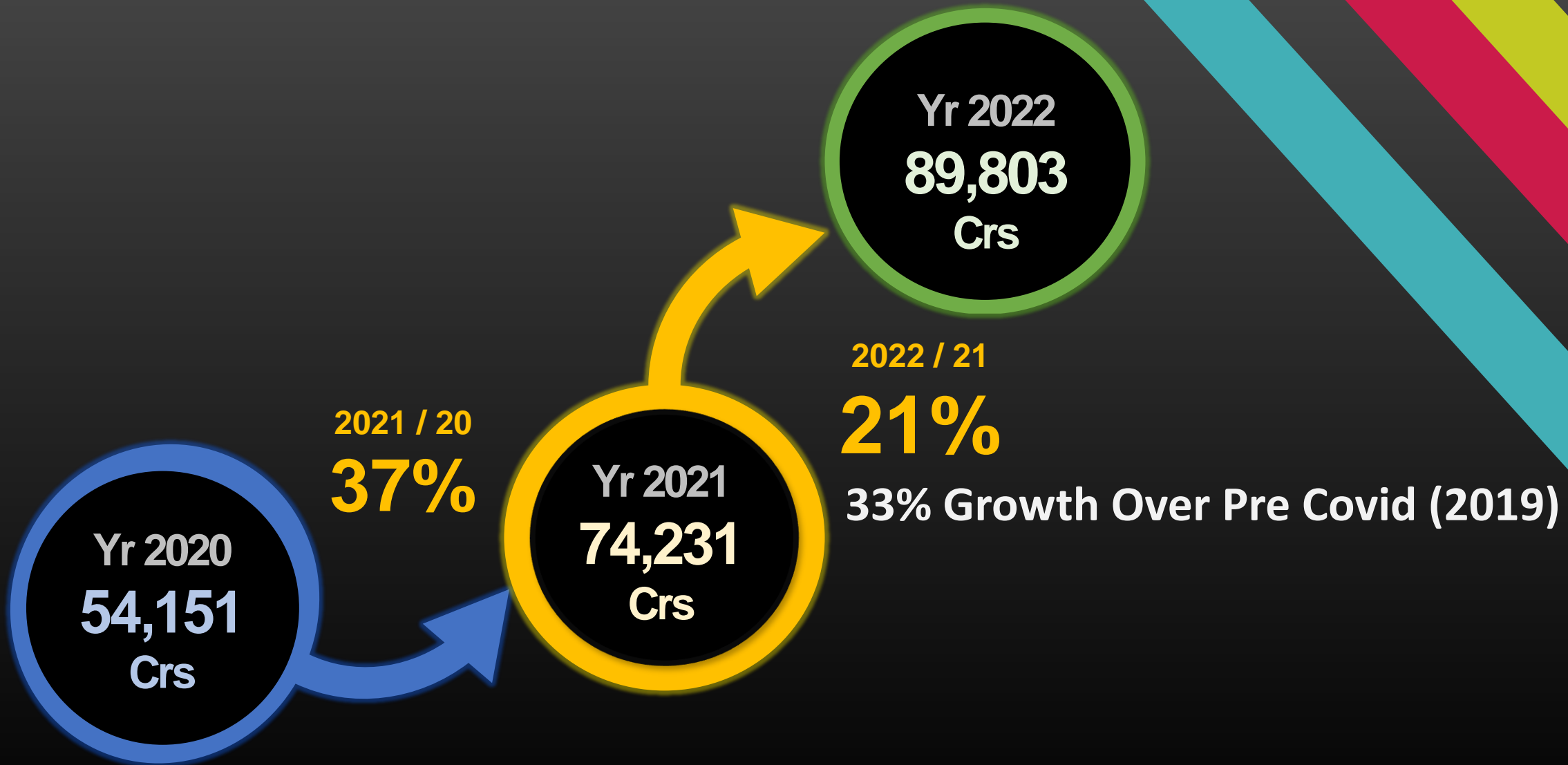
the essence of marketing

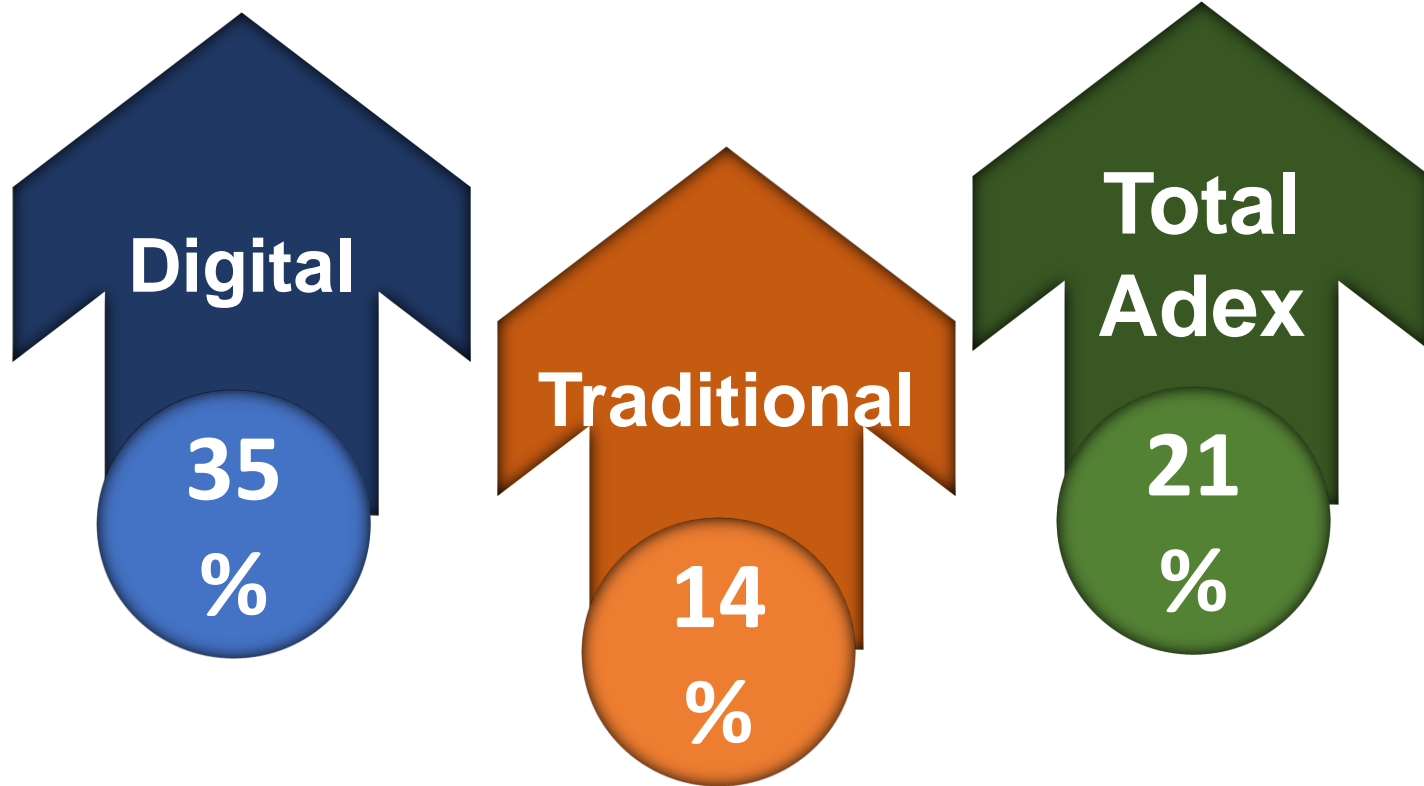
MADISON ADVERTISING REPORT 2023



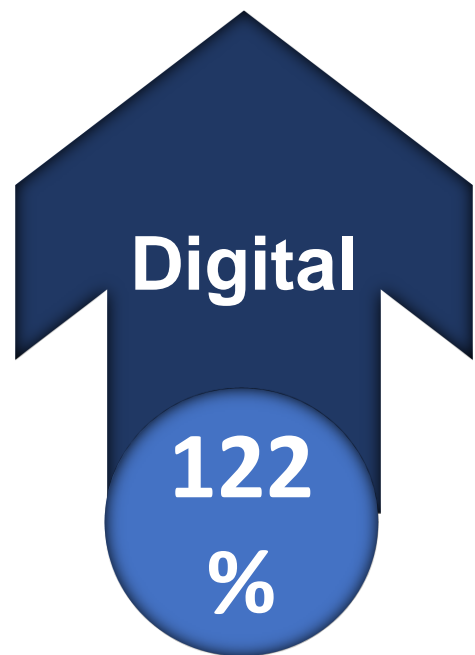
15th Feb

Indian Adex in 2022





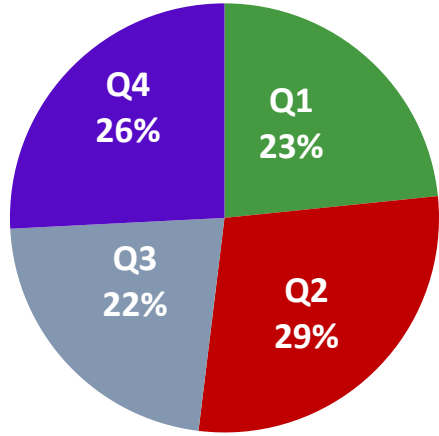
Indian Adex in 2022 / 2021



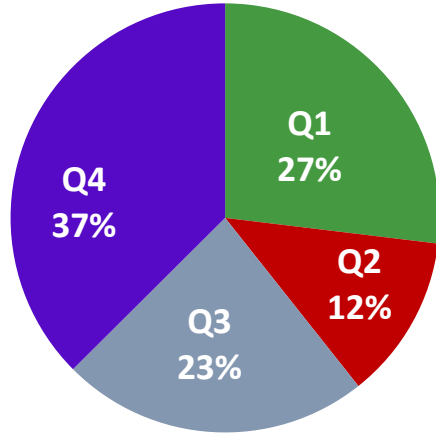
Total Adex grew by 33%

Indian Adex in 2022 vs Pre Covid (2019)

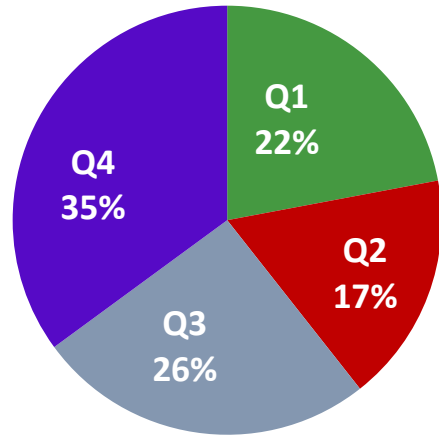
Adex Share by Quarter



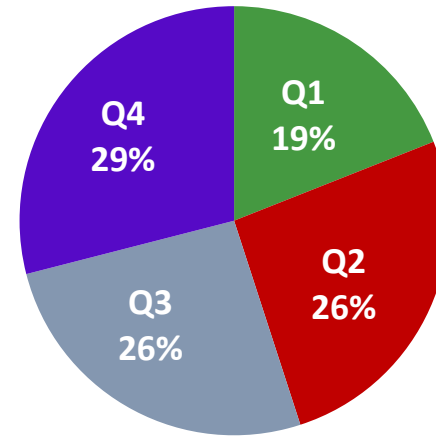
2019



2020



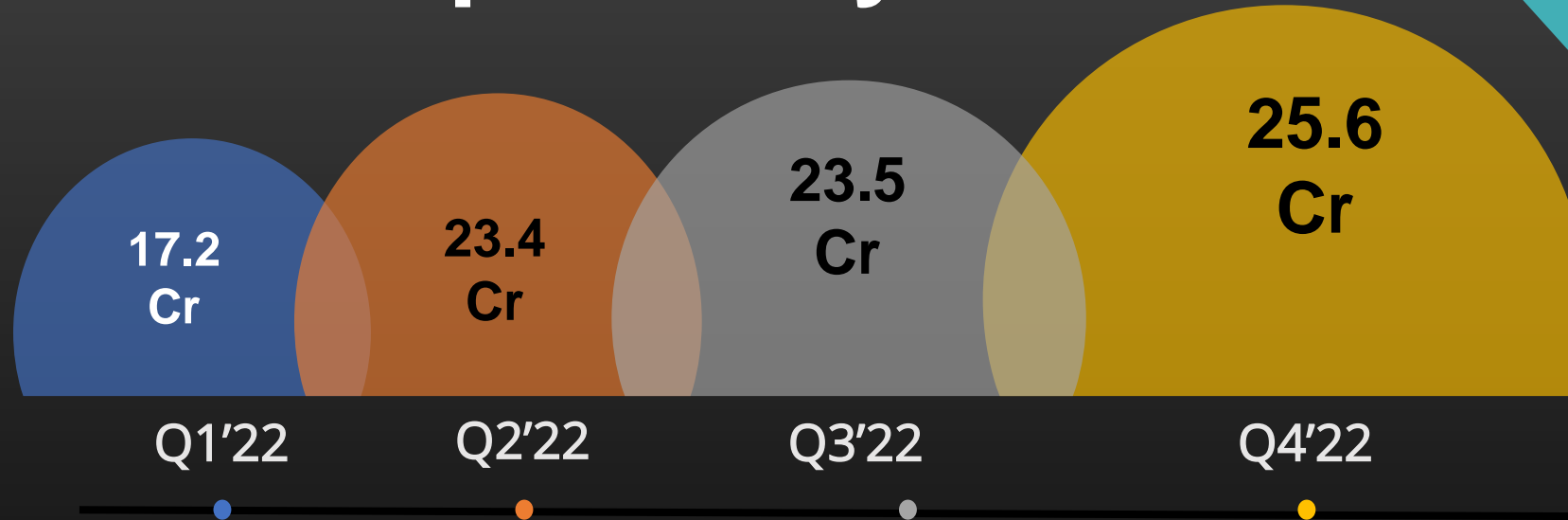
2021



2022

**Q2 & Q3 contributed more than 50%
Subdued Festive Season in Q4'22**

Q2 and Q3 have grown substantially by 82% and 24% respectively

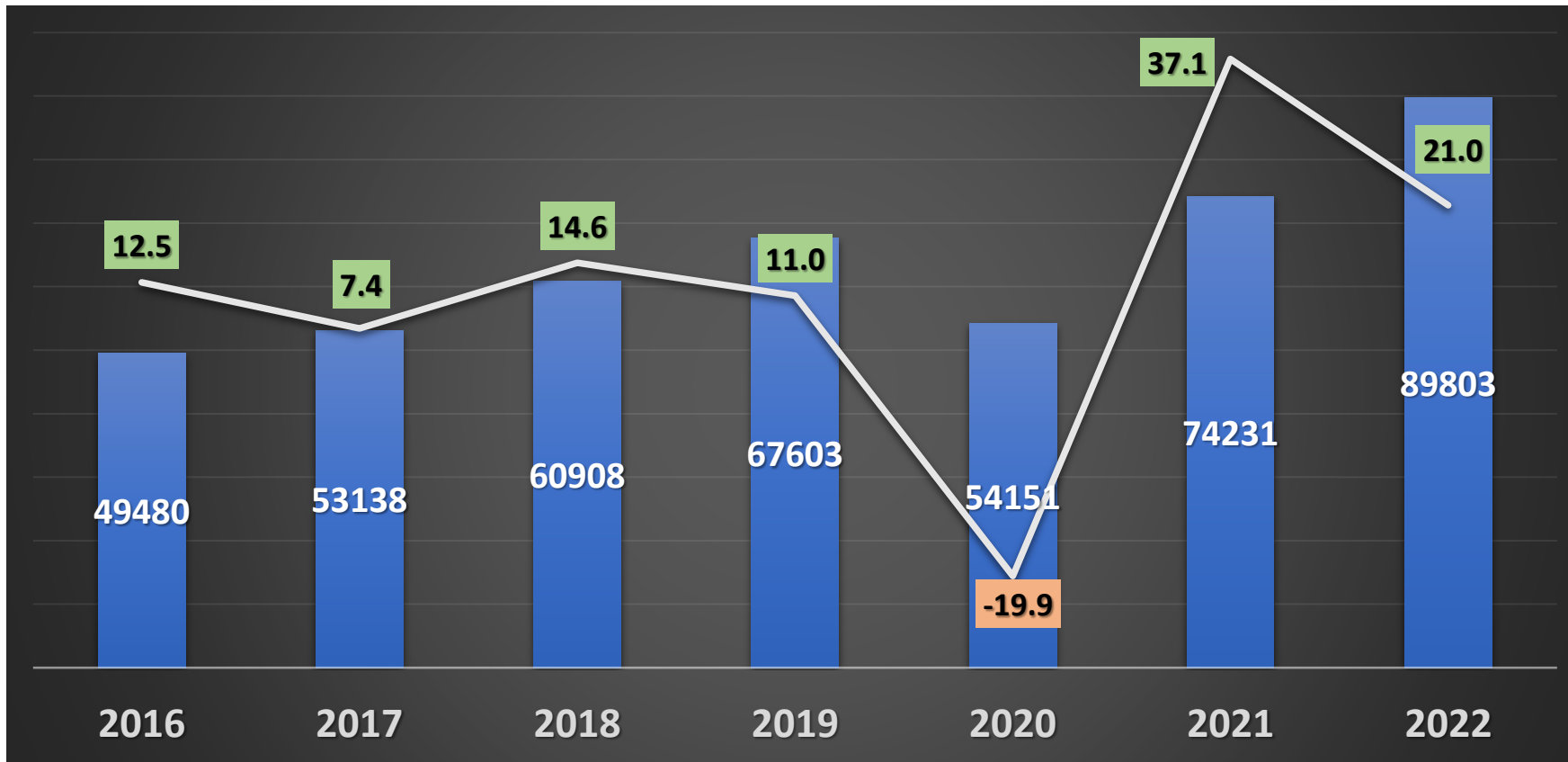


Growth	Q1	Q2	Q3	Q4
Year (22 / 21)	5%	82%	24%	-2%
Year (22 / 20)	18%	248%	87%	26%
Year (22 / 19)	9%	21%	56%	47%

Q4'22 Degrew by 2%

7- Year Review

Last 2 Year's Growth % is highest



Global Adex Grown by 8%



Source: WARC					Growth %	% Share	% Share
In US Bn \$	Yr 2019	Yr 2020	Yr 2021	Yr 2022	2022 / 21	Yr 2021	Yr 2022
Traditional	310	255	278	286	3%	34%	32%
Digital	342	386	536	595	11%	66%	68%
Total	652	641	814	881	8%		

Top 11 Nations in 2022 grew by only 1%

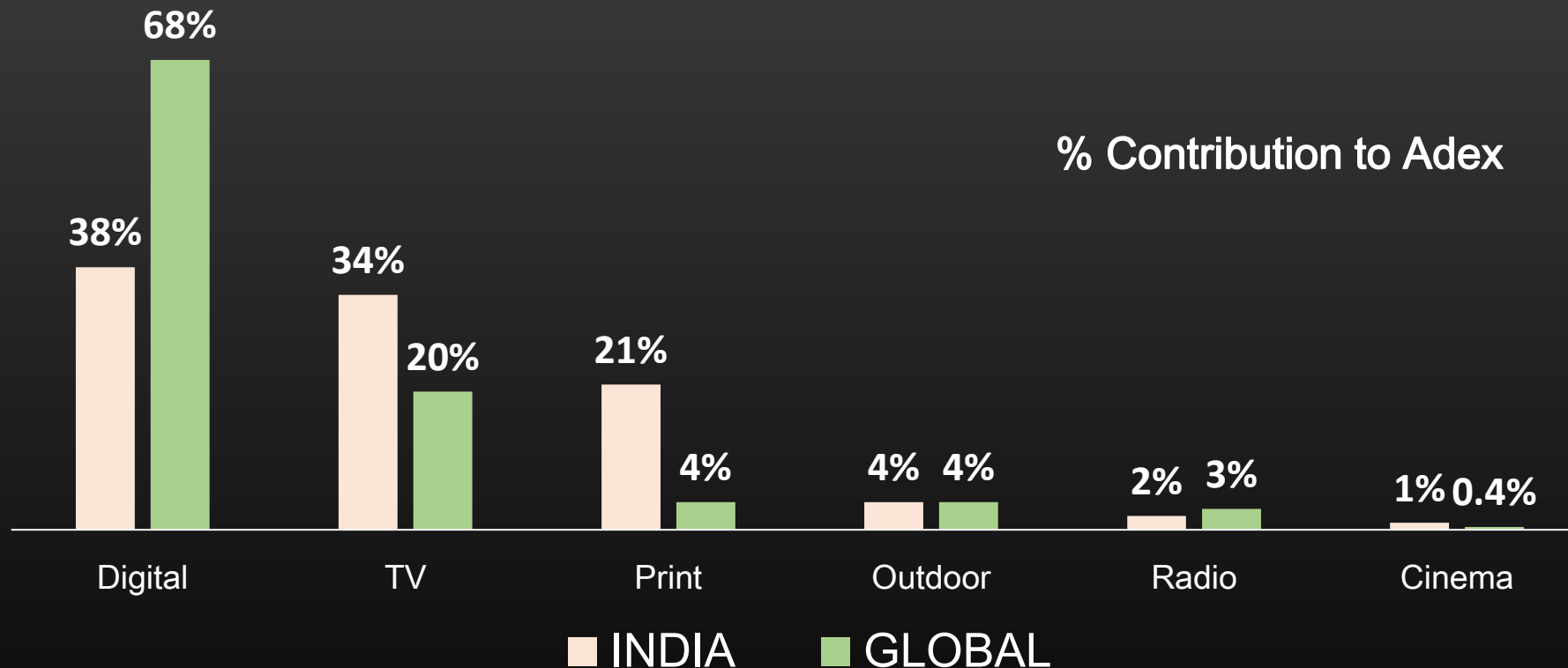
Top 11 nations contribute 69% of the Global Adex (LY 74%)

Source : WARC TOP 11 NATIONS	US \$ Bn 2021	US \$ Bn 2022	2021 Share	2022 Share	22 / 21 Growth
US	272	293	33%	33%	8%
CHINA	132	126	16%	14%	-4%
UK	43	40	5%	5%	-5%
JAPAN	45	39	5%	4%	-13%
GERMANY	28	27	3%	3%	-4%
FRANCE	19	18	2%	2%	-2%
AUSTRALIA	15	15	2%	2%	1%
CANADA	14	15	2%	2%	4%
BRAZIL	13	15	2%	2%	15%
INDIA	10	11	1%	1%	21%
ITALY	11	10	1%	1%	-11%
Top 11 Nations	600	609	74%	69%	1%
Global Adex	814	881			8%

Source: WARC & Pitch Madison Advertising Report

Digital Share in Indian Adex is 38%

For the Globe it is 68%



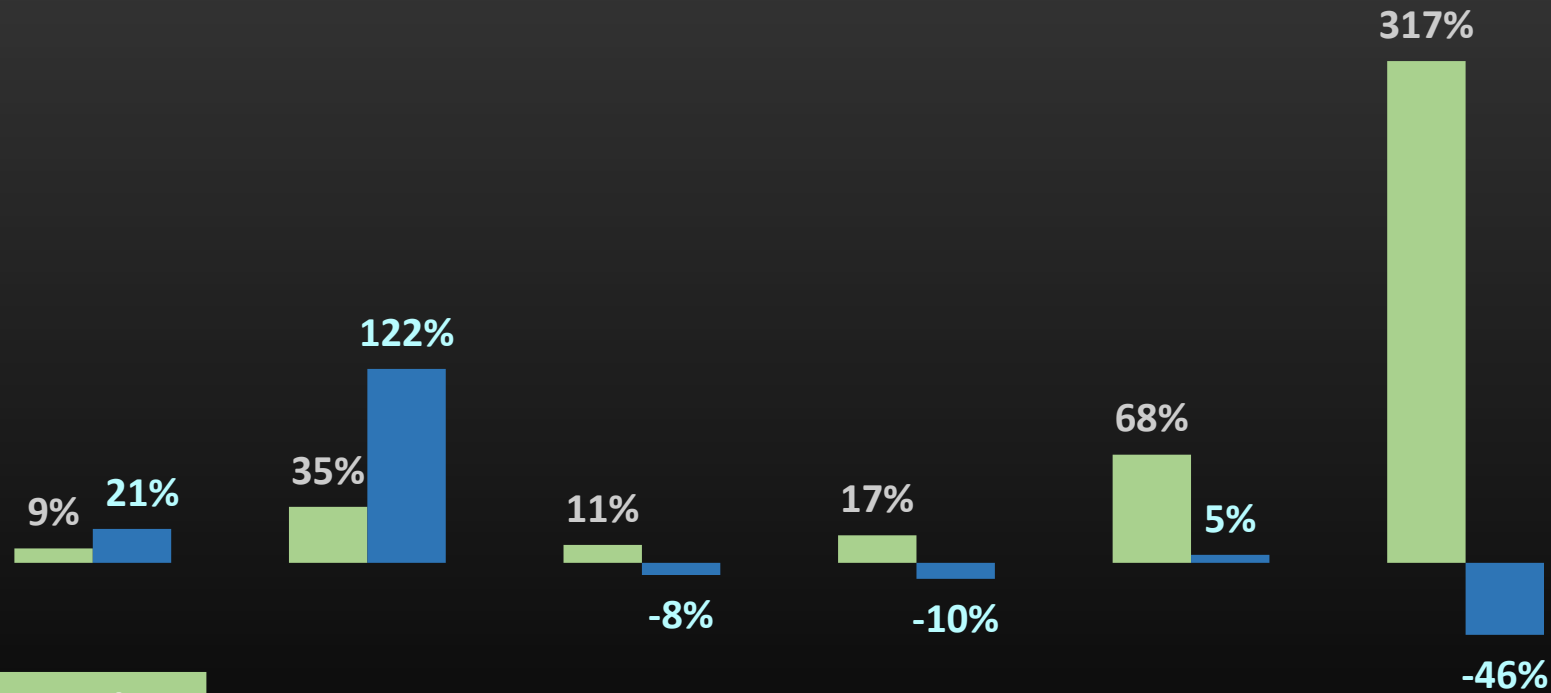
Source: WARC & Pitch Madison Advertising Report

Digital is now the Number 1 Medium

Yr 2022	Rs Crores	% Share
DIGITAL	34,405	38%
TV	30,662	34%

Digital grew more than 2X over Pre Covid level. TV showed muted, but positive growth

TV	Digital	Print	Radio	OOH	Cinema
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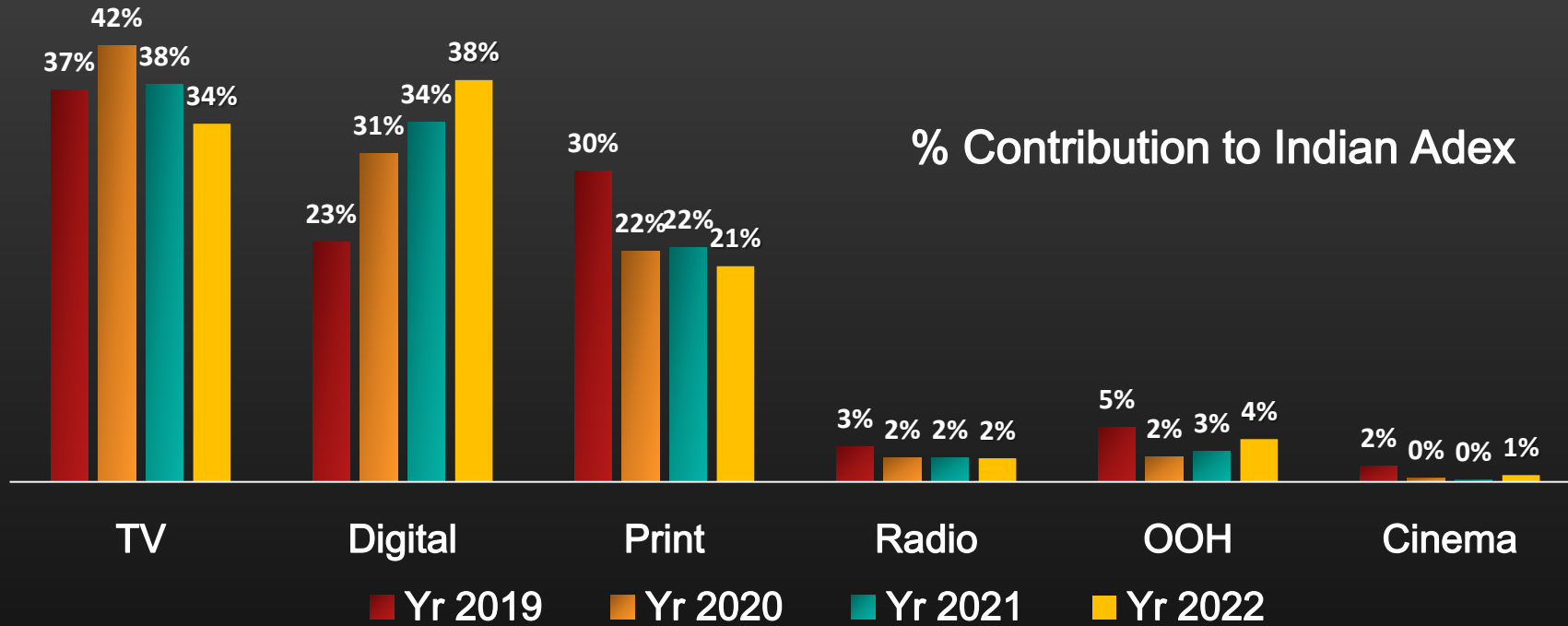


2022 / 21

2022 / 19

TV share dropped by 4%

Digital grew by 4%



% Share	Yr 2019	Yr 2020	Yr 2021	Yr 2022
Traditional	77	69	66	62
Digital	23	31	34	38

Category Contribution in 2022

TV + Print + Radio

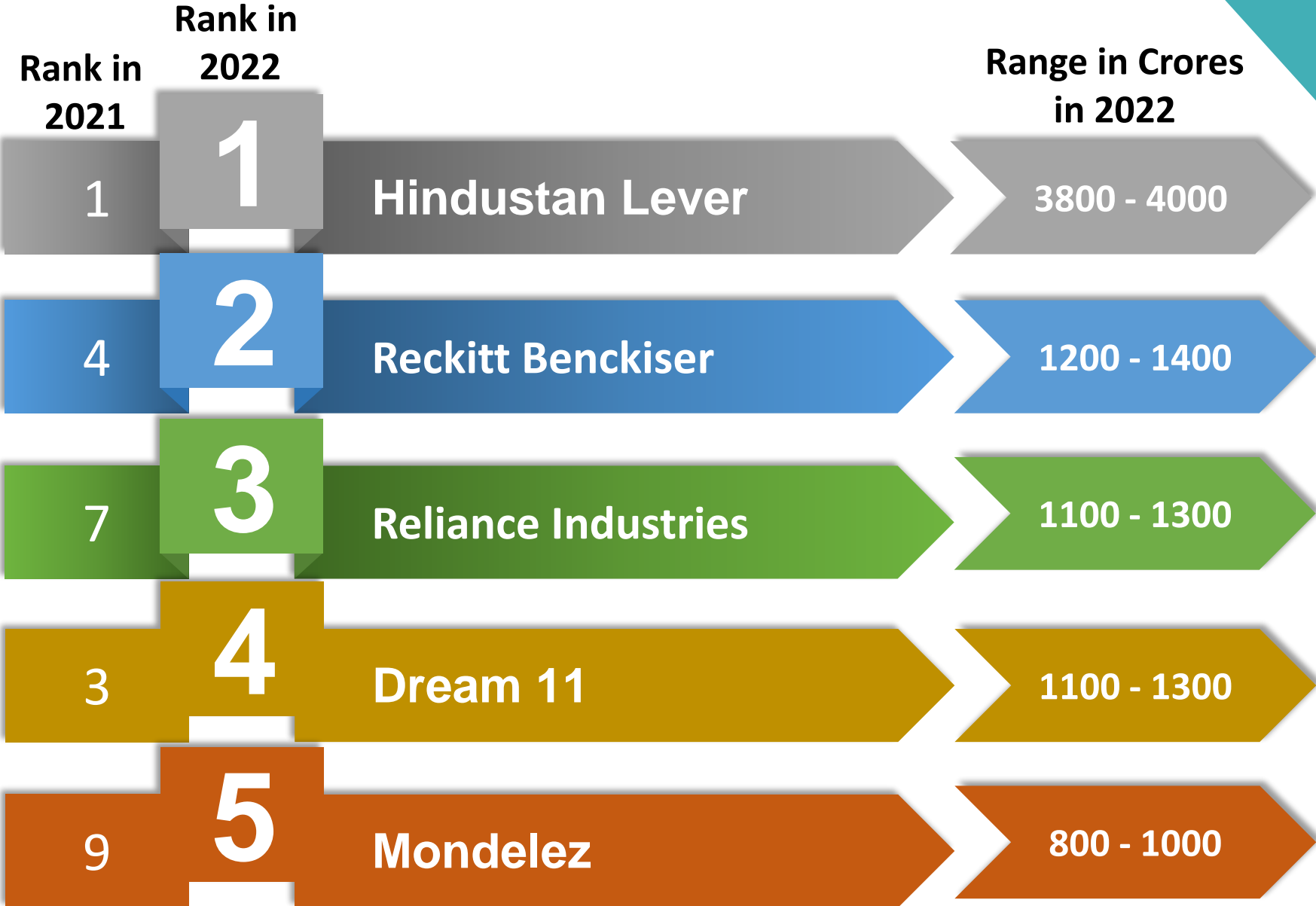
TV + Pr + Rd	Category Contribution – 2019		Category Contribution - 2021		Category Contribution - 2022		Category Growth %
	In Crores	In %	In Crores	In %	In Crores	In %	2022 / 21
FMCG	15479	33%	15694	34%	16413	32%	5%
E - Commerce	2337	5%	5987	13%	7159	14%	20%
Auto	4564	10%	3936	8%	4150	8%	5%
Education	2479	5%	4263	9%	3883	8%	-9%
Real Estate	2140	4%	2182	5%	2622	5%	20%
BFSI	1566	3%	1910	4%	2191	4%	15%
HH Durables	2099	4%	1688	4%	2108	4%	25%

FMCG still dominates, but loses share from 34% in 2021 to 32% today
Ecommerce rises to rank no. 2 to 14% share

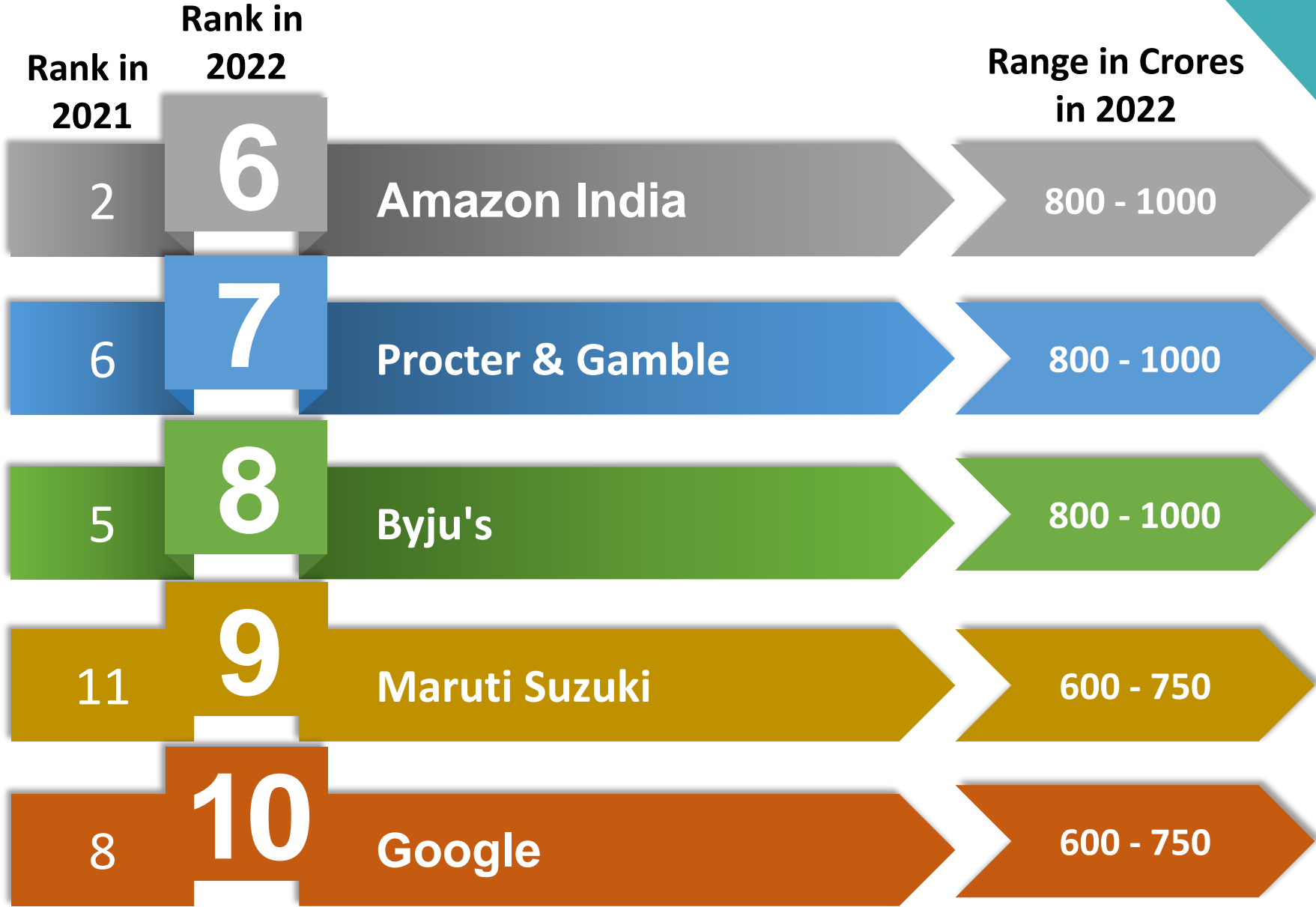
Dominance of Top 50 Advertisers reducing

- 2021—**38%**
- 2022—**30%**

Top 10 Advertisers of India in 2022



Top 10 Advertisers of India in 2022



Advertisers who enter our Elite list

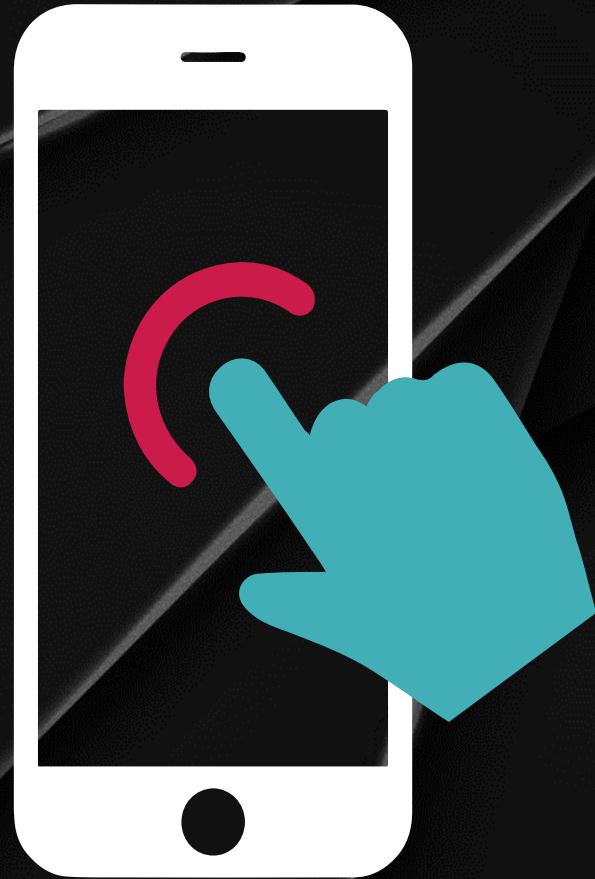
Rank in 2022	New Entrants	Spends In Rs Crore
17	Vini Product	450 – 550
19	Meesho	350 – 450
21	Flipkart	350 - 450
22	Tata Digital	350 - 450
27	Winzo Games	300 - 400
28	Titan	300 - 400

Advertisers who have gained rank

Rank in 2022	Rank in 2021	Change in Rank	Top Advertisers	Spends In Rs Crore
11	16	5	Coca Cola India	600 - 700
12	19	7	Godrej Consumer Products	500 - 600
13	26	13	Samsung India Electronics	500 - 600
14	15	1	Life Insurance Corp Of India	500 - 600
15	41	26	Pepsi Co	450 - 550
16	18	2	L Oreal India	450 - 550

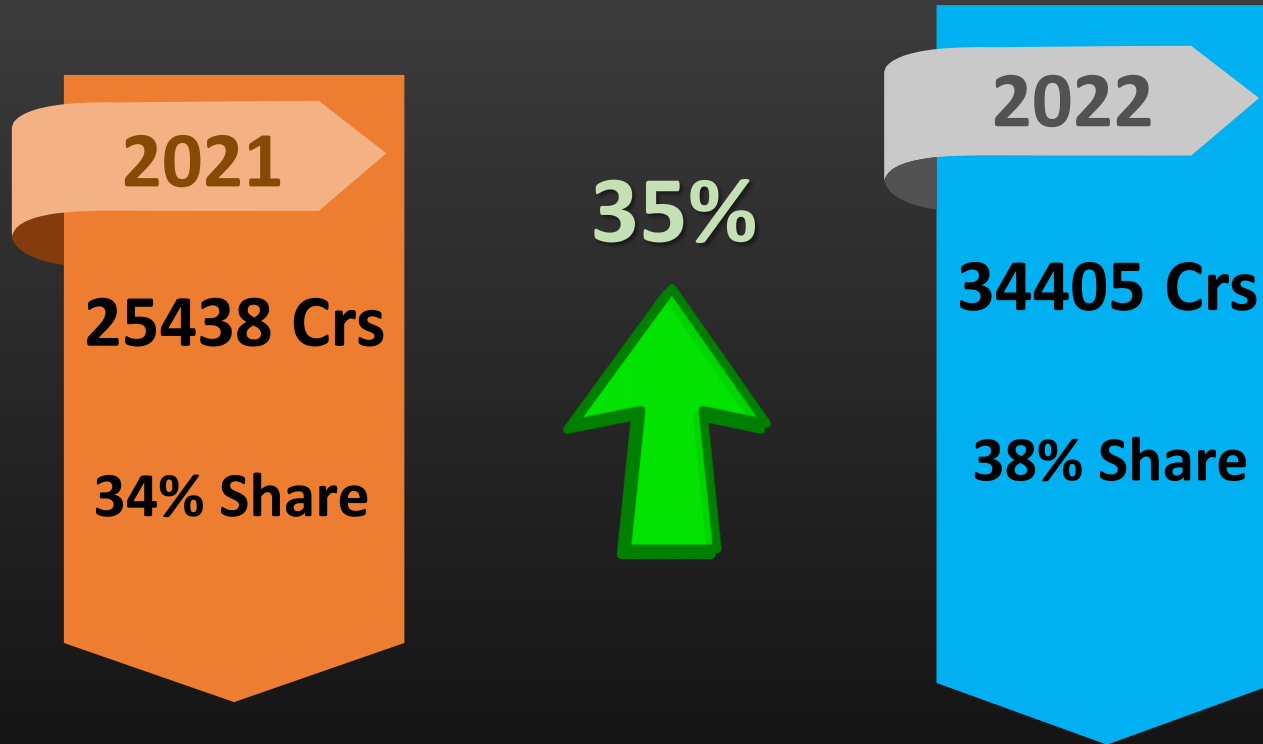
Advertisers who have lost rank

Rank in 2022	Rank in 2021	Change in Rank	Top Advertisers	Spends In Rs Crore
18	10	-8	ITC	400 – 500
23	12	-11	PhonePe	300 - 400
26	24	-2	Glaxo Smithkline	300 - 400
33	20	-13	Colgate Palmolive	250 - 350
34	17	-17	Cred	250 - 350



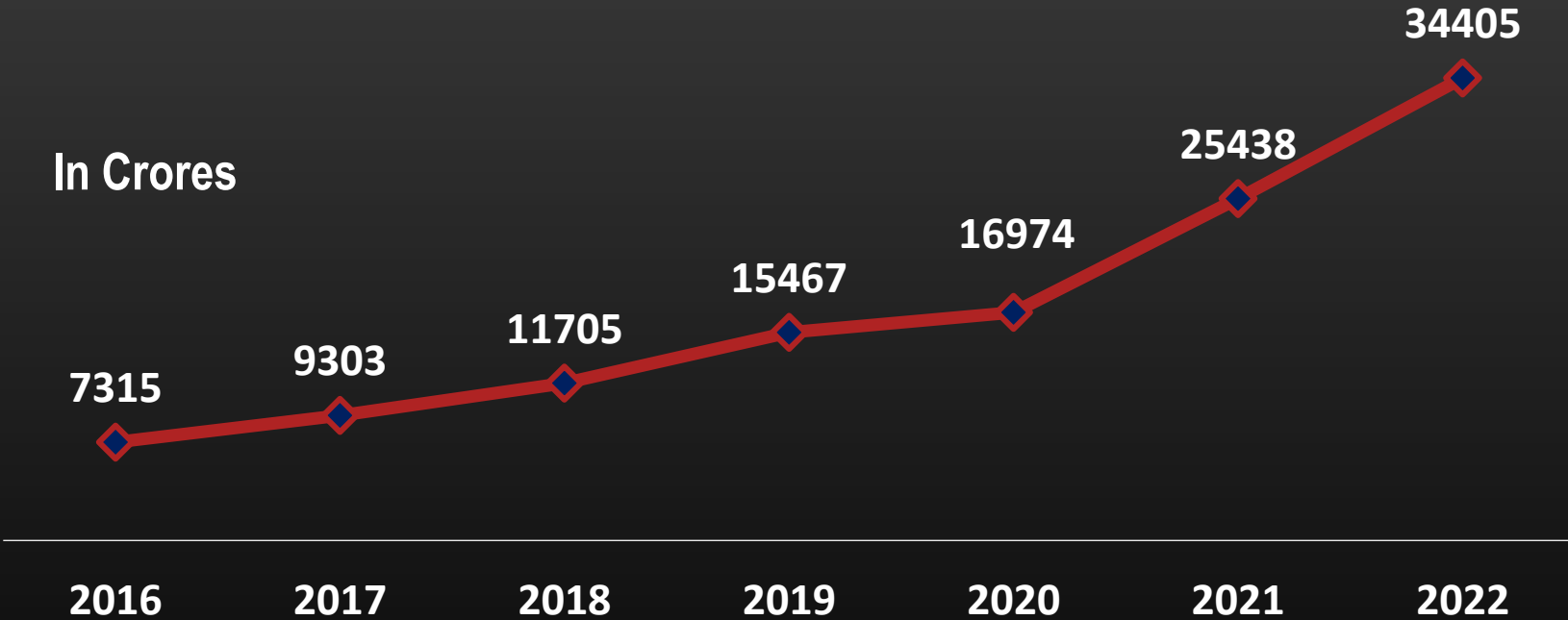
DIGITAL ADEX

Digital Adex - 2022 / 2021



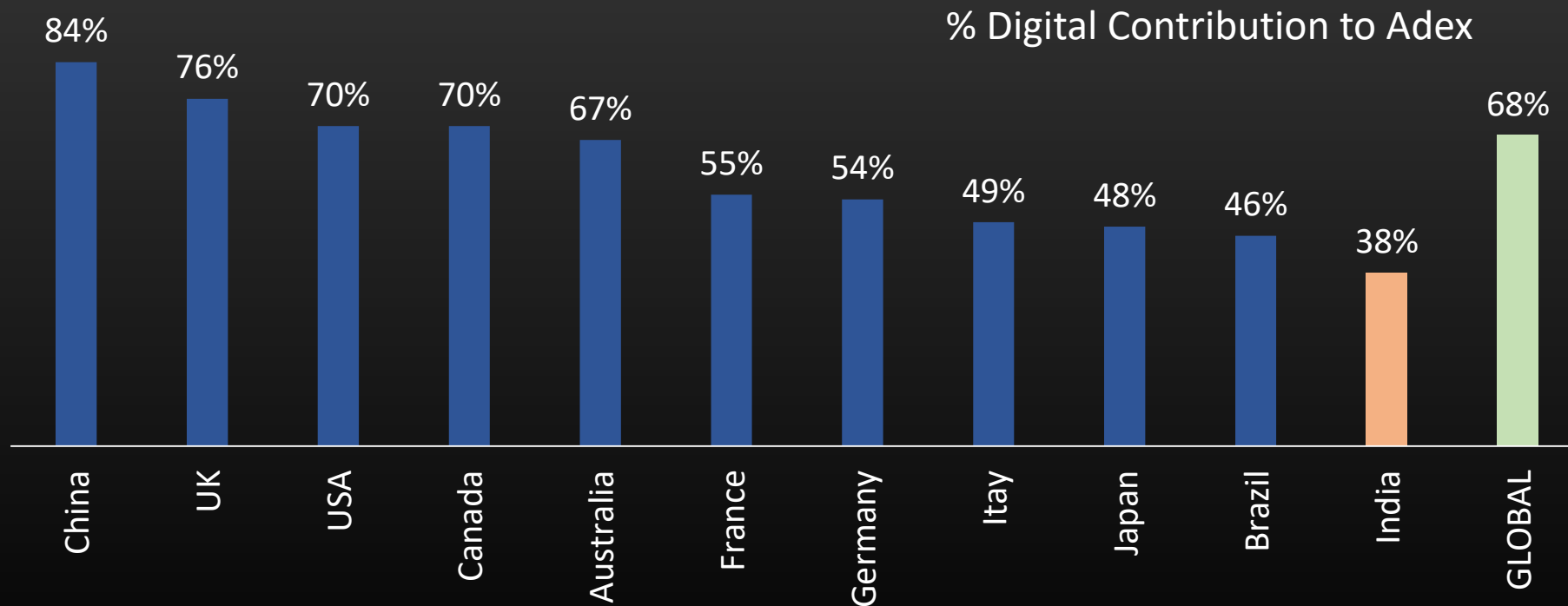
122% Growth over Pre Covid Level (2019)

Digital has grown by a phenomenal 35% taking Digital Adex to close to 35 K Crores



India's digital Share in total Adex is lowest amongst all nations

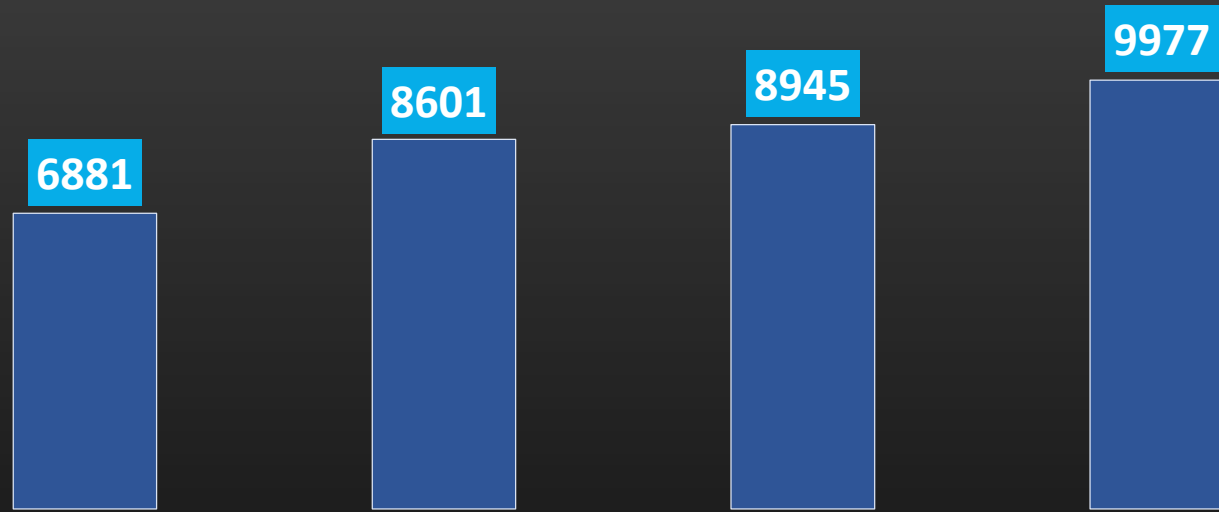
China's contribution is highest at 84%



H2 contributed 55% of total Adex

Q4 touched almost 10,000 crores

In Crores



Growth	Q1	Q2	Q3	Q4
22 / 21	11%	146%	51%	2%
22 / 20	54%	329%	113%	58%
22 / 19	78%	178%	163%	95%

Video has grown significantly by 40%

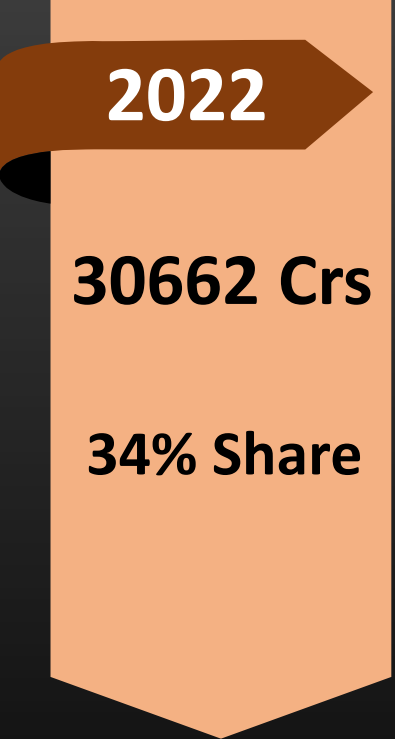
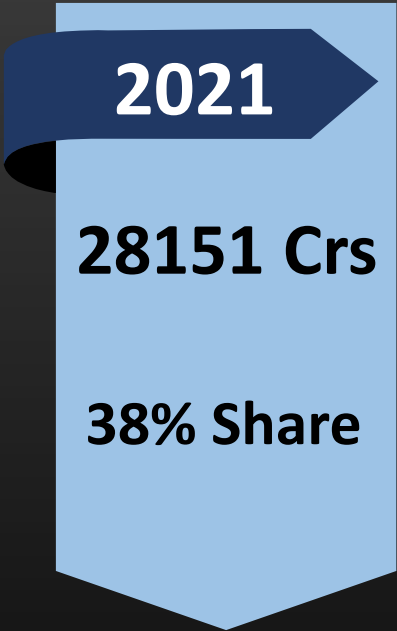
Social & E-Comm have also grown at 30%+

Digital	Yr 2021	Yr 2022	Share	Share	Growth
Vertical	Rs Crores	Rs Crores	Yr 2021	Yr 2022	Yr 2022 / 21
Video	7357	10314	29%	30%	40%
Social	5179	7525	20%	22%	45%
Display	4753	5675	19%	16%	19%
E Commerce	4100	5535	16%	16%	35%
Search	4049	5355	16%	16%	32%
Total	25438	34405			35%



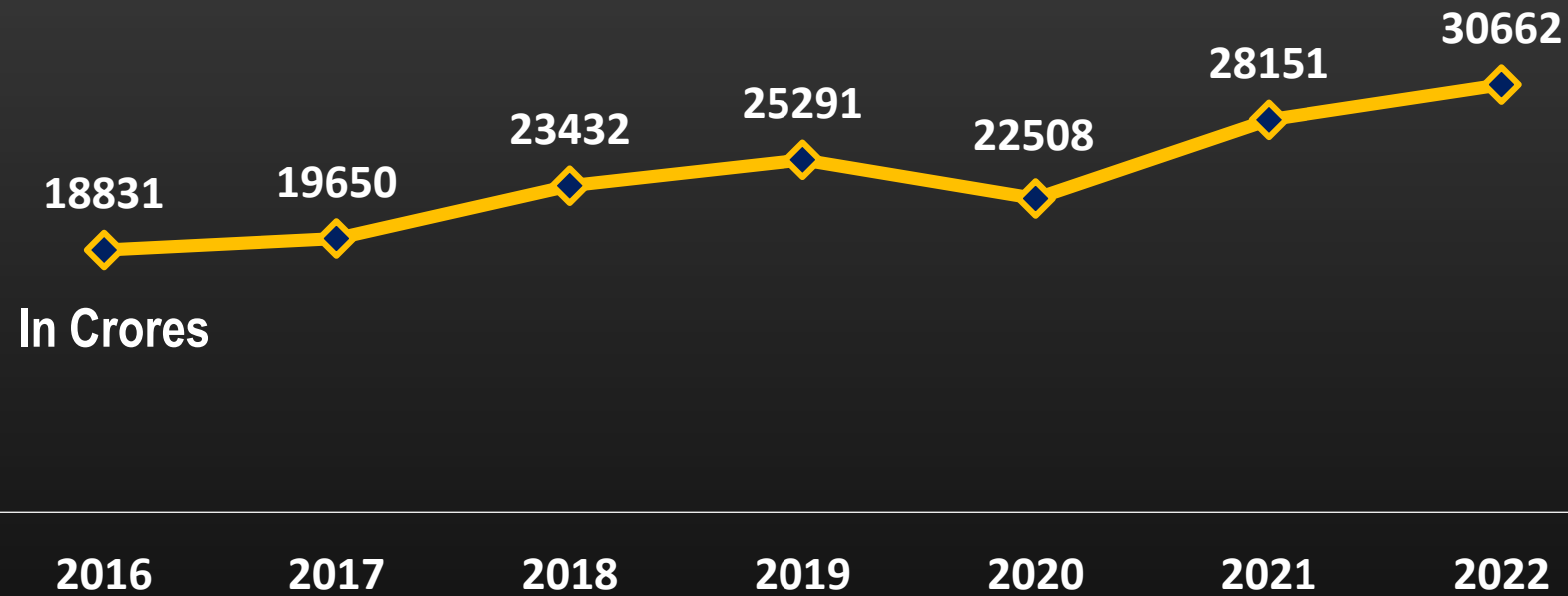
TV ADEX

TV Adex - 2022 / 2021

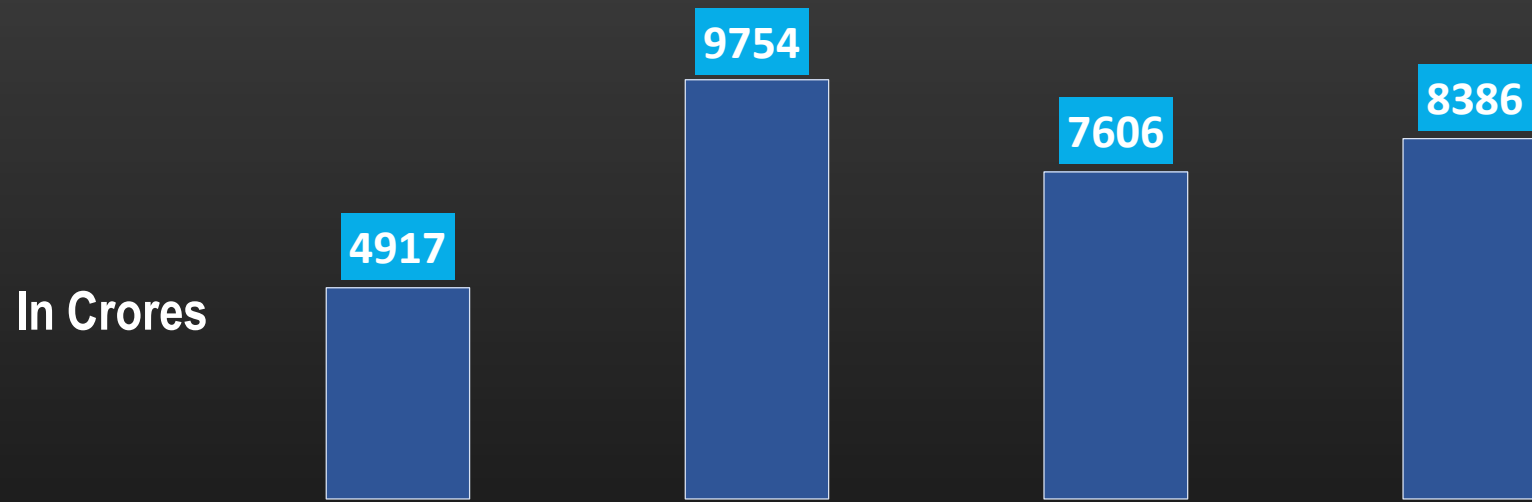


21% Growth over Pre Covid Level (2019)

Linear TV Advertising grew in 2022, but at a subdued rate of 9%



Festival dominated Q4, which usually sees a big spike was missing in 2022



Growth	Q1	Q2	Q3	Q4
22 / 21	-3%	45%	6%	-8%
22 / 20	5%	185%	40%	-7%
22 / 19	-9%	11%	43%	45%

E-Comm further grew by 21% to increase share from 18% to 20%

FMCG share decreased YoY

Product Category	Yr 2020 In Rs Crs	Yr 2021 In Rs Crs	Yr 2022 In Rs Crs	Growth % 22 / 21	Catg Contbn 2019	Catg Contbn 2021	Catg Contbn 2022
FMCG	11372	12834	13725	7%	49%	46%	45%
E - Commerce	2572	4974	6034	21%	5%	18%	20%
Auto	1268	1523	1682	10%	7%	5%	5%
Education	845	1628	1235	-24%	1%	6%	4%
HH Durables	901	1076	1195	11%	5%	4%	4%
Real Estate	630	975	1097	13%	3%	3%	4%
Telecom	1712	1165	1064	-9%	12%	4%	3%

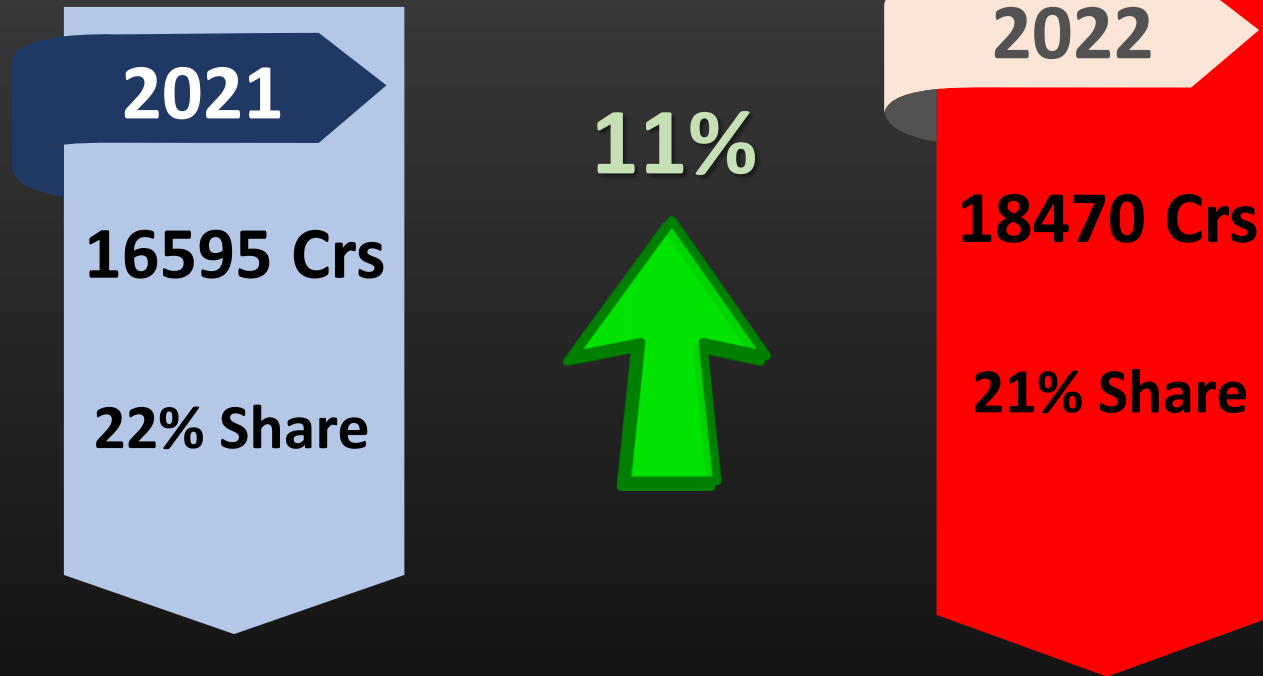
Sports has now become as large as Hindi GEC despite higher CPRP

Genres	Revenue in Crs in Yr 2022	FCT Volume 2021 (in Mn)	FCT Volume 2022 (in Mn)	FCT Contribution in % (2021)	FCT Contribution in % (2022)	FCT Growth % 22 / 21
Hindi Main GEC	7000 - 7500	32	32	1.4%	1.5%	2%
Hindi 2nd GEC		63	93	2.8%	4.2%	47%
Sports	7000 - 7500	32	40	1.4%	1.8%	22%
News	2500 - 3000	247	226	10.8%	10.2%	-8%
Tamil Sat	2500 - 3000	217	221	9.5%	10.0%	2%
Hindi Movies	1500 - 1800	178	183	7.8%	8.3%	3%
Telugu Regional	1200 - 1500	174	178	7.6%	8.1%	3%
Marathi Regional	1200 - 1500	111	106	4.9%	4.8%	-5%
Kannada Regional	1000 - 1300	144	137	6.3%	6.2%	-5%
Bengali Regional	1200 - 1500	154	152	6.7%	6.9%	-1%
Malayalam Regional	900 - 1000	100	102	4.4%	4.6%	2%
Music	600 - 700	66	83	2.9%	3.7%	25%
Kids	450 - 500	43	38	1.9%	1.7%	-10%
Info	300 - 400	96	74	4.2%	3.4%	-23%
Movies Eng	150 - 250	19	16	0.8%	0.7%	-15%
Eng Niche	150 - 250	31	35	1.4%	1.6%	11%
Others	1800 - 2000	580	494	25.4%	22.3%	-15%
TOTAL	30662	2288	2210			-3%



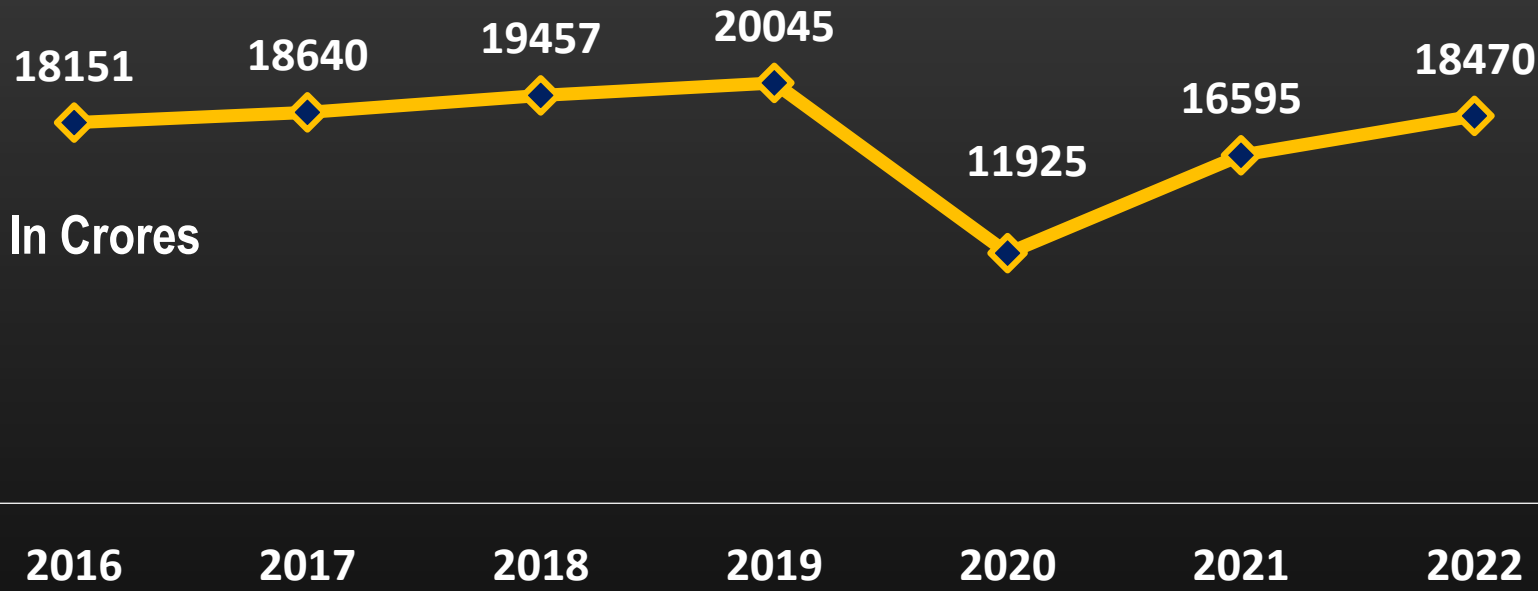
PRINT ADEX

Print Adex - 2022 / 2021



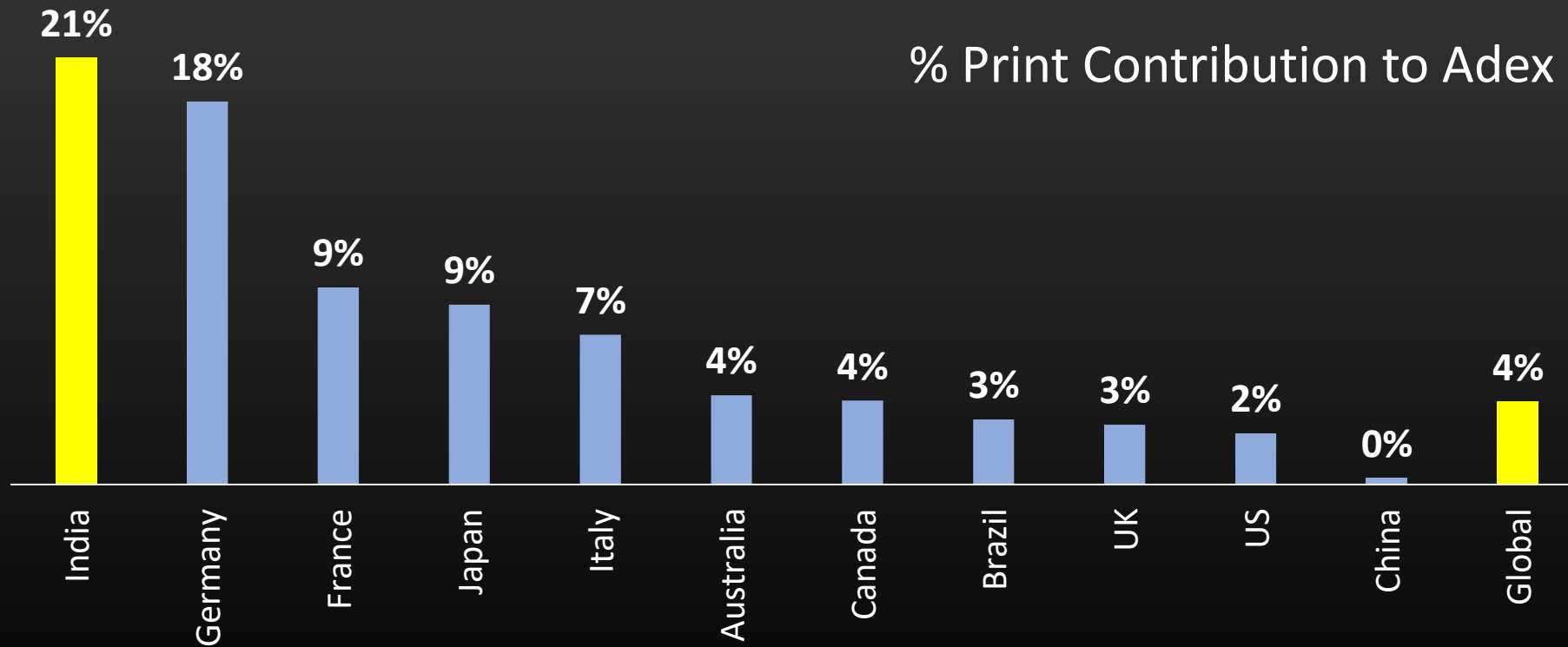
8% Degrowth over Pre Covid Level (2019)

Print Adex registered a 11% growth to reach levels similar to year 2017



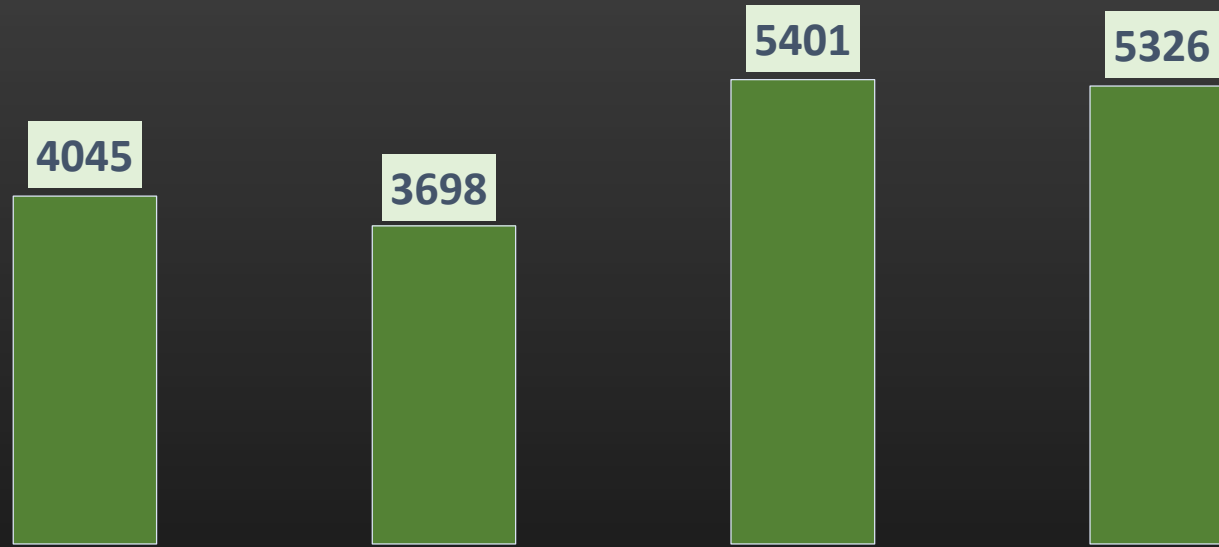
India – The Print Capital of the World

Print Adex is Zero in China



H2'22 contributed almost 60% of total Adex and touched close to 11K Crores

In Crores



Growth	Q1	Q2	Q3	Q4
22 / 21	-2%	68%	13%	-2%
22 / 20	1%	204%	109%	30%
22 / 19	-17%	-37%	20%	10%

Share of 3 Lead Categories FMCG, Auto & Education dropped to 39% from 45%

FMCG degrew by 8% in 2022

Product Category	Yr 2020 In Rs Crs	Yr 2021 In Rs Crs	Yr 2022 In Rs Crs	Growth % 22 / 21	Catg Contbn 2019	Catg Contbn 2021	Catg Contbn 2022
Education	1803	2526	2510	-1%	10%	15%	14%
FMCG	1977	2631	2427	-8%	14%	16%	13%
Auto	1859	2272	2307	2%	13%	14%	12%
Real Estate	683	1025	1241	21%	6%	6%	7%
Retail	654	985	1213	23%	6%	6%	7%
Clothing Fashion	486	641	996	55%	5%	4%	5%
BFSI	611	769	985	28%	4%	5%	5%

English Publications gained the most in terms of Ad volume and grew by 19%

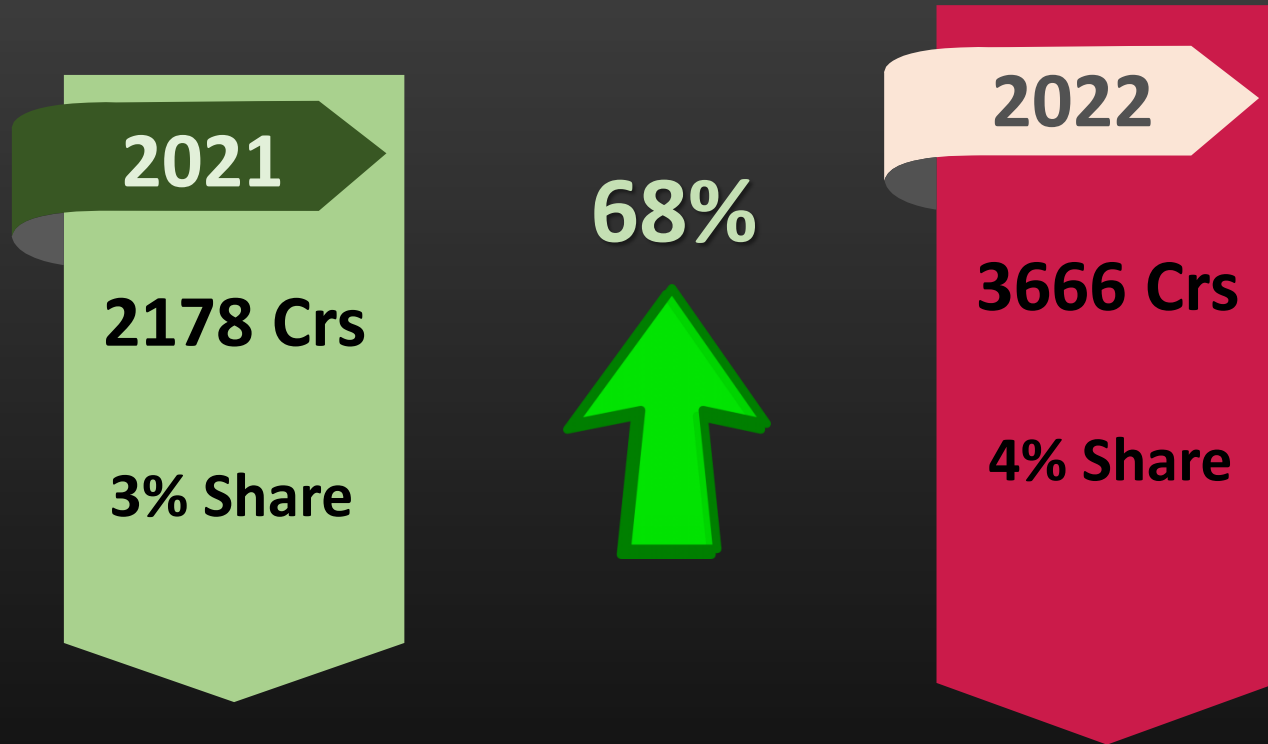
Print – Language wise Publication Volume in Mn Cc in 2022

Language	Yr 2020	Yr 2021	Yr 2022	Growth %	Growth %	Contribution	Contribution	Contribution
				(Yr 22/ 21)	(Yr 22/ 20)	in % (2019)	in % (2021)	in % (2022)
Hindi	79	102	112	9%	42%	35%	37%	35%
English	50	70	84	19%	66%	25%	26%	27%
Marathi	17	22	27	19%	58%	9%	8%	8%
Kannada	13	15	19	26%	49%	5%	5%	6%
Tamil	12	16	18	15%	46%	7%	6%	6%
Telugu	11	15	18	22%	68%	7%	5%	6%
Malayalam	8	10	12	14%	38%	4%	4%	4%
Gujarati	8	10	12	20%	43%	4%	4%	4%
Oriya	4	6	6	16%	44%	3%	2%	2%
Bengali	3	4	4	3%	31%	2%	1%	1%
Punjabi	1	2	2	3%	22%	1%	1%	1%
Assamese	1	2	2	16%	54%	1%	1%	1%
Urdu	0	1	1	34%	75%	0%	0%	0%
TOTAL	209	274	316	15%	51%			



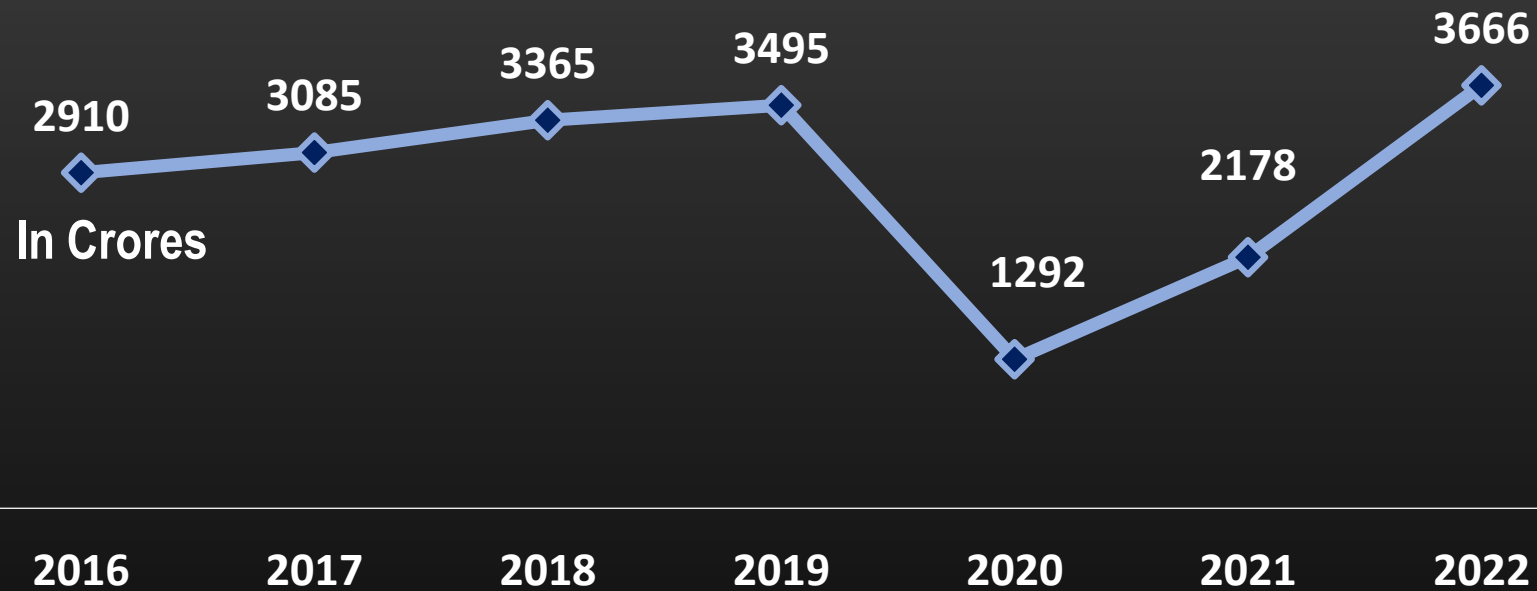
OOH ADEX

OOH Adex - 2022 / 2021



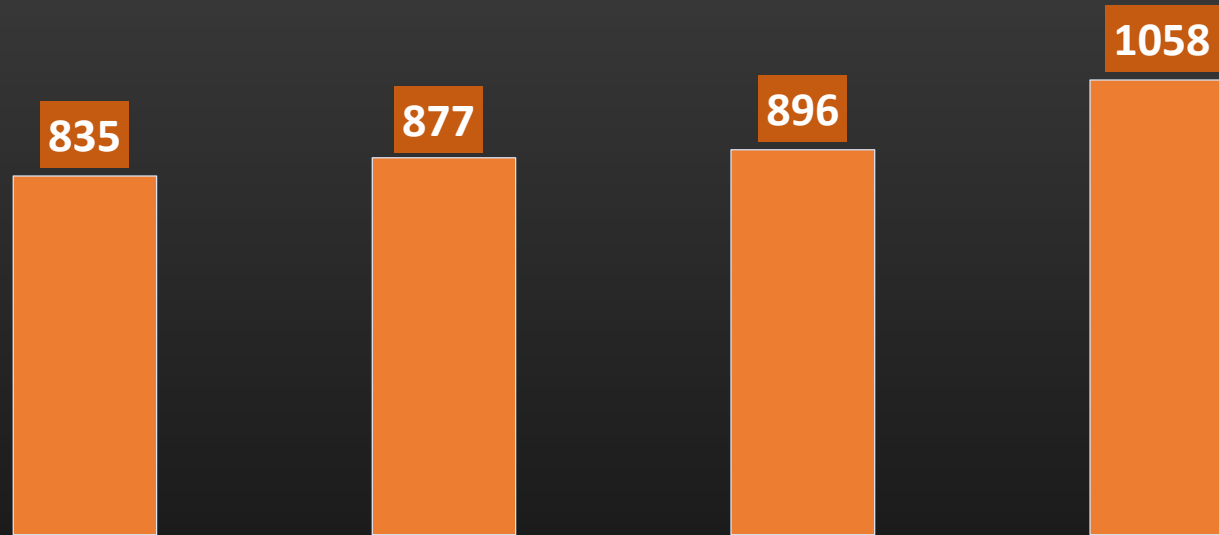
5% Growth over Pre Covid Level (2019)

OOH Adex registered a significant 68% growth to cross Pre Covid Levels



H2 contributed 53% of total Adex
Q4'22 crossed 1000 crores for the very first time.

In Crores



Growth	Q1	Q2	Q3	Q4
22 / 21	86%	248%	52%	19%
22 / 20	11%	10863%	805%	145%
22 / 19	-3%	4%	-8%	30%

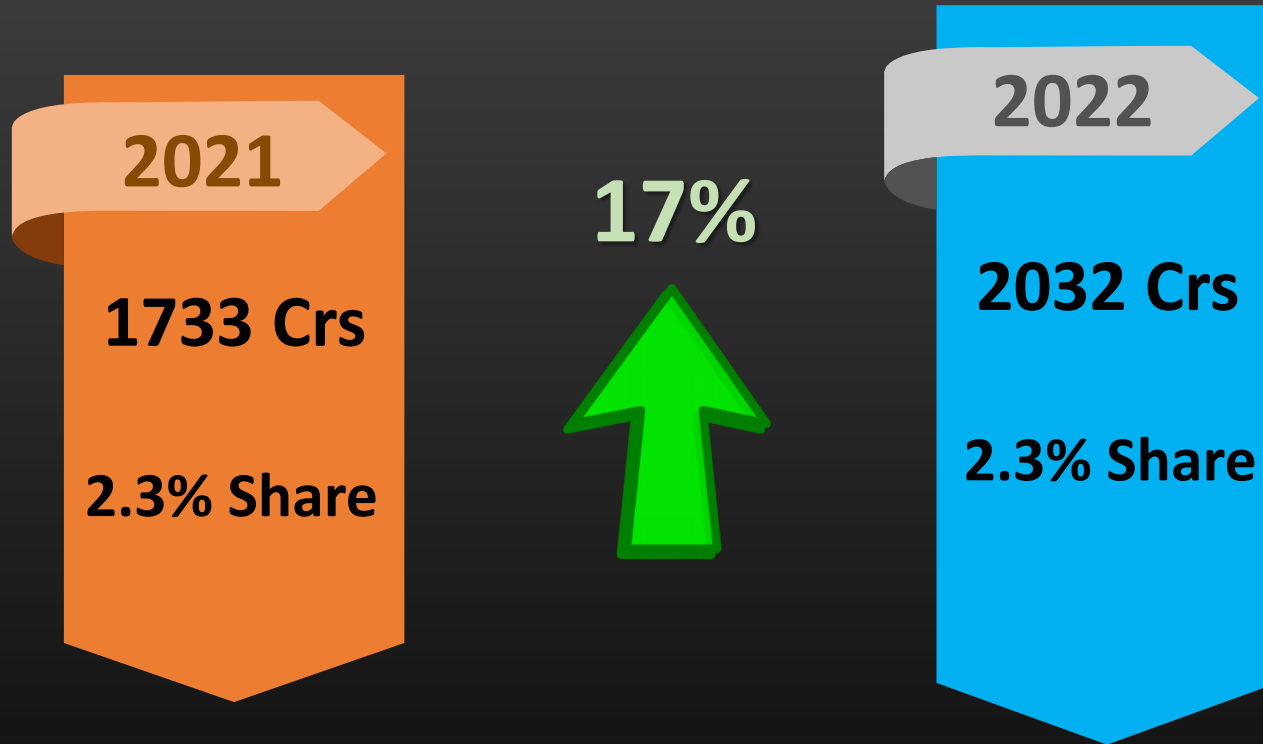
Top 5 categories contribute 64% of total OOH Adex in 2022-LY72%

Product Category	Yr 2020 In Rs Crs	Yr 2021 In Rs Crs	Yr 2022 In Rs Crs	Growth % 22 / 21	Catg Contbn 2019	Catg Contbn 2021	Catg Contbn 2022
Real Estate	268	472	683	45%	14%	22%	19%
FMCG	174	289	477	65%	11%	13%	13%
Organised Retail	145	298	463	55%	15%	14%	13%
Consumer Service	140	237	412	73%	15%	11%	11%
Media	126	152	328	116%	6%	7%	9%
BFSI	169	281	295	5%	10%	13%	8%
Auto	94	111	205	84%	6%	5%	6%



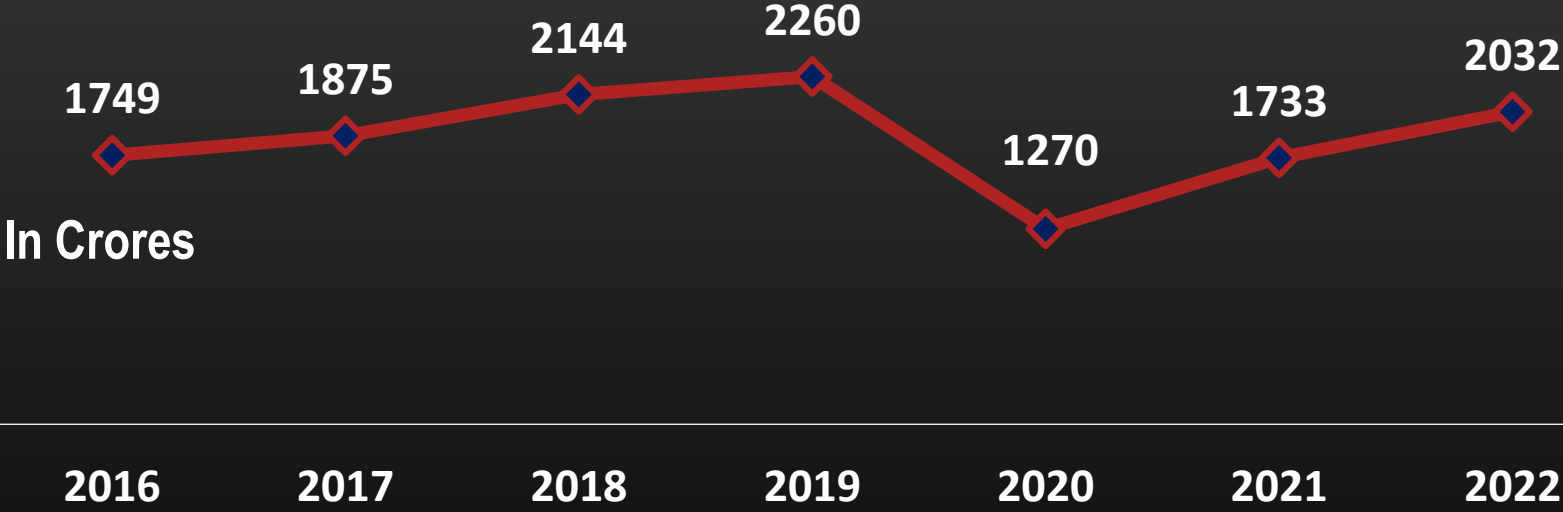
RADIO ADEX

Radio Adex - 2022 / 2021



10% Degrowth over Pre Covid Level (2019)

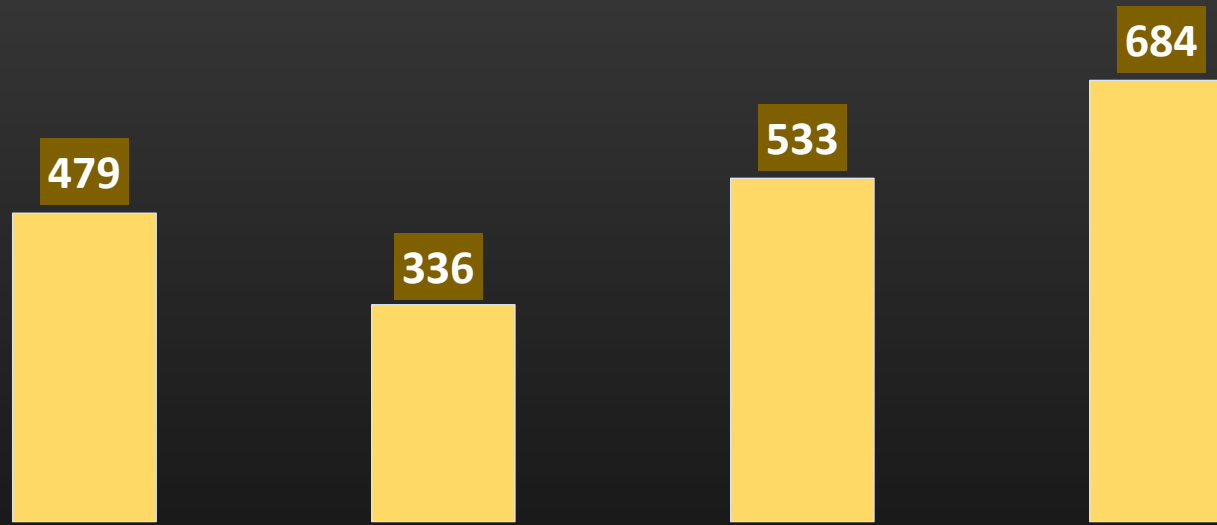
Radio Adex crossed 2000 crores once again after 2 years



Radio Adex achieved close to 700 crores in Q4 for the very first time

H2 contributes 60% of Radio Adex

In Crores

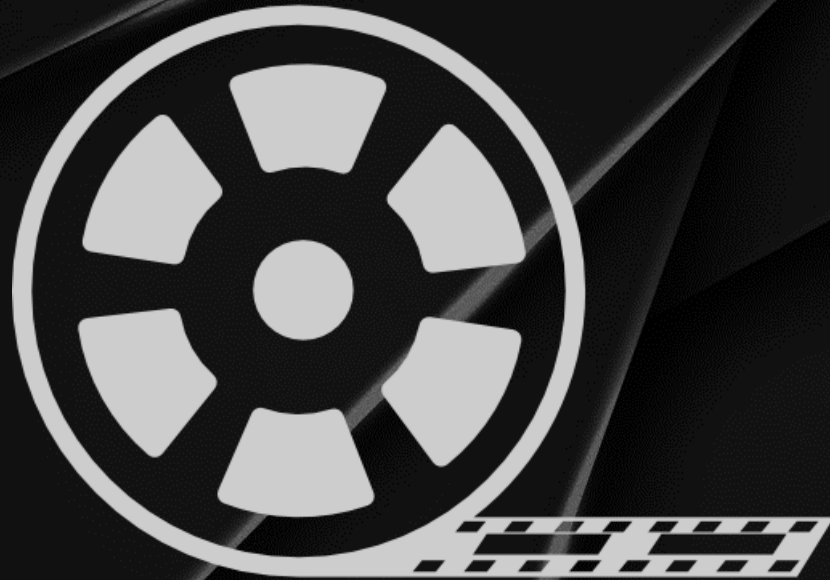


Growth	Q1	Q2	Q3	Q4
22 / 21	1%	107%	18%	6%
22 / 20	-4%	372%	105%	55%
22 / 19	-22%	-41%	-3%	29%

Top Five categories maintained share of 54% of total Radio Adex in 2022

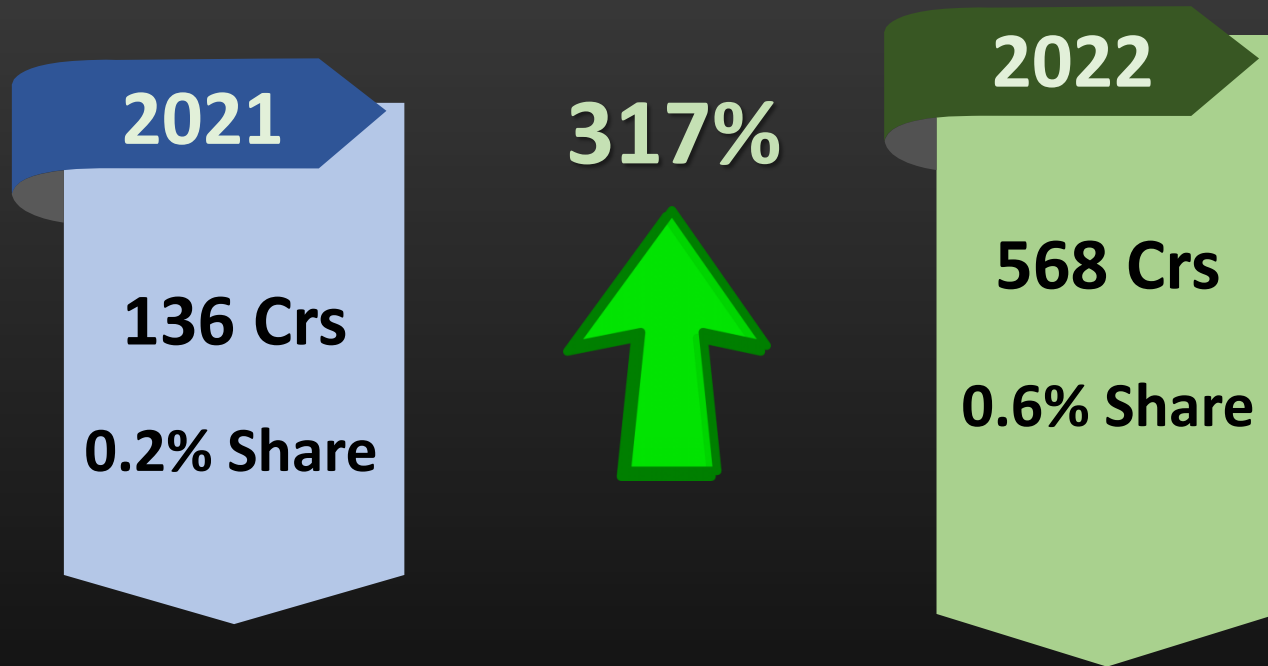
Real Estate Gains 3% Share. BFSI share dropped by 3%

Product Category	Yr 2020 In Rs Crs	Yr 2021 In Rs Crs	Yr 2022 In Rs Crs	Growth % 22 / 21	Catg Contbn 2019	Catg Contbn 2021	Catg Contbn 2022
Real Estate	129	183	284	55%	9%	11%	14%
FMCG	157	229	261	14%	9%	13%	13%
E - Commerce	97	166	201	21%	6%	10%	10%
BFSI	152	229	196	-14%	8%	13%	10%
Auto	117	141	161	15%	7%	8%	8%
Education	56	109	138	27%	4%	6%	7%
Retail	64	85	124	46%	6%	5%	6%



CINEMA ADEX

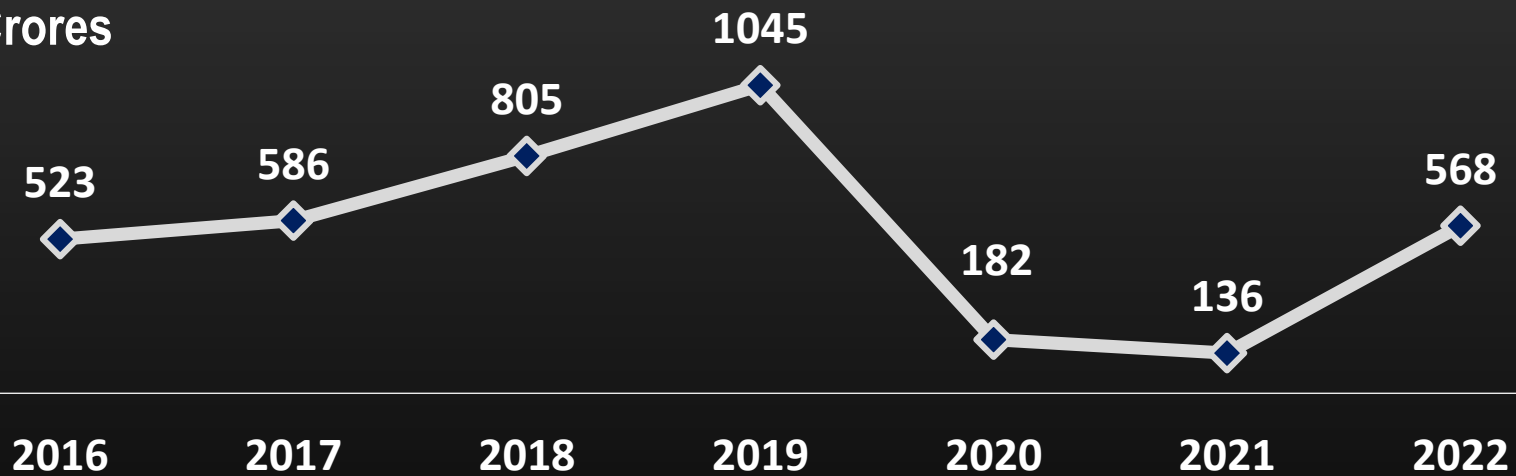
Cinema Adex - 2022 / 2021



46% Degrowth over Pre Covid Level (2019)

Cinema in 2022 reached revenue at par with year 2017

In Crores





Growth Forecast 2023

“The One Bright Spot
In Man’s Morning”

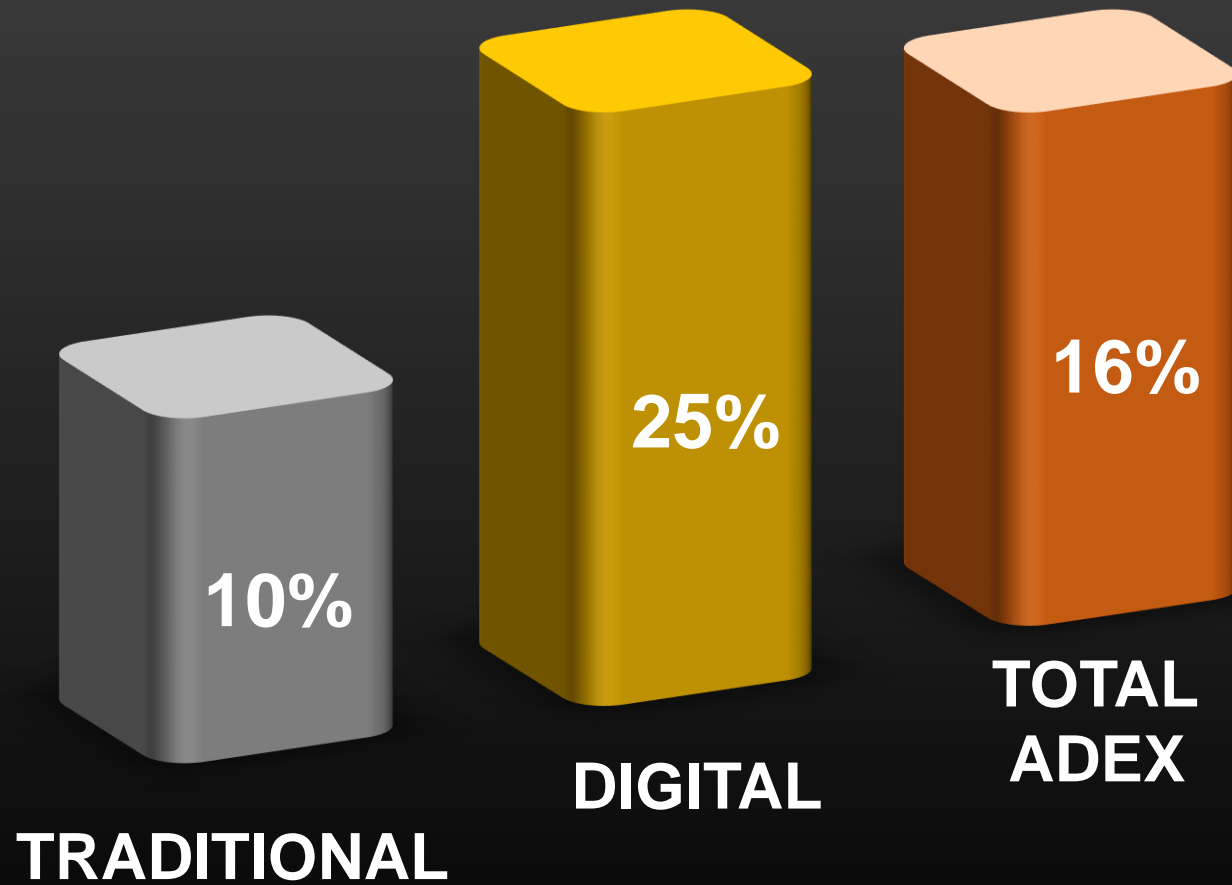
Indian Adex Forecast 2023



16%



Growth Forecast 2023 / 2022



WHY 16%?

- Upcoming major cricketing tournaments such as WIPL, IPL, AsiaCup, ICC Cricket World Cup
- New categories & New advertisers that will emerge in year 2023
- Organic growth coming from the largest contributor to Adex, FMCG
- Ecommerce Marketing will continue to grow and evolve and expected to be close to 7000 crores
- New Launches in Automobile sector
- More and More advertisers increasing spends on Digital Medium
- Recovery in Print, Radio & Cinema

TAILWINDS

Growing Consumer Confidence

Moderating Inflation

Rapidly rising SMB Businesses

Complete recovery from Covid

HEADWINDS

Global Slowdown

Low Capital Inflow to Start-Ups

**ADEX of
Rs. 14,427 crores**

MEDIUM
Digital
TV
Print
OOH
Radio
Cinema
Traditional

Share in Growth 23/22
60%
20%
12%
3%
3%
3%
40%

Growth 2023 %
25%
9%
9%
12%
20%
75%
10%

Market Share	
2022 %	2023 %
38%	41%
34%	32%
21%	19%
4%	4%
2%	2%
0.6%	1%
62%	59%



Our Advice To Advertisers 2023

1

Use Advertising budgets to build Brands.

Not buy sales in the short term.

Building Brands is the only way you can build a sustainable, profitable company in the consumer business. Investors are now sharply focussed on Companies' monetisation ability.

Mass media is the most cost efficient way of building Brands, in the medium to long term.

2

Use Digital to augment GRPs, Reach and Frequency to Light TV viewers to ensure you don't under-serve them

Whilst TV continues to offer the best Brand building capabilities, Light TV users are under served and heavy TV viewers are over served in a typical TV plan.

3

Look out for opportunities that Outdoor, Radio and Cinema can offer to launch new brands, variants and test market in limited geographies

These mediums can offer you high impact and reasonable efficiency at low outlays.

4

There is no alternative to getting your creative strategy and execution right

A lot of newer businesses focus only on a witty whacky creative idea, that wears out in a few weeks.



THANK YOU