

TELEVISION



PRINT



DIGITAL

Pitch
the essence of marketing
MADISON
ADVERTISING
REPORT 2019

OUTDOOR



RADIO



CINEMA

Year 2017



+



+7.4% STUNTED

Happy days are here again...



Food,
friends
and Thums Up.



The refreshing Cola

serve chilled



www.guruprasad.net

ARTIFICIALLY FLAVOURED CONTAINS NO FRUIT JUICE OR FRUIT PULP

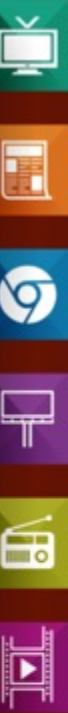
2018 / 17

53,138 Cr
2017

+14.6%

60,908 Cr
2018

14.6% growth in 2018 is
almost double the growth
rate achieved in 2017

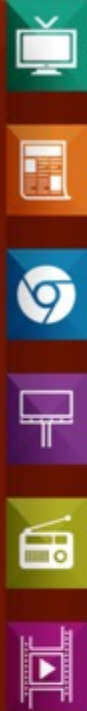


2018 / 17

+12.2%
Without Digital
49,202 Cr

—

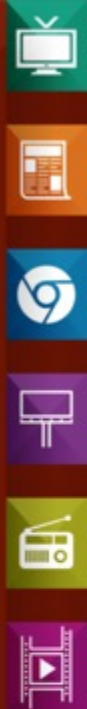
+14.6%
With Digital
60,908 Cr



At a growth rate of 14.6%, India is the fastest growing advertising market in the world with China coming very close

Country	2018
India	14.6%
China	13.1%
Germany	10.4%
United Kingdom	8.1%
United States	6.1%
France	5.9%
Italy	5.2%
Brazil	5.1%
Canada	3.9%
Russia	2.5%
Australia	1.5%
Japan	-4.8%
Global	6.6%

Current prices, y/y % change



Yr 2018
US\$ 8.7 Bn



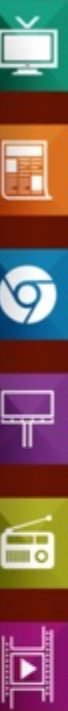
+14.6%

Yr 2018
US\$ 463 Bn

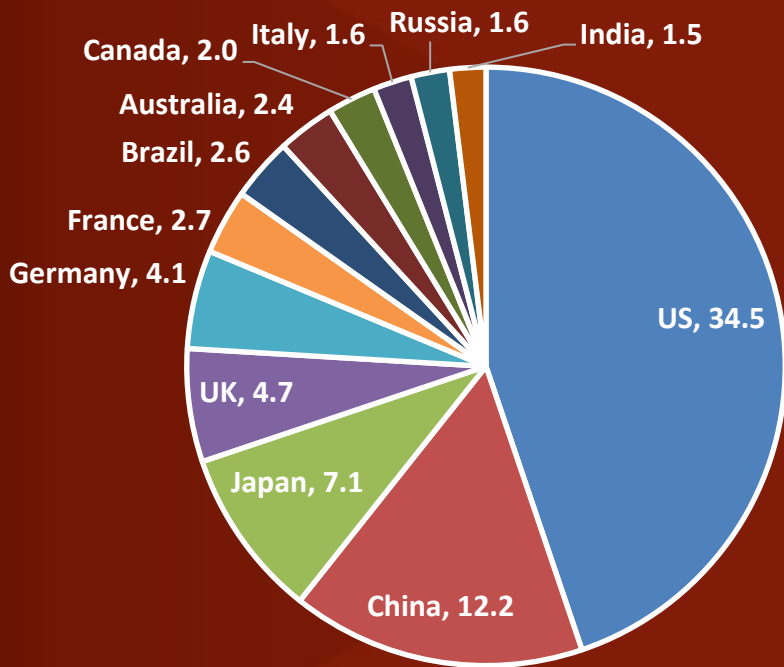


+6.6%

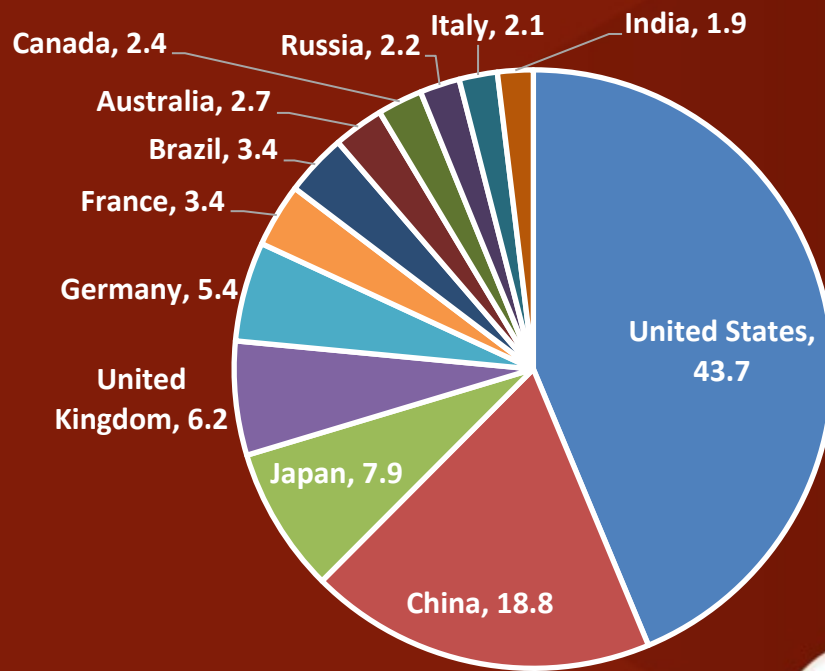
Source: WARC & Pitch Madison Advertising Report 2019



India marginally moved up from 1.5% to 2%

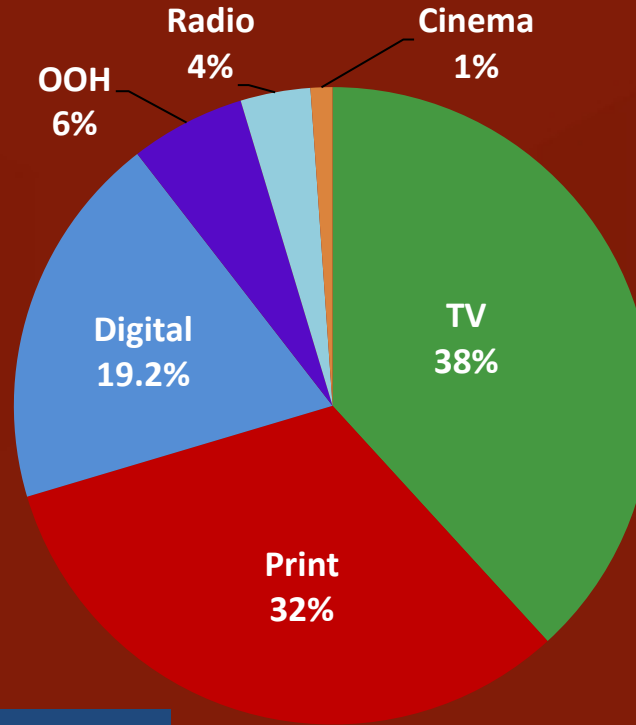


2017

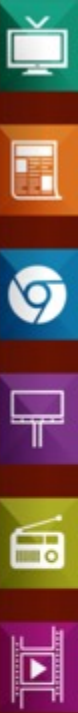


2018

With 38% share, Television continues to be the largest contributor to the advertising pie

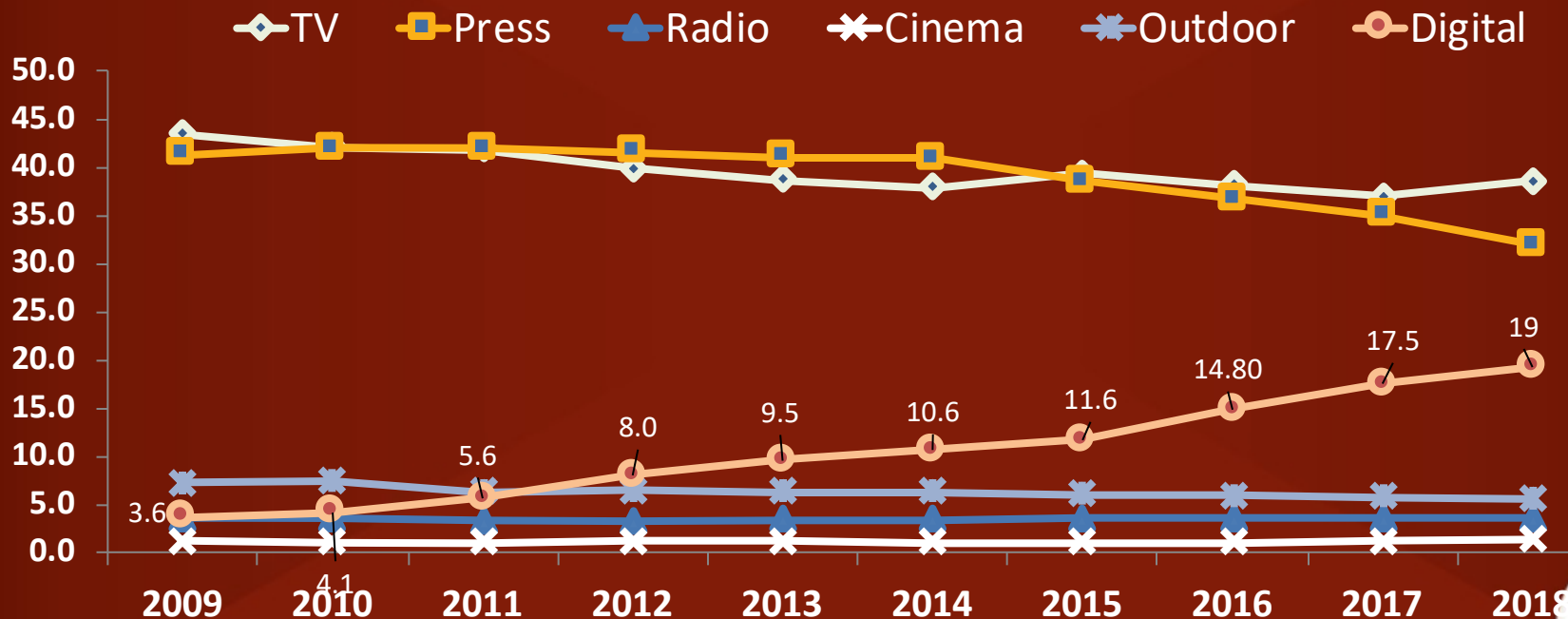


Indian Ad Ex - 2018 60,908 Crs

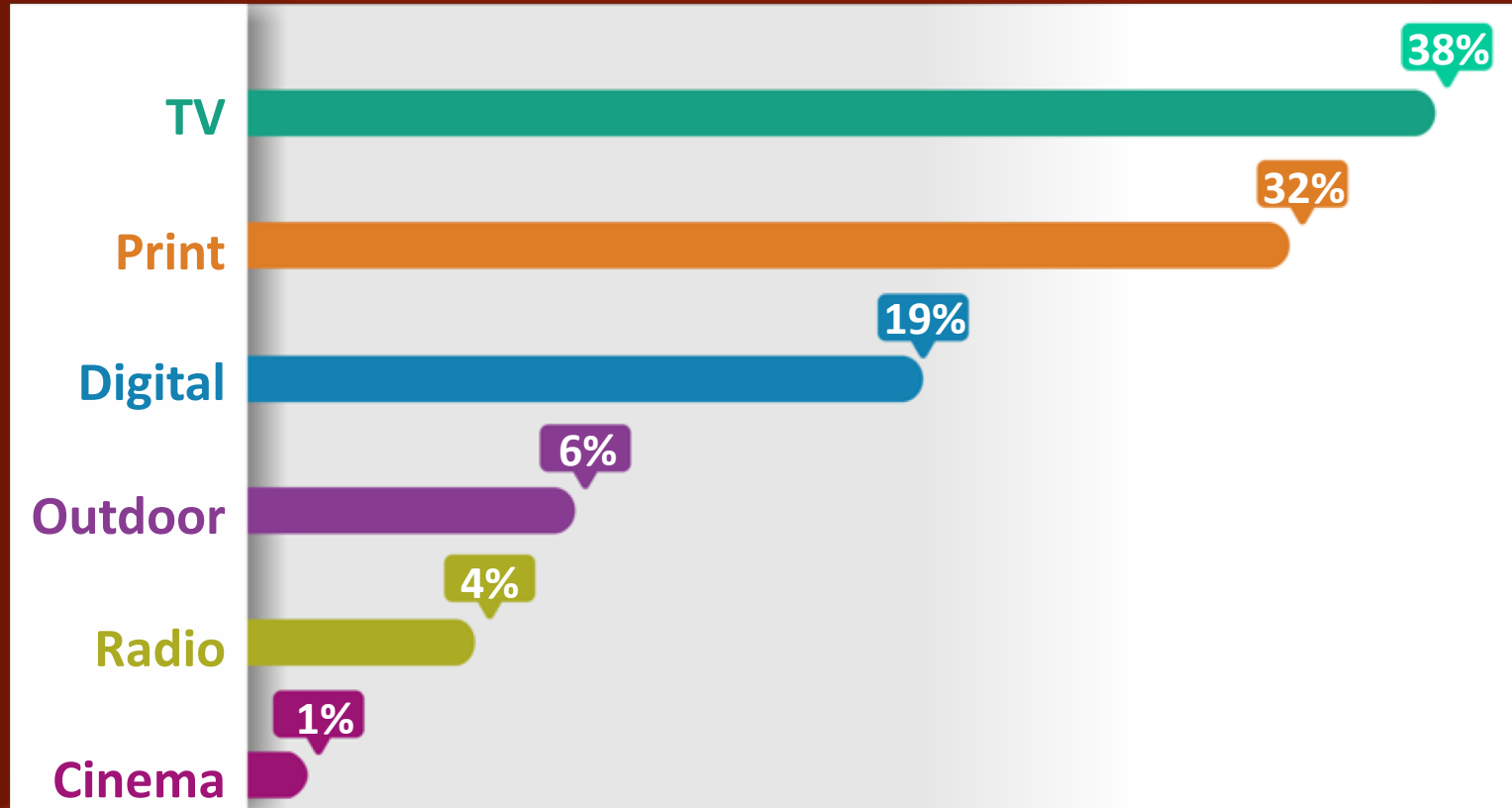


Digital & TV gained share points at the expense of Print

Digital now contributes to almost 20% of Total Indian Adex

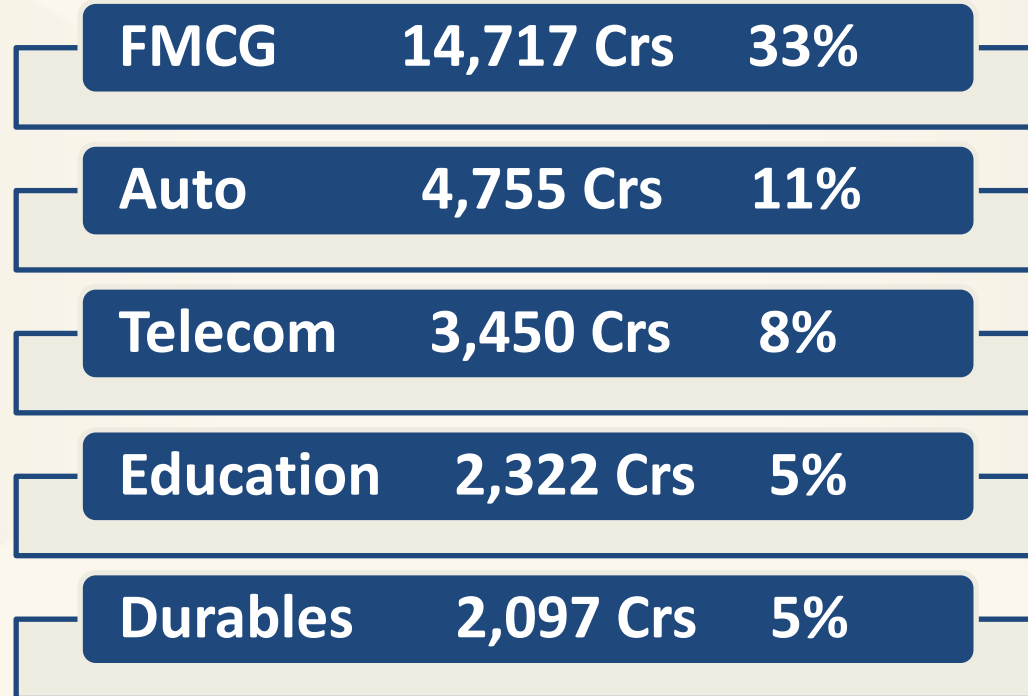


The pecking order is now clear and distinct.



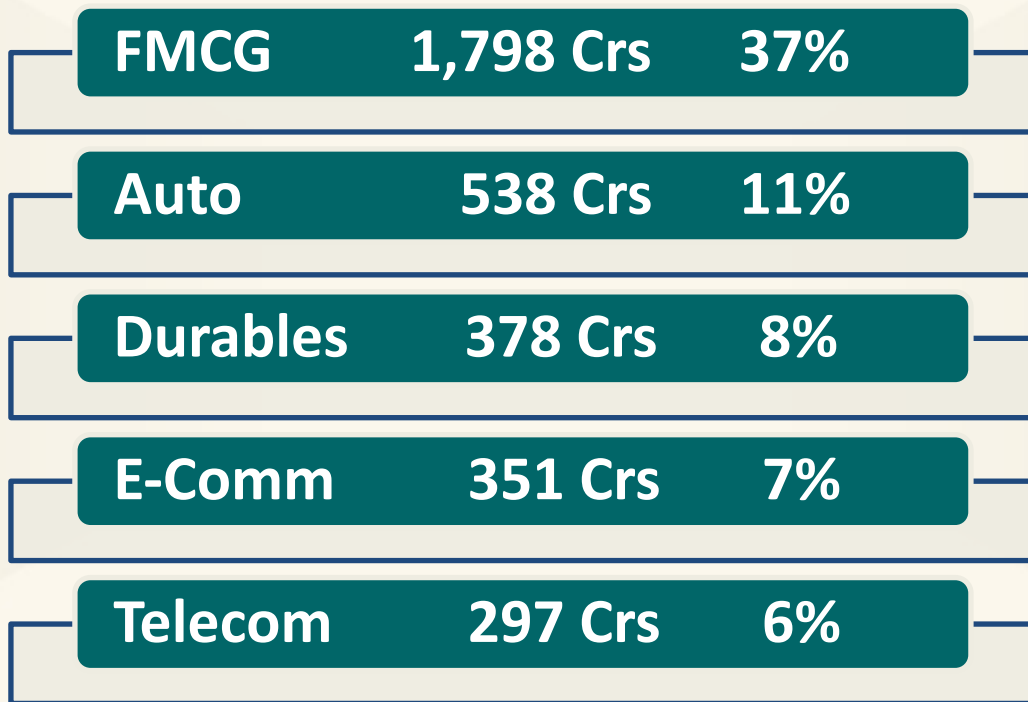
Category Contribution in 2018

TV + Print + Radio



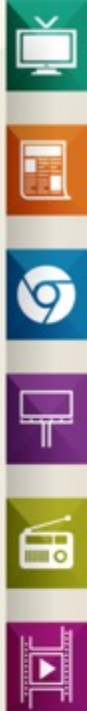
Main contributors to growth in 2018

TV + Print + Radio



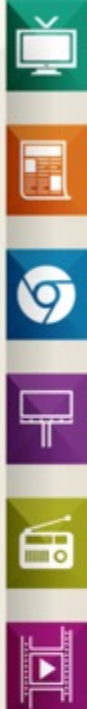
Top Advertisers of India in 2018

Rank in 2018	Rank in 2017	Advertisers	Approx Spends in Rs Crores
1	1	Hindustan Unilever	3100 - 3400
2	4	Reckitt Benckiser	700 - 850
3	3	Procter & Gamble	700 - 850
4	2	Amazon Online India	700 - 850
5	6	Maruti Suzuki India	650 - 750



Top Advertisers of India in 2018

Rank in 2018	Rank in 2017	Advertisers	Approx Spends in Rs Crores
6	8	Samsung	650 - 750
7	15	Reliance Industries	600 - 700
8	16	Honda Motorcycle	600 - 700
9	12	Vivo Mobile	550 - 650
10	7	Godrej Consumer	550 - 650



Advertisers who enter our Elite list in 2018



43



45



47



49

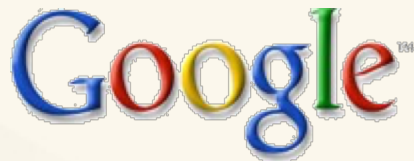


50

Advertisers who have gained substantially in rank



+11



+7



+7



+6

Advertisers who have lost share in rank



-27



-15



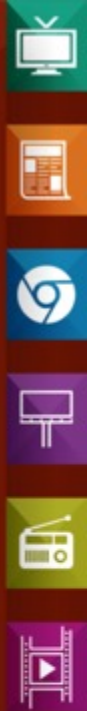
-12



-10

2009 - 18 : The Ten year CHALLENGE

A VIBRANT DECADE

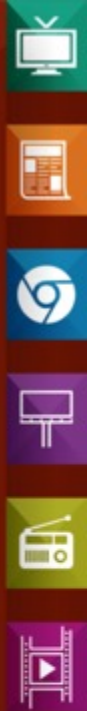


2018 / 09

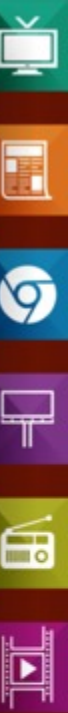
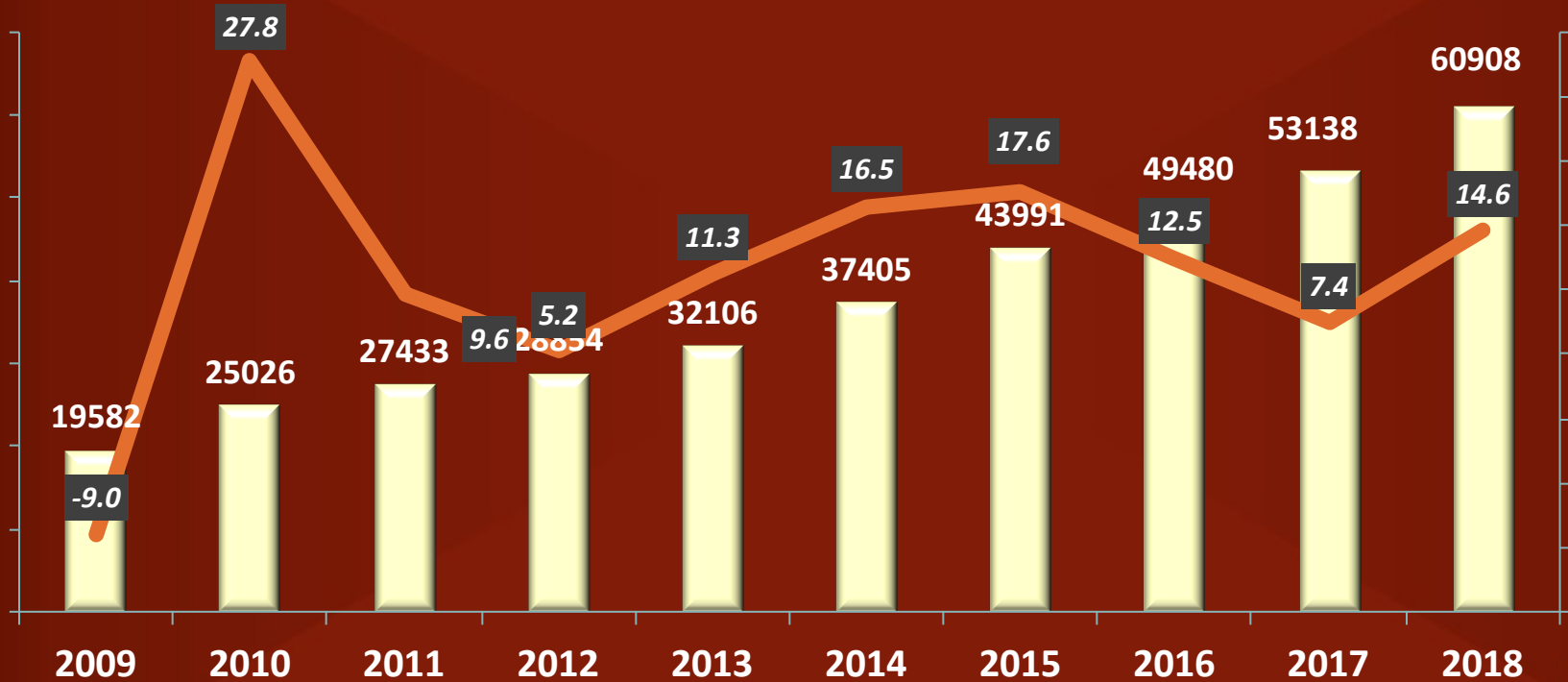
2009
19,582 Cr

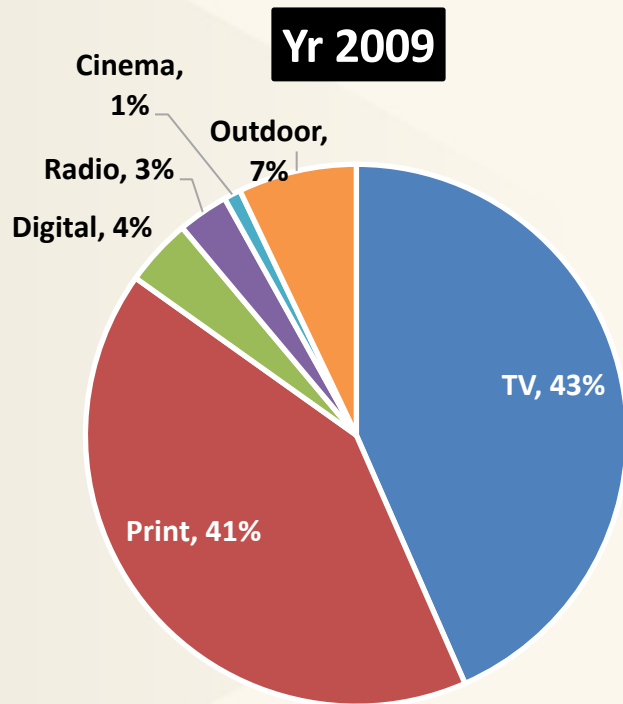


2018
60,908 Cr

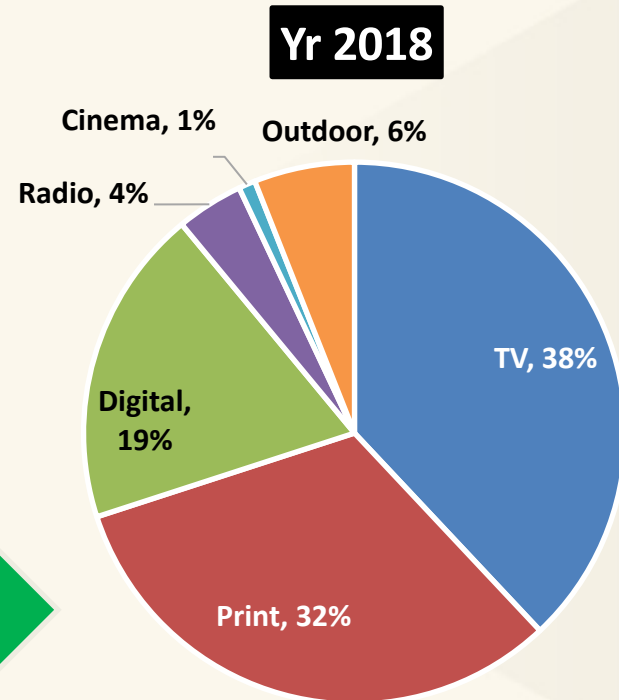
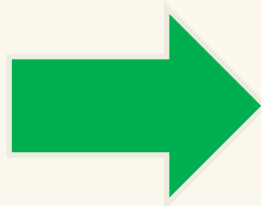


A 10-year Review





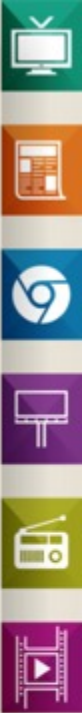
19,582 Crs



60,908 Crs

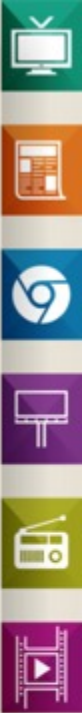
Few significant facts that characterised the decade

- Number of television channels have tripled in last 10 years largely on account of Regional & News channels
- More than 2,000 new advertisers on TV, and more than 80,000 on Print have been added.
- In 2009, top 50 advertisers contributed approximately 43% of the total Adex, whereas last year in 2018 this number has gone down to 35%.



Few significant facts that characterised the decade

- In Print, in last 10 years, contribution by English & Hindi publications in terms of Volume has not changed and continues at around 60%.
- Revenue contribution of Sports genre has seen a major growth from only 3% in 2009 to 10% in 2018, thanks to IPL & Non-Cricket leagues
- Contribution of Hindi GEC has decreased by 10%, whereas Regional channels has seen a growth of 10%



Few significant facts that characterised the decade

- **Government spending on TV & Print has witnessed an over 100% increase in ad spends since the Modi government has come into power**
- **Reliance Jio has led to a dramatic increase in video consumption**
- **Internet penetration has increased from 4.2% to 41.4% over the decade; Facebook has grown from 7.45 million users in 2009 to 280 million today**



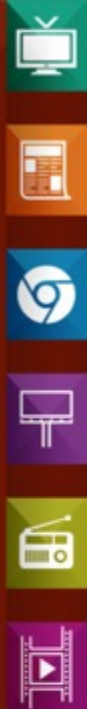
Few significant facts that characterised the decade

- E-commerce portals have now emerged as a top-10 Digital advertising platform
- OTT ready for take off with number of players increasing from just 9 players in 2016 to 30 players today
- Finally, Adex is quite resilient but certain mega interventions like a Global crisis, Demonetisation and GST can temporarily derail it



2019

What's Our Growth Forecast?



2017

STUNTED

2018

HAPPY DAYS

2019

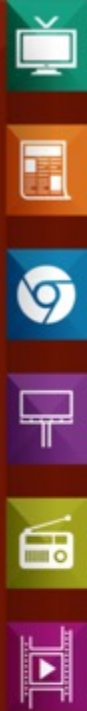
BULLISH

2019 / 18

60,908 Cr
2018

+16.4%

70,888 Cr
2019



2017

53,138 Cr

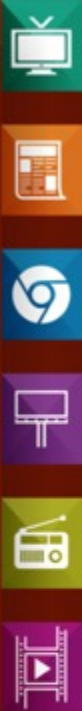
2019

70,888 Cr

~ 18000 Crs in
Absolute Terms

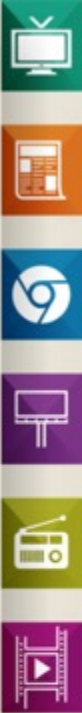
>30%
2 Years

Pitch
MADISON
ADVERTISING
REPORT 2019



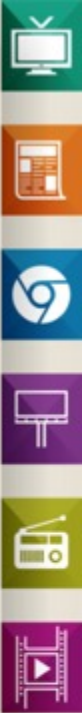
Why 16.4%

- India will witness the biggest spectacle of all - Parliamentary Elections
- Substantial increase in government spending
- ICC Cricket World Cup taking place in June 2019 and higher revenues from IPL
- OTT, the new kid on the block, spending heavily
- India, slowly but surely moving to a consumption society



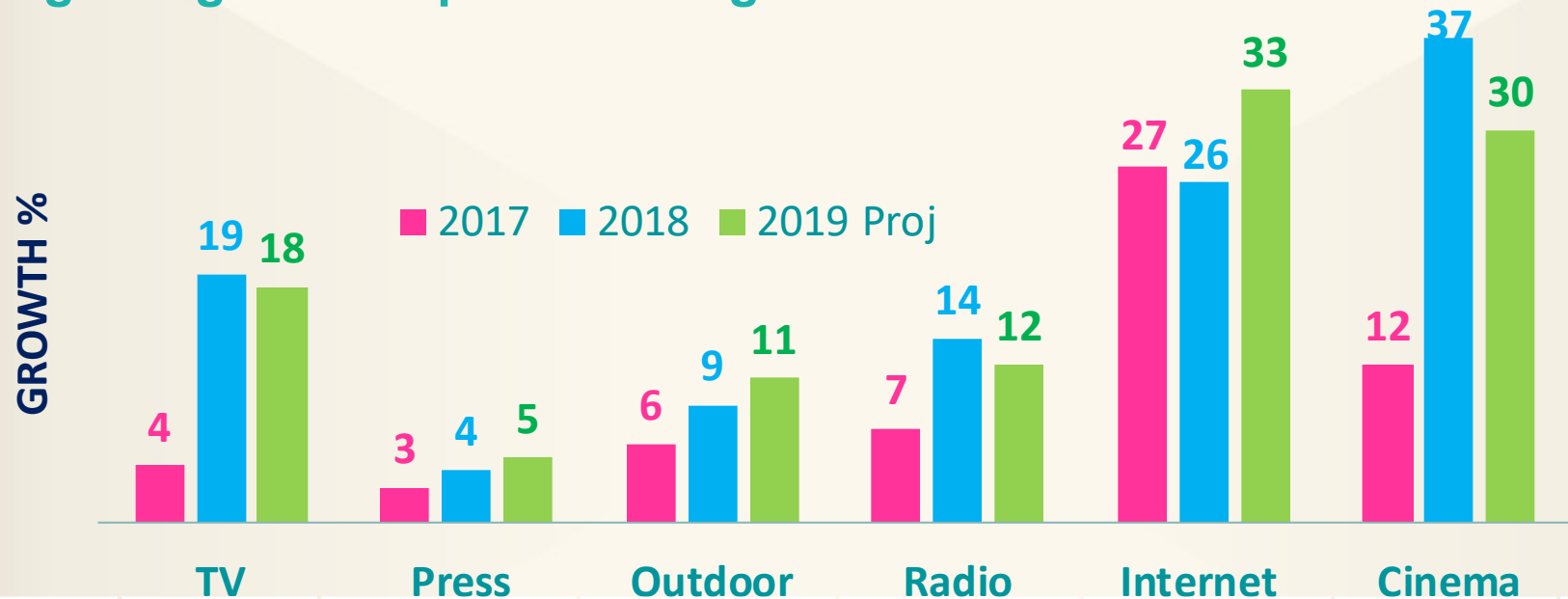
Why 16.4%

- Organic growth coming from FMCG on the back of rural demand and new launches
- New Launches in Auto sector
- FMCG, BFSI, OTT and E-commerce will be growth drivers for Digital Marketing
- Categories like Real Estate and Education likely to continue with large spends on Print

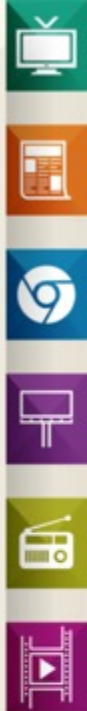


% increase for last 3 years

Highest growth expected in Digital & Cinema



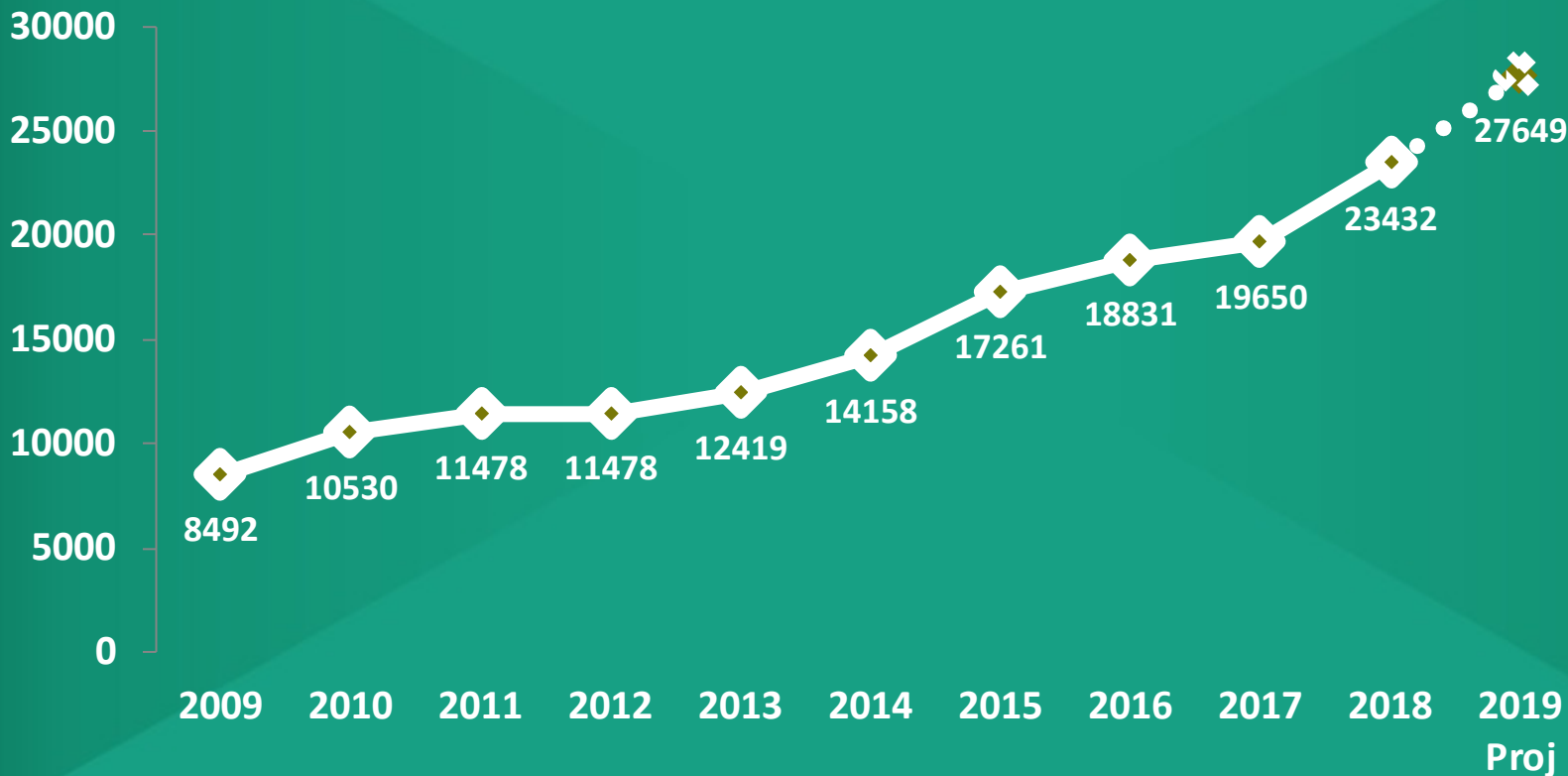
Crores	TV	Press	Outdoor	Radio	Internet	Cinema	Total
2017	19650	18640	3085	1875	9303	586	53138
2018	23432	19457	3365	2144	11705	805	60908
2019 Proj	27649	20429	3750	2401	15612	1047	70888





TELEVISION

TV has grown at the rate of 19% in 2018 and will grow by another 18% in 2019



Hindi GECs continue to dominate TV Adex contributing 26%



Genres	Revenue Contribution in 2018	Approx Revenue in Crores	FCT Growth 2018/17
Hindi Mainline GEC	16%	6000 – 6500	4%
Hindi Secondline GEC	10%		8%
News	11%	2200 – 2700	17%
Tamil Sat	9%	1800 – 2000	16%
Sports	10%	1700 – 1900	4%
Hindi Movies	5%	900 – 1100	-1%
Telugu Regional	5%	900 – 1100	23%
Marathi Regional	4%	800 – 1000	-4%
Kannada Regional	4%	700 – 800	13%
Bengali Regional	4%	700 – 800	32%
Music	3%	550 – 650	7%
Kids	3%	550 – 650	-10%
Malayalam Regional	3%	500 – 600	15%
Infotainment	3%	500 – 600	1%
English Movies	3%	500 – 600	20%
Eng Niche	2%	300 – 400	-13%
Others	7%	1200 – 1600	17%

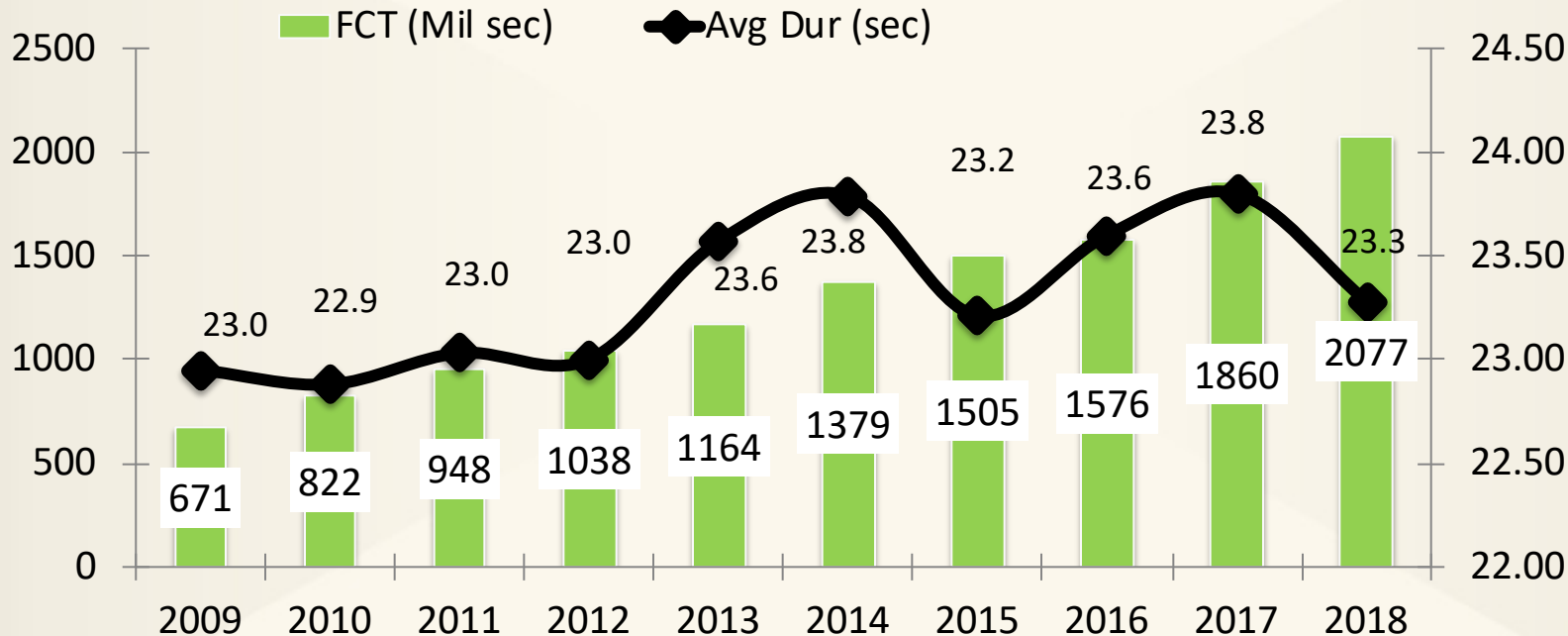
Contribution of Top categories by spends

Product Category	2016	2017	2018
FMCG	51%	51%	50%
Telecom	12%	12%	12%
Auto	8%	8%	8%
HH Durables	4%	4%	5%
E – Commerce	4%	4%	5%
Real Estate	3%	3%	3%
Clothing Fashion Jewellery	3%	3%	3%

FMCG continues to dominate TV
No change in the pecking order

Total FCT grows by over 12%

Average Duration remains steady at 23 seconds





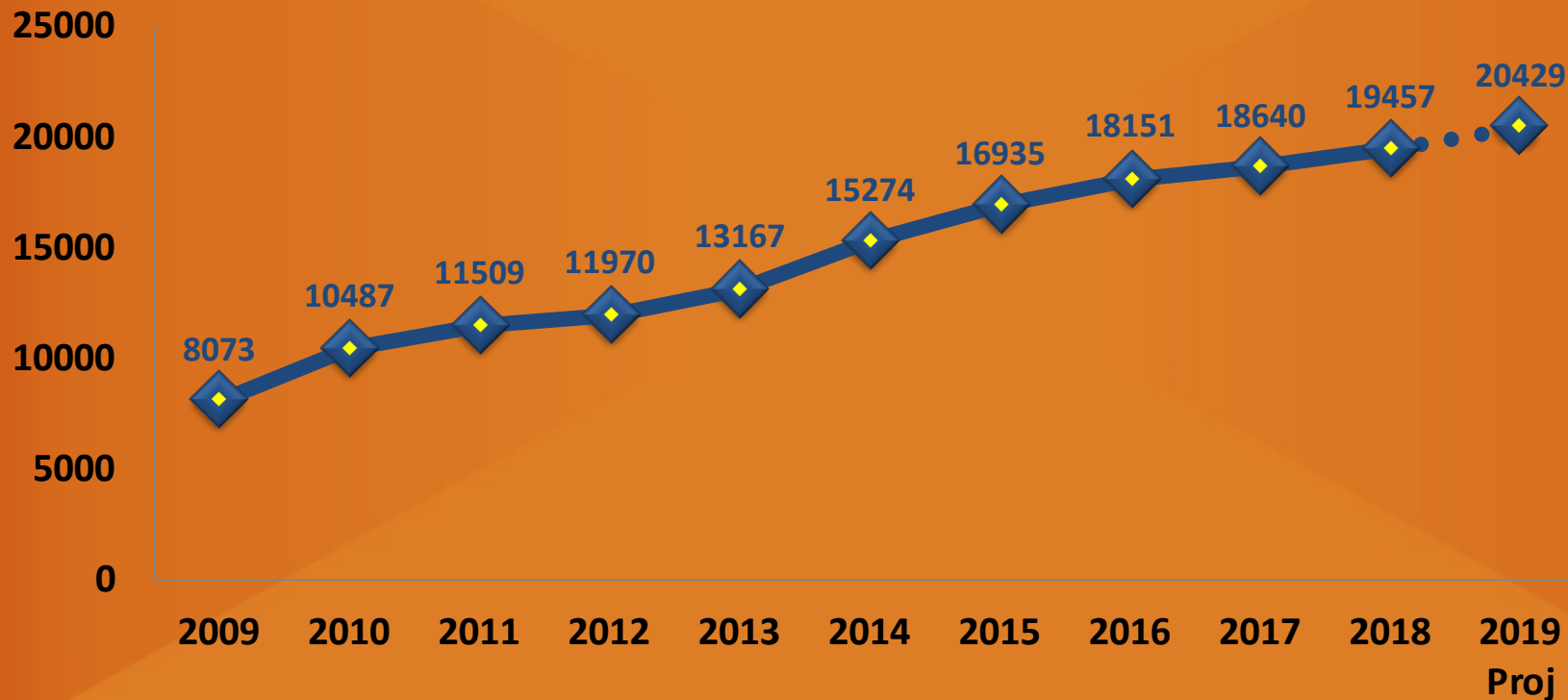
PRINT



PRINT

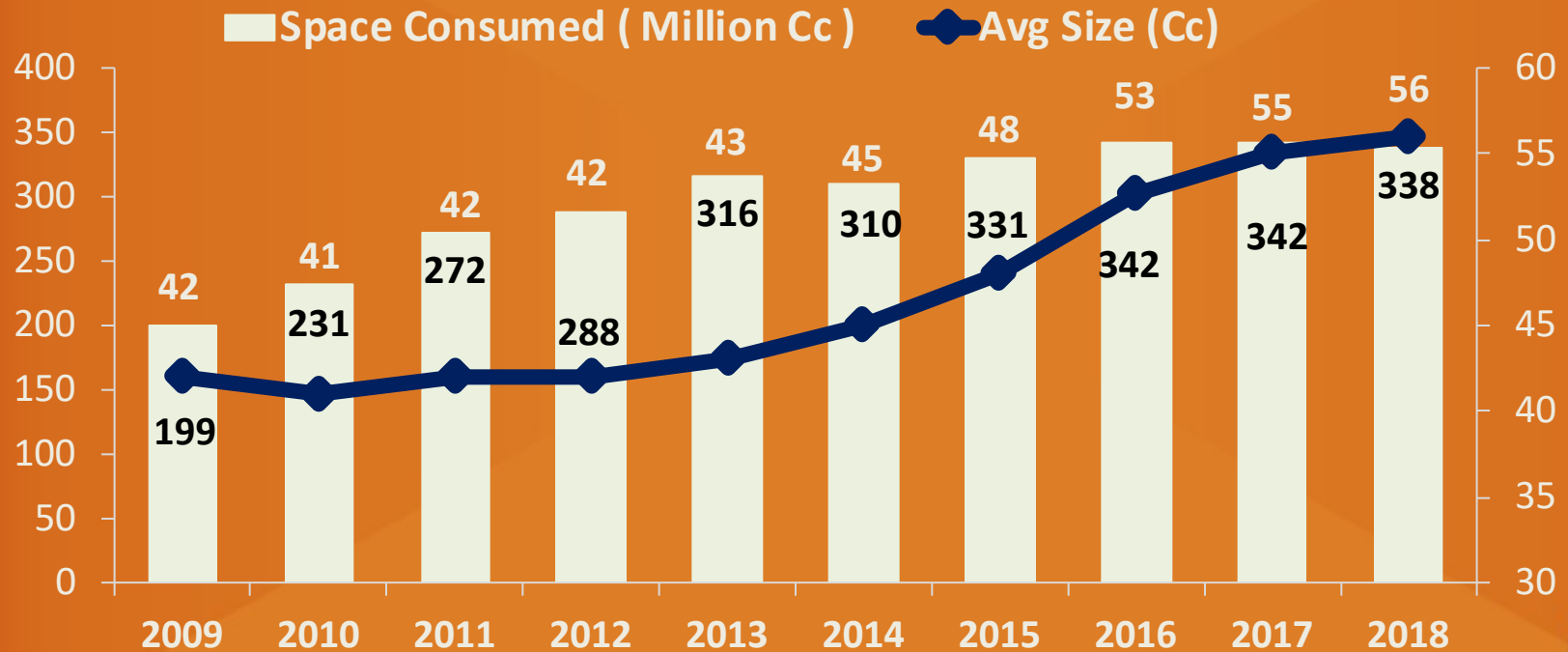
Print Trend over the years

Print grew by 4% and expected to grow by mere 5% in 2019



No increase in Total Space Consumed in 2018

Avg Size increased to 56 Cc in 2018



Contribution of Top Categories



PRINT

Product Category	2016	2017	2018
FMCG	15%	14%	14%
Auto	14%	14%	14%
Education	10%	10%	10%
Real Estate & Home Improvement	6%	6%	6%
Retail	5%	6%	6%
Clothing Fashion Jewellery	5%	5%	5%
BFSI	5%	5%	4%

FMCG, Auto & Education – 3 Lead Categories



DIGITAL



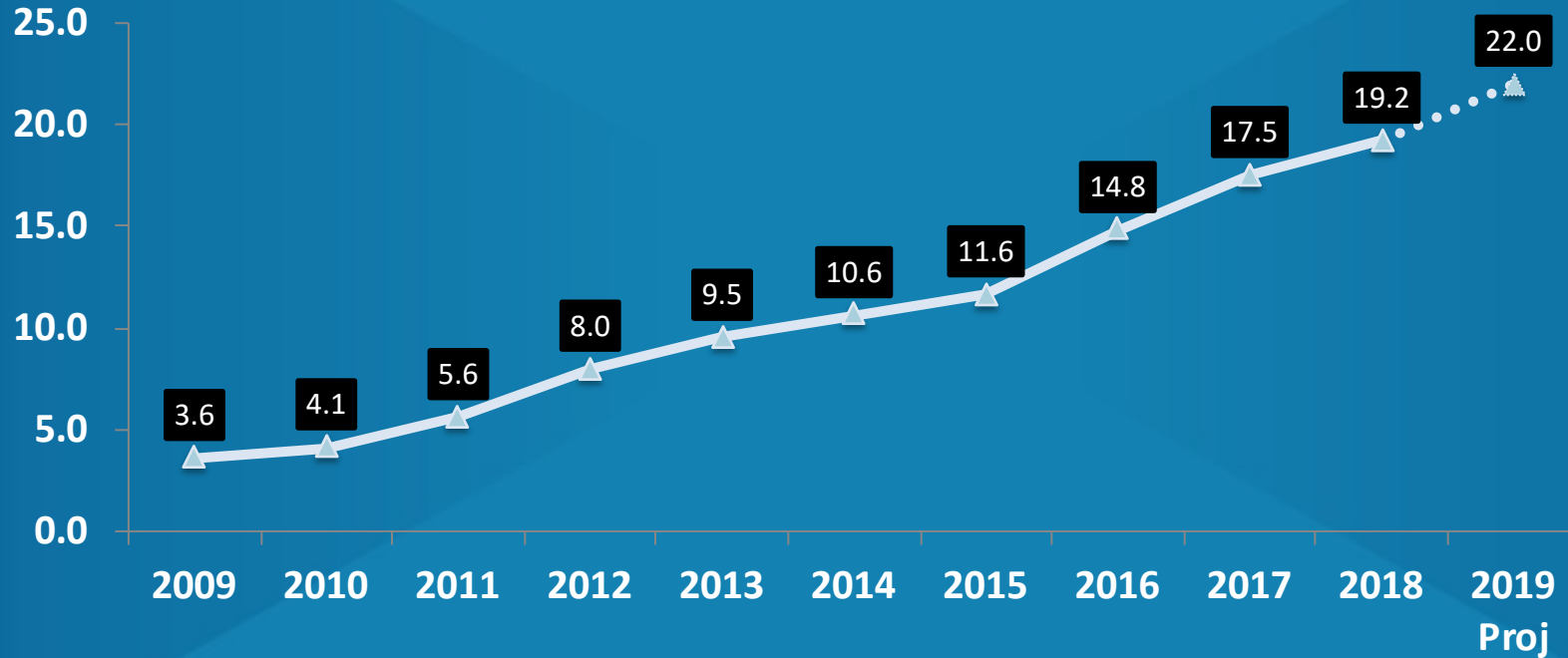
Digital grows by 26% in 2018 and expected to grow by 33% in 2019



Digital Share growing YOY, Expected to cross more than 20% in 2019



DIGITAL

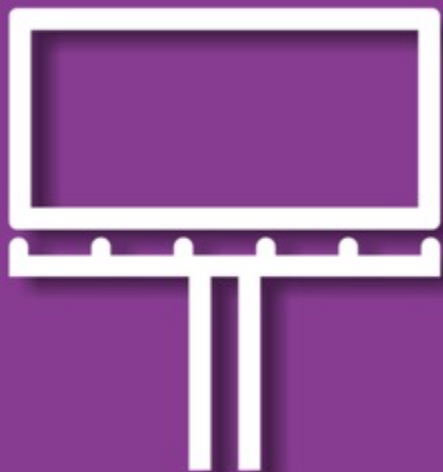


Mobile as a platform now contributes to 85% of total digital spends

Platform – In Crs	2015	2016	2017	2018	2018/17
Mobile	2670	4490	7256	9949	37%
Desktop	2450	2825	2047	1756	-14%
Total	5120	7315	9303	11705	26%
Mobile % Contribution	52%	61%	78%	85%	

Exponential growth in Video consumption over last 2 years

Verticals – In Crs	2015	2016	2017	2018	2018/17
Search	1740	2255	2632	3475	32%
Display + Programmatic + Ad Networks	2265	3270	3162	3827	21%
Video	990	1640	3339	4183	25%
Others	125	150	170	220	29%
Total	5120	7315	9303	11705	26%
Video % Contribution	19%	22%	36%	36%	



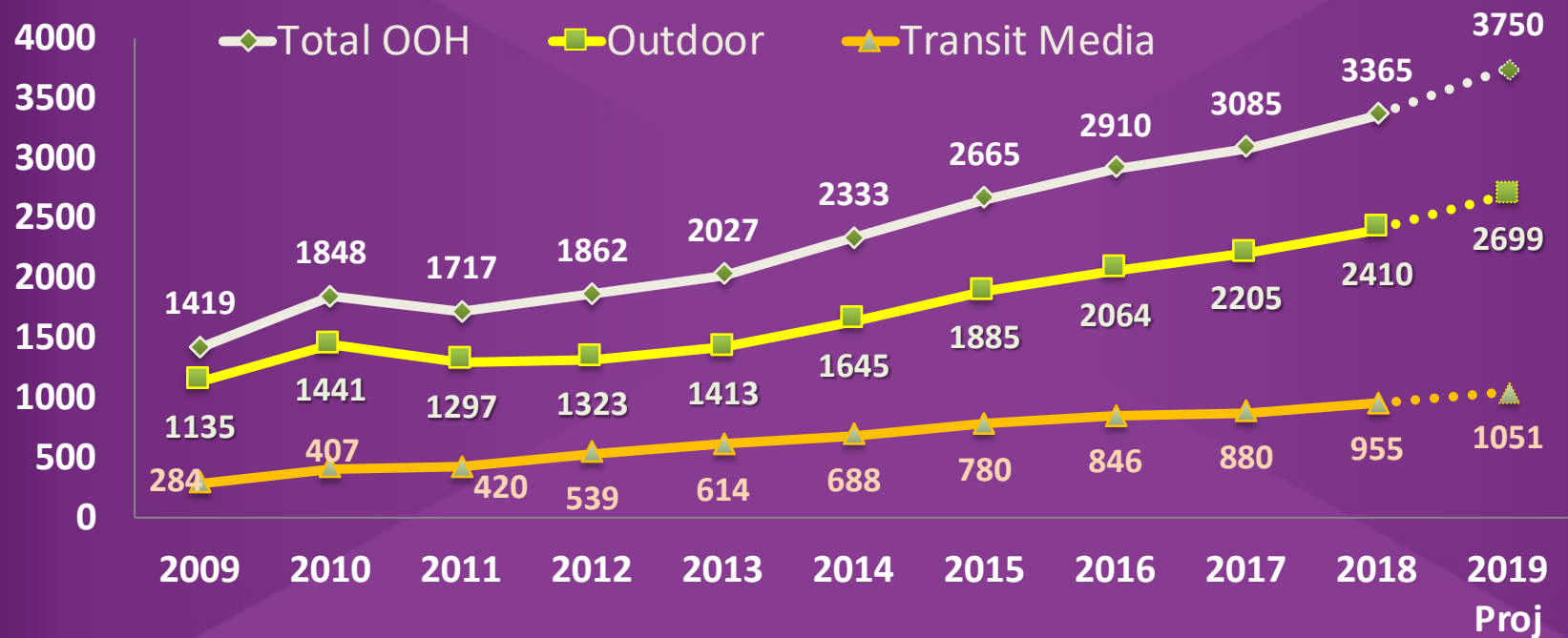
OUTDOOR



OUTDOOR

OOH market has grown by 9% in 2018

Transit media also grew by 9%



The Big 3 for OOH

Product Category	2016	2017	2018
Organized Retail	15%	16%	16%
Hospitals, Restaurants, Education	14%	13%	14%
Real Estate & Construction	14%	12%	12%
FMCG	8%	9%	9%
Financial Services	8%	8%	9%
Telecom	8%	9%	7%
Auto	7%	7%	7%

**Organized Retail, Consumer Services &
Real Estate dominate OOH**



RADIO



RADIO

Radio has grown by 14% in 2018 and expected to grow by another 12% in 2019





The Big 4 for Radio

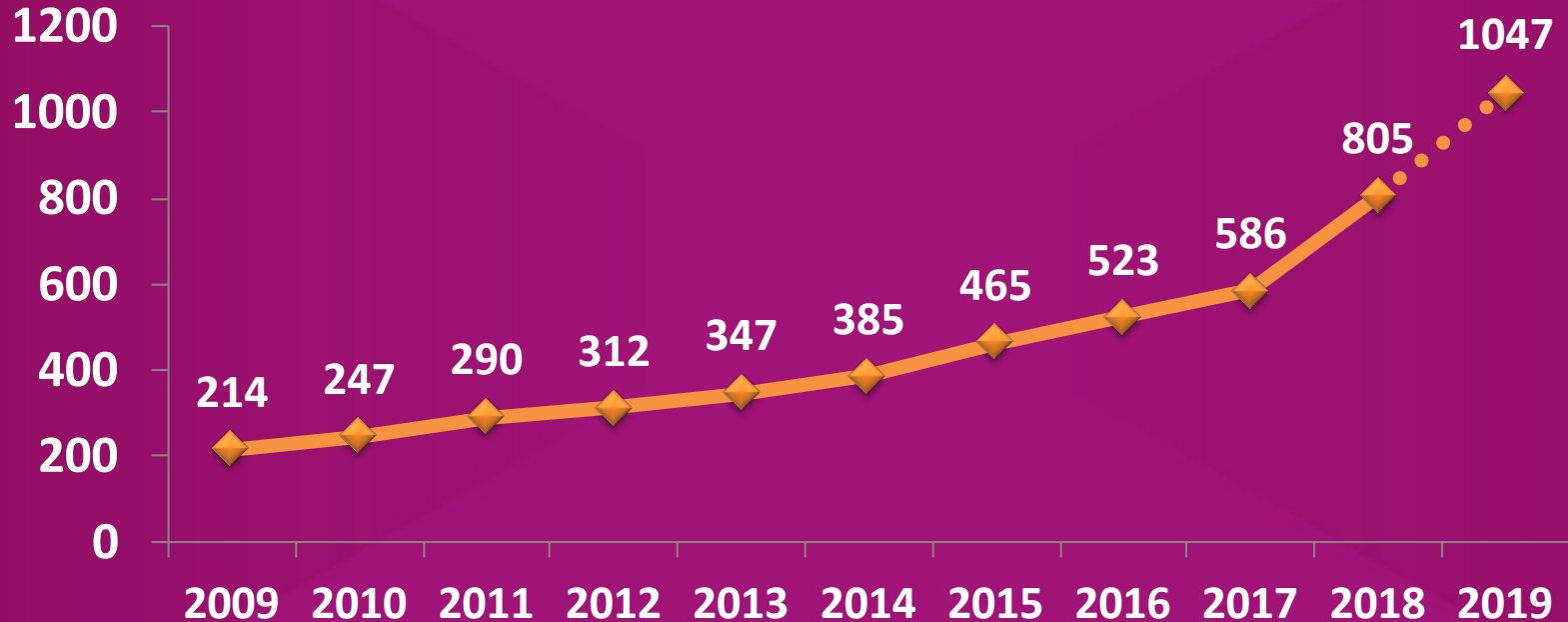
Real Estate, FMCG, BFSI, Auto

Product Category	2016	2017	2018
Real Estate	10%	10%	11%
FMCG	9%	9%	9%
BFSI	7%	7%	8%
Auto	7%	7%	7%
Telecom	6%	6%	6%
E-Commerce	5%	5%	5%



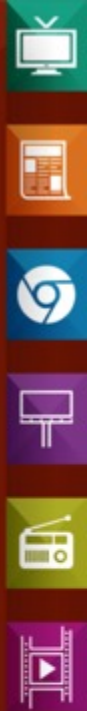
CINEMA

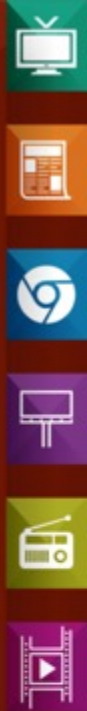
Cinema has grown by 37% in 2018 and expected to grow by 30% in 2019



2019

Our Advice To Advertisers





Conquer market by market

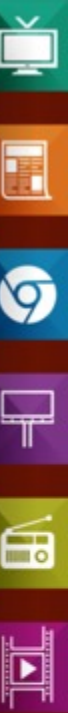
1

India is a large and diverse country; Media is expensive; Rome can't be built in a day; Narrowcast don't broadcast

2

Don't ignore regional / local brands

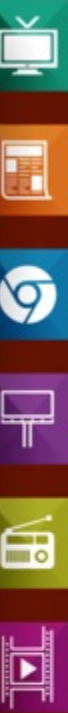
Today's regional / local brands
are tomorrow's National brands



3

Don't throw the baby out with bath water

Don't get carried away by Consultants, who advise you to call for a pitch and through that offer you a 20% savings; There is no quick fix solution;



TELEVISION



PRINT



DIGITAL

**THANK
YOU**

OUTDOOR



RADIO



CINEMA