Adex Figures Shrunk By 5% In 2009 So Far

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Newspapers the biggest hit

Analysts expect figures to rise in the coming months

Malaysia - Advertising expenditure for the first two months of the year has dropped by 5% to RM830.8 million from RM878 million according to the latest figures from The Nielsen Company.

Newspapers suffered the biggest percentage drop, falling 9% in January and February compared with the same months last year but was by far the biggest contributor to adex figures so far this year at RM465.7 million.

Newspaper adex figures for January and February in 2008 was at RM510.8 million.

However, the adex traditionally sees a dip in February as it marks the end of the festive seasons, a Nielsen insider who declined to be named, said.

Outdoor and Point-Of-Sale adex figures rose by 4% and 5% to RM16.3 million and RM13.2 million respectively while internet adex numbers did not experience any growth in the first two months of the year when compared to the same months last year.

Internet ad expenditure has stagnated at RM4.1 million.

While magazine adex figures shrank 6% in January and February compared with the same months last year.

One media analyst A+M spoke to said he expects the content creation mediums to end up holding the bigger portion of the pie in 2009.

"Because there is flexibility in content, I think we will see and increase in spend for digital, social media and television because perhaps marketers will be forced into start investing their time and effort and of course money into these channels," Andreas Vogiatzakis, managing director for OMG, said.

"It's becoming more intense and local marketers are saying they've not seen a situation like this before but I think Malaysia is still in denial and not fully accepted the fact that this is a serious recession."