Advertising Market Bounces Back

Contributed by Nielsen
Thursday, 19 August 2010

Advertising market rebounded from a decline in the first half of last year to record a total spending of RM 3.5 billion in the first half of 2010.

Growth was driven by Terrestrial TV (+29%), Newspapers (+18%), Radio (+18%), Magazines (+6%), Point-Of-Sale (+27%), Outdoor (+8%) and Internet (+55%).

The local advertising market rebounded from a decline in the first half of last year to record a total spending of RM 3.5 billion in the first half of 2010.
According to the latest Nielsen Advertising Information Services report, the growth was driven by Terrestrial TV (+29%), Newspapers (+18%), Radio (+18%), Magazines (+6%), Point-Of-Sale (+27%), Outdoor (+8%) and Internet (+55%).

Newspapers and Terrestrial TV continue to command the bulk of total advertising across the media measured - at 52% and 37% respectively, followed by Radio (5%), Magazines (2%) and Outdoor (2%).

The growth in advertising spend in the first half of 2010 is consistent with Nielsen's latest findings on consumer confidence in Malaysia.

In Q2 2010, the consumer confidence index rose to 99 points (from 98 points in Q1 2010), compared to 87 points in Q2 2009, based on Nielsen's Global Consumer Confidence Survey.

The RM1.8 billion in Newspaper advertising revenues can largely be attributed to the increased spending in the credit card, banking/finance, furniture retail, hypermarkets and residential estate categories.

The growth in residential estate category is one of key indicators that advertiser sentiment has improved.

Terrestrial TV advertising for the first half of 2010 was RM1.3 billion, and its growth was the result of increased spending in categories such as hair shampoo & conditioner, laundry detergent, mobile line services, bath additives, woman facial care and fast food.

Radio adspend hit RM184 million, contributed by growth in spending by university, communication, newspaper & magazine and bank/finance categories.

For Point of Sale, the top growth categories are snacks and laundry detergent, while phone & accessories, mobile line services and real estate agent categories drive Internet adspend growth.

"We expect the advertising market in Malaysia to continue to experience moderate growth this year, spurred by the renewed advertiser and consumer sentiment and the expected expansion in the Malaysian economy of 6.5% for 2010," said Danyal Abdul Malik, MD - Nielsen Audience Measurement, The Nielsen Company.

Malaysia - 30 July 2010