

NEWS RELEASE

MAAT REPORTS Q3 AD SPENDING DROP IN CONTRAST WITH THE RISE OF DIGITAL TV, CALLING FOR CHANGES TO SURVIVE

(4 November, 2016) Media Agency Association of Thailand (MAAT) announced a 10% drop in total advertising spending in 2016 compared to last year, the rise of digital TV and online media as the fastest growing media, and the significantly declining popularity of cable and satellite (Cat/Sat) by 4.8%. The MAAT expected a 3%-5% growth for 2017, thus calling for media planners and media to adjust the strategy to reach consumers effectively.

Triluj Navamarat, Chairman of Media Agency Association of Thailand (MAAT) recently said that total advertising spending in 2017 will fall by 10%. "On-going economic fluctuations and the unpredictable political situation have obviously led to declining advertising spending. However, there is a better prospect for 2017 with an expected 3%-5% growth in 2017 thanks to the government stimulus package and the relaxation of the political situation."

In the first 9 months of 2016 compared to the same period last year, total ad spending fell by 6.1%. Meanwhile the highest growing media is Online Media (73.7%) followed by Out-of-Home Media, for instance, Cinema (+17.1%), Outdoor (+16.6%), Transit (+15%) and Radio (+2.3%).

"TV remains a popular traditional media despite a 8.4% drop in ad spending, particularly Cable TV and Satellite (Cab/Sat) of which spending plummeted to 36.8%. Besides, growth in traditional TV channels has declined by 10.7%. Meanwhile, Digital TV has become an up & coming media with a 6% growth in the last quarter, suggesting a shift in consumer behavior towards digital TV with a wide variety of channels and content. This clearly provides a good opportunity for digital TV producers to design content that suits consumer needs perfectly."

"Of all media, Print has the most significant changes. Despite a drop in ad spending, 29.2% and 17.4%, magazine and newspaper respectively, Free Copy Magazine has gained increasing popularity with its highly versatile formats, i.e. concept magazine, advertorial, product launch media etc. Strength in versatile creative contents has become Print's new uniqueness."

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MAAT reports Q3 ad spending drop in contrast with the rise of Digital TV, calling for changes to survive

The MAAT forecast that by the end of 2016 total ad spending will fall by 10% compared to last year. Ad spending in TV is expected to drop by 14.4%, Radio 6.5%, Newspaper 19.9%, Magazine 26.7%, and Out-of-Home 8%. Nevertheless, Online Media, Transit, and Cinema Media are expected to grow by 30%, 11.7, and 3.2% respectively. In early 2017, advertising spending will rise by 3%-5% due to many positive factors.

The Media Agency Association of Thailand was established in 2007 bringing together top people from media agencies in Thailand with a shared commitment to promote and grow media business both media effectiveness and media personnel standard and professional ethics. The MATT is also committed to promoting media R&D that is useful to the advertising industry and society including the encouragement of media collaboration at an international level.

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