

Japan Media Industry

Media Signal: Survey of Select Service Industries—advertising (January)

Industry Overview

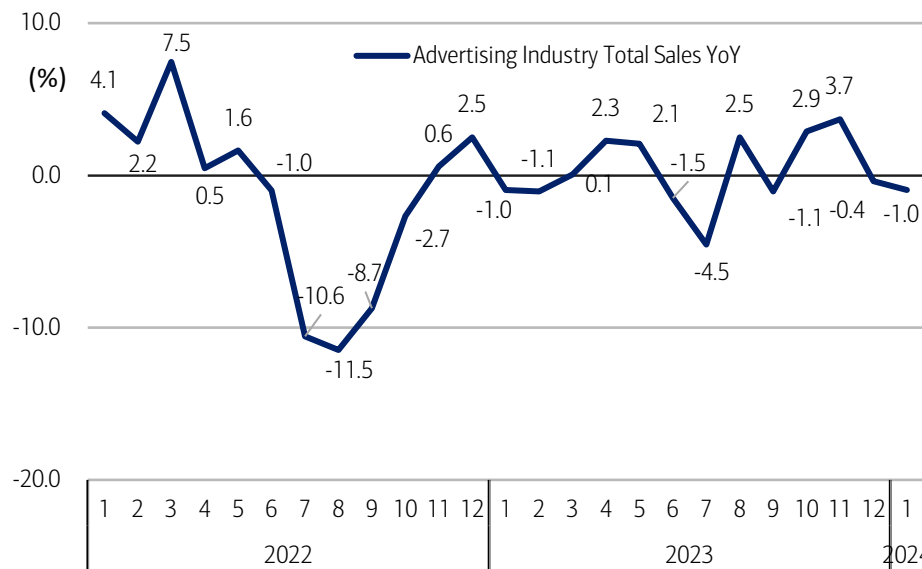
Advertising: Weak overall, but TV ads solid

The Ministry of Economy, Trade, and Industry released the January results of the Survey of Select Service Industries on 8 March. Industrywide advertising revenue fell 1.0% YoY. Trends were generally lackluster due to impact from the Noto Peninsula earthquake, but TV advertising revenue increased 0.4% YoY, rising for the first time since January 2022. We believe momentum was solid mainly for time advertising.

TV advertising is recovering, driven by the placement of ads related to (1) liquor tax law revision in the beverage industry, (2) spurring demand after price hikes in the food industry, and (3) HR services. We suspect momentum for March, when demand peaks for TV spot ads, is already outpacing that of last year. We believe advertising industry data for January support our outlook for TV advertising

Exhibit 1: Overall advertising industry sales trends (YoY)

January revenue down 1.0%



Source: BofA Global Research, Ministry of Economy, Trade and Industry

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Equity
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Exhibit 2: Monthly trends: Advertising industry sales by media type

Overall advertising industry revenue down, but total revenue for four main media up for the first time since January 2022

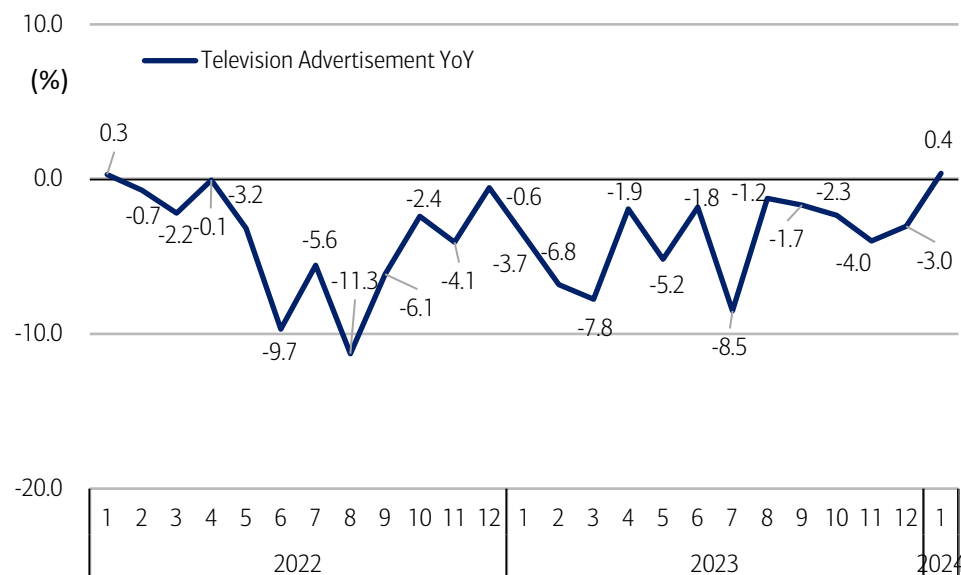
		Advertising Industry		Four Main Media		Television Advertising		Newspaper Advertising		Magazine Advertising		Radio Advertising		Internet Advertising	
YYYY	MM	Sales (¥bn)	YoY (%)	Sales (¥bn)	YoY (%)	Sales (¥bn)	YoY (%)	Sales (¥bn)	YoY (%)	Sales (¥bn)	YoY (%)	Sales (¥bn)	YoY (%)	Sales (¥bn)	YoY (%)
FY															
2022	4-3	5,809.0	12.2	1,664.9	6.9	1,366.5	8.4	220.8	1.6	41.9	0.5	35.7	-6.4	1,402.9	21.9
2023	4-3	5,660.7	-2.6	1,578.3	-5.2	1,297.7	-5.0	203.8	-7.7	42.0	0.4	34.8	-2.6	1,440.6	2.7
CY															
2022	1-12	5,668.7	-1.1	1,606.0	-3.8	1,319.1	-3.7	208.7	-6.3	43.0	6.2	35.3	-1.7	1,437.0	4.7
2023	1-12	5,685.6	0.3	1,529.5	-4.8	1,265.1	-4.1	188.9	-9.5	41.3	-3.8	34.1	-3.4	1,486.8	3.5
HY															
2022	1H	2,867.6	2.9	802.2	-2.4	657.1	-2.6	106.8	-3.8	20.7	10.3	17.5	-1.0	727.1	6.3
	2H	2,801.1	-4.9	803.9	-5.1	661.9	-4.8	101.8	-8.7	22.3	2.6	17.9	-2.4	709.9	3.2
2023	1H	2,871.7	0.1	761.0	-5.1	626.5	-4.7	98.4	-7.9	19.4	-6.2	16.7	-4.6	747.9	2.9
	2H	2,813.9	0.5	768.6	-4.4	638.7	-3.5	90.5	-11.1	21.9	-1.6	17.5	-2.3	738.9	4.1
Quarterly															
2022	1Q	1,588.1	5.1	431.1	-0.9	347.0	-1.0	63.2	-2.8	11.7	13.7	9.2	-2.5	386.6	8.6
	2Q	1,279.6	0.3	371.1	-4.1	310.2	-4.3	43.6	-5.3	9.0	6.2	8.3	0.9	340.5	3.8
	3Q	1,309.6	-10.2	370.4	-6.3	304.6	-7.6	47.1	0.6	9.9	2.3	8.8	-1.0	332.4	3.9
	4Q	1,491.5	0.3	433.5	-4.1	357.3	-2.3	54.7	-15.4	12.3	2.9	9.1	-3.8	377.5	2.5
2023	1Q	1,580.1	-0.5	403.4	-6.4	325.6	-6.2	58.4	-7.7	10.8	-8.1	8.6	-6.0	390.2	0.9
	2Q	1,291.6	0.9	357.6	-3.6	300.9	-3.0	40.0	-8.2	8.7	-3.8	8.1	-3.1	357.7	5.1
	3Q	1,294.7	-1.1	351.1	-5.2	292.5	-4.0	40.6	-13.7	9.6	-3.1	8.4	-4.6	344.6	3.7
	4Q	1,519.2	1.9	417.4	-3.7	346.2	-3.1	49.9	-8.8	12.3	-0.3	9.1	-0.1	394.3	4.4
Monthly															
2022	1	412.7	4.1	140.0	2.2	112.0	0.3	21.6	8.6	3.5	47.8	2.9	-3.3	117.7	13.0
	2	424.6	2.2	126.1	-1.0	103.8	-0.7	16.6	-1.0	2.9	-3.5	2.8	-7.0	116.9	11.3
	3	750.8	7.5	165.0	-3.4	131.1	-2.2	25.0	-11.8	5.3	7.9	3.5	2.1	151.9	3.6
	4	451.4	0.5	128.5	-0.8	107.8	-0.1	14.6	-8.4	3.2	9.2	2.9	4.7	130.5	3.3
	5	394.4	1.6	124.6	-3.2	105.6	-3.2	13.8	-4.4	2.4	5.2	2.7	-2.1	105.0	4.9
	6	433.8	-1.0	118.0	-8.3	96.8	-9.7	15.2	-2.9	3.3	4.0	2.7	0.0	105.0	3.3
	7	440.7	-10.6	131.8	-3.9	108.1	-5.6	18.1	7.3	2.6	-7.4	3.0	0.8	109.2	4.6
	8	402.1	-11.5	114.9	-10.0	95.9	-11.3	13.4	-2.8	2.7	-6.0	3.0	-0.8	109.8	5.5
	9	466.7	-8.7	123.6	-5.1	100.6	-6.1	15.6	-3.4	4.6	15.2	2.8	-3.0	113.4	1.9
	10	452.0	-2.7	135.1	-7.3	112.6	-2.4	16.1	-31.3	3.5	-8.4	2.9	-5.6	112.3	2.9
	11	458.6	0.6	140.2	-3.9	115.2	-4.1	18.3	-2.3	3.7	-6.3	3.0	-3.6	121.2	4.5
	12	580.9	2.5	158.2	-1.3	129.6	-0.6	20.3	-9.8	5.1	22.2	3.3	-2.2	144.0	0.5
2023	1	408.7	-1.0	134.1	-4.2	107.9	-3.7	19.8	-8.3	3.4	-2.7	2.9	2.3	122.5	4.0
	2	420.1	-1.1	118.6	-6.0	96.7	-6.8	16.7	0.3	2.5	-13.3	2.7	-5.2	120.0	2.6
	3	751.3	0.1	150.7	-8.6	121.0	-7.8	21.9	-12.5	4.9	-8.7	3.0	-13.4	147.8	-2.8
	4	461.6	2.3	124.8	-2.8	105.7	-1.9	13.7	-6.4	2.7	-17.8	2.8	-1.3	134.2	2.8
	5	402.6	2.1	118.5	-4.8	100.2	-5.2	13.0	-6.1	2.8	15.7	2.6	-3.7	113.8	8.4
	6	427.4	-1.5	114.2	-3.2	95.0	-1.8	13.4	-11.8	3.2	-4.2	2.6	-4.4	109.7	4.5
	7	420.7	-4.5	118.2	-10.3	98.9	-8.5	14.1	-22.3	2.4	-7.2	2.8	-6.7	111.7	2.3
	8	412.1	2.5	112.2	-2.4	94.7	-1.2	12.0	-10.0	2.7	-1.7	2.8	-5.4	114.8	4.6
	9	461.8	-1.1	120.7	-2.3	98.9	-1.7	14.5	-7.0	4.5	-1.6	2.8	-1.5	118.1	4.1
	10	465.1	2.9	132.2	-2.1	110.0	-2.3	15.8	-2.2	3.6	2.2	2.9	2.8	117.9	5.0
	11	475.5	3.7	133.8	-4.6	110.6	-4.0	16.2	-11.3	4.0	7.9	3.0	-0.2	123.3	1.7
	12	578.6	-0.4	151.4	-4.3	125.6	-3.0	17.9	-11.8	4.7	-8.2	3.2	-2.5	153.1	6.3
2024	1	404.8	-1.0	134.2	0.1	108.3	0.4	19.2	-3.5	4.0	18.5	2.8	-6.1	122.0	-0.3

Source: BofA Global Research, Ministry of Economy, Trade and Industry

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Exhibit 3: TV advertising sales trends (YoY)

Revenue up for the first time since January 2022

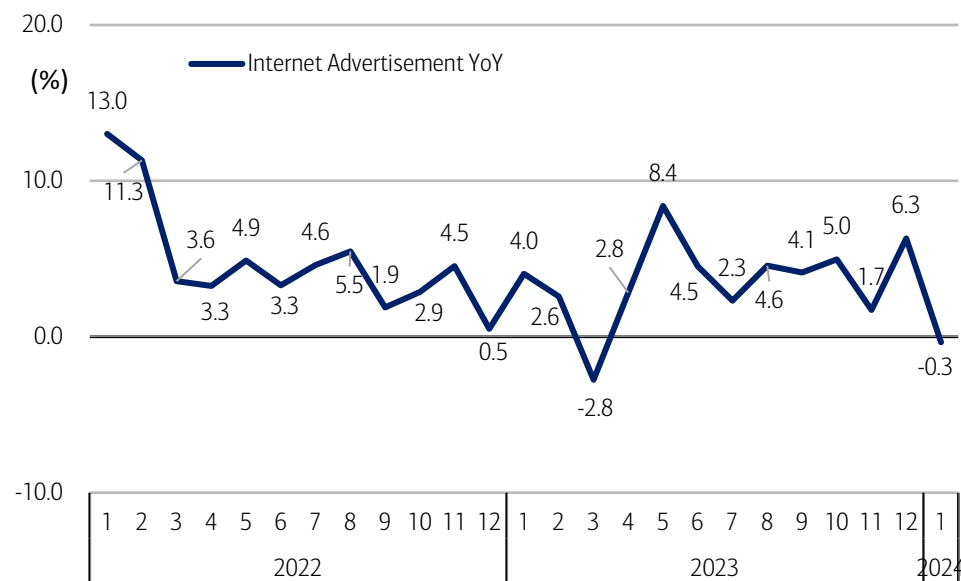


Source: BofA Global Research, Ministry of Economy, Trade and Industry

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Exhibit 4: Internet advertising sales trends (YoY)

Revenue growth slowed



Source: BofA Global Research, Ministry of Economy, Trade and Industry

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