

PAKISTAN MEDIA AD SPEND HIGHLIGHTS (YEAR 2015)

MEDIA INDUSTRY ROUNDUP:

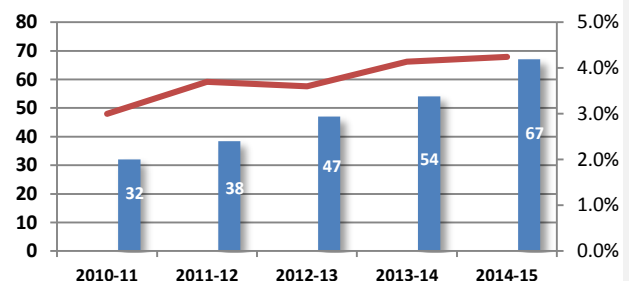
The Pakistani media and entertainment (M&E) Industry grew from **PKR 54.02 Bn** in Yr13-14 to **PKR 67.05 Bn** in Yr14-15 thus registering an overall growth of approx. **24%** which is higher than last year's increase of **14.8%**. This increase is mainly attributed to surge in ad spend of television, print, internet and radio spending whereas outdoor and direct marketing achieved outstanding growth of 280% as compared to Yr13-14. The entire media industry posted a compounded annual growth rate (CAGR) of **20.3%** in the last 5 years out of which TV posted the CAGR of 16.0% , Print media with a CAGR of 17.2%, internet with a CAGR of 58.2%, outdoor activation by CAGR of 39.6% and radio with CAGR of 16.5%. *In terms of the value the internet Ad spend and Outdoor and brand activation increased by almost 75.1% and 279% in the Yr13-14 and has reached PKR 3.5 Bn and 11.4 Bn against PKR 2 Bn and 3 Bn reported last year.* One noticeable finding pertaining to the growth in the Media Ad spends is that every sector has achieved growth as compared to last year. *The annexure on the next page can be referred for detailed information.*

The share percentage of the TV media declined from **58%** in Yr13-14 to **50%** in Yr14-15, the Print media's share declined from **29%** in Yr13-14 to **24%** in Yr14-15. Improvement was witnessed in share of Outdoor and Brand activation witnessed after a period of 3 Yrs which is **17%** i.e. **PKR 11.4 Bn**. Moreover, declined has been observed in the ad spend share % of radio and meager incline in internet with their respective share percentage hovering around at 3% and 5% respectively in Yr14-15.

INDUSTRY & ECONOMY CORRELATION:

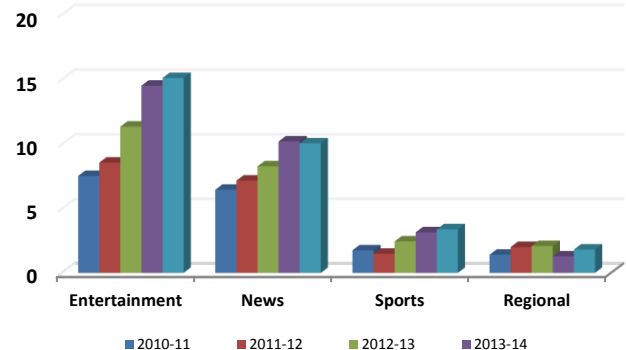
During the period Yr10-Yr15 which marked a stable economic situation, the average GDP growth was 3.7% however; the overall media industry growth was 20% with TV media growth of 18.5%. According to a statistical analysis (*Chart A*) which compares the media industry ad spend with the economic growth for the last 5 years there is a strong correlation of **0.90** which denotes that the growth in the media industry ad spend is highly reliant upon the growth/improvement in the economic scenario. Moreover, the TV media and Print media have a correlation of 0.91 and 0.93 respectively.

CHART A (Figures in PKR Bn)



TELEVISION GENRE SNAPSHOT:

The genre wise analysis of media industry portrays that the top 4 genre i.e. entertainment, news, sports and regional which account for almost **90%** i.e. **PKR 30.32 Bn** in Yr14-15 of the total TV ad spend have shown a growth of **4.1%**, **-1.5%**, **7.3%** and **41.8%** respectively. The detailed analysis (*Chart B*) of prior five years highlights that the entertainment genre is more attractive in terms of growth potential with CAGR of 19.0% followed by news genre, sports genre and regional genre with the respective growth of 11.7%, 17.9% and 6.5% respectively. The share percentage within the TV industry shows that the share of Entertainment genre and news genre declined from 46% to 45% and 32% to 30%, and sports genre remained stable at 10%, respectively in the Yr14-15 however, the share of *regional genre increased from 4% to 5%*.



CHANNEL WISE SUMMARY:

The channel wise analysis shows that the Top 5 channel in terms of ad spend have generated revenue of **PKR 12.31 Bn** i.e. **37%** of the total TV ad spend in the Yr14-15 comprising 4 entertainment channels and 1 sports channel. Hum TV rank amongst the top with an ad spend of **PKR 3.37 Bn** followed by ARY Digital, Urdu 1, PTV Sports and PTV Home with a spend of **PKR 3.2 Bn**, **PKR 2.1 Bn**, **PKR 1.95 Bn** and **PKR 1.66 Bn** respectively.

The ad spend of Geo Ent and Geo News declined by 35% (PKR 0.78 Bn) and 57% (PKR 1.87 Bn) respectively in Yr14-15 as compared to the last year whereas, the CAGR is 9.2% and -1.9% respectively in the last 6 years. This is due to black out closure period.

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Annexure

Pakistani Media Ad

Media Vehicles (PKR)	2010-11	2011-12	2012-13	2013-14	2014-15
TV	18.615	21.568	26.815	31.537	33.650
Print	8.546	11.453	14.058	15.455	16.123
Outdoor & Brand Activation	3.000	3.000	3.500	3.000	11.388
Radio	1.270	1.359	1.601	2.000	2.340
Internet	0.566	1.005	1.078	2.024	3.545
Total	31.997	38.385	47.052	54.016	67.046

Growth %

2011-12	2012-13	2013-14	2014-15	CAGR(5Yrs)
15.9%	24.3%	17.6%	6.7%	16.0%
34.0%	22.7%	9.9%	4.3%	17.2%
0.0%	16.7%	-14.3%	279.6%	39.6%
7.0%	17.8%	24.9%	17.0%	1.6.5%
77.6%	7.3%	87.8%	75.1%	58.2%
20.0%	22.6%	14.8%	24.1%	20.3%

Genre (PKR Bn)	2010-11	2011-12	2012-13	2013-14	2014-15
Entertainment	7.515	8.548	11.333	14.493	15.085
News	6.448	7.158	8.263	10.190	10.042
Sports	1.7550	1.484	2.439	3.150	3.381
Music	0.308	0.120	0.133	0.290	0.442
Movie	0.244	0.220	0.270	0.317	0.538
Kids	0.120	0.240	0.350	0.507	0.993
Regional	1.409	2.005	2.085	1.279	1.813
Cooking	0.122	0.368	0.205	0.170	0.168
Religious	0.040	0.350	0.075	0.035	0.043
Others	0.659	1.075	1.662	1.106	1.145
Total of Genre	18.615	21.568	26.815	31.537	33.650

Growth %

2011-12	2012-13	2013-14	2014-15	CAGR(5Yrs)
13.7%	32.6%	27.9%	4.1%	19.0%
11.0%	15.4%	23.3%	-1.5%	11.7%
-15.0%	64.4%	29.2%	7.3%	17.9%
-61.0%	10.8%	118.0%	52.4%	9.5%
-9.8%	22.7%	17.4%	69.7%	21.9%
100.0%	45.8%	44.9%	95.9%	69.9%
42.3%	4.0%	-38.7%	41.8%	6.5%
201.6%	-44.3%	-17.1%	-1.2%	8.3%
775.0%	-78.6%	-53.3%	22.9%	1.8%
63.1%	54.6%	-33.5%	3.5%	14.8%
15.9%	24.3%	17.6%	6.7%	16.0%

Top 5 Channel Wise Ad Revenue

Channels (PKR Bn)	2010-11	2011-12	2012-13	2013-14	2014-15
HUM TV	1.040	1.361	2.300	2.600	3.371
ARY Digital	0.975	2.460	2.400	3.100	3.240
Urdu 1			1.340	1.900	2.100
PTV Sports		0.544	1.600	1.400	1.950
PTV Home	2.790	1.709	1.700	1.900	1.660
Others	13.810	15.49	17.48	20.64	21.33
Total	18.615	21.568	26.815	31.537	33.650

Growth%

2011-12	2012-13	2013-14	2014-15	CAGR(5Yrs)
30.9%	69.0%	13.0%	29.7%	34.2%
152.3%	-2.4%	29.2%	4.5%	35.0%
		41.8%	10.5%	25.2%
	194.1%	-12.5%	39.3%	53.2%
-38.7%	-0.5%	11.8%	-12.6%	-12.2%
12.2%	13.0%	18.0%	3.0%	11.5%
15.8%	24.0%	18.0%	7.0%	16.0%

CAGR for 3 years

CAGR for 4 years