

Pitch-Madison Media Advertising Outlook 2009

The Pitch-Madison Media Advertising Outlook 2009, now in its 6th consecutive year is released. The study provides an exhaustive analysis of the year gone by, in terms of advertising spends by media, by product categories and traces the important events during the year and ends with a commentary on what to expect in 2009. Highlights of the study are as follows:

2008

- The Pitch-Madison study places the advertising industry in 2008 at Rs. 20,717 crore, a 17% increase over 2007.
- The previous year's study had forecast the advertising spend in 2008, to be Rs. 21,314 crore, a 20% growth over 2007 but a slowdown in the 2nd half of 2008 has led to a lower growth rate of 17%.
- This 17% growth is substantially lower than the 22% growth achieved in each of the previous 2 years.
- Print continues to hold the largest share of pie at 47%, although Print did seem to loose steam in 2nd half of 2008 and lost a 1% share compared to 2007.
- TV is a close no. 2 with 41% of the advertising pie and has gained a 1% share compared to 2007.
- Print & TV continue to dominate the advertising market with a combined share of 88%.
- Outdoor, in 2008 grew by 11%, substantially lower than previous year's growth rate of 28%.
- Internet, though on a very small base, grew at 45% and has now reached a respectable size of Rs. 363 crore.

- Radio registered a robust growth of 38%, having grown by 68% the previous year.

2009

- After a double digit growth for over a decade, the Pitch-Madison Study cautions media owners to prepare for a major slowdown in growth and projects an increase of only 2% in 2009. This low growth projection must be viewed against the backdrop of a fall in advertising markets(negative growth) around the world.
- Whilst continued display of faith by FMCG sector in advertising is likely to help Television's fortunes, the coming General elections should help the cause of Press, which despite this help is expected to remain flat.
- Cinema and Outdoor are likely to de-grow in 2009.

PITCH-MADISON ADVERTISING OUTLOOK

Medium	Advertising Market size (2008 estimate)	Growth %	Share %
TV	8319	17	40.2
Press	9825	16	47.4
Radio	662	38	3.2
Cinema	129	24	0.6
Outdoor	1419	11	6.8
Internet	363	45	1.7
TOTAL	20717	17	100

Rs. in crore