

Press release

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Advertisement Cake 2015: Television advertising in Hungary experienced continued growth in revenue

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On the whole, in 2015 television advertising revenue continued to grow in Hungary. Compared to the previous year of 2014, last year the television advertisement cake grew by 3 percent, amounting to HUF 51.5 billion. According to the common yearly report of EY and the Association of Hungarian Broadcasters (MEME), other (cable) channels realised revenue growth by almost one third. Results of the 2015 advertisement cake survey were presented at a press conference last Thursday.

'Also last year displayed a significant shift in the distribution of television ad revenues from previous terrestrial channels to other (cable) channels'—said Botond Rencz, CEO of EY.

The results of the survey were presented by Judit Bindics, director of the consultancy business line of EY, who added that 'other (cable) channels managed to increase their ad revenues by 30 percent in 2015, which equals 45 percent of last year's total ad revenue. Compared to a 10 percent, altogether HUF 4 billion expansion in 2014, last year's increase produced an advertisement cake that grew by somewhat more than HUF 1.5 billion in total.'

Based on the data, last year's growth of HUF 1.56 resulted in a total revenue of HUF 51.5 billion on the television advertising market. The slight increase that earlier used to characterise the market of previous terrestrial channels was followed by a 12 percent decrease in 2015, due to which their total revenue shrank to HUF 28.43 billion. In the meanwhile the share of other (cable) channels continued to grow within the whole ad cake: last year they could boast with a revenue of HUF 23.16 billion.

'Last year's continued further growth in advertising expenditure is a clear indication of the advertisers' strong confidence in television, and it proves that the effectiveness of television advertising is beyond all doubt when it comes to building brand awareness or incentive to consumption'—pointed out Krisztián Kovács, president of the Association of Hungarian Broadcasters.

Within total television ad revenues the sum of non-spot revenues underwent a mild decrease of 4 percent, in comparison with a 29 percent growth in 2014, while revenues from classic ad spots experienced a growth of the same proportion. In 2015 non-spot type revenues shrank to HUF 2.82 billion, whereas revenues from ad spots exceeded HUF 48.76 billion.

To the editors' attention

About the survey

The survey on the 2015 television advertising market is based on data provided by 56 broadcasters. The size of the market was determined on the basis of data provided directly by television companies and sales houses.

Data collection and analysis was performed by EY. After processing, the collected data were destroyed.

In the preparation of the report also this year net-net advertising revenue was used (i.e. discounts and agency commissions had been deducted). The survey does not include revenue from barter activities, nor revenue from other sources, such as premium rate calls or text message charges, revenues from events or merchandise. Sponsorship contains also revenue from product placement, yet in the case of sponsored programmes it does not contain production costs.

About the Association of Hungarian Broadcasters

The Association of Hungarian Broadcasters (in Hungarian abbreviated as MEME) is a professional association whose goal is to improve the level and the culture of media services in audio-visual media, to enhance audio-visual commercial activities, to foster the moral role and professional work of its members, and to establish and maintain a professional environment that is in line with its values.

MEME started its survey of the television broadcasting market in 2005, providing real data (not only estimates) on the size of the television market, emphasizing the importance of market transparency.

Since 2012 Krisztián Kovács has been president of the Association.

For further information please visit www.memeinfo.hu

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