

# ADVERTISEMENT CAKE 2014

Advertising Revenue Survey of the  
Hungarian Television Market  
2014

19 February 2015



**EY**

Building a better  
working world

 **MEME**

# ADVERTISEMENT CAKE 2014

---

- ▶ Methodology follows the practice of recent years.
- ▶ The data used to determine the size of the advertising market was provided directly by television companies and sales houses – most of them members of the Association of the Hungarian Electronic Broadcasters (hereinafter referred to as MEME).
- ▶ 51 television channels provided data.
- ▶ Data collection and analysis was performed by EY.
- ▶ All collected data have been destroyed after the analysis.

# List of data providers: 51 channels

---

- ▶ ATV
- ▶ AXN
- ▶ Cartoon Network
- ▶ CBS Reality
- ▶ Comedy Central
- ▶ Cool
- ▶ Discovery Channel
- ▶ Disney Channel
- ▶ Duna TV
- ▶ Duna World
- ▶ FEM3
- ▶ Film Café
- ▶ Film Mánia
- ▶ Film+
- ▶ Film+2
- ▶ Fishing and Hunting\*\*
- ▶ FOX
- ▶ LifeNetwork
- ▶ M1
- ▶ M2
- ▶ M3
- ▶ Minimax
- ▶ MTV
- ▶ Musicmix\*
- ▶ Music Channel
- ▶ Muzsika
- ▶ Nat Geo Wild
- ▶ National Geographic
- ▶ Nickelodeon
- ▶ OzoneNetwork
- ▶ Paramount
- ▶ PRO4
- ▶ PV TV\*\*
- ▶ RTL II
- ▶ RTL Klub
- ▶ RTL + / Prizma
- ▶ Sláger TV
- ▶ Sorozat+
- ▶ Spektrum
- ▶ Spektrum Home
- ▶ Sport 1
- ▶ Sport 2
- ▶ Story 4
- ▶ Story 5
- ▶ SUPERTV2
- ▶ TV Paprika
- ▶ Tv2
- ▶ Universal Channel
- ▶ Viasat 3
- ▶ Viasat 6
- ▶ Viva

\* No advertising sales from June 2014

\*\* PVTV + F&H are together from 15th May 2014

# Net-net revenue was used for our analysis

---

- ▶ Net-net revenue, i.e. revenue after deducting discounts and agency commissions, was used.
- ▶ No barter revenue was included.
- ▶ No other revenue data were included (e.g. premium rate calls or text message charges, revenues from events or merchandise).
- ▶ Sponsorship contained revenue from product placement but in the case of sponsored programs it did not contain production costs.
- ▶ All data are presented in million HUF.

# A 50 billion adcake in year 2014

---

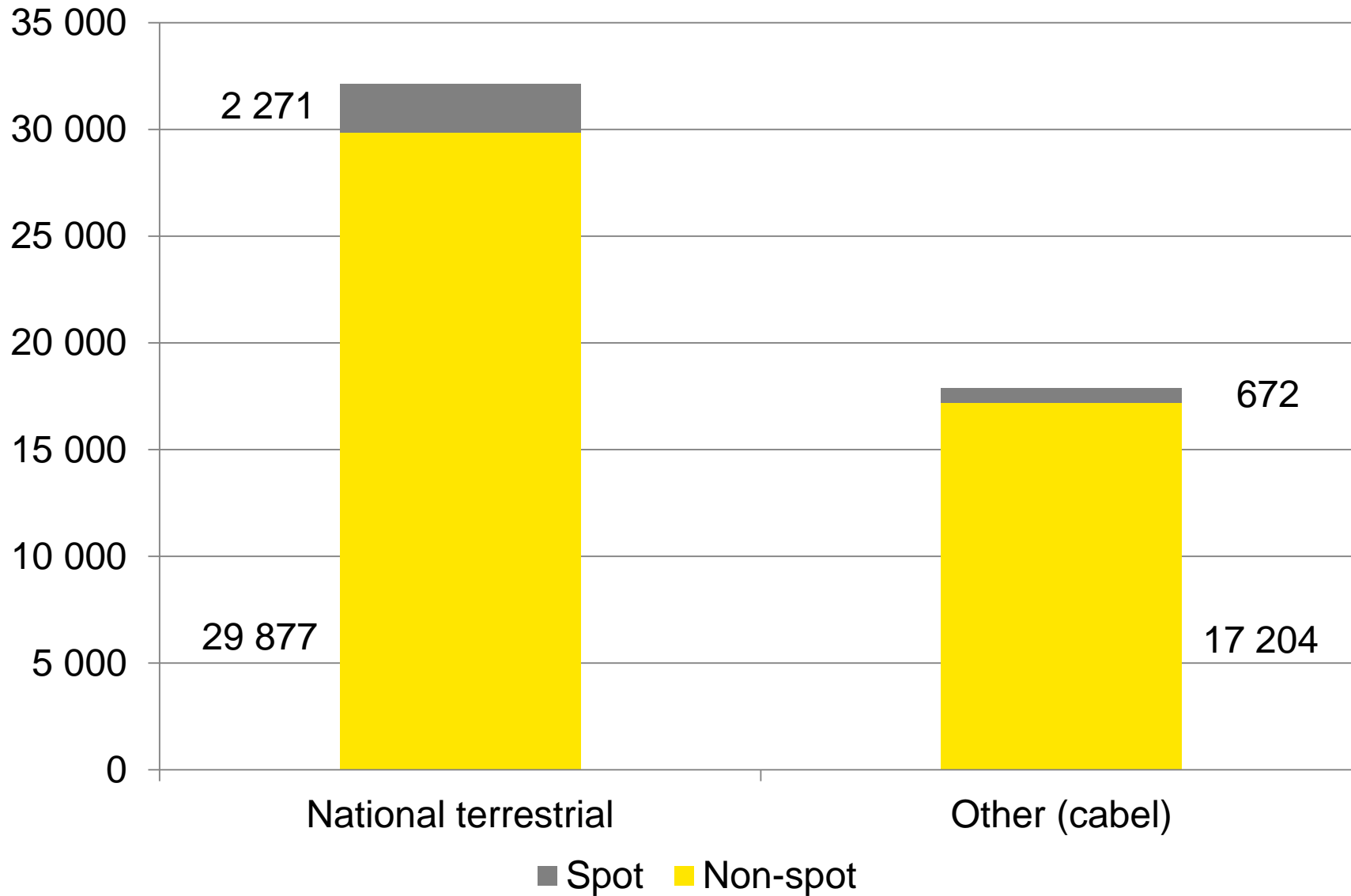
- ▶ Based on the calculation of EY, the total revenue of the television advertising market in 2014 is:

**50 024**  
**MILLION HUF**

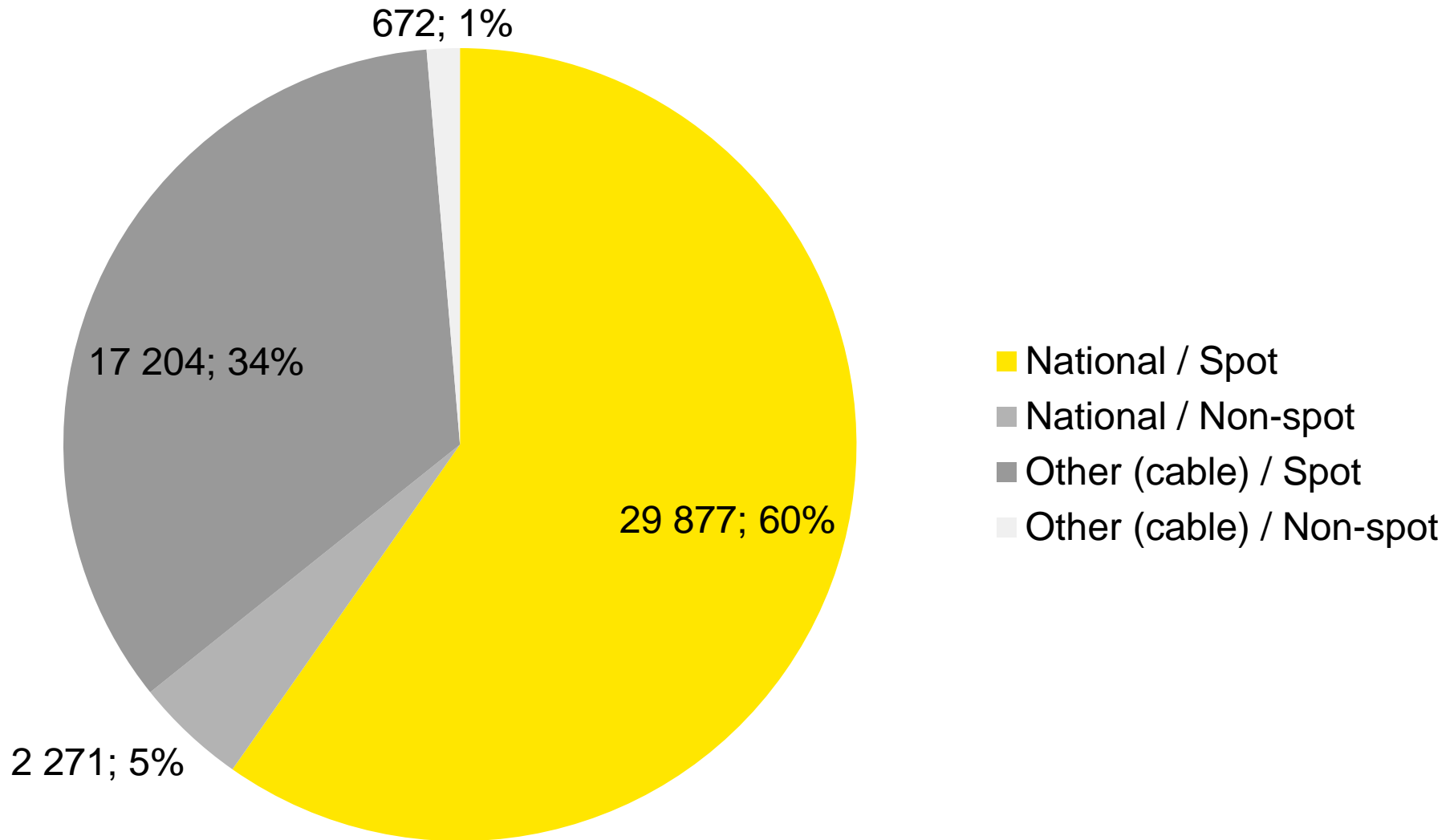
- ▶ The market share of the participating television companies based on television viewership data is approximately 99%.\*

\* Within the 18–49 age range, 2-26 hours range (data provided by MEME)

# Advertisement cake 2014 (in million HUF)

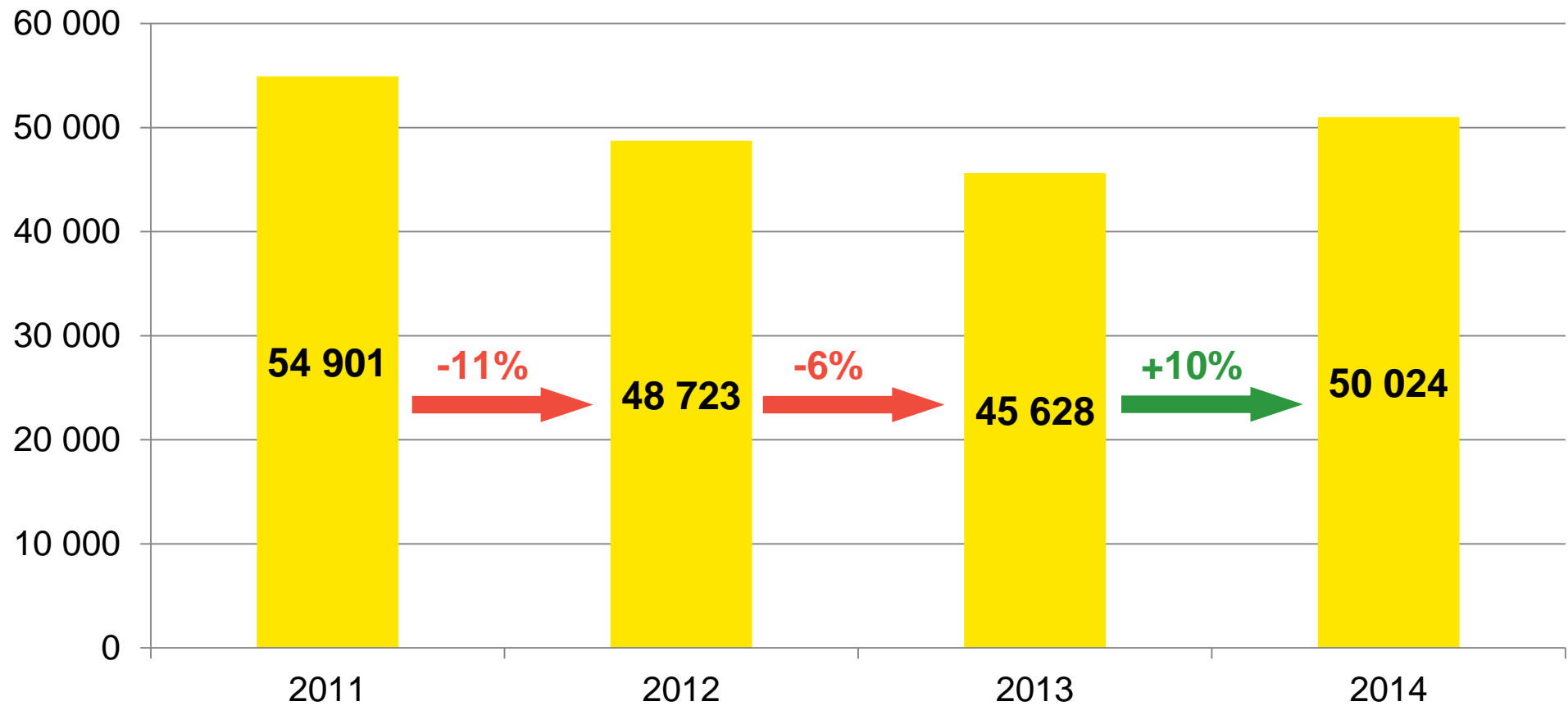


# Adcake 2014 (in million HUF and percentage)



# Television advertising revenue increased by 10%

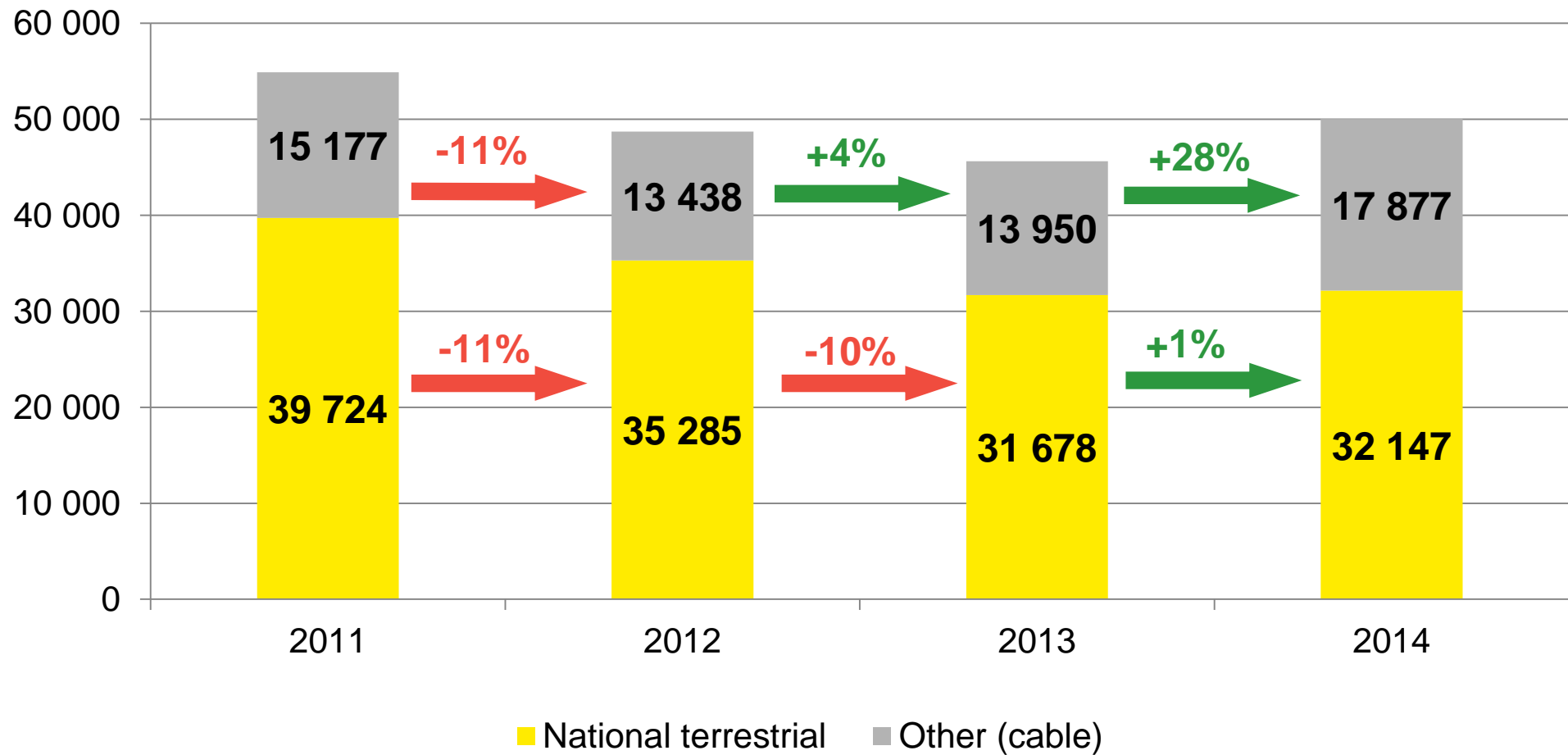
Advertising revenue of the last years (million HUF)





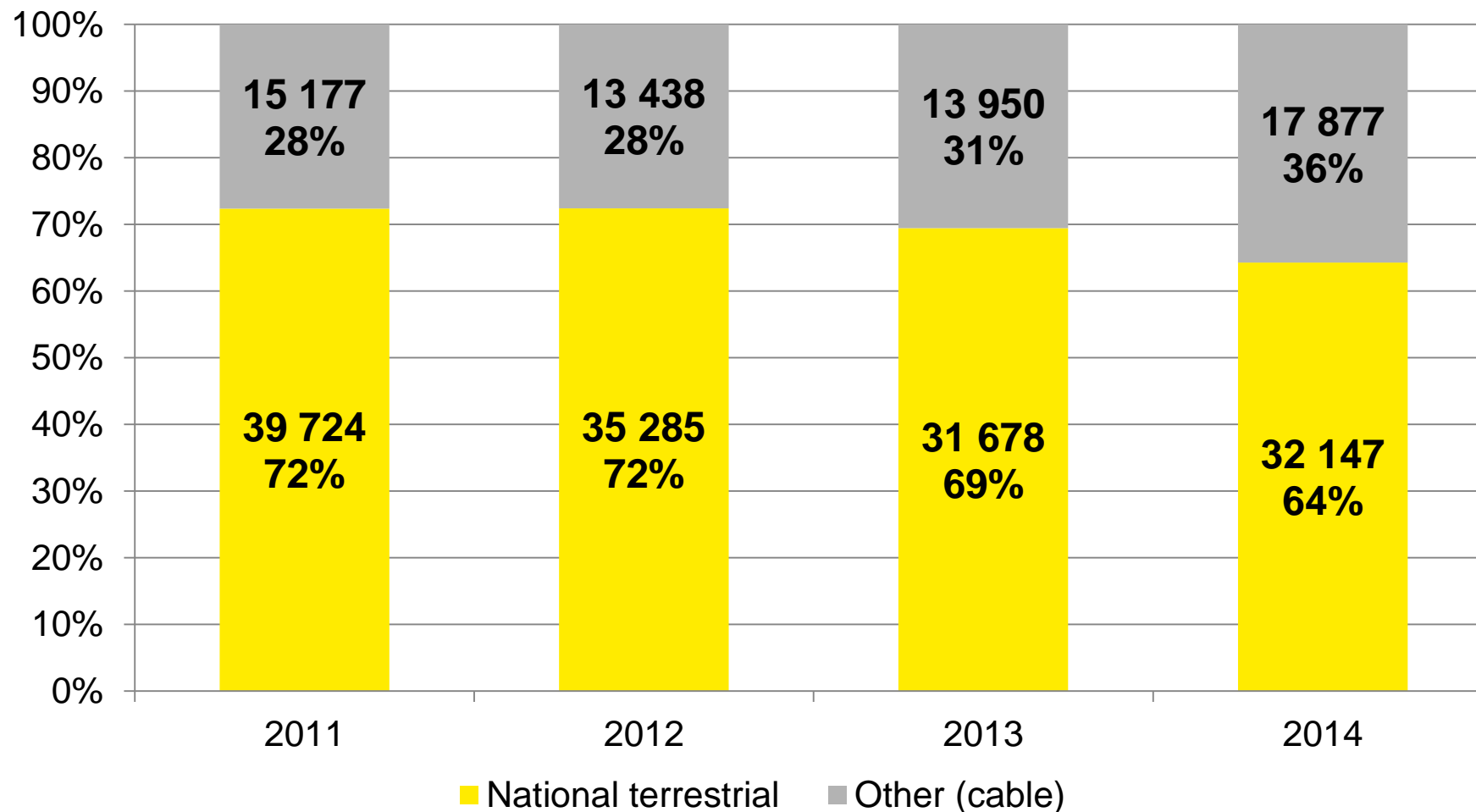
# 28% growth at the non-terrestrial channels

Television Advertising Revenue by Type of Broadcasting  
Terrestrial vs. Non-terrestrial broadcasting (in million HUF)



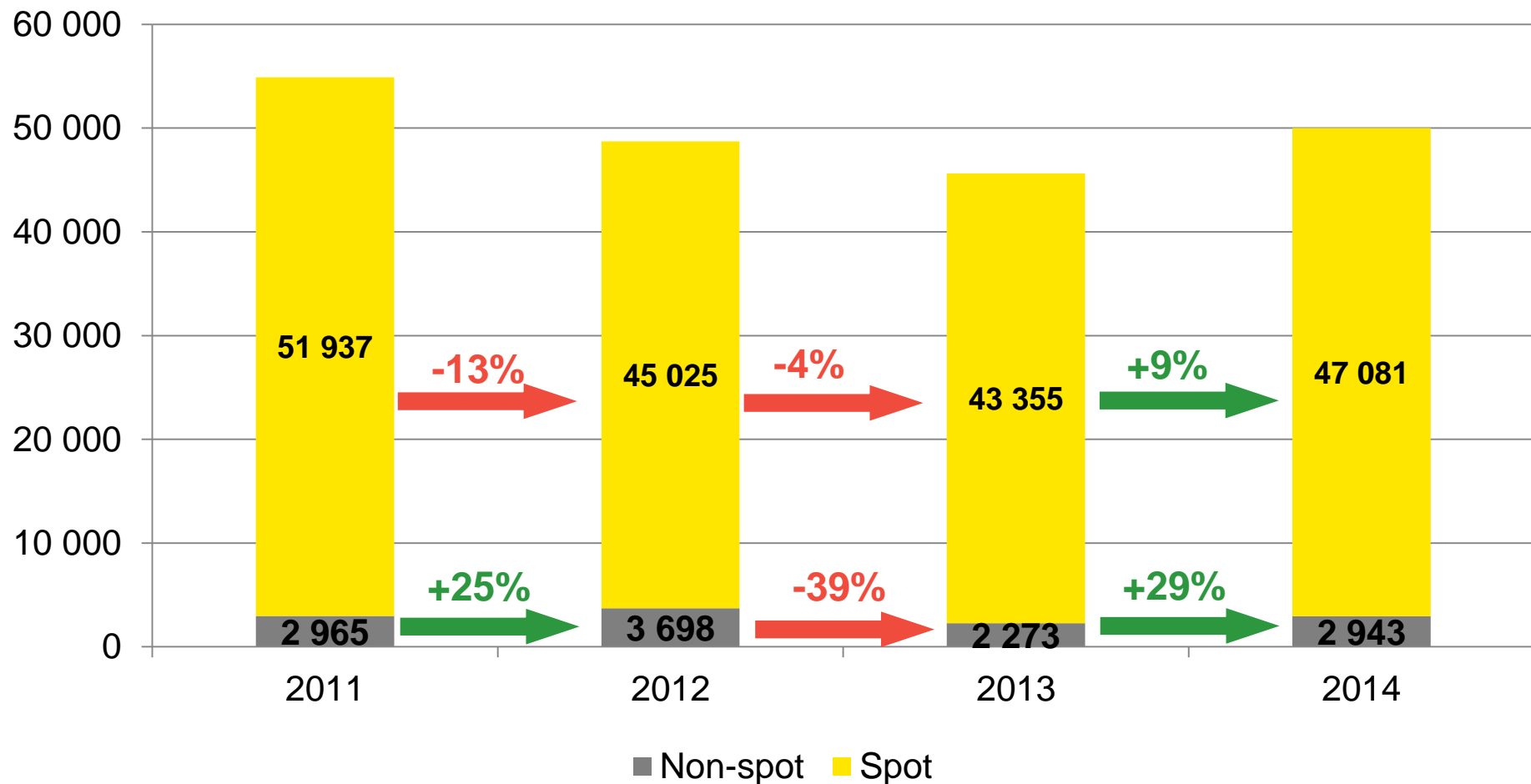
# Increased advertising revenue share of the non-terrestrial channels

**Television Advertising Revenue by Type of Broadcasting  
Terrestrial vs. Non-terrestrial broadcasting (in million HUF)**



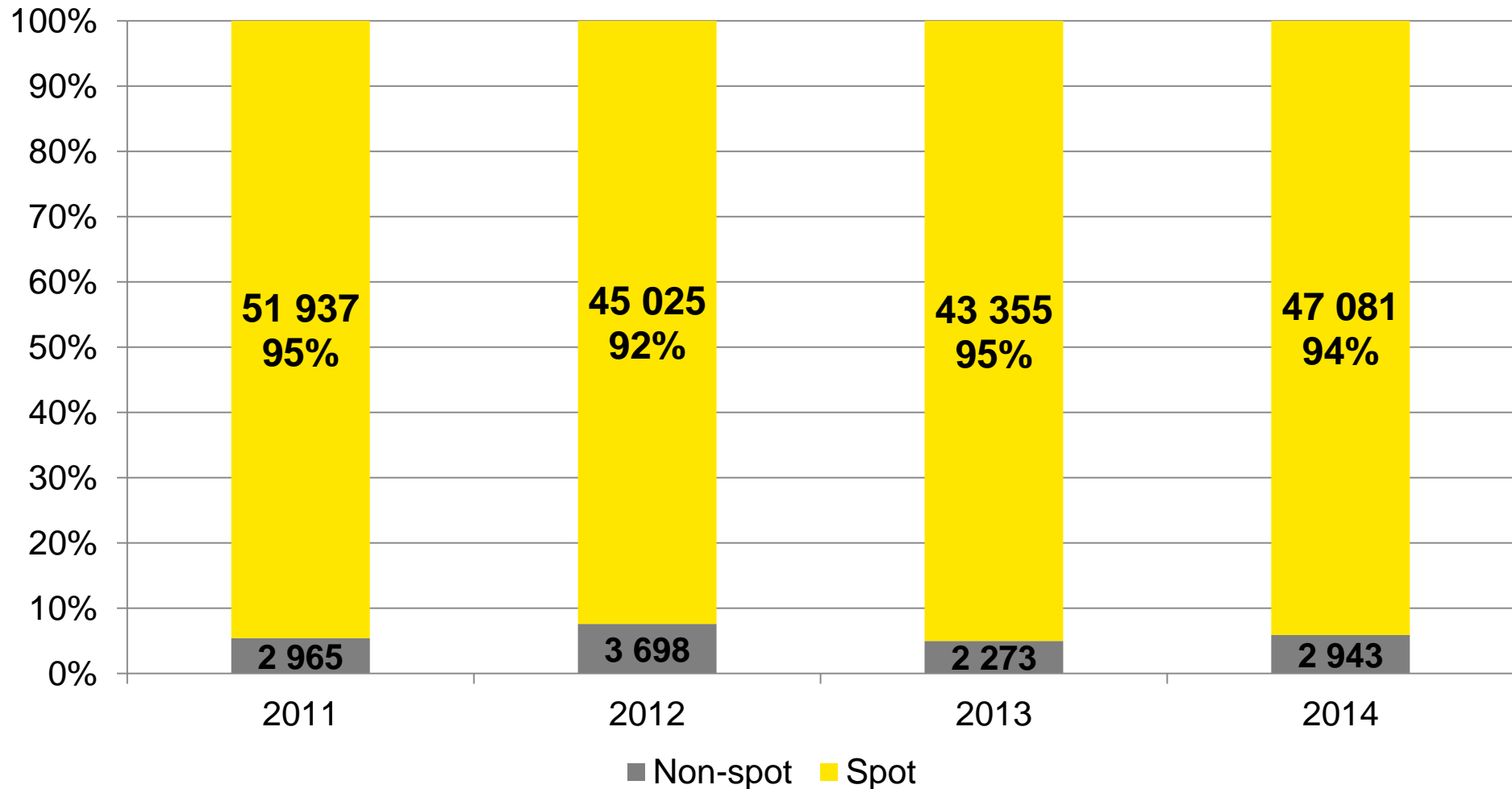
# Non-spot advertising revenue increased by 29% compared to last year

Television Advertising Revenue by Type of Advertisement  
Spot vs. Non-spot advertising (in million HUF)



# Share of advertising revenue generated by spots decreased within the advertisement cake

**Television Advertising Revenue by Type of Advertisement**  
Spot vs. Non-spot advertising (in million HUF)



# Summary

---

- ▶ In 2014 the television advertising revenue exceeded 50 billion HUF
- ▶ Advertising revenue increased by 4 396 million HUF in 2014, which is equivalent to 10% growth
- ▶ 64% of the advertising revenue is coming from the terrestrial channels and 36% from the non-terrestrial broadcasting televisions.
- ▶ Regarding the split of advertising revenue a shift can be observed between the terrestrial and cable televisions for the benefit of the other (cable) channels. These channels increased their advertising revenues by 28%.
- ▶ After the 39% decrease of non-spot advertising revenue in 2013, this year showed its growth by 29% compared to the previous year.

# Thank You!

## About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit [ey.com](http://ey.com).

© 2015 Ernst & Young Advisory Ltd.  
All Rights Reserved.

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. Please refer to your advisors for specific advice.

[ey.com/hu](http://ey.com/hu)