



Advertising Revenue Survey 2012

Hungarian Television and Radio Market

7 March 2013



Advertisement Cake 2012 was prepared following previous years' methodology

- ▶ 54 television channels and 111 radio stations provided the data.
 - ▶ Compared to the previous year, 6 televisions joined the survey, but 2 television channels stopped broadcasting and 2 television channels did not have any advertising revenue in 2012.
 - ▶ 6 radio channels and further 99 local radios joined the survey, while one radio station terminated its broadcasting.
- ▶ The data used to determine the size of the advertising market was provided directly by television companies, radio companies and sales houses.*
- ▶ Data collection and analysis was performed by Ernst & Young Advisory Services.
- ▶ All the collected data have been destroyed after the analysis.

* Revenue data of the 99 local radios has been collected and provided to E&Y by HEROE

The number of data providers has increased in case of the television and radio.

Participating televisions:

- ▶ ATV
- ▶ AXN
- ▶ Cartoon Network
- ▶ CBS Reality (Zone Reality)
- ▶ Comedy Central
- ▶ Cool
- ▶ Spektrum Home (Deko)
- ▶ Discovery
- ▶ Disney Channel
- ▶ DoQ
- ▶ Duna Tv
- ▶ FEM3
- ▶ Film Café (Zone Romantica)
- ▶ Film Mánia (Filmmúzeum)
- ▶ Film+
- ▶ Film+2
- ▶ Fishing&Hunting
- ▶ Hallmark/Universal Channel
- ▶ Hálózat Tv
- ▶ Hír Tv
- ▶ LifeNetwork
- ▶ MGM
- ▶ Minimax
- ▶ MTV Networks Magyarország
- ▶ Music Channel
- ▶ MTV m1, m2
- ▶ Muzsika
- ▶ National Geographic

- ▶ Nóta Tv
- ▶ OzoneNetwork
- ▶ Prizma (Poen)
- ▶ PRO4
- ▶ PV TV
- ▶ Reflektor
- ▶ RTL Klub
- ▶ Sorozat+
- ▶ Spektrum
- ▶ Sport 1
- ▶ Sport 2
- ▶ SportKlub
- ▶ Story 4
- ▶ Story5
- ▶ TV Paprika
- ▶ Tv2
- ▶ Viasat6
- ▶ Viasat3
- ▶ Viva

Broadcast terminations:

- ▶ Zone Club
- ▶ Movies 24

No advertising revenue in 2012:

- ▶ Animax
- ▶ Sport M

New data providers:

- ▶ Duna World
- ▶ M3D

- ▶ Musicmix
- ▶ Nickelodeon
- ▶ RTL II
- ▶ SUPERTV2

Participating radios:

- ▶ Juventus
- ▶ Class FM
- ▶ Magyar Rádió (Kossuth Rádió, Bartók Rádió, Petőfi Rádió, Régió és Nemzetiségi Rádió)

New radio data providers:

- ▶ Katolikus Rádió
- ▶ Music FM
- ▶ Jazzy Rádió
- ▶ Klasszik Rádió
- ▶ Lánchíd Rádió
- ▶ Gazdasági Rádió
- ▶ Local radios (HEROE)

Broadcast termination:

- ▶ Neo FM

Calculations were based on the net-net revenue this year as well.

- ▶ Net-net revenue – revenue after deducting discounts and agency commissions.
- ▶ No barter revenue included.
- ▶ No other revenue data were included (such as premium rate calls or text message charges, revenues from events or products with own brand).

The results are in line with the preliminary expectations:

- ▶ Based on the calculation of Ernst & Young the total revenue of the **television advertising market** in 2012 is:

HUF 48 723 million

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

- ▶ The total revenue of the **radio advertising market** in 2012 is:

HUF 6 817 million

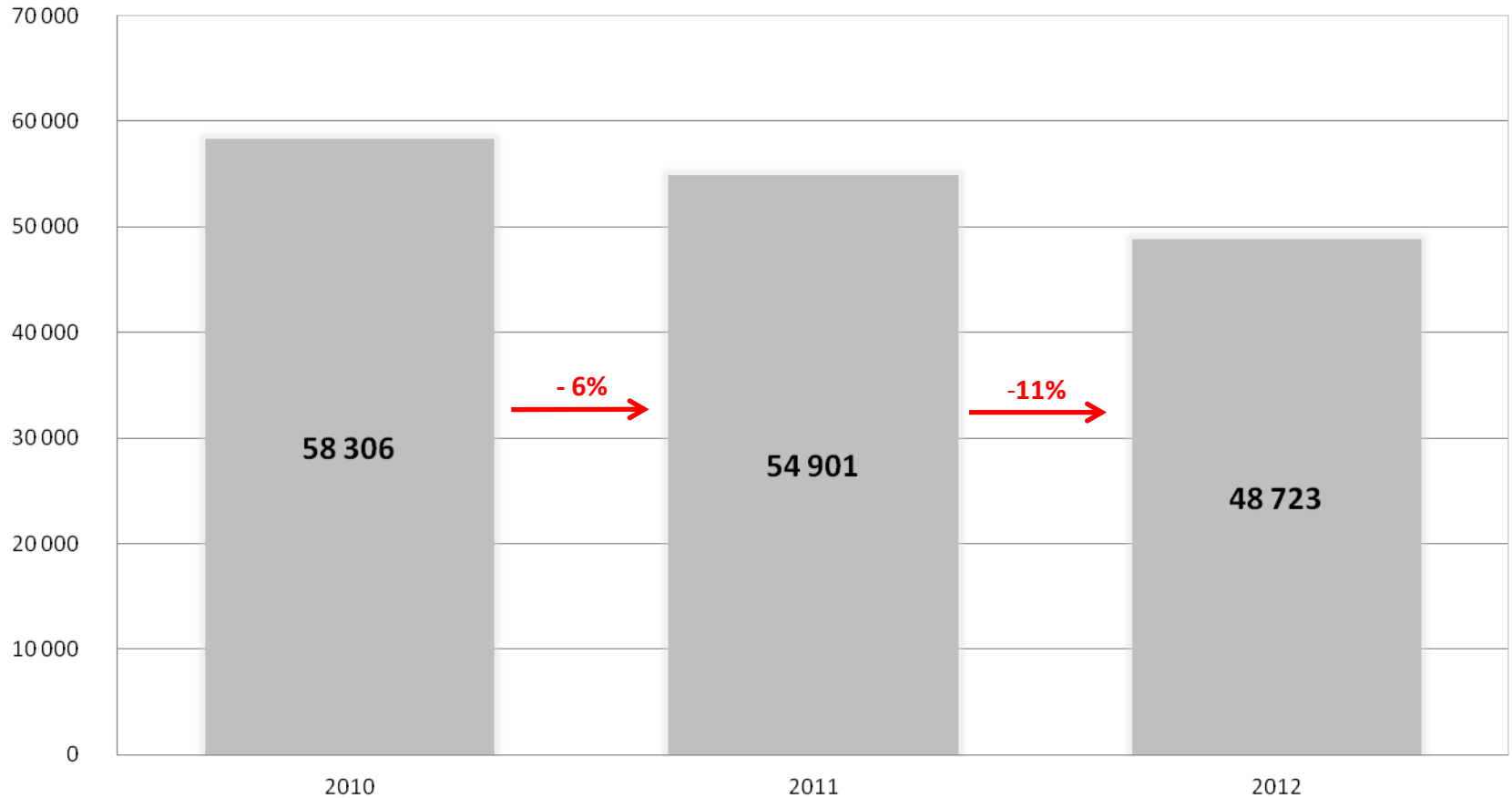
- ▶ The market share of the participating **radio** stations is **approximately 90%****.

* Based on data provided by MEME.

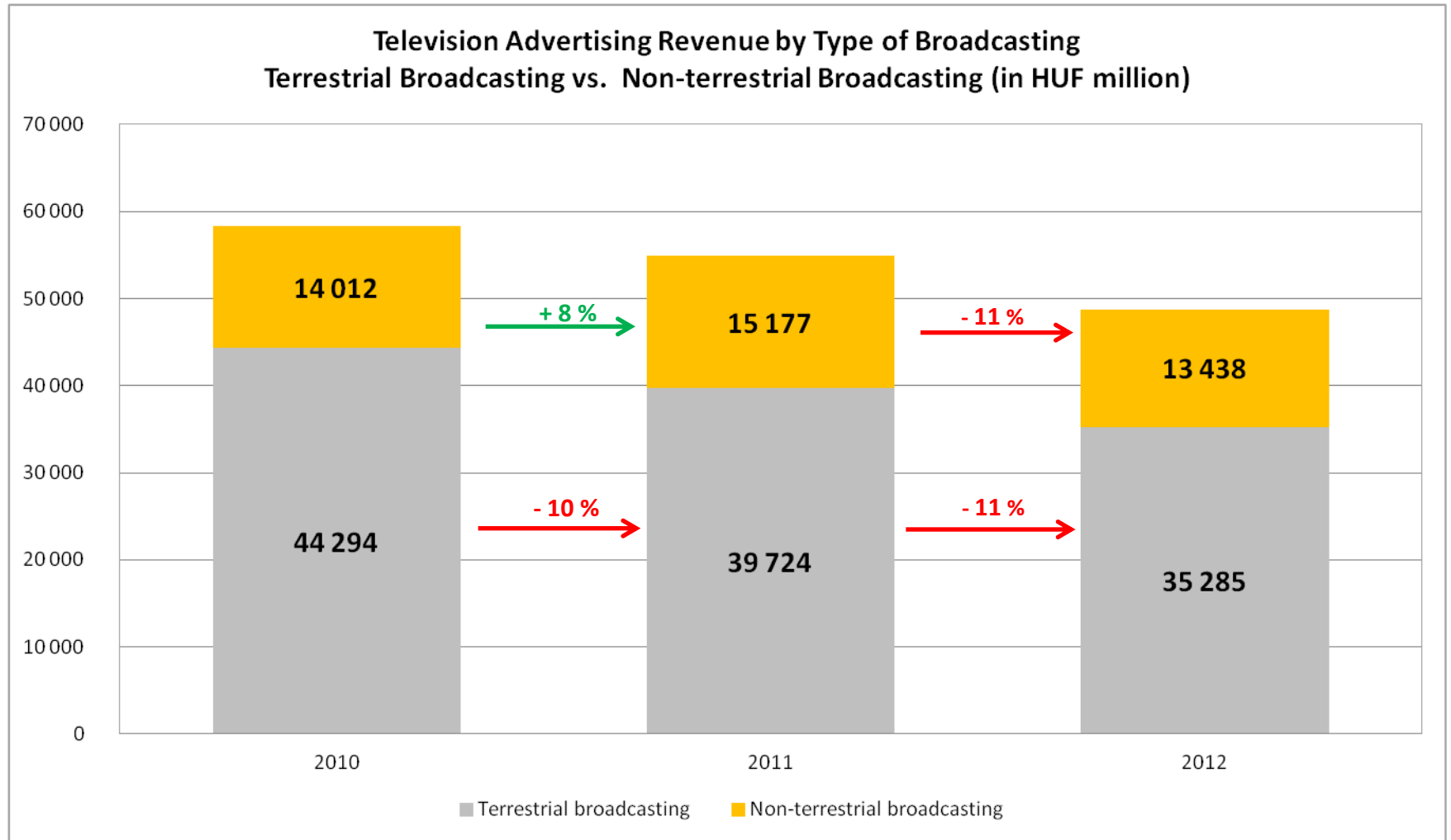
** Based on data provided by RAME.

Television advertising revenue is still decreasing.

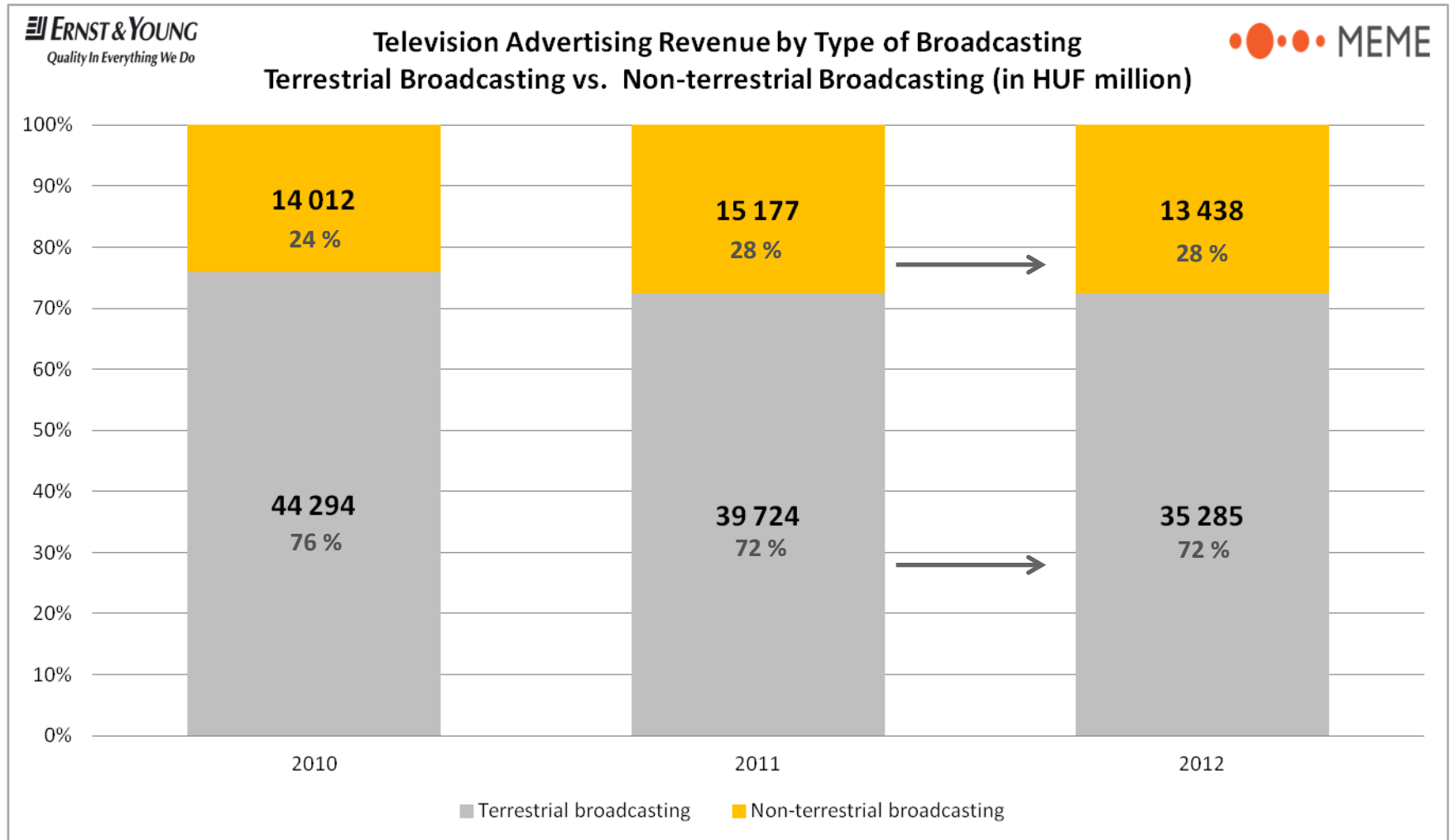
Total Television Advertising Revenue (in HUF million)



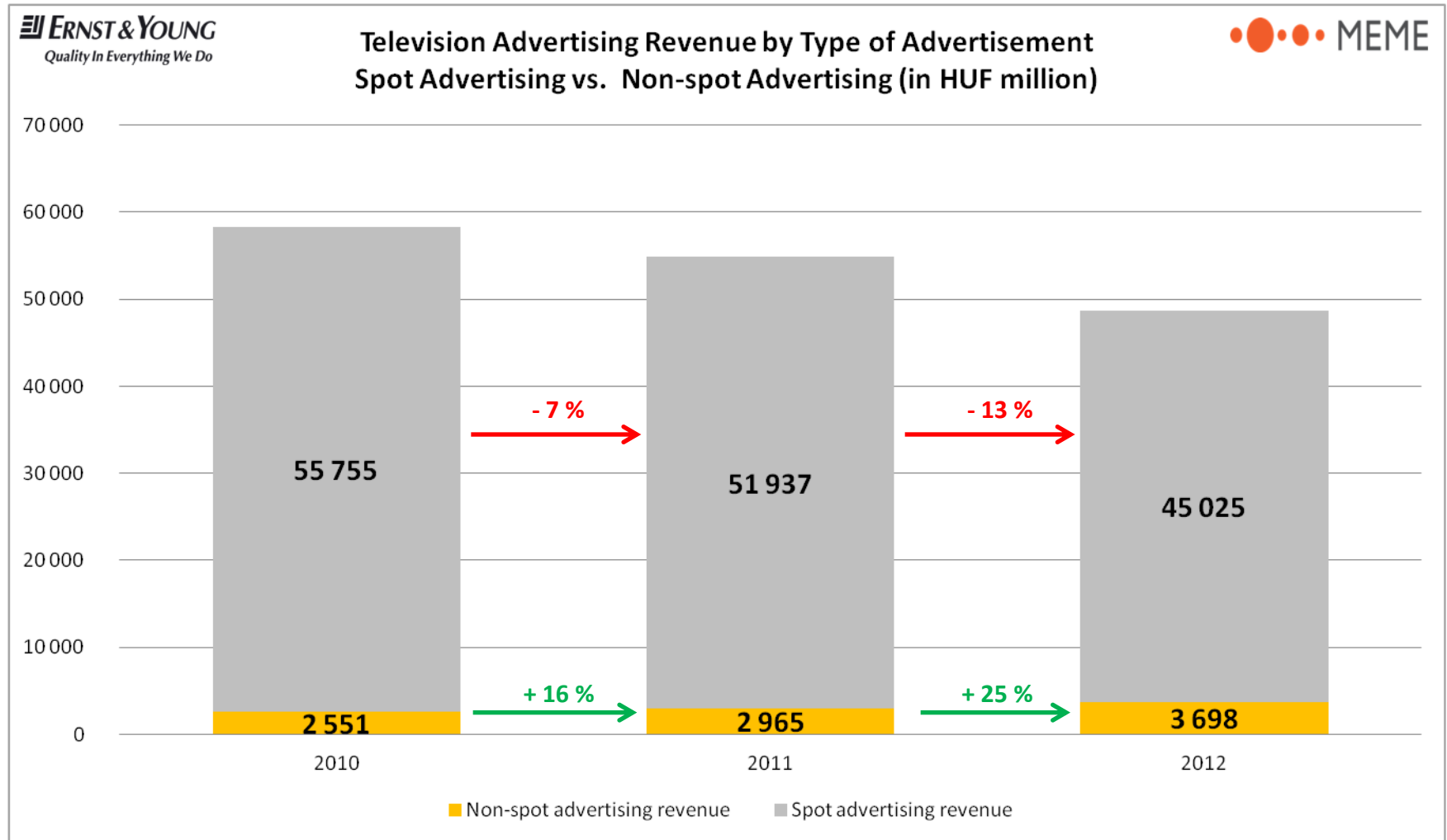
Advertising revenue of both types of broadcasting decreased by 11%



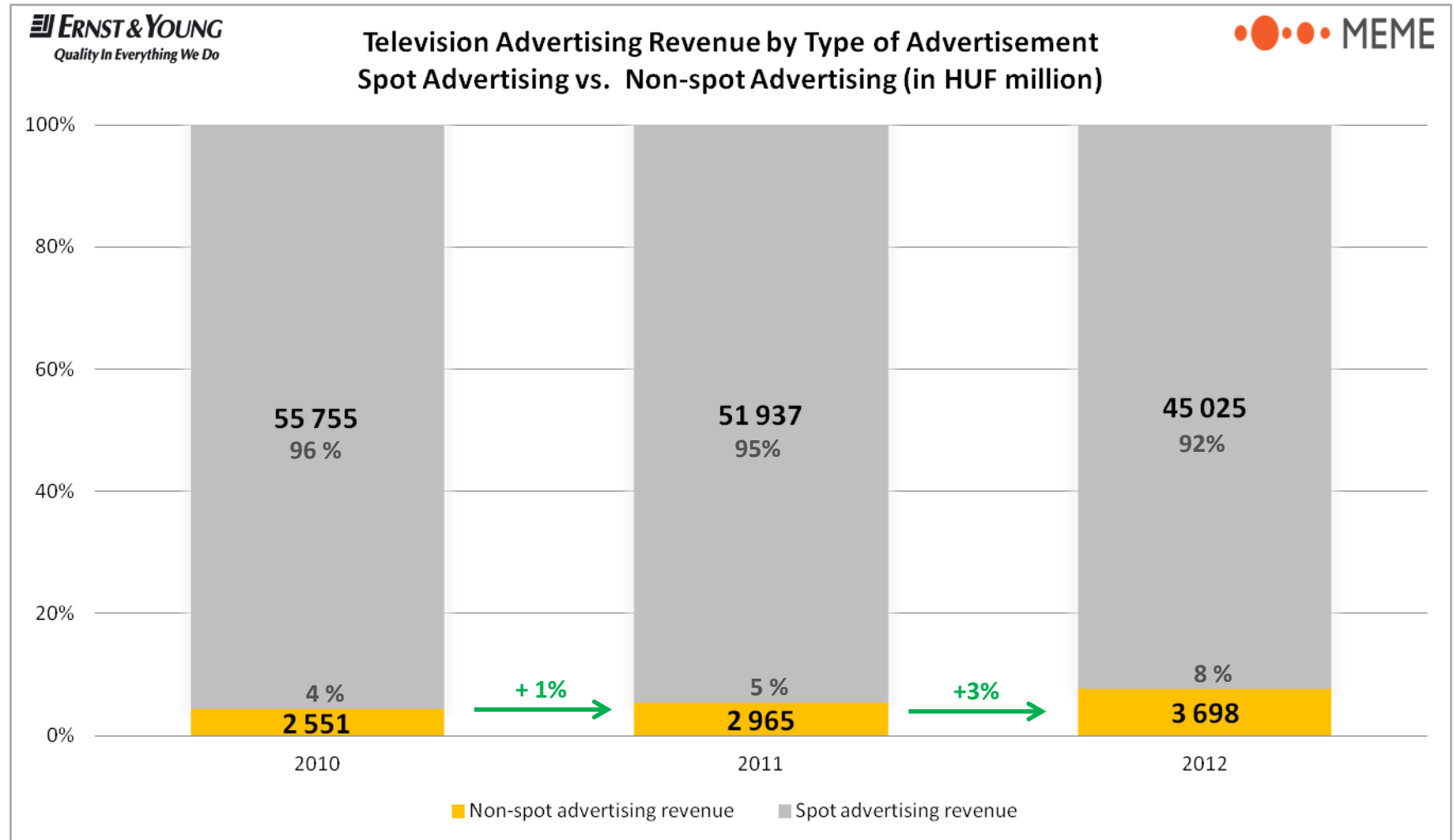
The share of terrestrial broadcasting revenue has not changed within the advertisement cake.



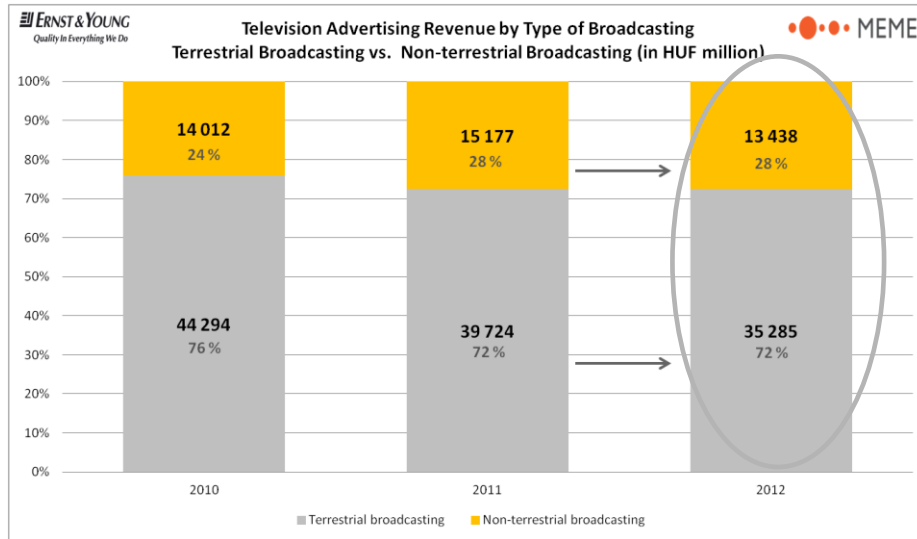
Non-spot advertising revenue increased significantly by 25% compared to previous year.



The share of non-spot advertising revenue has increased in the advertisement cake.



Advertising revenue and television viewership data distribution:



Market share of participating non-terrestrial broadcasting televisions according to television viewership data:

49%*

Market share of participating terrestrial broadcasting televisions according to television viewership data:

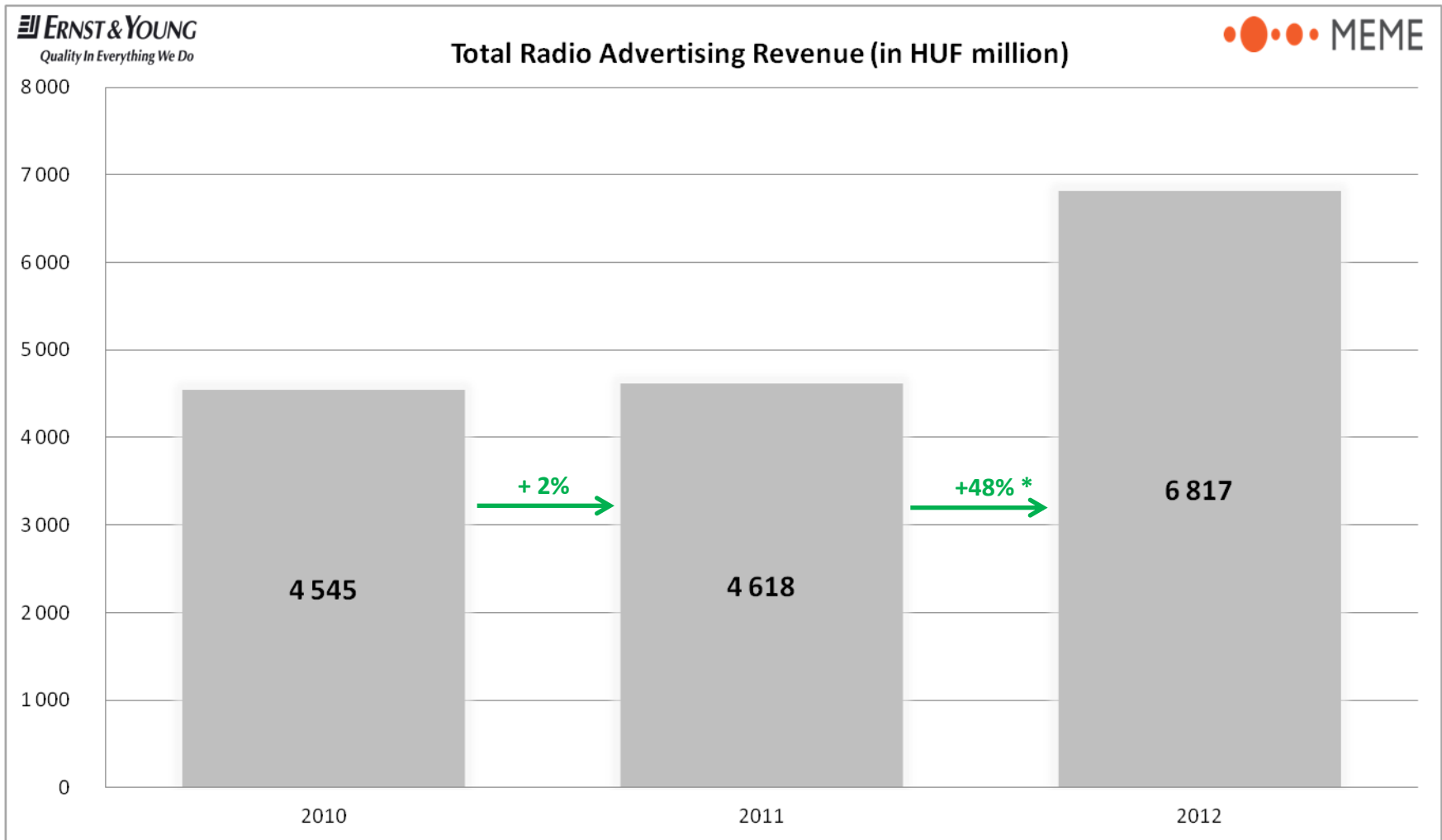
50%*

The advertising **revenue** share of the participating **non - terrestrial** broadcasting televisions is **28%** meanwhile the market share based on **television viewership data** cover the **49%*** of the market.

The advertising **revenue** share of participating **terrestrial broadcasting televisions** is **72%** meanwhile the market share based on **television viewership data** cover the **50%*** of the market.

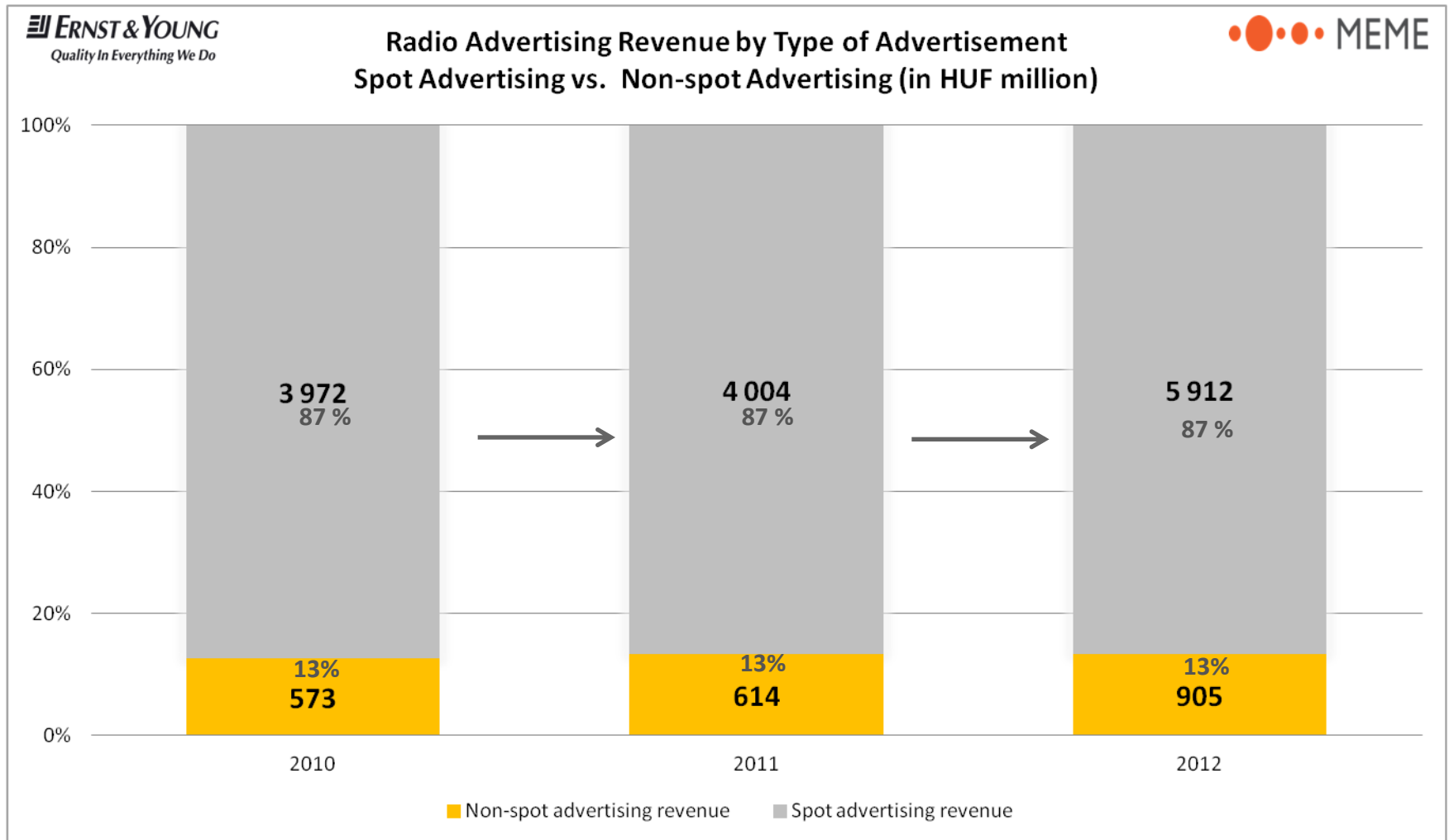
* Based on data provided by MEME

The radio advertising revenue has increased compared to previous year.



* The participating radio stations are significantly different in 2012 compared to 2011. In 2012: 12 radios and 99 further local radios, in 2011: 4 radios took part in the survey.

The share of radio spot and non-spot advertising revenue has not changed.



Summary

- ▶ In 2012 the total television advertising revenue kept decreasing. The decrease was HUF 6 178 million (11%).
- ▶ Terrestrial televisions still have larger share in the TV advertising revenues than their viewership share.
- ▶ The distribution of advertising revenues among the terrestrial and non-terrestrial broadcasting televisions have not changed.
- ▶ In case of television broadcasting, the share of the non-spot advertising revenue has increased by 3% within the television advertisement cake.
- ▶ In case of radio stations, the share of the spot and non-spot advertising revenue has not changed.



Thank You for Your Attention!

