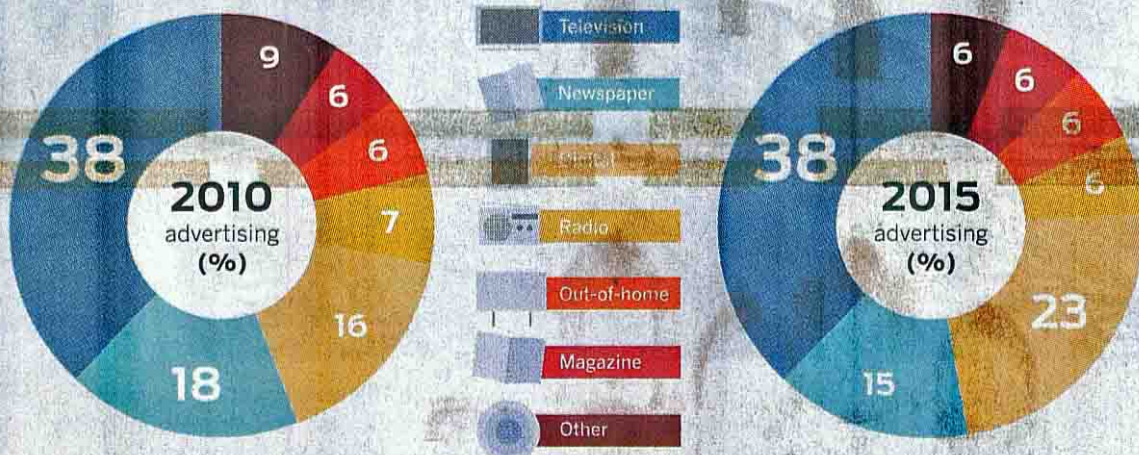


Entertainment ad spending 'to rise over next five years'

GLOBAL ADVERTISING SPENDING BY SEGMENT

Over the next five years, adverts via television, out-of-home media and magazines will remain unchanged from last year while digital advertising will be the hottest.



Source: Global Entertainment and Media Outlook 2011-2015, PricewaterhouseCoopers International

NATION GRAPHICS

Advertising expenditure via entertainment and media in Thailand is expected to increase 8.1 per cent annually over the next five years, PricewaterhouseCoopers International said yesterday.

Expenditure is predicted to rise to US\$12.4 billion (Bt368 billion) over the period, from an expected \$9 billion this year.

The growth is higher than the forecast global annual rate of 5.7 per cent, taking such spending from \$1.4 trillion to \$1.9 trillion in the period, according to the PwC survey, which was conducted in 48 countries around the world.

Marcel Fenez, the company's global leader for entertainment and media, said that of total advertising expenditure over the next five years, adverts via television, out-of-home media and magazines would remain unchanged in terms of proportion, with television at 38 per cent and out-of-home media and magazines at 6 per cent each.

Digital advertising will be the hottest at 23 per cent over the period, up from the 16 per cent predicted last year.

Adverts via newspapers are expected to face a decline over

the period, down from the 18 per cent forecast last year to 15 per cent, although in dollar terms there would still be an increase. Radio will also face a slight drop, from 7 per cent to 6 per cent.

Kajornkiet Aroonpirodkul, Thailand leader for entertainment and media, said the Kingdom was on the same track as the global trend.

He said Internet advertising via wired and mobile networks would be the fastest-growing during the next five years, at a compound annual rate of 16 per cent to Bt565 million, while Internet fees via wired and mobile networks would increase 11.5 per cent to Bt111.8 billion because of the growing adoption of smart phones and tablets, the digitalisation of traditional media and the emergence of locally based digital business and mobile applications.

To capitalise on this trend, Fenez suggested that ad agencies provide their clients with new ideas for connecting with consumers via digital platforms, while they should also be investing in effective digital advertising by sharing the risks and rewards with brand

owners.

The PwC survey also found that over the past year, consumers' growing engagement with content had supported the drive for a strong recovery in the advertising market, especially in television advertising.

Television subscription and licence fees are, therefore, expected to see a surge of 13.7 per cent to Bt27.7 billion by 2015, while adverts on free, and cable and satellite TV will also rise, by 10.1 per cent to Bt84 billion.

However, the survey suggested that this was far from being a threat to television consumption and advertising, with online services and social media proving to be complementary to television revenues.

In addition, the average growth rate for out-of-home adverts will be 9.7 per cent to Bt9 billion, followed by video games at 9.3 per cent to Bt15.6 billion, filmed entertainment at 6.5 per cent to Bt21.8 billion, radio at 5.1 per cent to Bt7.3 billion, and newspapers at 2.1 per cent to Bt33.7 billion.

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