



Pitch

the essence of marketing

**PITCH MADISON
ADVERTISING
REPORT 2018**

GROWTH STUNTED



**ADEX GROWTH AFFECTED BY
AFTER-EFFECTS OF
DEMONETIZATION AND GST**

**2017 GROWTH IS 7.4%;
WITH TRADITIONAL MEDIA
GROWING ONLY 4%**

**2018 GROWTH
EXPECTED TO
BE 12.03%,
AFTER TWO
DISAPPOINTING
YEARS**

MADISON MEDIA

WELCOMES



VIACOM 18

UBER



A XIAOMI Venture

TO ITS ROSTER OF CLIENTS



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REPORT 2018

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KEYNOTE



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Aditya Birla Group



SAM BALSARA
Madison World



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Viacom18



MATT DERELLA
Twitter



ASHISH HEMRAJANI
BookMyShow



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ABP News Network

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Nature's Basket



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Future Group





GROWTH STUNTED

The Indian Media & Advertising industry suffered the after-effects of demonetization and introduction of the Goods & Services Tax (GST), severely stunting the growth of Adex in 2017. Upsetting our projected growth rate of 13.5% for 2017, the industry actually grew by only 7.4%, with traditional media showing just 4% growth. 2018 promises to be a better year, with the economy expected to recover and market to grow 12.03%, adding Rs 6,392 crore to Adex to reach a total size of Rs 59,530 crore



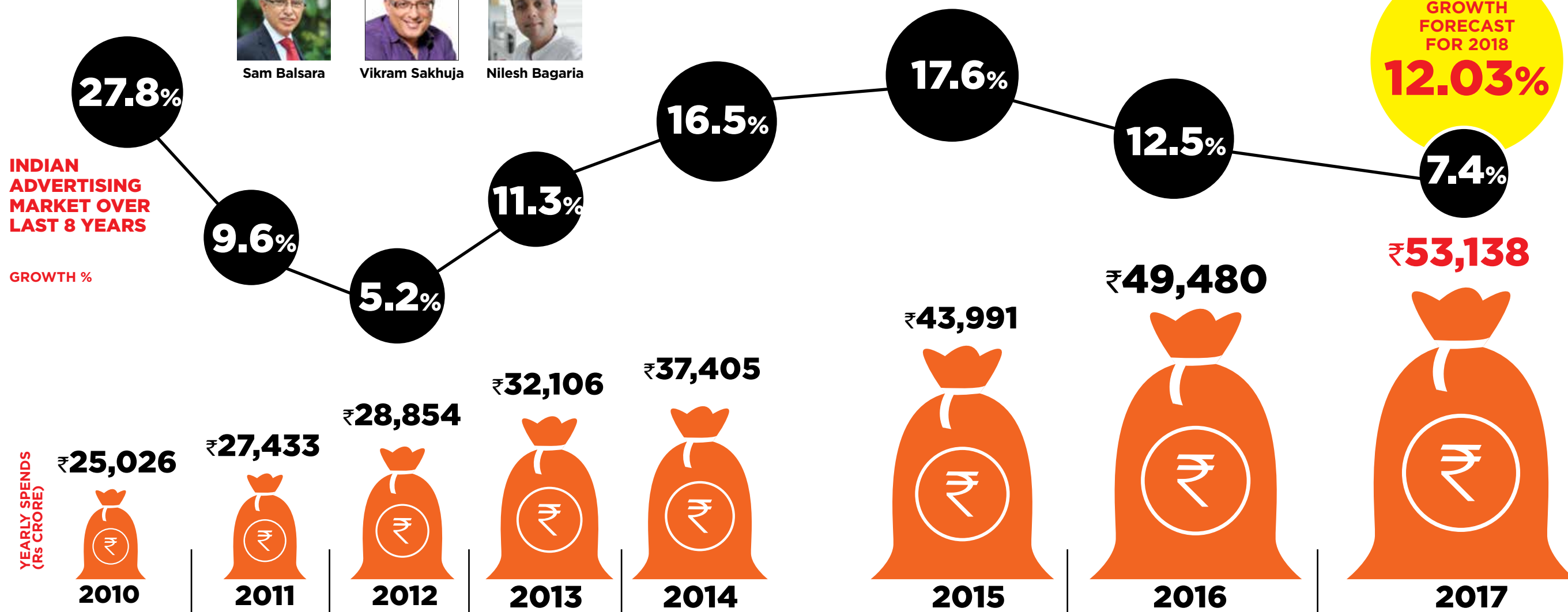
Sam Balsara



Vikram Sakhuja



Nilesh Bagaria



That 2017 was a bad year in terms of growth is well-known. But how bad was it for the Indian Media and Advertising industry? We are sorry to report that our analysis shows that Traditional Media during 2017 grew by only 4% - the lowest in half a decade. It is thanks to Digital Media, which continued its onward march and grew by 27.2% in 2017, that we are able to report an **overall Adex growth of 7.4%**, taking the total market up from **Rs 49,480 crore** to **Rs 53,138 crore**.

Readers will recall that in 2016, on the back of demonetization, the Indian advertising market had lost Rs 1,650 crore in two months - November and December. The total Adex, which had been growing by 16% till October 2016, came down to 12.5%, for the whole year. Adex was slow to recover from the impact of demonetization and the first quarter of 2017 saw a de-growth of -2% and growth of

a mere 2% in the second quarter on the back of IPL, which garnered close to Rs 1,300 crore in advertising money, and a huge shift in demand for FTA channels because of rural viewership registered by BARC. Just when we expected Adex to gather steam, the Goods and Services Tax (GST) was announced in July and the market saw a drop of close to 20% in traditional media over June 2017, and a drop of 5% as compared to July 2016. Mercifully, the festive period brought cheer to Adex, and it grew from August, 2017 to December, 2017 by 13%. But because of the slow start in the first half and a drop in July, the whole year's Adex is estimated at Rs 53,138 crore, i.e., growth of a mere 7.4%.

With a growth rate of 7.4%, the Indian market has lost its stellar position of being the fastest growing advertising market in the world and has conceded that position to Russia, going by WARC estimates of international markets.



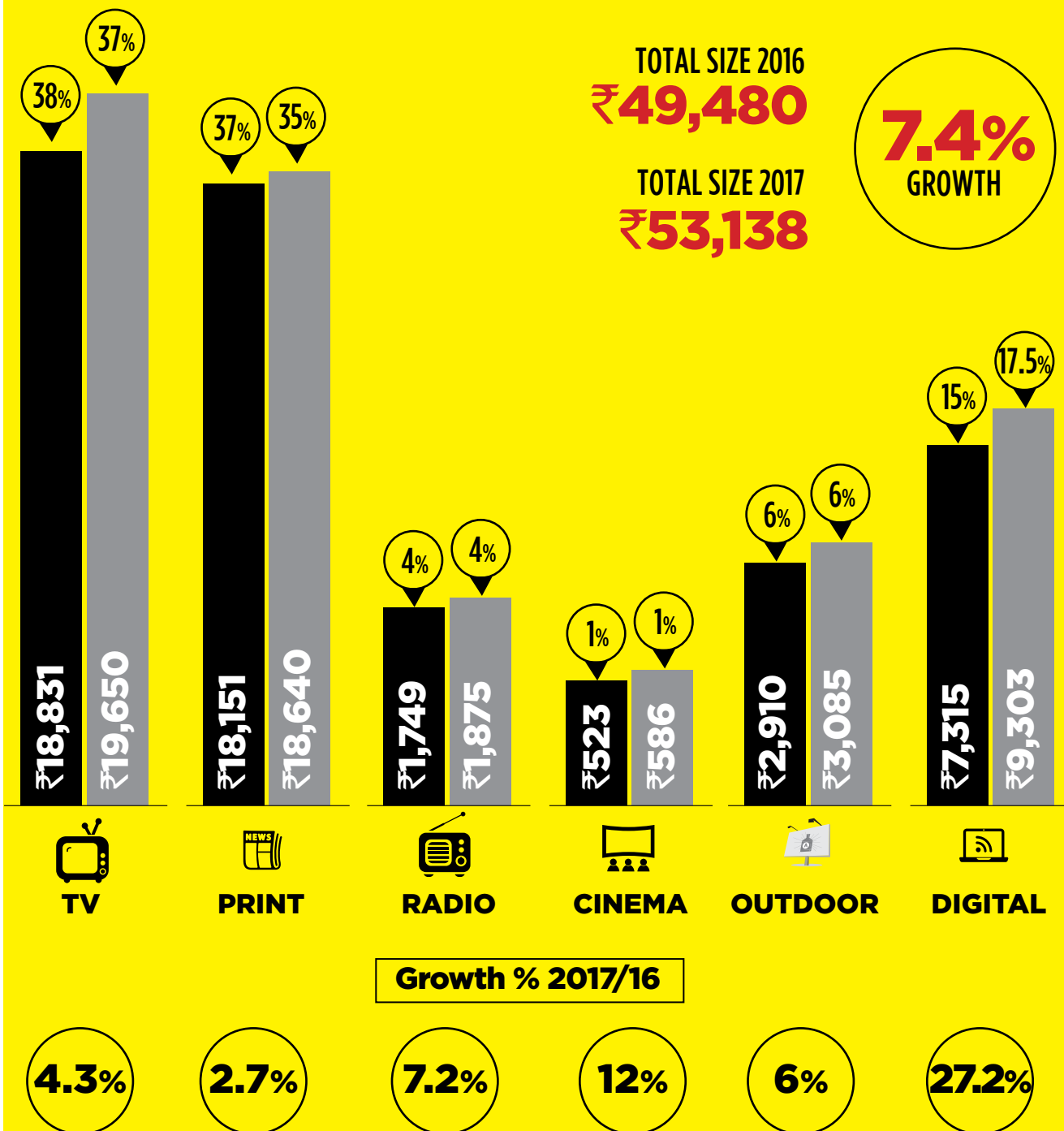


INDIAN ADVERTISING MARKET OVER LAST 2 YEARS

2016 2017 SHARE OF ADVERTISING PIE

TOTAL SIZE 2016
₹49,480
TOTAL SIZE 2017
₹53,138

7.4%
GROWTH



Television continues to be the largest contributor to Adex with 37% share, though it grew by just **4.3%**, closely followed by **Print** at **35%** share, but with even lower growth of just **2.7%**.

Digital, that grew by **27.2%**, now contributes a whopping **17.5%** to Indian Adex. Digital gained 3% share points at the expense of Television and Print, which lost 1% and 2% share points respectively. Surprisingly, **Radio, Cinema** and **Outdoor** have all grown at a much faster pace than Television and Print, and maintained their share in 2017. But share of Digital continues to be more than combined share of Radio+OOH+Cinema, and we don't expect this trend to change in the near future.

The categories that have contributed to growth in **Print, Television** and **Radio** and accounted for **56%** growth of **Rs 1,434 crore** have been FMCG, followed by Telecom and Automobiles.

FMCG continues to be the most dominant sector with a 32% share, followed by **Auto** at **10%** and **Telecom** at **8%**. **e-commerce**, that had taken the media market by storm three years ago, contributed only **4%** to Adex (as compared to **10% in 2015**). With implementation of the Real Estate Regulation and Development Act (RERA), the Real Estate and Home Improvement category, as a whole, has registered a de-growth of -3%.

CATEGORY CONTRIBUTION & CATEGORY GROWTH ACROSS TV + PRINT + RADIO IN 2017

TV + Print + Radio - 2017	Category Contribution		Category Growth %	Contribution to Growth	
	In Rs crore	in %	2017/ 16	In Rs crore	in %
FMCG	12919	32%	3%	427	30%
Auto	4217	10%	5%	187	13%
Telecom	3153	8%	7%	193	13%
Education	2099	5%	6%	111	8%
Real Estate & Home Improvement	1798	4%	-3%	-55	-4%
HH Durables	1719	4%	2%	37	3%
e-commerce	1634	4%	7%	113	8%
Clothing, Fashion Jewellery	1553	4%	6%	88	6%
BFSI	1445	4%	4%	60	4%
Retail	1317	3%	7%	88	6%
Travel & Tourism	714	2%	8%	53	4%
Media	681	2%	2%	10	1%
Corporate	567	1%	4%	24	2%
Alcoholic Beverages	251	1%	1%	1	0%
Others	6098	15%	2%	97	7%
TOTAL	40165	100%	4%	1434	100%

FORECAST FOR 2018 FINGERS CROSSED!



Coming on the back of two poor years - we saw growth suppressed to 12.5% in 2016 and 7.4% in 2017 - we are tempted to predict a high growth year 2018, that is in keeping with the growth rates achieved in the last decade. For, you can't keep advertising - or for that matter the Indian economy - down for too long! However, our optimism is tempered by the fact that the Government is set on its reform agenda for long term good of the economy. Some other reform introduced during the year, which is good for the economy in the long run, may have the short term impact of destabilizing the economy once again, the way demonetization and GST did. However, there are a number of factors that lead us to believe that growth of Adex should be good in 2018. Some of these are:

Signs of return of Consumer spending

Benefits of GST to start accruing

Eight State Assembly elections scheduled during the year, preceded by State Government publicity drives on their achievements

Increased publicity by the Central Government on account of ensuing Lok Sabha elections in 2019

As many as 16 new launches by automobile companies

Increased activity in the sporting arena from both cricketing and non-cricketing leagues and FIFA World Cup

Strong come-back by FMCG companies on the back of increased Rural demand

Launch of new Ayurvedic lines by FMCG companies

Increased activity in BFSI area, especially small banks and payment banks

Taking into account all of the above, we expect Adex to grow by **12.03%**, taking it to a total of **Rs 59,530 crore** or nearly **Rs 60,000 crore** in 2018. **The highest growth rate should be achieved by Digital (25%), followed by Cinema (14%), TV (13%), Radio & Outdoor (10% each) and Print (5%) in 2018.**

The year 2018 should provide relief to the Media market after two disappointing years. The general expectation is that with Lok Sabha elections in 2019, the Government is likely to support all sections of industry, including Media and all classes of consumers. Gains from implementation of GST should also begin to flow into the economy. Investment in infrastructure and rural schemes should put more money in the hands of consumers, which should lead to a buoyant economy, and **a buoyant economy always translates to happy times for Media.**

SHOCK WAVE

Television grew a mere **4.3%** - its lowest in the last five years - adding just **Rs 820 crore** to Adex in 2017 to reach a size of **Rs 19,650 crore**. However, it still remained the largest contributor to the advertising pie. In 2018, Television is expected to grow **13%** on the back of FMCG players targeting Rural, election-related advertising and increased spends around sporting properties and by BFSI players

In 2017, the Television Adex grew by a mere **4.3%** and reached **Rs 19,650 crore**. This is the lowest growth Television has witnessed in the last five years. Growth remained flat in the January-March 2017 period on account of the after-effects of demonetization and even in the latter part of the year, it did not grow as expected on account of GST, belying our projected growth of 13%.

It is significant to note that **growth is low, despite the addition of 100 new channels** including cable channels, which in turn contributed to an increase in FCT supply of 11% in 2017. The new channels launched were mainly in News and Movie genres. These new channels contributed Rs 100 crore to Adex. On the other hand, our comparison of only like-to-like channels shows an increased FCT supply of 7% leading one to conclude that on an average, television rates were suppressed. However, advertisers could not take full advantage of lower rates, because of even lower viewership and TV ratings of most used programmes resulting in increase in Cost Per Rating Point (CPRP) to the advertiser.

HD emerged stronger during the year with the

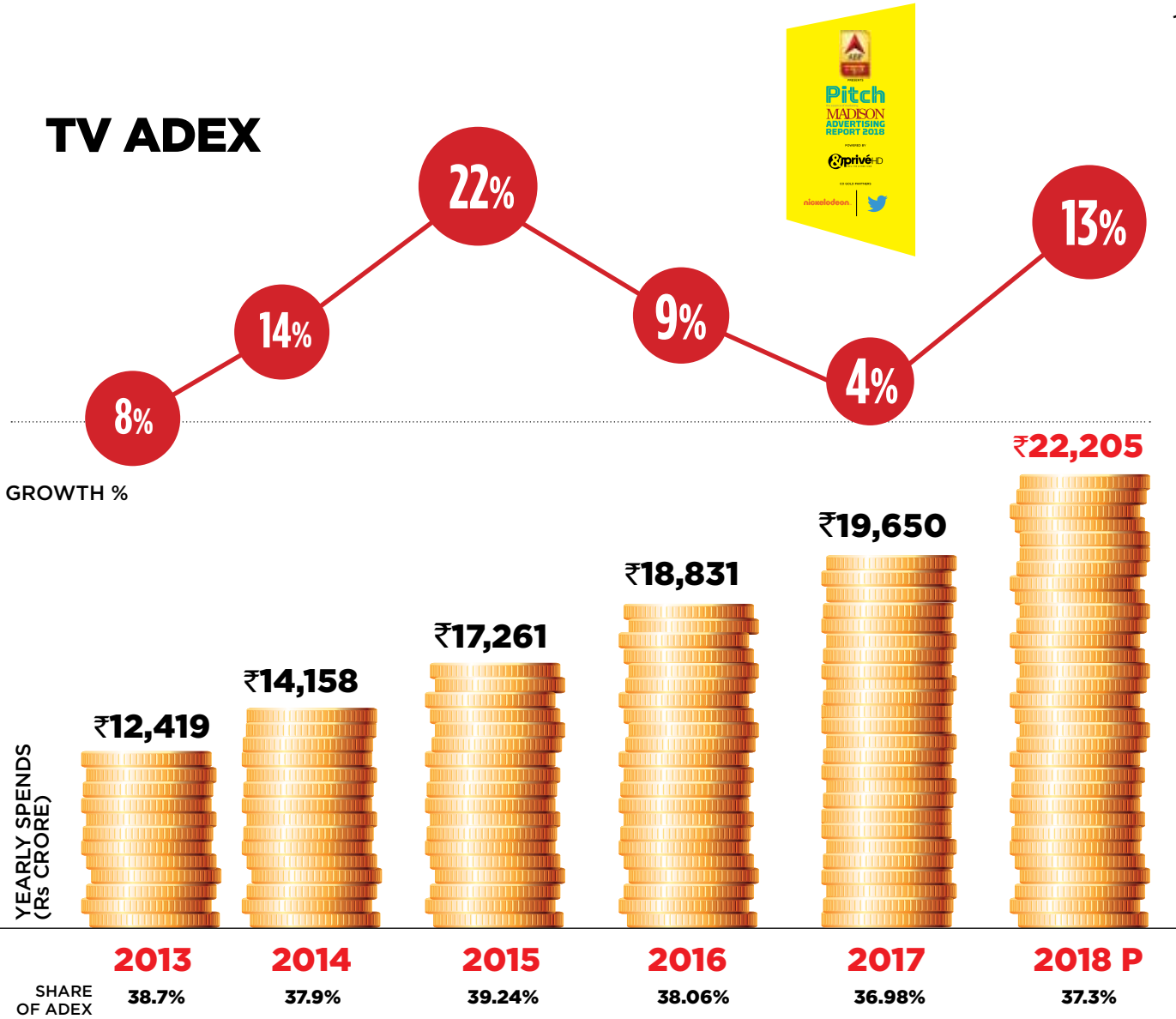
launch of 22 HD channels now reaching 50 million homes, split equally between Urban and Rural. Viewership of HD channels has also seen exponential growth and we estimate that HD is today a Rs 2,000 crore advertising market, contributing over 10% to the Television Adex.

While growth may have been low during the year at just 4.3%, Television continues to be the largest contributor to the advertising pie.

FMCG continues to rule the roost, contributing 51% to the total Television advertising spends, followed by Telecom at 12% and Auto at 8%. It's the same three categories that have mainly contributed to the growth of Rs 820 crore in Television Adex in 2017. E-Commerce maintained its contribution at 4%.

Hindi GECs, including FTA, contributed 28% of overall Television Adex, with Hindi being by far the largest contributor. FTA channels have seen robust growth in viewership during the year and account for 19% of the Hindi GEC plus FTA genre.

In terms of FCT growth, Hindi Movies, English Info/ Movies and South regional show substantial increase in 2017.



In 2017, the Television Adex grew by a mere **4.3%** and reached **Rs 19,650 crore**. This is the lowest growth Television has witnessed in the last five years

TV - GENRE-WISE REVENUE CONTRIBUTION IN 2017			
Genres	Revenue Contribution in 2017	Approx Revenue in Rs crore	FCT Growth
			2017 / 16
Hindi GEC + FTA	28%	5500 - 6000	4%
News	11%	2000 - 2400	4%
Tamil Sat	9%	1800 - 2000	10%
Sports	9%	1700 - 1900	-7%
Hindi Sat - Movies	5%	900 - 1100	35%
Telugu Sat	5%	900 - 1100	24%
Marathi Sat	4%	800 - 1000	-10%
Kannada Sat	4%	700 - 800	9%
Bengali Sat	4%	650 - 750	21%
Music	3%	550 - 650	-17%
Kids	3%	500 - 600	0%
Malayalam Sat	3%	500 - 600	18%
Info	3%	500 - 600	31%
Movies Eng	3%	500 - 600	21%
Eng Niche	2%	300 - 400	-8%
Others	6%	1300 - 1400	9%



CATEGORY CONTRIBUTION & CATEGORY GROWTH IN TV IN 2017

TV - 2017	Category Contribution		Category Growth %	Contribution to Growth	
Product Category	In Rs cr	in %	2017 / 16	In Rs cr	in %
FMCG	10061	51%	4%	370	45%
Telecom	2449	12%	8%	178	22%
Auto	1513	8%	6%	87	11%
HH Durables	859	4%	5%	42	5%
e-commerce	855	4%	5%	44	5%
Real Estate & Home Improvement	575	3%	1%	6	1%
Clothing Fashion Jewellery	531	3%	3%	18	2%
BFSI	403	2%	3%	11	1%
Media	392	2%	-5%	-20	-2%
Corporate	292	1%	2%	7	1%
Travel & Tourism	246	1%	7%	17	2%
Alcoholic Beverages	238	1%	1%	2	0%
Education	220	1%	6%	12	1%
Retail	181	1%	6%	11	1%
Others	834	4%	4%	35	4%
TOTAL	19650	100%	4%	819	100%

FORECAST FOR 2018

We expect **Television Adex to grow by another Rs 2,555 crore or 13% in 2018 to reach Rs 22,205 crore.**
The key factors that will lead to this high growth are:

FMCG marketers, who are turning bullish on the back of expectation of revival of Rural demand

Publicity by the Government on account of ensuing eight State Assembly Elections and Lok Sabha Elections in 2019, which will lead to a spurt in Television campaigns to announce government achievements and election-related advertising

Increased activity in sporting arena from both cricketing and non-cricketing leagues

Increased activity in BFSI area

On the negative side, **Television may start to lose some advertising to OTT platforms**, because some viewers may prefer to watch Television content on OTT platforms, thanks to low data tariffs. With this growth of 13%, TV is expected to maintain its share of Adex at 37%.



DISMAL GROWTH

Print Adex grew only **2.7%** in 2017, the lowest seen in nine years. Despite this, it continues to be the second highest contributor to Adex, after TV, with a share of **35%**. In 2018, the Print advertising market is expected to grow by **5%** to come close to **Rs 20,000 crore**, with regional publications leading the growth

Print grew by a mere **2.7%** during the year. This is the lowest growth we have seen in nine years. But it continues to be the second highest contributor after Television with a share of **35%** in the Adex. It is significant to note that for the last three years, Print has been steadily losing share at a rate of 1% share point every year, but this year, the decline accelerated and Print lost 2% share points. Dailies increased 3.4%, a bit higher than the total Print Adex, because Magazines as a medium failed to gain advertiser interest for the third year in succession.

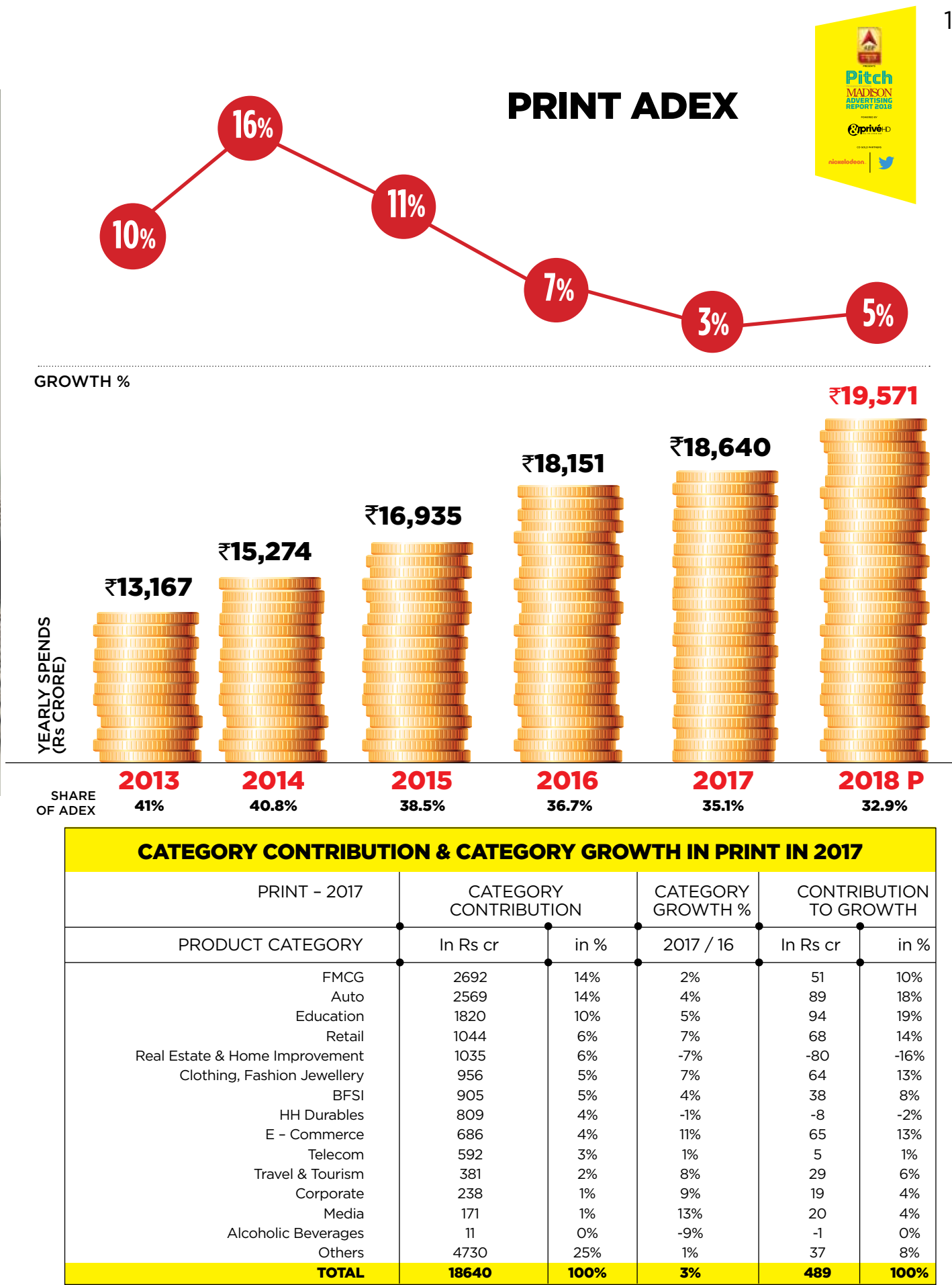
Print, like the overall Adex, de-grew in the first quarter by as much as -5%, and then marginally grew by 3% in the second quarter before growing at 9% in the last quarter. One could thus conclude that Print bore the biggest brunt on account of monetization and GST.

FMCG, Auto, Education and Retail, the main categories that used Print, increased their dominance from 50% share last year to 62% in 2017. In terms of category contribution, FMCG and Auto are the largest contributors to the Print

pie with a contribution of 14% each, followed by education at 10%. The Real Estate category, again a staple for newspapers, saw a degrowth of -7%, thanks to RERA.

While only four categories account for 75% of Television advertising, it takes as many as 13 categories to contribute the same percentage to Print advertising, demonstrating once again that Print has a wide-spread clientele and, therefore, is less vulnerable.

In terms of volume, Hindi publications continue to be ahead of English publications, contributing 34% of the total volume. English publications come close behind at 27%. **Contrary to popular belief, volume in English publications has grown by 4% while volume in Hindi publications degrew by -4%. The degrowth in volume of Hindi publications has been observed for the first time in many years.** Among other languages, Kannada and Gujarati publications have shown a substantial increase in volume, but Punjabi, Urdu and Tamil publications show a decline.



PRINT - LANGUAGE-WISE PUBLICATION VOLUME IN COLUMN CENTIMETRES IN 2017 (CC IN MILLION)				
Language	Yr 2016	Yr 2017	Growth % (Yr 17 / 16)	Contribution in % (2017)
Hindi	119.8	114.8	-4%	34%
English	88.5	92.2	4%	27%
Marathi	29.3	29.6	1%	9%
Telugu	23.6	23.4	-1%	7%
Tamil	21.9	21.3	-3%	6%
Gujarati	13.8	14.7	6%	4%
Kannada	13.3	15.0	13%	4%
Malayalam	10.7	11.0	2%	3%
Oriya	9.2	9.1	0%	3%
Bengali	5.3	5.5	3%	2%
Punjabi	2.7	2.2	-19%	1%
Assamese	2.5	2.4	-4%	1%
Urdu	1.2	1.1	-8%	0%
TOTAL	342	342	0%	100%

FORECAST FOR 2018

We expect Print Adex to grow by 5% in 2018, taking the Print market close to Rs 20,000 crore. Findings from the just-released IRS Survey are likely to be used (and misused!) by various publications to show growth in readership, although the coveted Average Issue Readership at the macro level has not grown.

We expect growth to come in from regional publications despite the fact that most languages have dropped in Average Issue Readership. Print loyalists like Auto and Mobile handsets (both because of new launches) and Education, besides the Government and election-related advertising, are likely to be growth drivers.

Robust growth in magazine readership, as discovered by IRS, should result in a spurt and growth of this sector.



A UNIQUE AND COMPREHENSIVE INSIGHTS TOOL TO BUILD BRAND

Presenting

MADISON mFusion

The only Digital tool that enables Brand growth by increasing Awareness to Trial Ratio, through mining consumer insights across search, social, web and e-commerce.

Currently Social Intelligence tools in the market provide insights based on Interest and Intent alone. Purchase Data is also available only in a silo and is not matched automatically against Brand Equity. There is lack of concrete data to link awareness to Trial Attribution.

mFUSION IS THE ONLY DIGITAL TOOL TO FUSE REAL TIME INTEREST & INTENT FROM SEARCH, SOCIAL AND WEB SOURCES, AND PURCHASE BEHAVIOR FROM ECOMMERCE PLATFORMS TO PROVIDE ACTIONABLE INSIGHTS FOR FOCUSED BRAND GROWTH.

GET THE mFUSION ADVANTAGE

Differentiating factors		mFusion enables :	
1	Fuses data across Intent, Interest & Purchase.	1	Market Assessment: Leverages market insights to pick new markets or new product offerings.
2	Aggregates data across multiple sources and allows pre-campaign view of data & insights by pipeline.	2	Competitive Intelligence: Analyses consumer appeal across competitors to place your brand in the most advantageous position.
3	Predicts the journey post brand encounter to purchase using machine learning.	3	Media Optimisation: Identifies right investments at different stages of the customer journey (or purchase cycle) to drive more purchases.
4	Captures the context in which brand is seen & its impact through Artificial Intelligence	4	Monitoring: Real time monitoring of the content and context in which the brand is seen and its impact on consumer journey until purchase.

IT WAS A 'JIO' YEAR



In 2017, the Out of Home (OOH) market grew by **6%** and now stands at **Rs 3,085 crore**. While Retail topped the list of spenders on OOH, Telecom recorded the highest growth in OOH advertising, courtesy the high-voltage launch of Reliance Jio. In 2018, Outdoor is expected to grow by **10%** to reach a size of **Rs 3,395 crore**, on the back of upcoming elections and Government campaigns

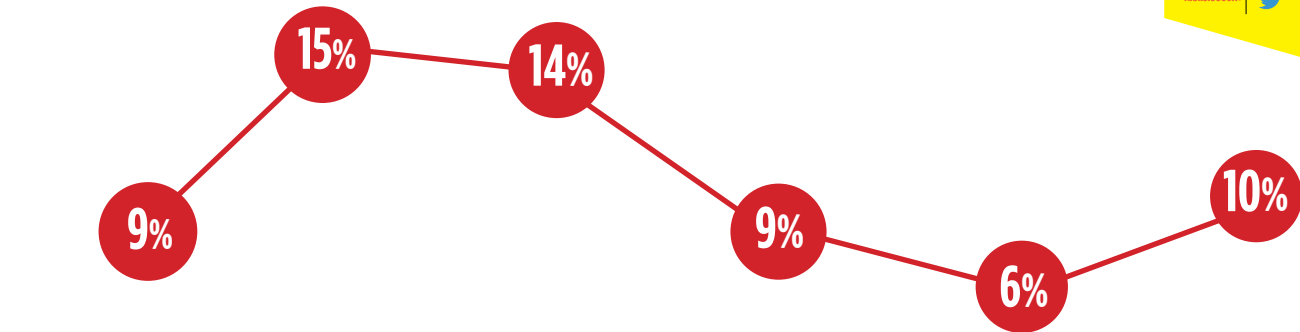
The Out of Home (OOH) advertising market has grown by **6% in 2017** to reach a size of **Rs 3,085 crore**. Its contribution to the advertising pie was **5.8%**. The conventional OOH market grew at **7%** and Transit Media at **4%**. Retail, Consumer Services and Real Estate are the top three consuming categories of OOH. However, Consumer Services (Hospital, Restaurant and Education) reduced spends by 8% and Real Estate spends too declined by 11%. The highest growth was recorded by the Telecom category at **29%**, attributable to the launch of Reliance Jio with its aggressive pricing strategy. **Mumbai continues to be the largest contributor to OOH at 18%, followed by Delhi at 14% and Bangalore at 11%.**

FORECAST FOR 2018

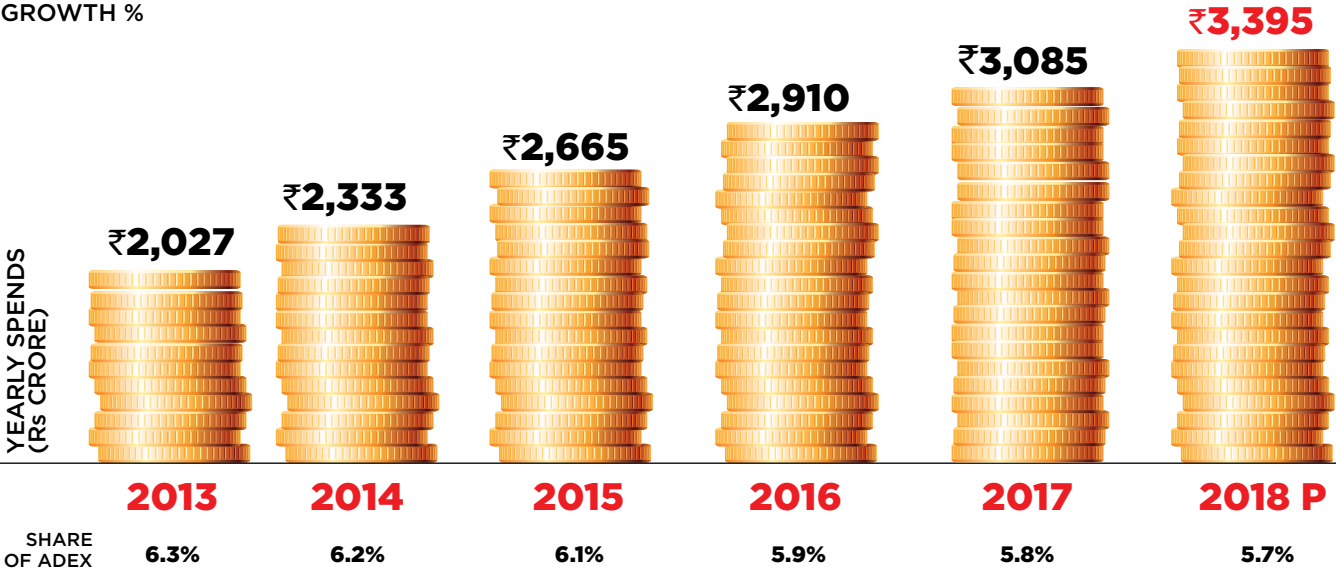
We expect the Outdoor advertising sector to grow by **10% in 2018**, taking its Adex to **Rs 3,395 crore**. Outdoor is expected to substantially gain from the Central and State Government's publicity and election campaigns, because of the ensuing eight State Assembly Elections in 2018 and Lok Sabha Elections in 2019.



OOH ADEX



GROWTH %



CATEGORY CONTRIBUTION & CATEGORY GROWTH IN OOH IN 2017					
OOH 2017	CATEGORY CONTRIBUTION		CATEGORY GROWTH %	CONTRIBUTION TO GROWTH	
PRODUCT CATEGORY	In Rs cr	in %	2017 / 16	In Rs cr	in %
Organized Retail	481	16%	8%	34	19%
Hospitals, Restaurants, Education	387	13%	-8%	-34	-19%
Real Estate & Construction	362	12%	-11%	-43	-24%
Telecom	285	9%	29%	64	37%
FMCG	268	9%	16%	37	21%
Financial Services	254	8%	7%	16	9%
Auto	223	7%	6%	13	8%
Media	155	5%	14%	19	11%
E-Commerce	123	4%	12%	13	7%
Electronic Durables	70	2%	-11%	-8	-5%
Petroleum/Lubricants	24	1%	17%	3	2%
Pharmacy	24	1%	-14%	-4	-2%
Energy	0	0%	-75%	-2	-1%
Others	427	14%	18%	65	37%
TOTAL	3085	100%	6%	175	100%

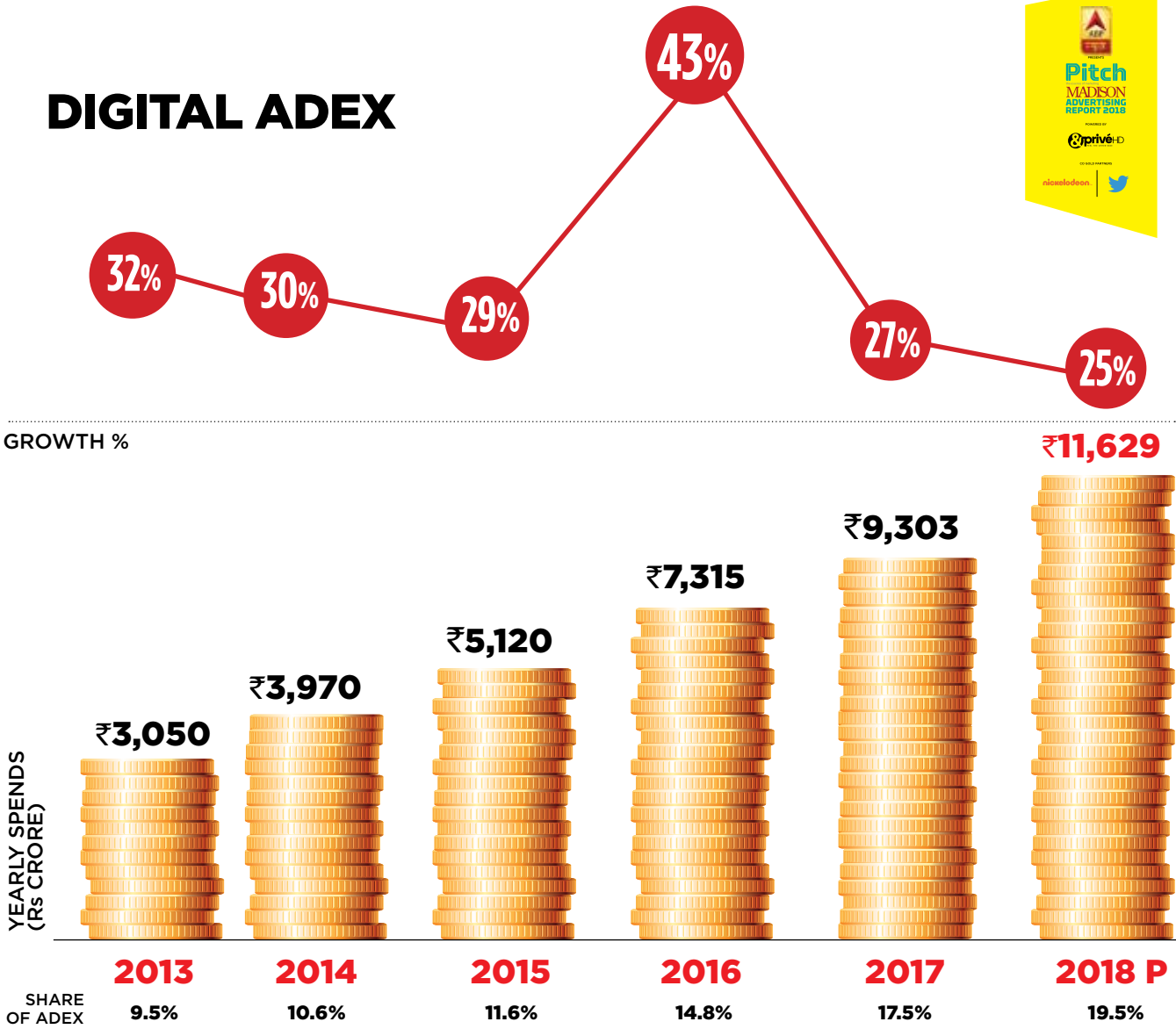


Digital grew by **27%**, adding nearly Rs 2000 crore to Adex, to reach a size of **Rs 9,303 crore** in 2017. It now contributes a whopping **17.5%** to Indian Adex, with Video gaining huge ground, along with Search, Display, Native and Programmatic advertising. Digital advertising is projected to grow by about **25%** to cross the Rs 10,000 crore mark and grow to **Rs 11,629 crore** in 2018

Digital Adex continues to grow unabated and in 2017, grew by a further 27% on the back of 43% growth in 2016 over 2015. As you will see from the table below, in the last five years, Digital has grown at a compounded annual growth rate of 32%. At Rs 9,303 crore, Digital is **17.5% of Adex in 2017**. It was only 8% of Adex in 2012.

Though there has been exponential growth in video consumption over the past year, Display, Native and Programmatic have also picked up rather well with Mobile becoming the primary choice to consume content. Newer display advertising elements, Mobile, Online Video and Programmatic are all helping attract more advertising investment into Digital.

DIGITAL ADEX



Platform	2015	2016	2017
Mobile	2700	4550	7256
Desktop	2420	2765	2047
Total	5120	7315	9303
Mobile as % of Total	53%	62%	78%

(Ad spend figures in Rupees crore)

DIGITAL ADEX OVER LAST 3 YEARS (IN RS CRORE)			
Vertical	2015	2016	2017
Search	1860	2660	3010
Display + Programmatic + Ad Networks + Native	2315	2765	2993
Video	945	1890	3300
Total	5120	7315	9303
Video as % of total	18%	26%	35%

FORECAST FOR 2018

We expect the momentum in Digital to continue and project a growth rate of 25%, taking the Digital Adex up to Rs 11,629 crore in 2018. As the reach of Digital crosses 450 million and the smartphone Internet user-base crosses 300 million, Digital is likely to hit the big boys of Media in a bigger way than it already has. FMCG, Telecom, BFSI and Real Estate will continue to be growth drivers for Digital. e-commerce will remain the backbone of Digital Adex.

Facebook and YouTube will continue to dominate the video platform along with OTTs such as Hotstar, Voot and SonyLiv making their presence felt on the back of investments in original content.

With Mobile ruling the roost, Desktop advertising will get marginalized. We expect Native and Programmatic advertising to make rapid strides in 2018.

Digital Adex will continue to register the highest growth in Adex for the 10th year in a row.

STEADY GROWTH

Radio maintained its share of the advertising pie at 3.5%, growing by 7% in 2017 to become a Rs 1,875 crore market. Real Estate, FMCG, BFSI and Auto sectors continued to be the biggest spenders on Radio, and contributed 33% to total Radio Adex. In 2018, Radio is estimated to grow by 10%, crossing the Rs 2,000 crore mark, to stand at Rs 2,063 crore

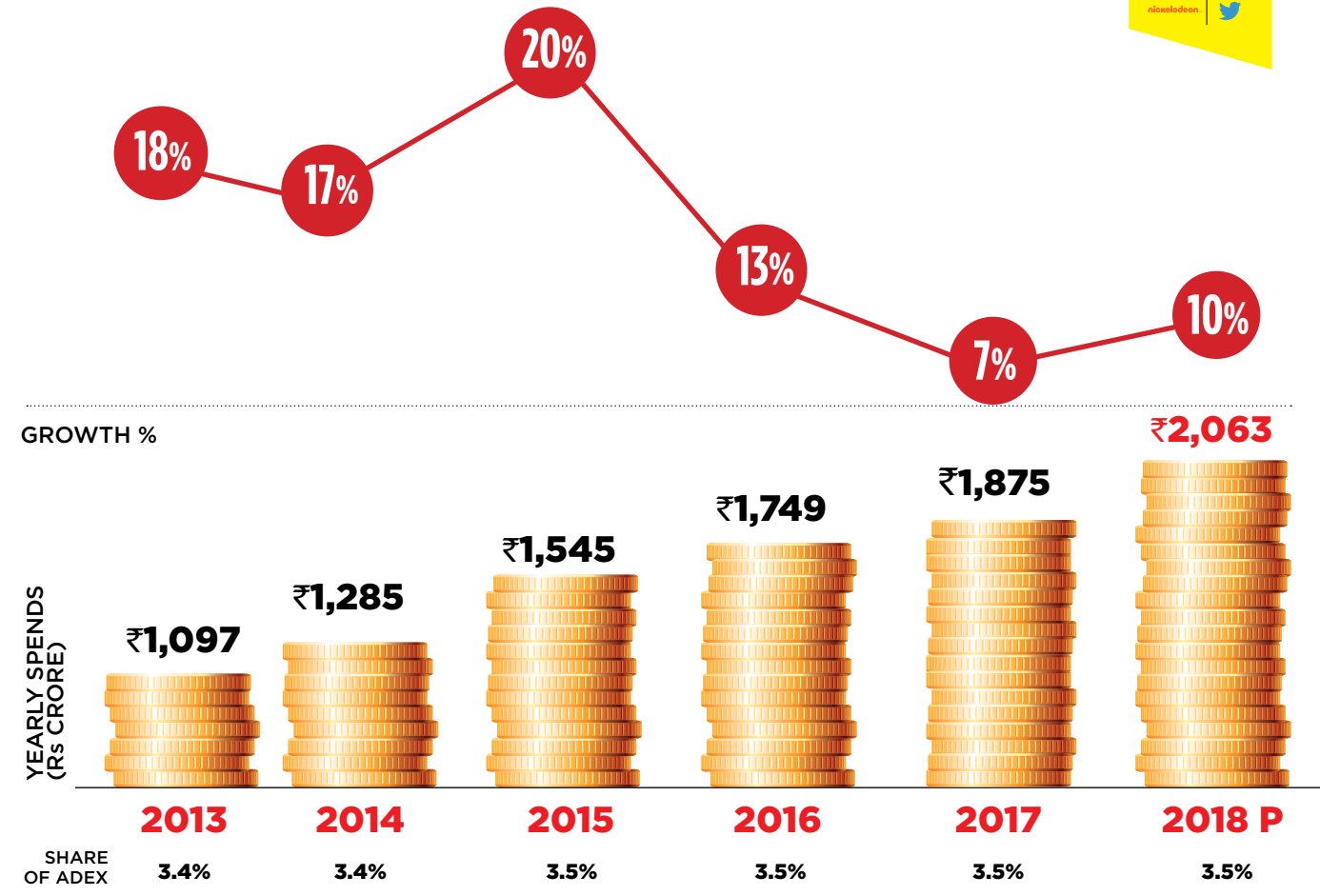
Radio Adex has shown good growth of 7% (compared to growth rates of Television and Print), to become a Rs 1,875 crore market in 2017. It has maintained its share of advertising pie at 3.5%, although, in absolute terms, because of its small base, Radio has added only Rs 126 crore to Adex during the year. Real Estate, FMCG, BFSI and Auto sectors used Radio substantially and contributed 33% to total Radio Adex. These categories also contributed substantially to Radio's growth, accounting for 38% of the total growth. Similar to the trend observed in other media, Radio grew marginally in Q1'17 by 2%, gradually increasing in Q2 & Q3 by 6% and in Q4 by 14%.

FORECAST FOR 2018

We expect Radio Adex to grow by 10% in 2018, crossing the Rs 2,000 crore mark, to stand at Rs 2,063 crore. Because of its small base, we expect Radio to grow at a faster rate than Print. This growth should come on the back of aggressive and innovative opening of new streams of revenue other than just sale of Radio time by Radio stations. Advertisers have started discovering the potential of combining Radio with Social Media, and this should see greater traction during the year.



RADIO ADEX



CATEGORY CONTRIBUTION & CATEGORY GROWTH IN RADIO IN 2017					
RADIO 2017 PRODUCT CATEGORY	CATEGORY CONTRIBUTION		CATEGORY GROWTH %	CONTRIBUTION TO GROWTH	
	In Rs cr	in %	2017 / 16	In Rs cr	in %
Real Estate & Home Improvement	187	10%	11%	19	15%
FMCG	166	9%	4%	6	5%
BFSI	138	7%	9%	12	9%
Auto	135	7%	9%	11	9%
Media	118	6%	10%	10	8%
Telecom	112	6%	8%	9	7%
E - Commerce	93	5%	4%	4	3%
Retail	92	5%	11%	9	7%
Travel & Tourism	86	5%	9%	7	6%
Clothing Fashion Jewellery	66	4%	11%	7	5%
Education	59	3%	11%	6	4%
HH Durables	51	3%	6%	3	2%
Corporate	37	2%	-5%	-2	-1%
Alcoholic Beverages	2	0%	10%	0	0%
Others	533	28%	5%	25	20%
TOTAL	1875	100%	7%	126	100%

NOT YET A BLOCKBUSTER

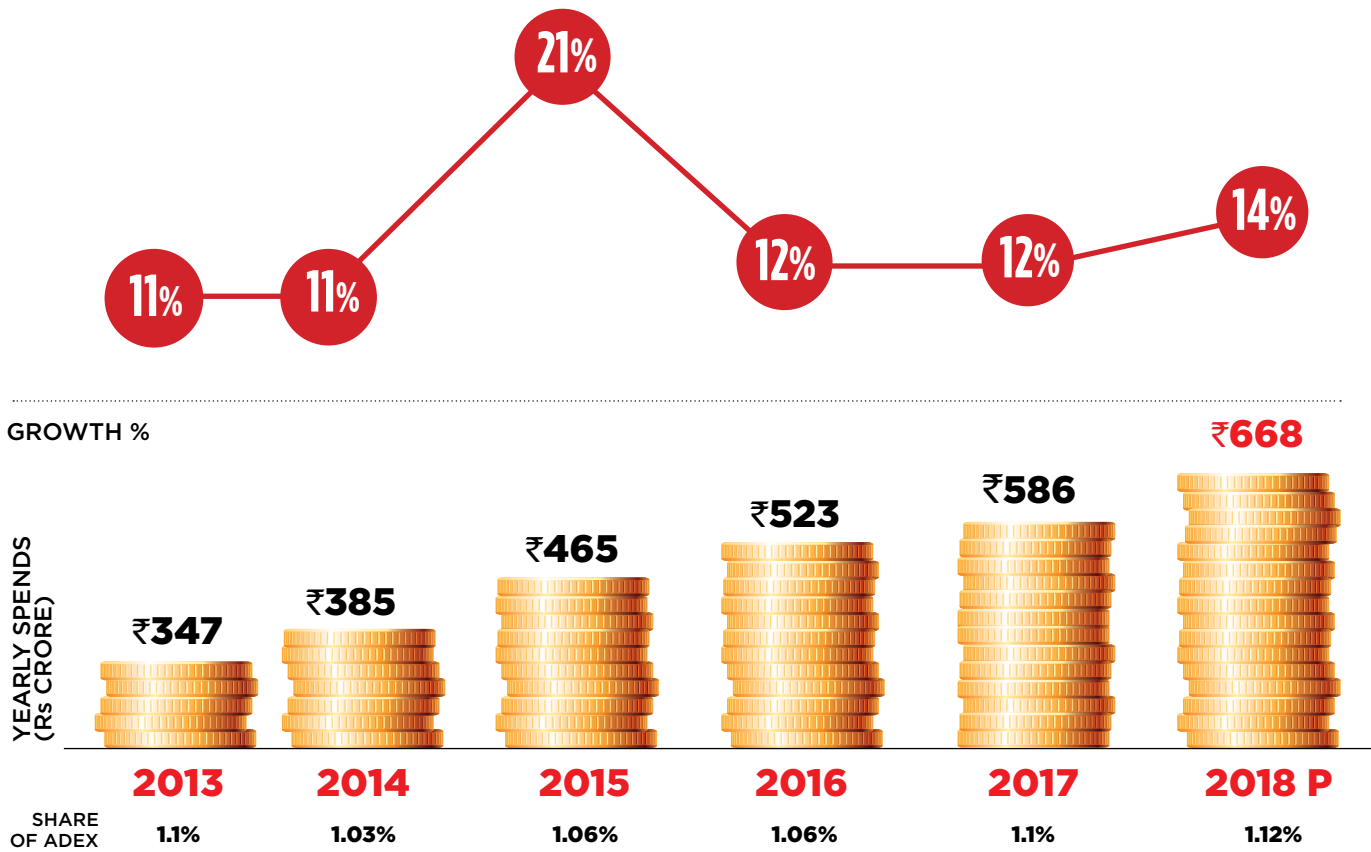
A low base helped Cinema advertising grow in double digits, i.e., **12%**, in **2017**, with Adex reaching **Rs 586 crore**. Cinema remains a marginal player as it has failed to capture the imagination of brand managers, and this is not expected to change. However, Cinema is expected to grow at **14%** in 2018, the second highest growth rate behind Digital, to reach **Rs 668 crore**

Cinema continues to be a marginal player in Adex, constituting approximately **1%** share of the advertising pie, and notching up total ad spends of **Rs 586 crore in 2017**. However, Cinema is the only traditional medium that has registered growth in double digits in 2017 - **12%** - but because of its low base, the figure does not amount to much.

FORECAST FOR 2018

We expect Cinema to grow by **14%** in 2018, the second highest growth rate after Digital, taking its Adex to **Rs 668 crore**. Cinema has been growing steadily in the last few years due to an increase in number of multiplexes in both the larger cities and towns, digitization of single screens and growth in regional cinema. However, Cinema has failed to capture the imagination of brand managers, in the face of aggressive and stiff sales pitches by other Media, and we do not expect this situation to change in 2018.

CINEMA ADEX





TOP ADVERTISERS OF INDIA

Our list of the Top 50 Advertisers in India in 2017 features five new entrants - Honda Cars, Reliance Retail, Future Retail, United Spirits and Vicco Laboratories - in this elite category. The list includes advertisers from diverse categories, including FMCG, Telecom, Auto, e-commerce and Modern Retail.

In keeping with the tumultuous nature of the year, there are a large number of shifts in the pecking order, with 17 advertisers gaining rank and 22 advertisers dropping rank. Among those who gained rank are Vivo(+30), Reliance Jio(+29), Oppo(+26), Patanjali(+10), Godrej Consumer(+3), Samsung(+3) are Hero(+2), while those that have dropped in rank include Airtel(-9), ITC(-7), Mondelez(-2), Honda Motors(-2), LIC(-1) and Colgate(-1).

The Top 50 advertisers account

for 34% of the advertising market. This number is significant, considering that there are over two lakh advertisers in Print and over 12,500 advertisers on TV. The Top 10 advertisers account for as much as 16% of the total market and contribute to 46% of the total 50 list.

HUL, Amazon, P&G & Reckitt continue to lead the pack of top advertisers of India in 2017 as well.

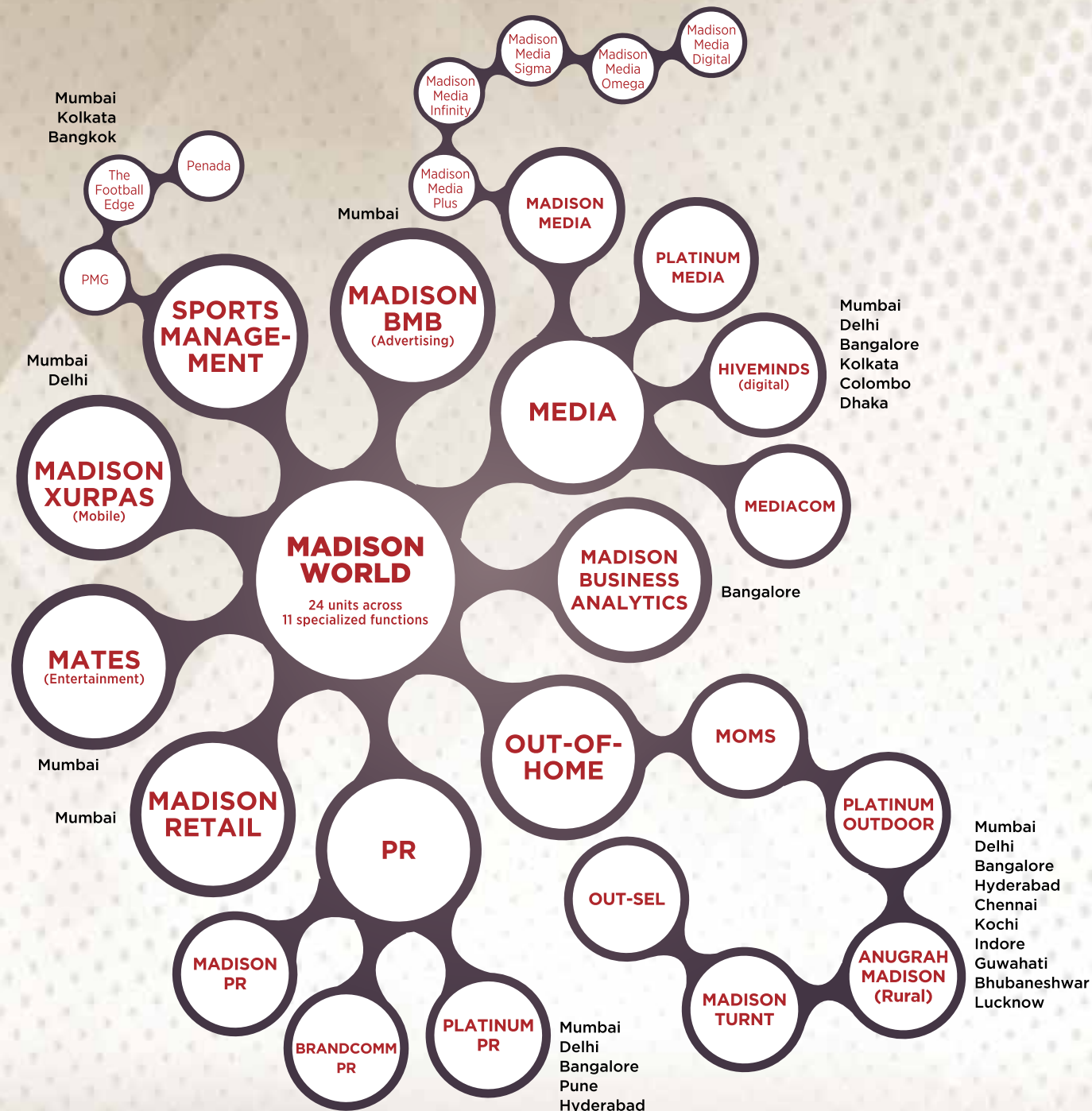
We may mention that many Madison clients feature in this list, but we have strictly refrained from using any confidential information that we are privy to, and arrived at our list and ranking using a standard, structured process.

** A note of caution here - some advertisers who in our list rank above 50 may well be in the Top 50 list in reality or vice-versa.*

RANK IN 2017	RANK IN 2016	ADVERTISERS	APPROX SPENDS IN RS CRORE
1	1	Hindustan Unilever Ltd	2700 - 3000
2	2	Amazon Online India	900 - 1100
3	3	Procter & Gamble	600 - 700
4	4	Reckitt Benckiser	500 - 600
5	15	Patanjali Ayurved Ltd	500 - 600
6	6	Maruti Suzuki India	500 - 600
7	10	Godrej Consumer Products Ltd	500 - 600
8	11	Samsung India	500 - 600
9	35	Oppo India	400 - 500
10	12	Hero Motocorp	400 - 500
11	9	Mondelez	400 - 500
12	42	Vivo Mobile India	400 - 500
13	16	Glaxo Smithkline	400 - 500
14	7	ITC Ltd	400 - 500
15	44	Reliance Jio	300 - 400
16	14	Honda Motorcycle	300 - 400
17	8	Bharti Airtel	300 - 400
18	17	Life Insurance Corp Of India	300 - 400
19	21	Emami Limited	300 - 400
20	19	Colgate Palmolive	250 - 350
21	49	Google	250 - 350
22	20	Marico Ltd	250 - 350
23	22	Mahindra & Mahindra	250 - 350
24	5	Flipkart.Com	250 - 350
25	29	Tata Motors	250 - 350
26	28	L Oreal India	250 - 350
27	25	Vodafone	200 - 300
28	23	Coca Cola India	200 - 300
29	24	Hyundai Motors	200 - 300
30	27	Nestle India	200 - 300
31	18	Idea Cellular	200 - 300
32	38	Bajaj Auto	200 - 300
33	26	TVS Motor	200 - 300
34	31	Dabur India	200 - 300
35	37	Johnson & Johnson	150 - 200
36	34	Pepsi Co	150 - 200
37	43	Apple Computer	150 - 200
38	NEW	Honda Cars India	150 - 200
39	39	Titan Company	150 - 200
40	41	Asian Paints	150 - 200
41	32	Vini Product	150 - 200
42	33	Renault India	150 - 200
43	NEW	Reliance Retail Ltd	150 - 200
44	36	Nissan Motor Co Ltd	150 - 200
45	NEW	Future Retail	150 - 200
46	30	Ford India	150 - 200
47	50	Wipro	150 - 200
48	47	GCMF (Amul)	100 - 150
49	NEW	United Spirits	100 - 150
50	NEW	Vicco Laboratories	100 - 150

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