

The Nielsen Company

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News Release

CONTACTS:

Wendy Wang

Email: wendy.wang@nielsen.com

Tel: +8613681695919

FOR IMMEDIATE RELEASE

CHINA RIDES OUT AN EVENTFUL 2008 TO POST FULL YEAR AD SPEND GROWTH OF 17 PERCENT VS. 2007

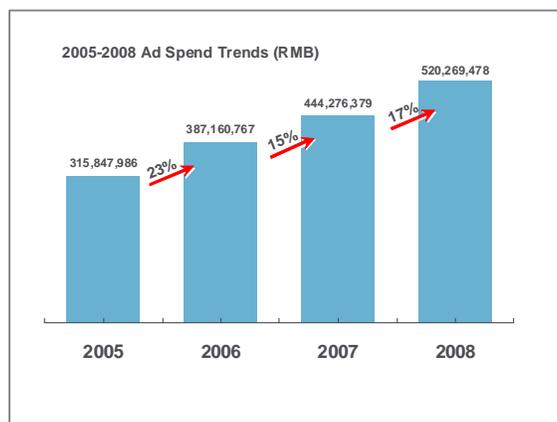
OLAY TOPS BRAND LIST AS #1 SPENDER IN 2008

19th March, Shanghai: China closed 2008 posting a 17 percent year on year increase in advertising spending, up slightly from the 15 percent growth recorded in 2007 but below the 23 percent growth seen in 2006, according to Advertising Expenditure figures released by The Nielsen Company.

“2008 was both a year of opportunities and challenges for China’s ad industry, with major events such as the Beijing Olympics, the Sichuan earthquake, a milk contamination scandal and the onset of a global economic downturn all impacting advertising budgets in one way or another,” said Jed Meyer, Managing Director, Media Services, The Nielsen Company Greater China.

“The Olympics didn’t deliver the advertising boon everyone expected, as the bulk of China’s advertisers took a serious ad break during August, resulting in a monthly ad spend figure close to 2007 levels, and not much higher than in May, when the Sichuan earthquake hit and advertising was suspended for three days,” added Meyer.

In spite of all the ‘events’ of the first three quarters of 2008, other industries returned to the market from September to bring the year to a healthy close, up 17 percent on the previous year and with a total ad spend of 520.3 billion Yuan (US\$74.3 billion) according to Nielsen’s 2008 monitoring of China’s three mainstream media - television, newspapers and magazines.



Across the three main media, television took the lion's share, snaring 83 percent of total spend, with newspapers and magazines taking 15 and 2 percent respectively. (Chart 1)

The fourth quarter is always an intensive period for the advertising industry, and 2008 was no exception with TV, newspapers and magazines scoring year on year increases of 19 percent, six percent and 14 percent respectively, according to Nielsen. Across the full year, the same mediums registered annual growth of 18 percent, 12 percent and 20 percent. (Chart 2)

The top five sections for 2008 included Pharmaceuticals & Health Product, Toiletries, Beverages, Business /Industry/Agriculture, and Food Products. Not surprisingly, Travel & transportation was a major growth engine thanks to the Olympics, growing 56 percent across all main Categories. Real Estate declined slightly in the fourth quarter of 2008 compared to the first and second quarters, but posted full year growth of 15 percent despite the overall depression of the industry across the year.

P&G Guangzhou's star brand OLAY took out the prize as the Number One brand advertised in 2008, followed by KFC second place.

"2009 will bring a new set of challenges but Brand Owners should continue to invest in advertising to keep their Brands top of mind with their consumers and seize the opportunity to take category and industry leadership," added Meyer.

About The Nielsen Company

The Nielsen Company is a leading global information and media company providing essential integrated marketing and media measurement information and analytics and industry expertise to clients across the world. Nielsen maintains leading market positions in marketing and consumer information; television, online, mobile and other media intelligence; and trade shows and business publications (Billboard, The Hollywood Reporter, Ad week). Nielsen is a privately held company and is active in more than 100 countries, with headquarters in New York, USA. For more information, please visit, www.nielsen.com.

Chart 1:

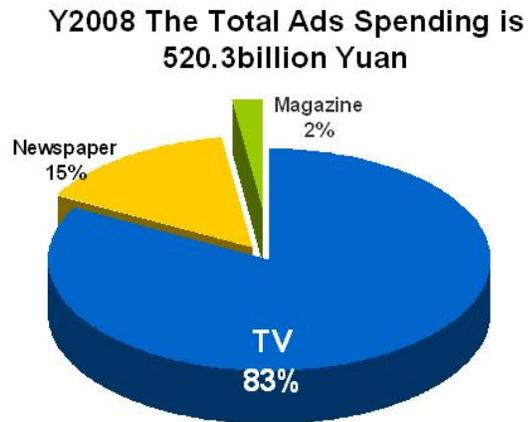


Chart 2

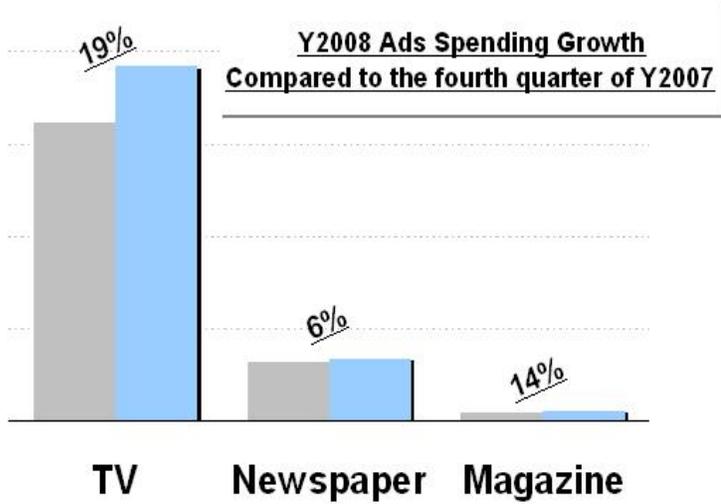


Chart 3

Y2008 Top10 Brands

- TO10 Brands**
- OLAY
- KFC
- Sanjing Pharmaceutical
- L'Oreal
- China Mobile
- GaiZhongGai
- Colgate
- Crest
- Wahaha
- Huangjindadang