

4 March 2009

MEDIA RELEASE

NEWSPAPERS CONTINUE TO LEAD ADVERTISING TURNOVER

Despite a revenue decline that impacted advertising volumes in the second half of 2008, newspapers continue to lead all media with a 32.8% share of the \$2.317 billion revenue for 2008 announced by the Advertising Standards Authority yesterday.

Advertising revenue across all media was down from 2.335 billion in 2007 to 2.317 billion in 2008. Daily, Sunday and Community Newspapers saw a drop of \$66 million on their record 2007 revenue of \$827 million.

Michael Muir the President of the Newspaper Publishers Association said "Like all other media, newspapers have experienced a drop in advertising over the past six months but it's important to note that we still lead the market. We're also very encouraged by continued advertising revenue growth in our online newspapers which we report separately – those figures are contained in the ASA's Interactive figures."

ENDS

For further information

**Michael Muir – President NPA,
The Gisborne Herald 06 869 0600.**

Or:

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ADVERTISING STANDARDS AUTHORITY

MEDIA RELEASE

Tuesday 3 March 2009

Advertising Revenue holds at 2.3 billion dollars in 2008

The Advertising Standards Authority today reported that advertising revenue across all main media was 2.317 billion dollars for the 12 months ended 31 December 2008. This compares with the 2007 total of 2.335 billion.

The turnover includes data from newspapers, television, radio, magazines, outdoor, cinema, addressed mail, unaddressed mail and interactive media.

The Advertising Standards Authority collects and publishes the annual advertising turnover statistics on behalf of the advertising industry.

The members of the ASA are:

Association of New Zealand Advertisers, Communication Agencies Association of New Zealand, Interactive Advertising Bureau, Letterbox Media, Magazine Publishers' Association (Inc), Newspaper Publishers' Association of New Zealand (Inc), New Zealand Cinema, New Zealand Community Newspapers Association, New Zealand Marketing Association (Inc), New Zealand Post, New Zealand Television Broadcasters' Council, Outdoor Media Association of New Zealand, Pay TV Group and Radio Broadcasters' Association (Inc).

(The full summary table and explanatory notes are attached and also available at www.asa.co.nz)

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Advertising Standards Authority

NEW ZEALAND ADVERTISING INDUSTRY TURNOVER

(Includes all cash advertising revenue, inclusive of commission when sold via agencies)

DECEMBER 2008 YEAR END

	1999		2000		2001		2002		2003		2004		2005		2006		2007		2008	
	\$ M	%	\$ M	%	\$ M	%	\$ M	%	\$ M	%	\$ M	%	\$ M	%	\$ M	%	\$ M	%	\$ M	%
NEWSPAPERS	566	39.8	596	40.1	606	40.7	628	40.1	689	37.1	790	38.1	830	37.2	810	36.4	826	35.4	760	32.8
TELEVISION	487	34.3	501	33.7	479	32.2	516	33.0	592	31.9	643	31.0	666	29.9	641	28.8	654	28.0	647	27.9
RADIO	178	12.6	190	12.8	196	13.2	203	13.0	224	12.1	247	11.9	256	11.5	269	12.1	274	11.7	268	11.6
MAGAZINES	159	11.2	157	10.6	166	11.1	173	11.0	194	10.4	223	10.7	260	11.7	251	11.3	257	11.0	249	10.7
INTERACTIVE									8	0.4	15	0.7	44	2.0	65	2.9	135	5.8	193	8.3
OUTDOOR	18	1.3	28	1.9	32	2.2	37	2.4	47	2.5	51	2.5	72	3.2	79	3.6	78	3.3	74	3.2
UNADDRESSED MAIL									56	3.1	59	2.8	56	2.5	64	2.9	65	2.8	61	2.6
ADDRESSED MAIL									35	1.9	34	1.6	34	1.5	35	1.6	36	1.5	56	2.4
CINEMA	12	0.8	13	0.9	9	0.6	8	0.5	12	0.6	13	0.6	11	0.5	10	0.4	10	0.4	9	0.4
TOTAL	1420	100.0	1485	100.0	1488	100.0	1565	100.0	1857	100.0	2075	100.0	2229	100.0	2224	100.0	2335	100.0	2317	100.0

IMPORTANT: Sources and Notes for 2008 figures are attached in a separate word document.

NEW ZEALAND ADVERTISING INDUSTRY TURNOVER

Explanatory notes for the year ended 31 December 2008

- Newspapers:** This figure includes all cash revenue, including agency commission, excluding GST from all daily, Sunday and community newspaper titles in New Zealand. The revenue includes display, retail, classified and insert advertising. The figures are sourced from the member newspapers of the Newspaper Publishers' Association of New Zealand and the Community Newspapers Association of New Zealand.
- Television:** This figure includes all cash revenue, including agency commission, excluding GST from free to air (including Prime) and pay television. The figures are independently collected for the New Zealand Television Broadcasters Council and reported to the ASA as a total revenue figure.
- Radio:** This figure includes all cash revenue, including agency commission, excluding GST from members of the Radio Broadcasters Association (RBA). Actual returns comprised 96% of the total radio advertising revenue for 2008. The total also includes an estimate for non-RBA members, iwi and student radio based on direct industry knowledge and projections based on market share. The figure is sourced from the Radio Broadcasters Association.
- Magazines:** This figure includes cash revenue, including agency commission, excluding GST from members of the Magazine Publishers Association (MPA) and an estimate for non-member publications. It does not include revenue from classified advertising. It is estimated that MPA members represent 65% of magazine advertising revenue in New Zealand. The figure is sourced from the Magazine Publishers Association.
- Interactive:** This figure is comprised of cash revenue including agency commission, excluding GST. The 2008 figures include General Display Advertising, which includes revenues from Display such as banner advertisements of many different sizes and formats, affiliate marketing programmes, partnerships, sponsorships and emails; Classifieds, which includes revenues from ads placed to buy or sell an item or service and Search & Directories Advertising which includes revenues from online Directories and search engine listings. The figures are supplied via an independently audited process established by the Interactive Advertising Bureau on behalf of the interactive industry
- Outdoor:** This figure includes all cash revenue, including agency commission, excluding GST from members of the Outdoor Media Association of NZ (OMANZ) which represents over 95% of all Outdoor media revenue. The revenue data is independently collected for OMANZ. The figure also includes actual returns from four other companies involved in outdoor or ambient advertising.
- Unaddressed Mail:** This figure includes all cash revenue, including agency commission when paid, excluding GST from the letterbox media companies. These companies are Reach Media and PMP Distribution. The revenue recorded is drawn from the cost of delivery. This total represents 95 % of the unaddressed mail advertising revenue in New Zealand.
- Addressed Mail:** This figure is an estimate based on the cost of delivery only. It does not include production or associated costs. Also not included is business to business direct mail. The figure is sourced from New Zealand Post. **Please note:** In 2008 New Zealand Post refined the collection methodology for this figure and it is now compiled using volume and expenditure estimations from Nielsen Media Research's MailPix system. The Nielsen estimations (at standard postage rates) are validated and adjusted using New Zealand Post's own volume and expenditure data taking discounting into account to produce the final market revenue estimation.
- Cinema:** This figure includes all cash revenue, including agency commission, excluding GST from the two major companies involved in cinema advertising in New Zealand.