KANTAR MEDIA

2018 Offline and Online Media Trends

BMAP General Membership Meeting

Jay G. Bautista

April 20, 2018

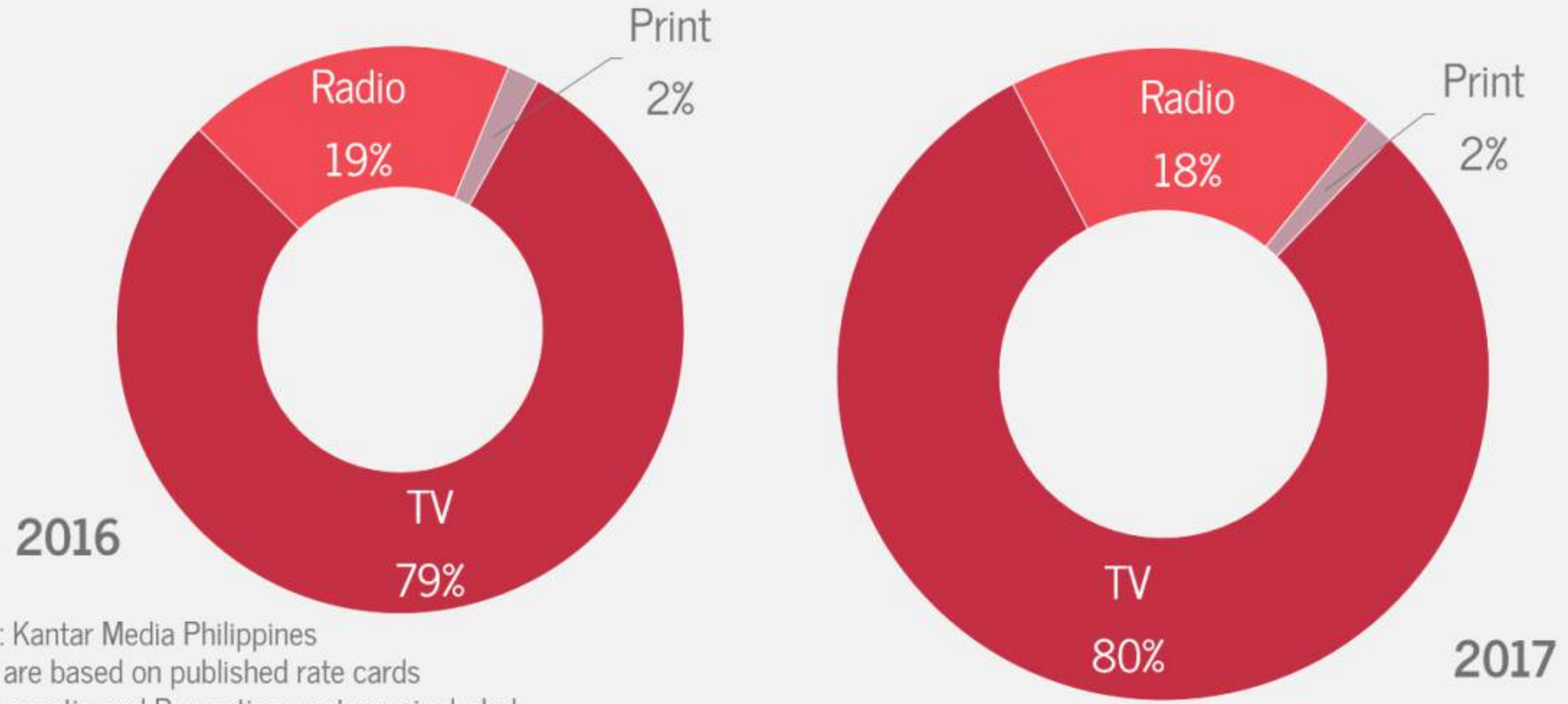
Topics for today

- Advertising Highlights
- Offline Media Trends
  - Television
  - Radio
  - Print
  - Out of Home
- Online Media Trends
- BMAP Proposal

Advertising spend

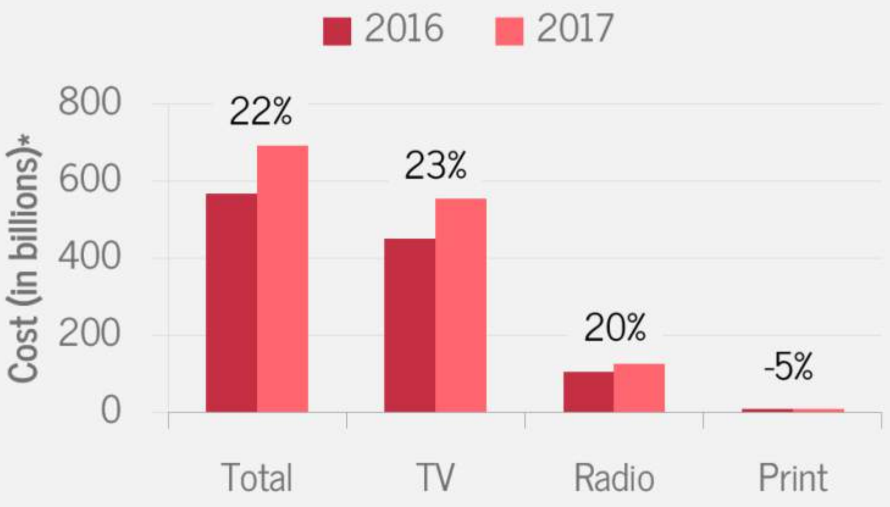
Annual Tri-Media Advertising Expenditure Report

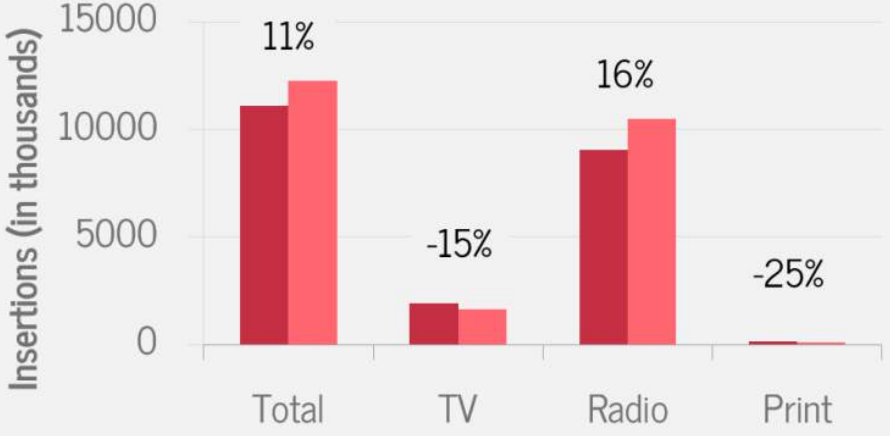
SHARES BY MEDIA



Source: Kantar Media Philippines
*Costs are based on published rate cards
Only Thematic and Promotion spots are included.

Annual Tri-Media Advertising Expenditure Report





Eye care

category saw a significant increase in its advertising spending for 2017 (30,000% higher than 2016)

5,836,771

minutes of TV and radio ads aired in 2017

Television ad minutes for 2017 is **18% lower than 2016**. On the flip side, **radio ad minutes increased by 19%.**

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Source: Kantar Media Advertising Expenditure database
Date: Jan to Dec 2017
Costs are based on published ratecards
Only includes Thematic and Promotion spots

Annual TV Advertising Expenditure Report

	TOP CATEGORIES	TOP ADVERTISERS	TOP BRANDS
1	DETERGENTS & LAUNDRY AIDS 61,427	UNILEVER PHILIPPINES, INC. 110,187	DOWNY FABRIC CONDITIONER 15,036
2	HAIR SHAMPOO 47,753	PROCTER & GAMBLE PHILIPPINES, INC. 79,022	NESCAFE COFFEE 10,816
3	MILK POWDER 45,146	NESTLE PHILIPPINES, INC. 58,301	SUNSILK HAIR SHAMPOO 10,758
4	CORPORATE ADVERTISING 26,786	COLGATE-PALMOLIVE PHILIPPINES, INC. 17,580	DOVE SHAMPOO WITH CONDITIONER 10,439
5	COFFEE & TEA 22,304	JOLLIBEE FOODS CORPORATION 16,617	ARIEL DETERGENT POWDER 9,588
6	MISCELLANEOUS FOOD PRODUCTS 20,122	UNITED LABORATORIES, INC. 16,426	HEAD & SHOULDERS HAIR SHAMPOO 9,064
7	FLAVOR ENHANCERS & FOOD MIXES 16,157	WYETH PHILIPPINES, INC. 11,174	CREAMSILK HAIR CONDITIONERS 9,017
8	VITAMINS 15,815	PFIZER, INC. 8,993	SELECTA ICE CREAM 8,957
9	DEODORANTS 13,565	UNILEVER RFM ICE CREAM, INC. 8,957	TIDE DETERGENT POWDER 8,687
10	HAIR CONDITIONER 12,866	UNIVERSAL ROBINA CORPORATION 8,254	SURF DETERGENT POWDER 7,637

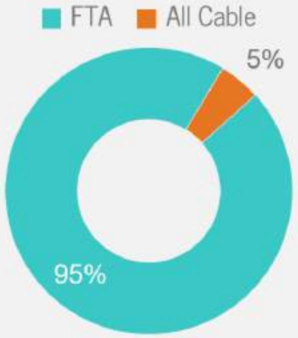
Both Colgate-Palmolive Products and Myra E Hand & Body Lotion saw significant growth in their campaign insertions and duration for the year 2017.

Source: Kantar Media Philippines
•Costs are based on published rate cards
Only Thematic and Promotion spots are included.

23%
increase in TV advertising spending for 2017 (vs. 2016)

630,390
minutes of TV ads aired in 2017 (18% lower than 2016)

1.63 million
campaign insertions for television in 2017 (a 15% decrease from 2016)



SHARES

Annual Radio Advertising Expenditure Report

	TOP CATEGORIES	TOP ADVERTISERS	TOP BRANDS
1	DETERGENTS & LAUNDRY AIDS 15,077	ACS MANUFACTURING CORPORATION 24,878	PRIDE DETERGENT POWDER 5,934
2	HERBAL SUPPLEMENTS 13,225	NESTLE PHILIPPINES, INC. 6,941	SMART DISHWASHING CLEANER 5,170
3	CLEANSERS 8,313	UNITED LABORATORIES, INC. 5,179	MX3 HERBAL SUPPLEMENTS 4,342
4	SOAPS 7,340	PROCTER & GAMBLE PHILIPPINES, INC. 4,976	UNIQUE TOOTHPASTE 3,627
5	MILK POWDER 4,656	DMI MEDICAL SUPPLY CO., INC. 4,393	SHIELD SOAP 3,229
6	VITAMINS 4,111	TANDUAY DISTILLERS, INC. 2,585	PRIDE DETERGENT BAR 2,795
7	TOOTHPASTE, MOUTHWASH, & TOOTHBRUSH 3,844	UNILEVER PHILIPPINES, INC. 2,381	STEELTECH CORPORATION 2,024
8	CONSTRUCTION EQUIPMENTS & SUPPLIES 3,673	EMPERADOR DISTILLERS, INC. 2,066	TANDUAY RHUM 1,863
9	AUTOMOTIVE SUPPLIES & ACCESSORIES 3,010	STEELTECH CORPORATION 2,024	BEAR BRAND POWDERED FILLED MILK 1,703
10	CORPORATE ADVERTISING 2,890	SAN MIGUEL BREWERY, INC. 1,932	EMPERADOR BRANDY 1,681

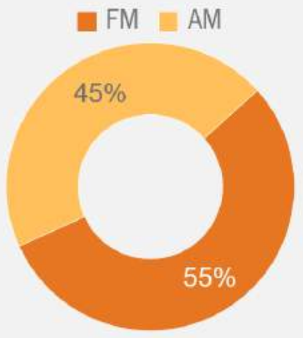
Del Monte Philippines, Inc. and Pepsi-Cola Products Philippines, Inc. are the top two gainers in terms of radio spending and insertions for the year 2017 among all advertisers.

Source: Kantar Media Philippines
•Costs are based on published rate cards
Only Thematic and Promotion spots are included.

20% increase in radio advertising spending for 2017 (vs. 2016)

5,206,381 minutes of radio ads aired in 2017 (19% higher than 2016)

10.5 million campaign insertions for radio in 2017 (a 16% increase from 2016)



SHARES

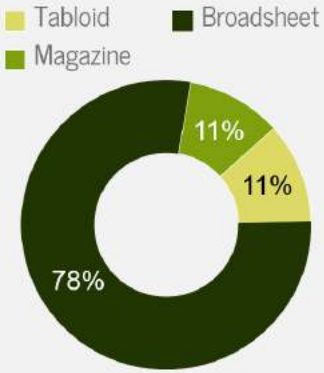
Annual Print Advertising Expenditure Report

	TOP CATEGORIES	TOP ADVERTISERS	TOP BRANDS
1	AUTO VEHICLES & CAR DEALERS 1,740	AYALA LAND, INC. 352	MITSUBISHI CARS & AUV'S 315
2	ENTERTAINMENT 1,014	MITSUBISHI MOTORS PHILIPPINES CORPORATION 339	AYALA MALLS CINEMA 309
3	COMMERCIAL CENTERS & BAZAARS 689	ROBINSONS LAND CORPORATION 247	ROBINSONS CINEMA 213
4	CORPORATE ADVERTISING 485	TOYOTA MOTORS PHILIPPINES CORPORATION 204	TOYOTA CARS & AUV'S 187
5	REAL ESTATE 470	SM PRIME HOLDINGS, INC. 203	ISUZU CARS & AUV'S 139
6	BANKS 430	ISUZU PHILIPPINES CORPORATION 181	THE MANILA HOTEL 135
7	GOVERNMENT AGENCIES & PUBLIC UTILITIES 413	SHOEMART, INC. 146	SM CINEMA 128
8	TRAVEL 308	SUZUKI PHILIPPINES, INC. 146	FORD CARS & AUV'S 124
9	GROCERIES & SUPERMARKETS 272	THE MANILA HOTEL 135	HONDA CARS & AUV'S 123
10	CONSTRUCTION EQUIPMENTS & SUPPLIES 260	SM LIFESTYLE ENTERTAINMENT, INC. 128	SUZUKI CARS & AUV'S 120

Five percent decrease in print advertising spending for 2017 (vs. 2016)

110,316 campaign insertions for print in 2017 (a 25% decrease from 2016)

Choco and Soya Drinks had the most notable increase in ad insertions among all categories

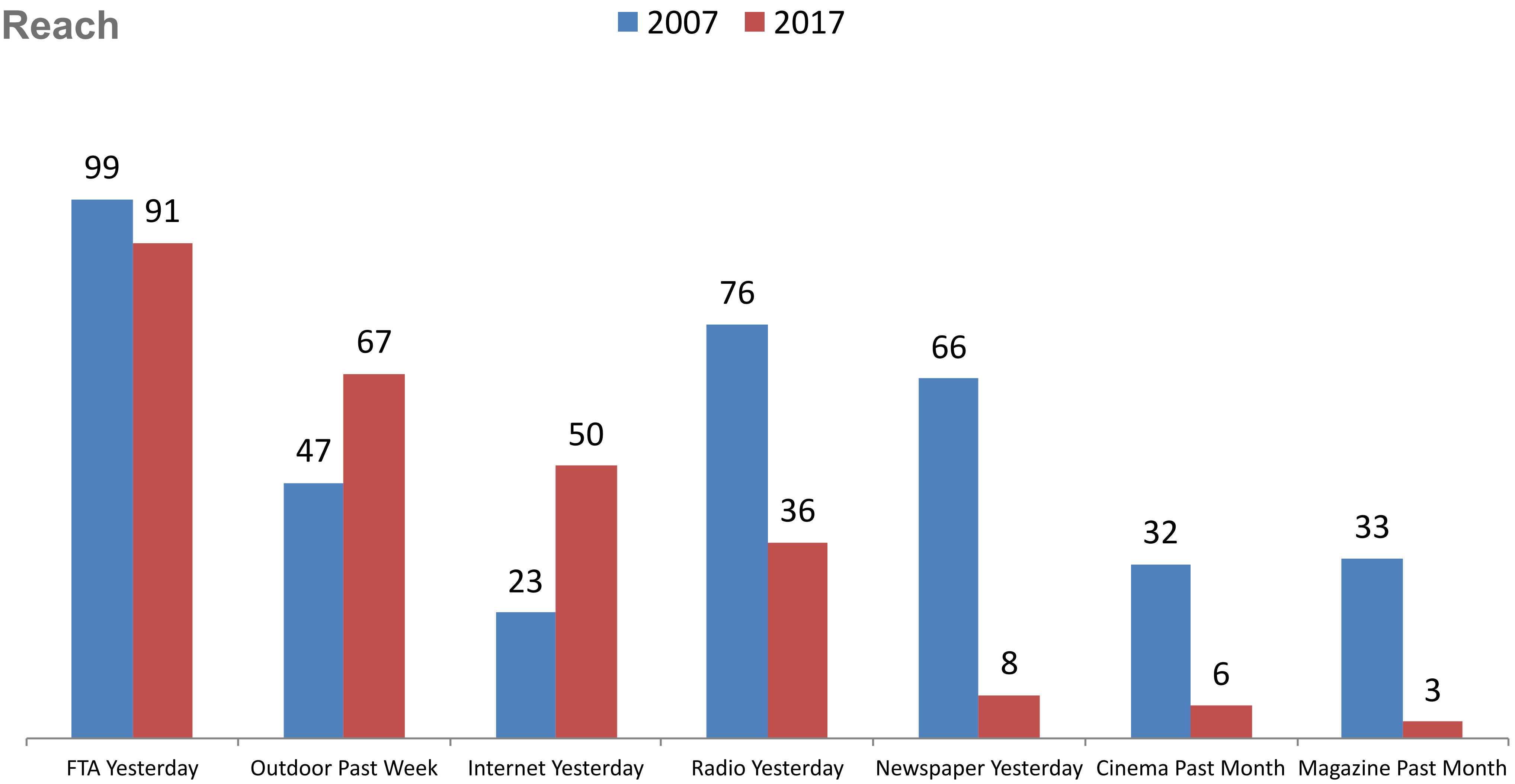


SHARES

Source: Kantar Media Philippines
•Costs are based on published rate cards
Only Thematic and Promotion spots are included.

Offline Media Trends

Media Reach



Source: Media Insights 2017 National Urban Philippines
Nielsen Media Brieing 2007

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The more things
change the more the
stay the same

Television reinvents itself.

Pay TV Subscription

Rural Philippines

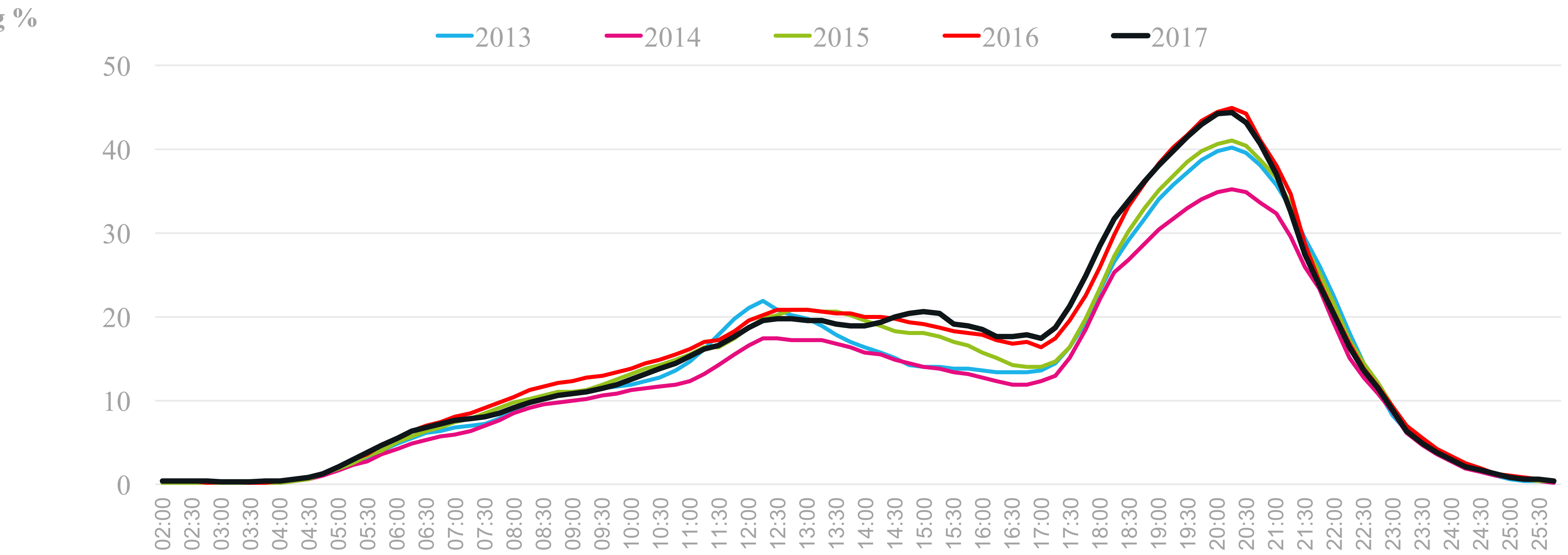
Base: Total TV Homes Interviewed– Philippines (4,110 Households)

TV Plus Incidence

Among TV Homes

	Total Philippines	Urban Philippines	Rural Philippines
TVES 2016	**3.7**	**6.5**	**0.8**
TVES 2017	**15.7**	**24.7**	**6.1**

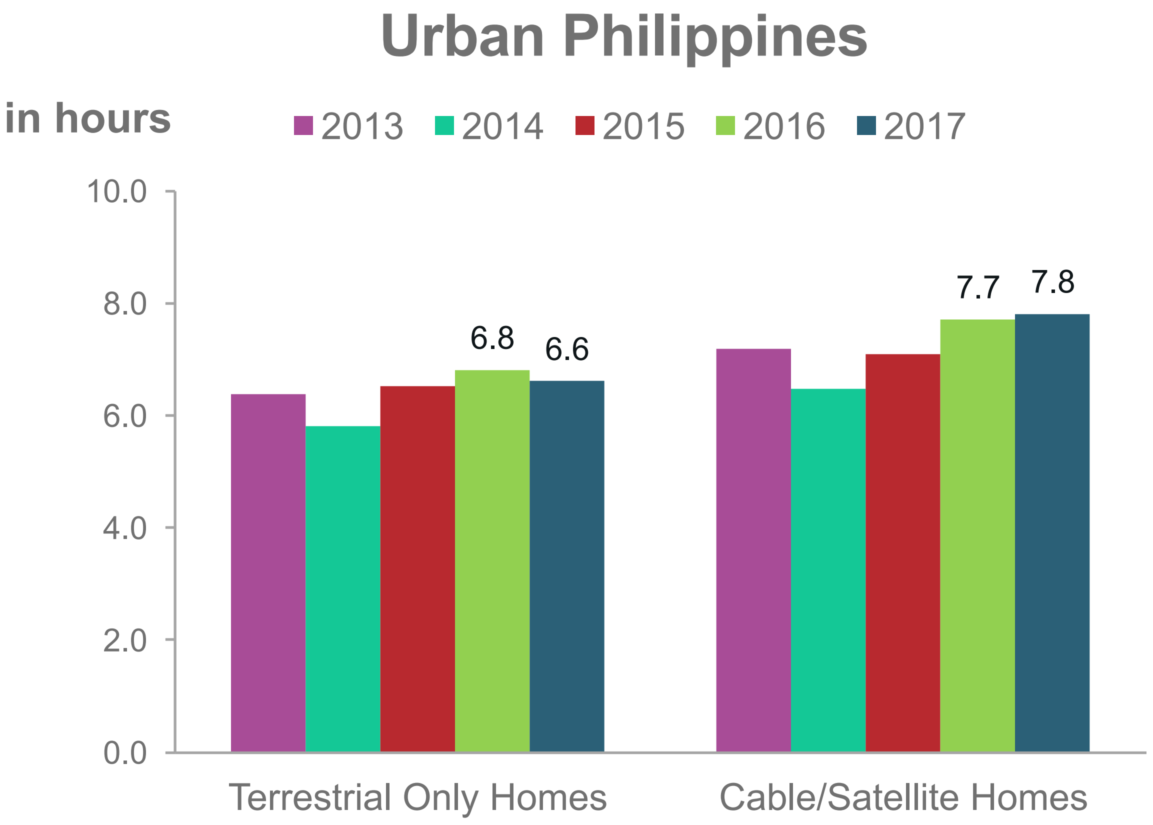
TV's shape of the day

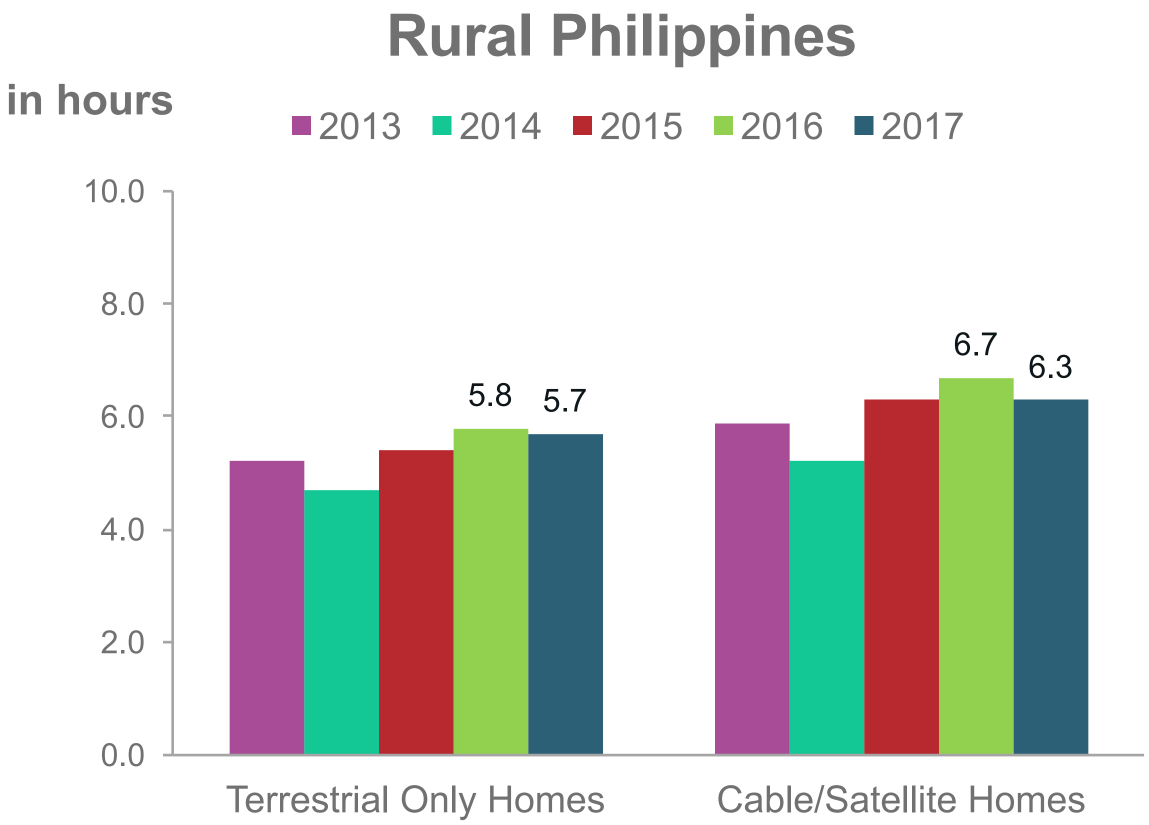


Source: Kantar Media Television Audience Measurement

How much time is spent watching TV?

Among TV viewers

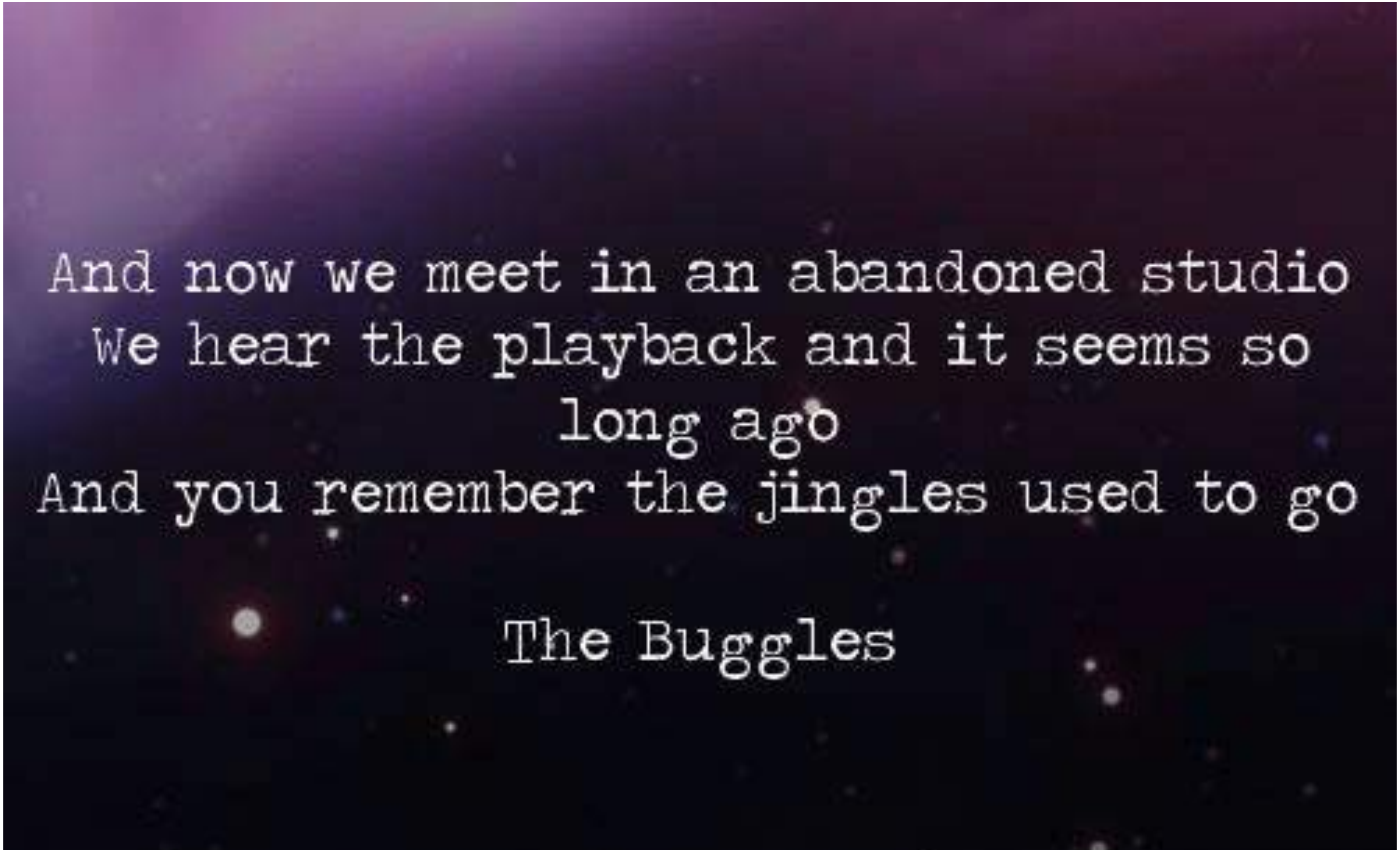




Top 10 Channels

Rank	Total Philippines	Mega Manila
1	ABS-CBN	GMA
2	GMA	ABS-CBN
3	TV 5	CINEMO!
4	CINEMO!	TV 5
5	GMA NEWS TV	GMA NEWS TV
6	ABS-CBN SPORTS+ACTION	
7		ABS-CBN SPORTS+ACTION
8	PBO PINOY BOX OFFICE	C1 CINEMAONE
9	C1 CINEMAONE	CARTOON NETWORK
10	CARTOON NETWORK	FOX MOVIES

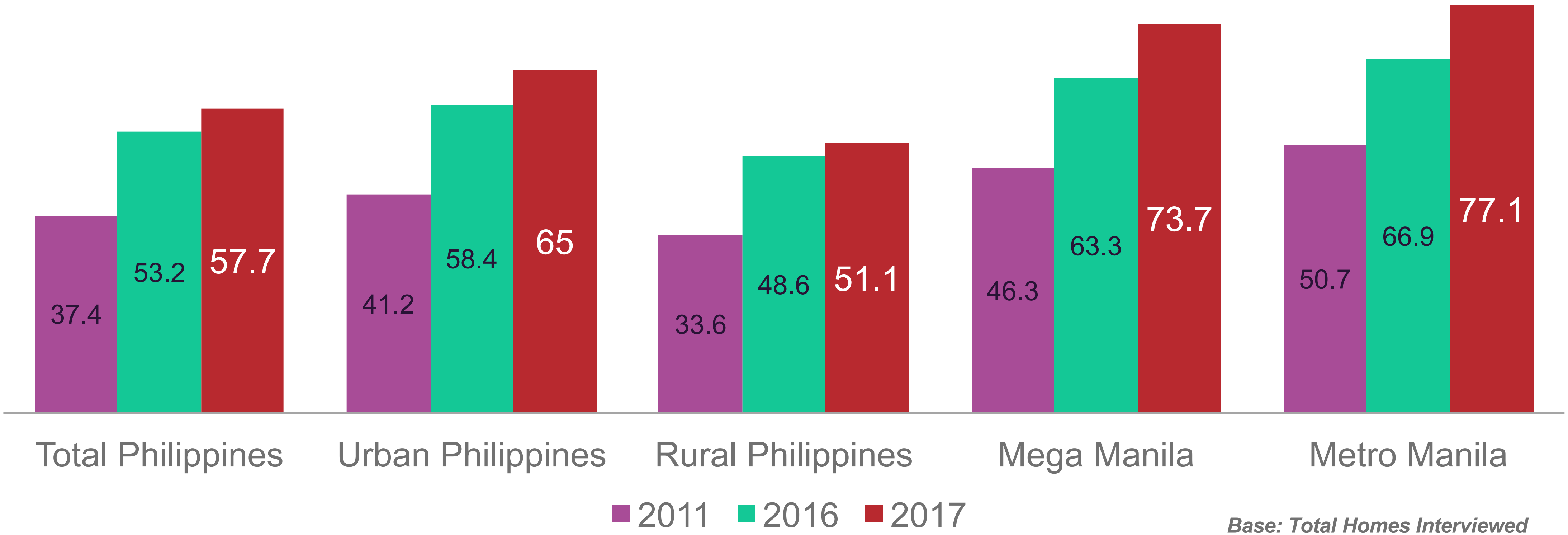
Source: Kantar Media Television Audience Measurement
January to December 2017


And now we meet in an abandoned studio
We hear the playback and it seems so long ago
And you remember the jingles used to go

The Buggles

Radio Evolves

Radio Ownership



Base: Total Homes Interviewed

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Place of Listening

Preferred Device

Audience Profile

Top Metro Manila AM Stations

ABS-CBN DZMM TeleRadyo

DZBB 594 KHZ SUPER RADYO

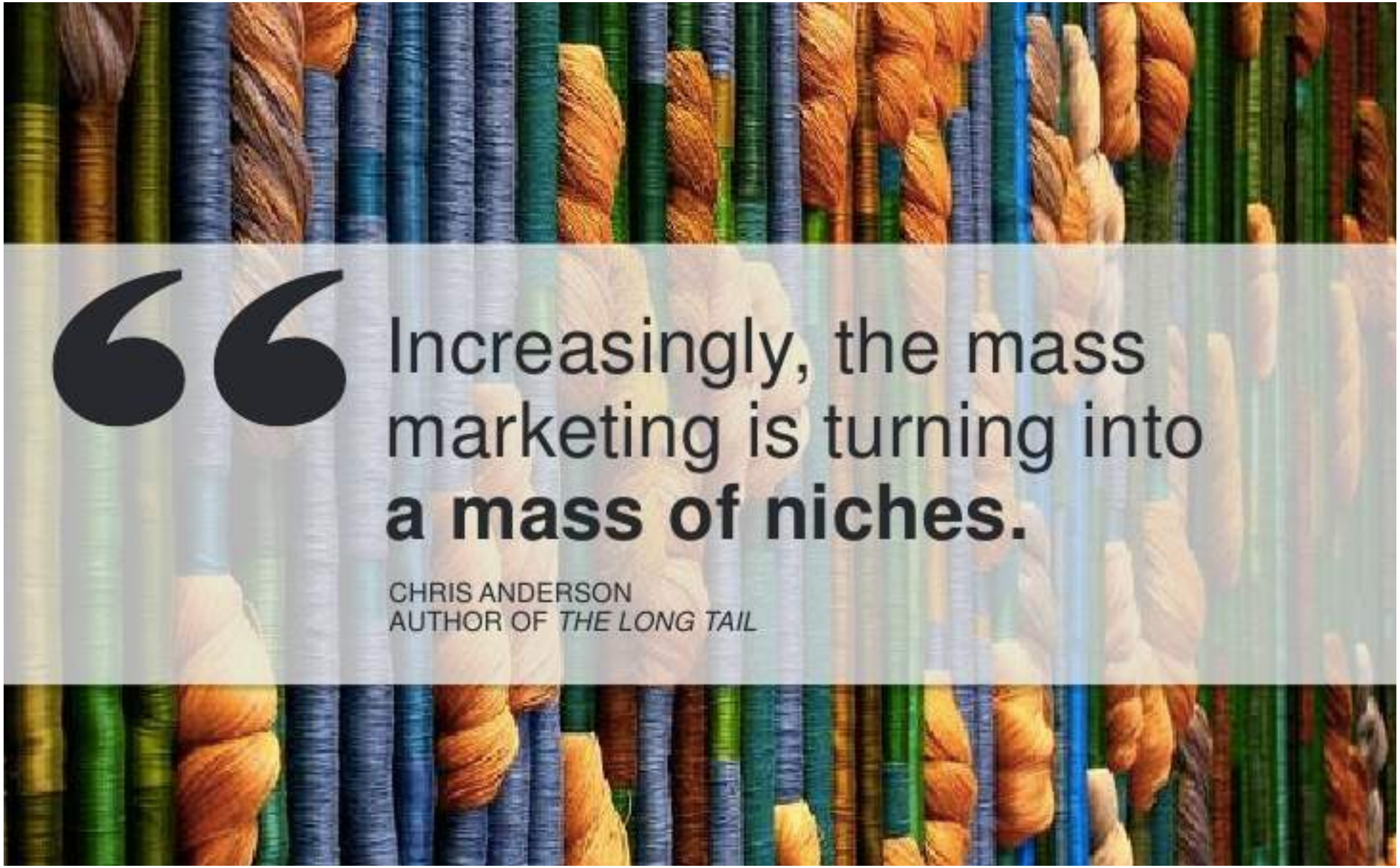
DZRH NEWS DZRH NO.1 KAUNAUNAHAN SA PILIPINAS

Top Metro Manila FM Stations

90.7 LOVE RADIO

MOR My Only RADIO NATIONWIDE! AN ABS-CBN STATION

BaRanGaY LS 97.1 MEGA MANILA FM RADIO GMA TugStugan Na


Increasingly, the mass marketing is turning into **a mass of niches.**
CHRIS ANDERSON
AUTHOR OF *THE LONG TAIL*

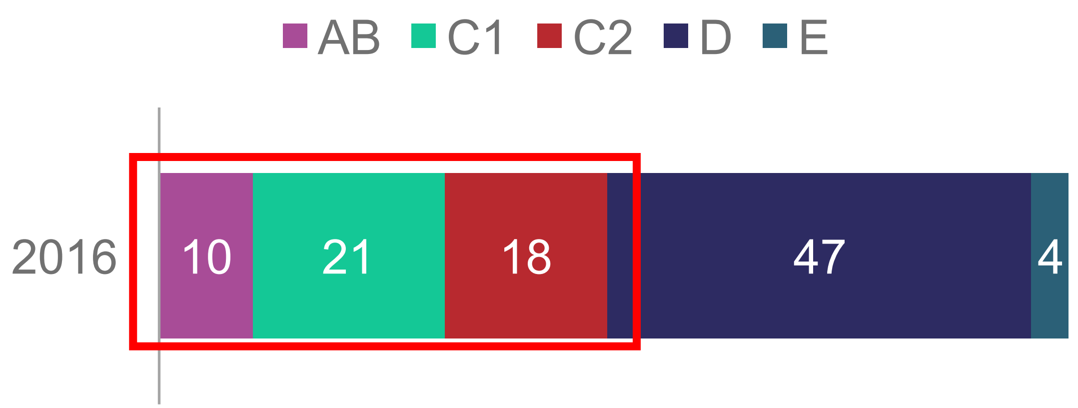
Print lives

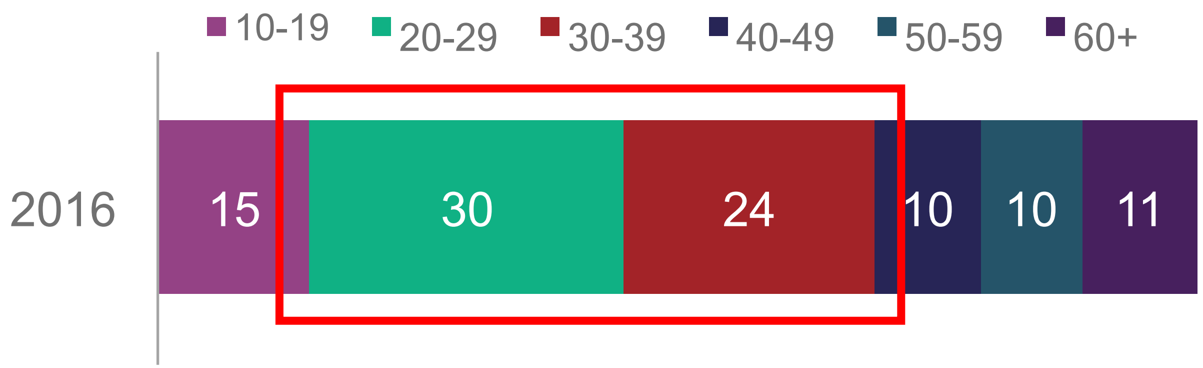
BUSINESS
Issue 764
Learn from the best to ensure success
Reasons we will be successful
Economy of the European Union
World Bank's stock at all-time high
08:15

Profile of Newspaper Readers

Based on Kantar Media MHS 2016

Profile of Magazine Readers





Top Broadsheets

THE EXPONENT OF PHILIPPINE PROGRESS SINCE 1900
MANILA BULLETIN
THE NATION'S LEADING NEWSPAPER

PHILIPPINE DAILY INQUIRER
BALANCED NEWS + FEARLESS VIEWS

THE PHILIPPINE STAR
TRUTH SHALL PREVAIL

The Manila Times

Manila Standard TODAY

Top Monthly Magazines

Based on Kantar Media MHS 2016: Individuals 10+. Total Philippines


ROBINSONS
ROASTERS
Give in.
Cinemas
Lee
Dove Intense Repair

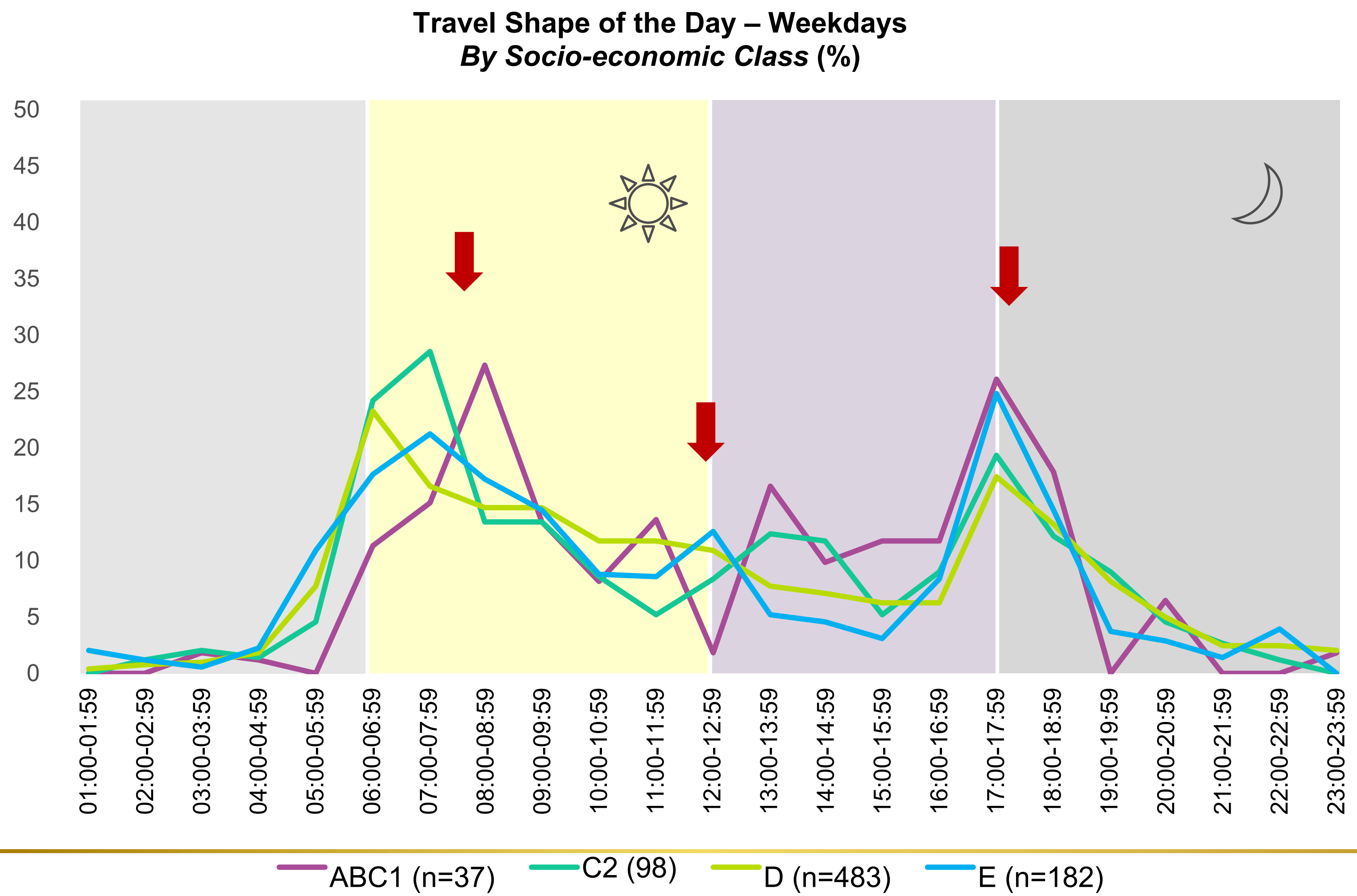
QuickFacts

- In 2016, the total motor vehicles in Metro Manila has already peaked at 3.1 million. **Our daytime (road) population is 16 million.** Source: LTO

- Metro Manila has only 1,032 kilometers of roads or 3.5% of the total 39,370 kilometers of roads nationwide. The National Capital Region has only **one kilometer of road per 482 vehicles.** Source: LTO

- The traffic demand in Metro Manila is at 16.8 million trips. **69% of these total trips are done using public transport** yet only 22% of the road space is occupied by public vehicles. The other **78% of road space is taken by private vehicles.** Source: National Economic and Development Authority

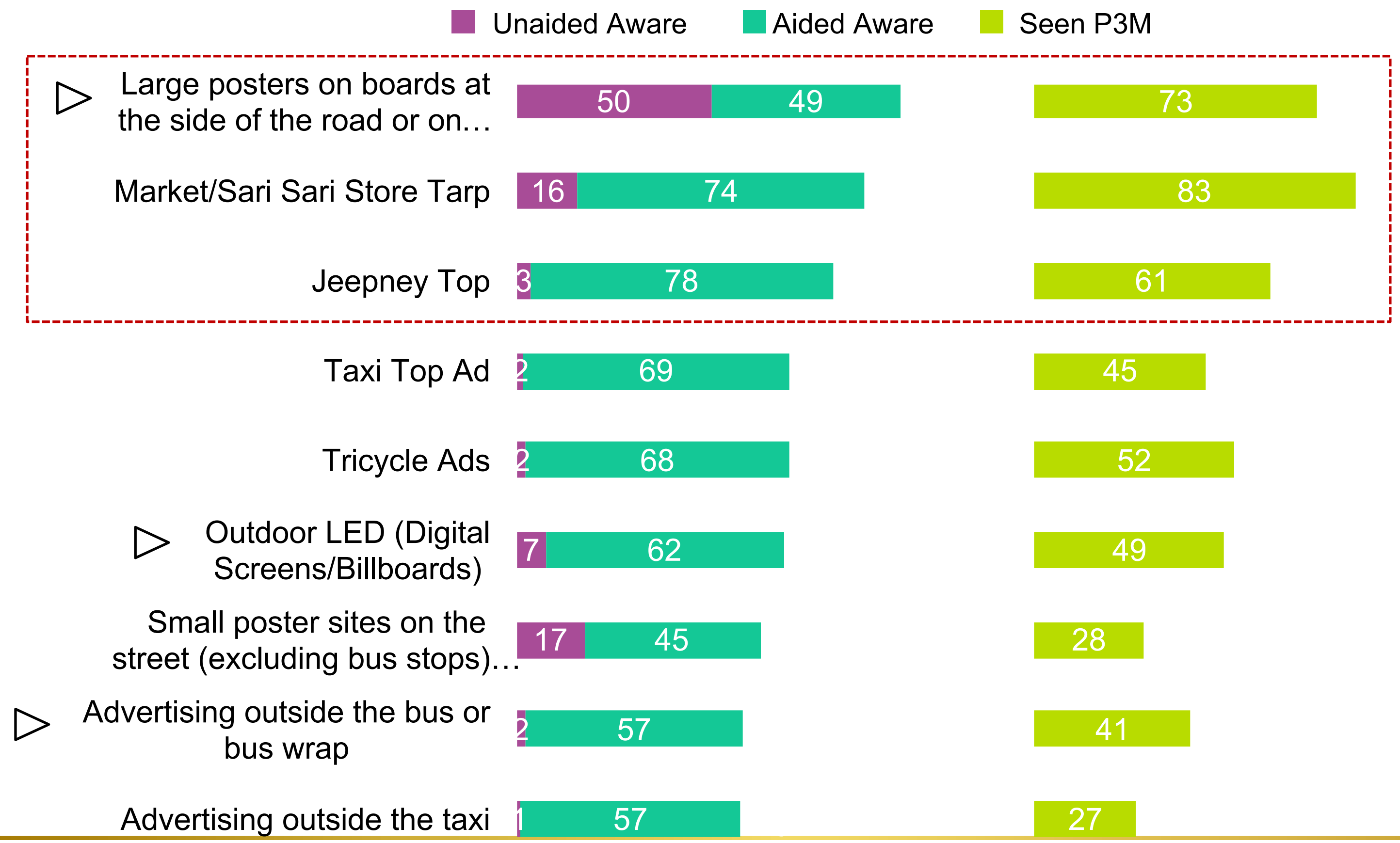
Class ABCs are more likely to be out during morning rush hour 7-9am. Class ABC1s are least likely to be out during noontime. Meanwhile, higher incidence of travel seen among Class ABC1 and Class Es.



Base: Total interviews (n=800)

Billboards, SSS tarps and jeepney tops are the most popularly known and seen OOH ad types. Billboards, especially, are voluntarily mentioned by half of the respondents.

Awareness of/Exposure to OOH Ad Types – 1/4 (%)



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Base: Total interviews (n=800)

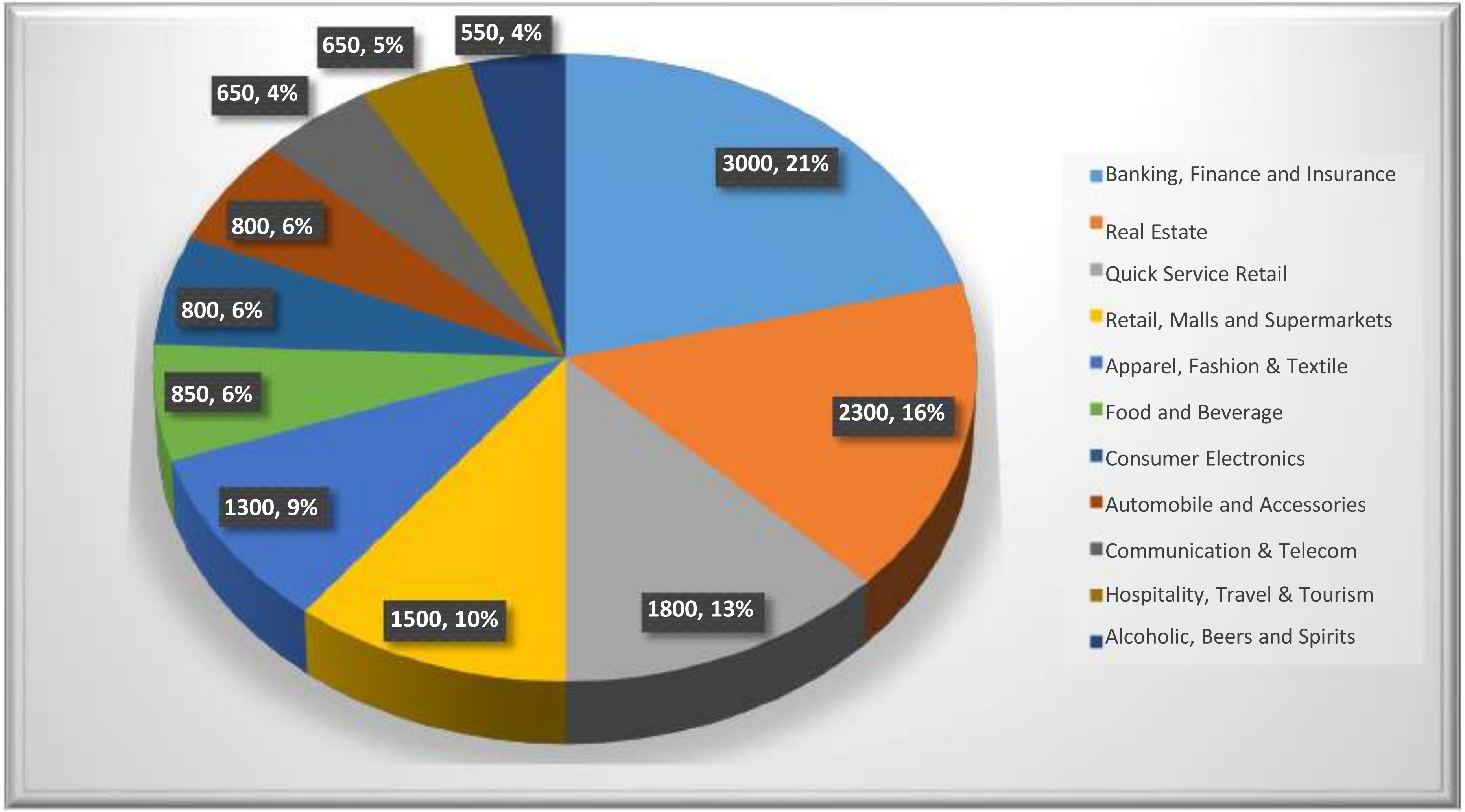
PH: OOH spendsplit 2017

P21.2 billion

MM	70%
Luzon	11%
Visayas	10%
Mindanao	9%

Billboard	65%
Transit	13%
Digital	13%
Ambient	9%

PH:OOHindustrysplit **2017**



KA

Posterscope
Philippines

Forecast2018: OOH

11-12 %
share of OOH spends in total media spends

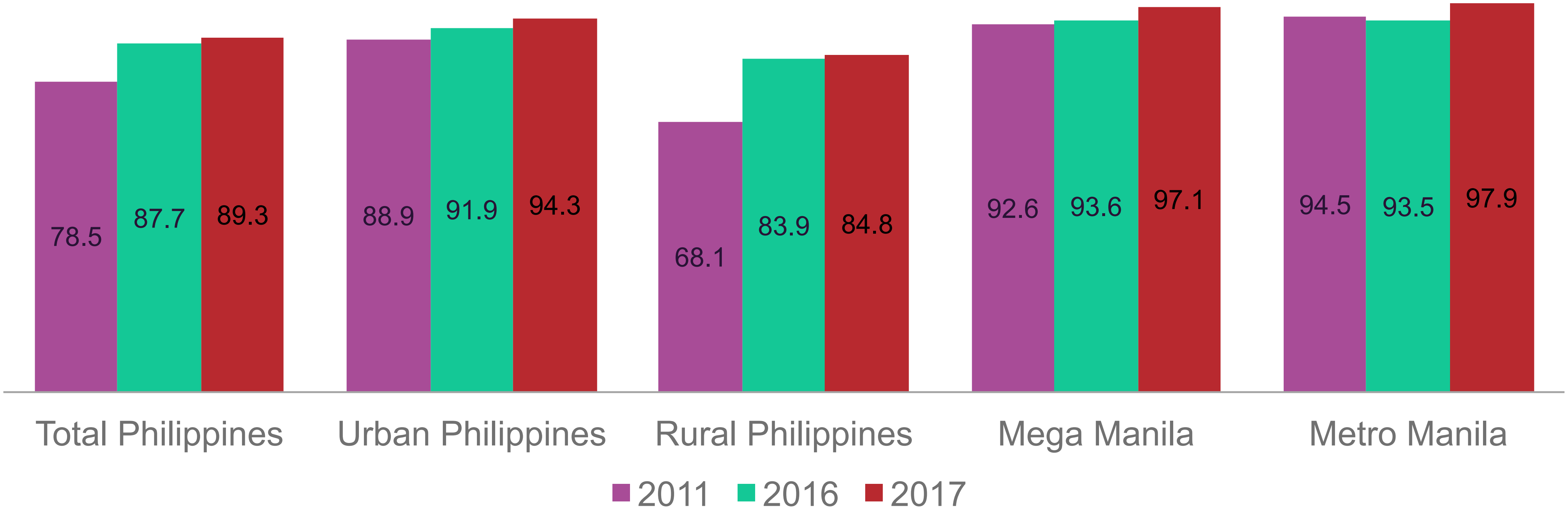
78 : 22
ratio between traditional& DOOH

8-10 %
price inflation
based on 2017

12%
overall OOH growth based on 2017

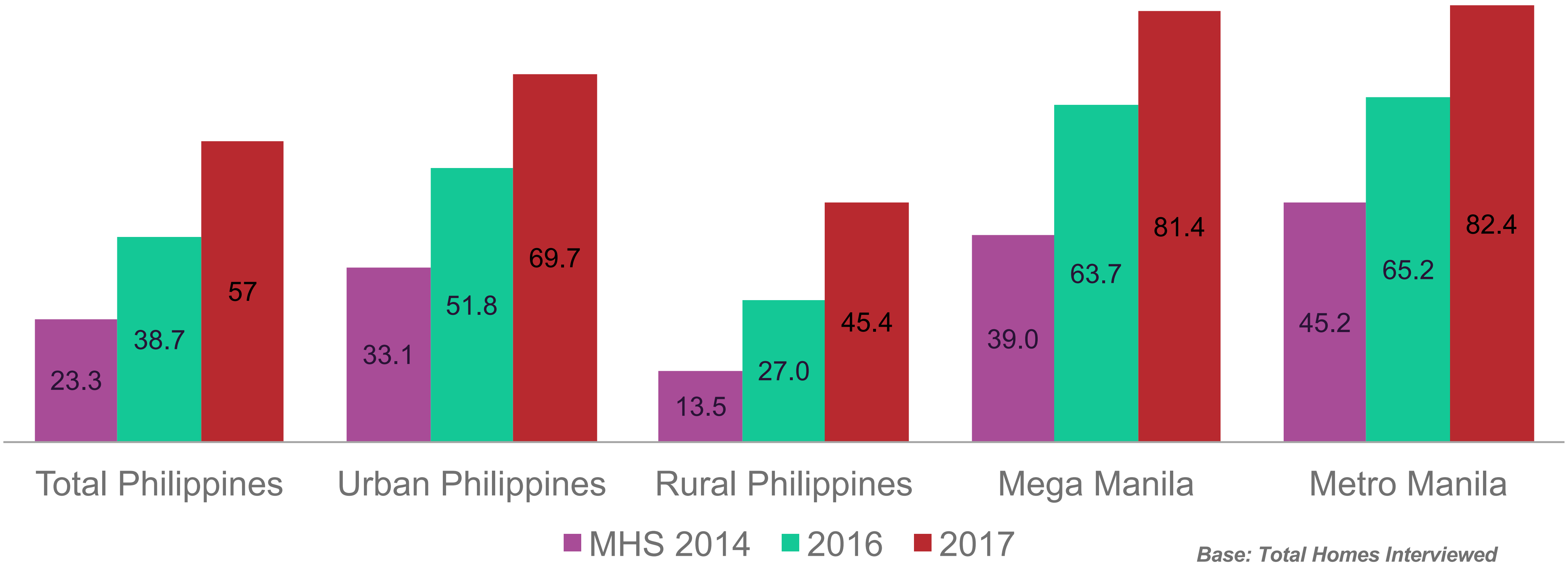
The Digital Wave

Mobile Phone Ownership (Regular/Smartphone)



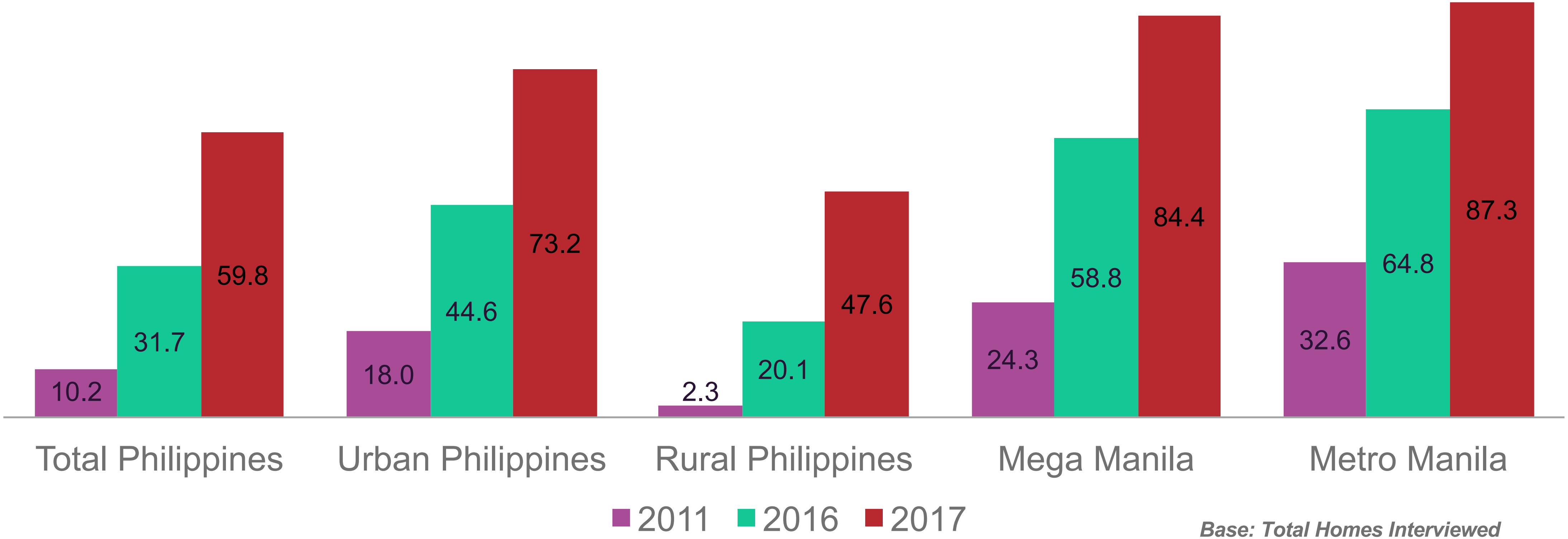
Base: Total Homes Interviewed

Smartphone Ownership



Base: Total Homes Interviewed

Internet Connection at Home



Base: Total Homes Interviewed

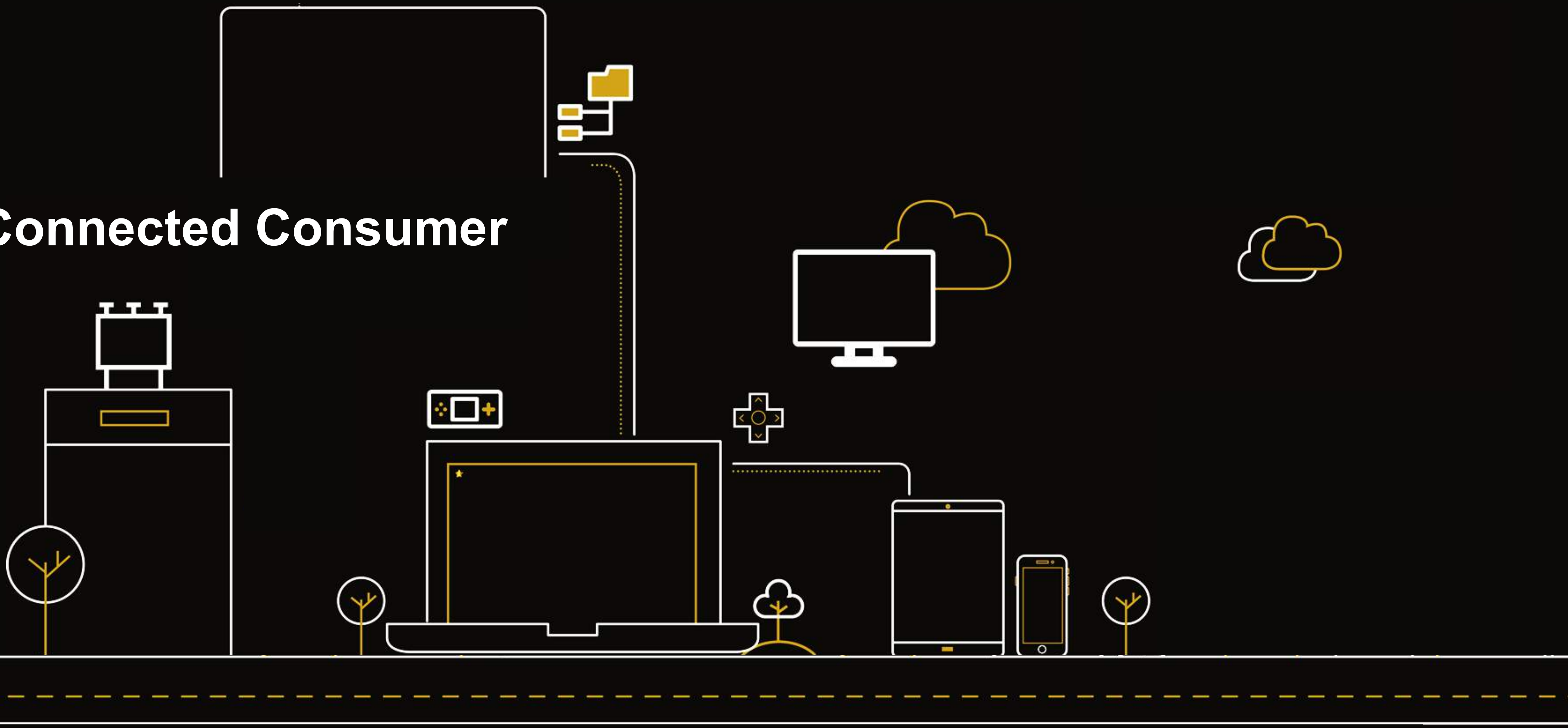
Top Websites

1. facebook
2. Google
3. YouTube
4.
5.
6. LAZ LAZADA

Top Apps

1.
2.
3.
4.
5.
6. A B C D

The Connected Consumer



There are many ways into Filipino needs

	Global	Philippines
Desktop computer	47%	16%
Laptop computer	54%	11%
Tablet	37%	13%
Gaming console	22%	1%
Smartphone	89%	85%
Feature phone	17%	17%
Smartwatch	11%	0%
Fitness band	12%	-
TV (NET)	74%	29%
Smart TV	31%	3%
Pay-TV subscription	32%	2%
Online streaming service (e.g. Netflix, Amazon Instant Video)	20%	0%
Internet at home (e.g. ADSL, dial-up internet, high speed cable connection) NET	64%	17%
Wi-Fi at home	56%	12%
A voice-activated smart home appliance (e.g. Amazon Echo, Google Home)	6%	1%
Other smart home device (e.g. internet-connected or smartphone-controlled security, thermostat, sound system, etc.)	6%	0%
Digital media player (e.g. Google Chromecast, Apple TV, Amazon Fire stick)	13%	0%

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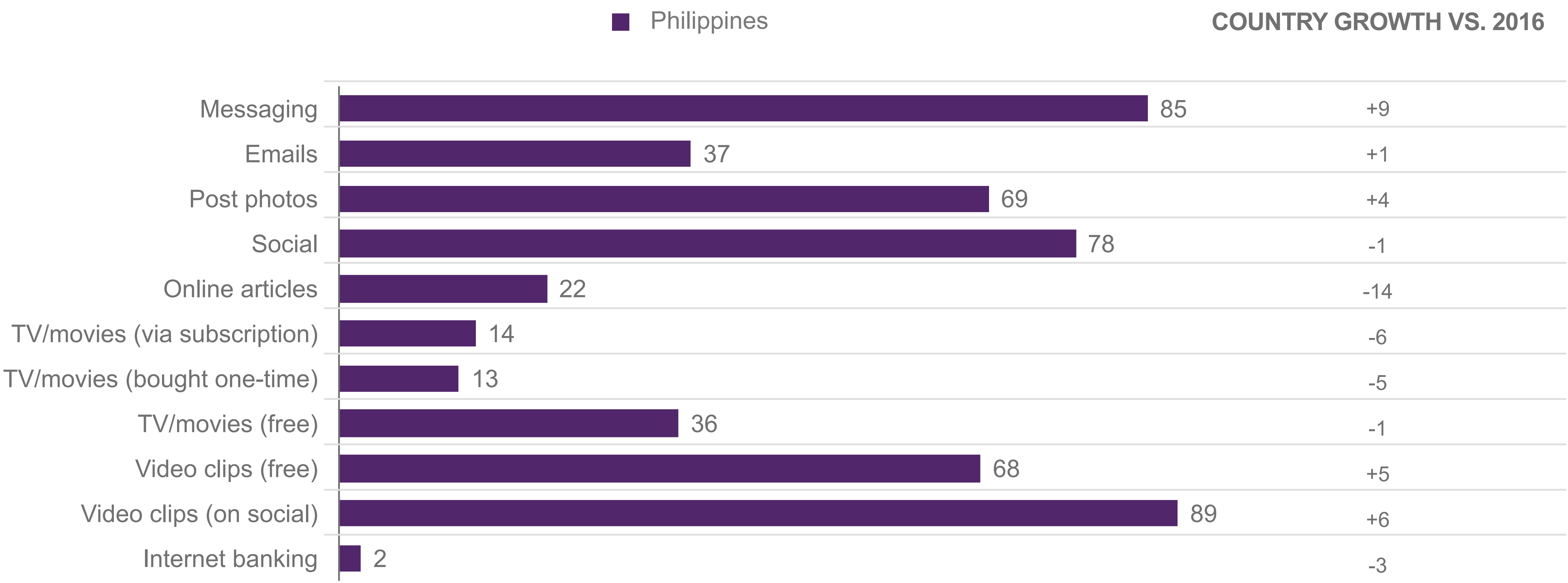
Source: Kantar TNS Connected Life, October 2017

What are the key online activities to target?

Weekly activity usage – Philippines
%



KANTAR MEDIA

Source: (C1) Frequency of online activities
Base: Philippines (1001)
Kantar TNS Connected Life

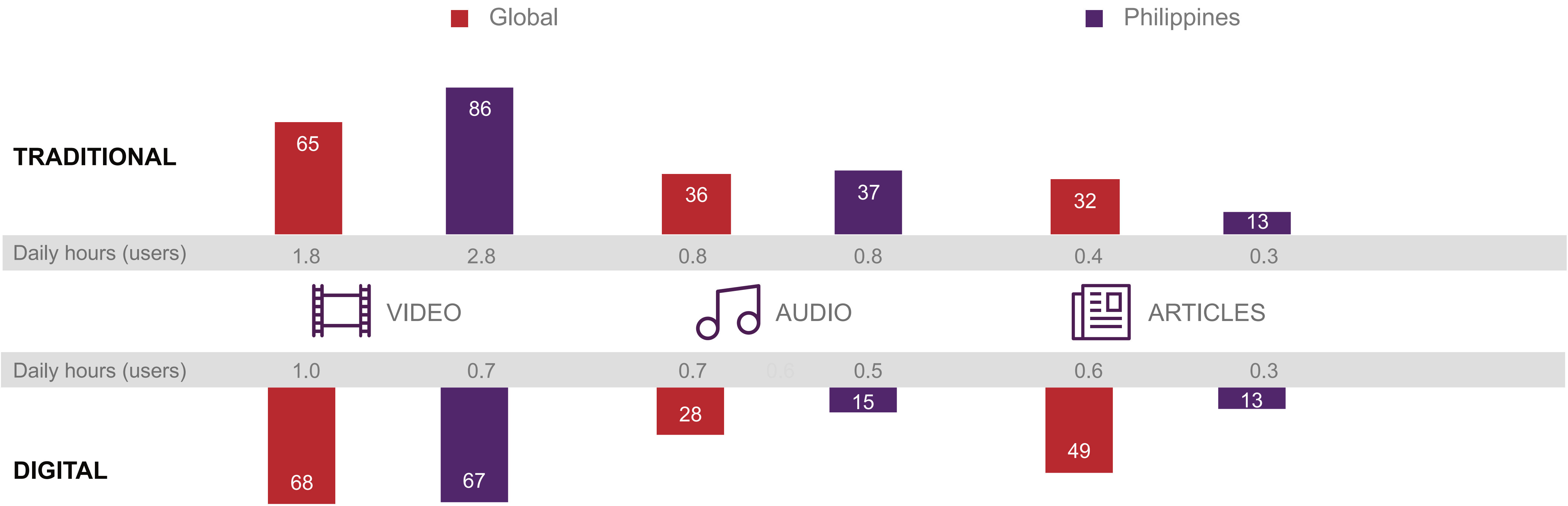
What is my target's social repertoire?

	Global	Philippines
Average time spent on social (hrs/day)	1.5	2.0
Average number of social platforms used weekly	8.4	4.3
Platform weekly usage>30%	FACEBOOK YOUTUBE WHATSAPP FACEBOOK MESSENGER WECHAT INSTAGRAM	FACEBOOK FACEBOOK MESSENGER YOUTUBE

Source: (D3) Time spent on activities | (C2) Frequency of social/IM usage
Base: Global (72067) | Emerging Asia (16621) | Philippines (1001)
Kantar TNS Connected Life

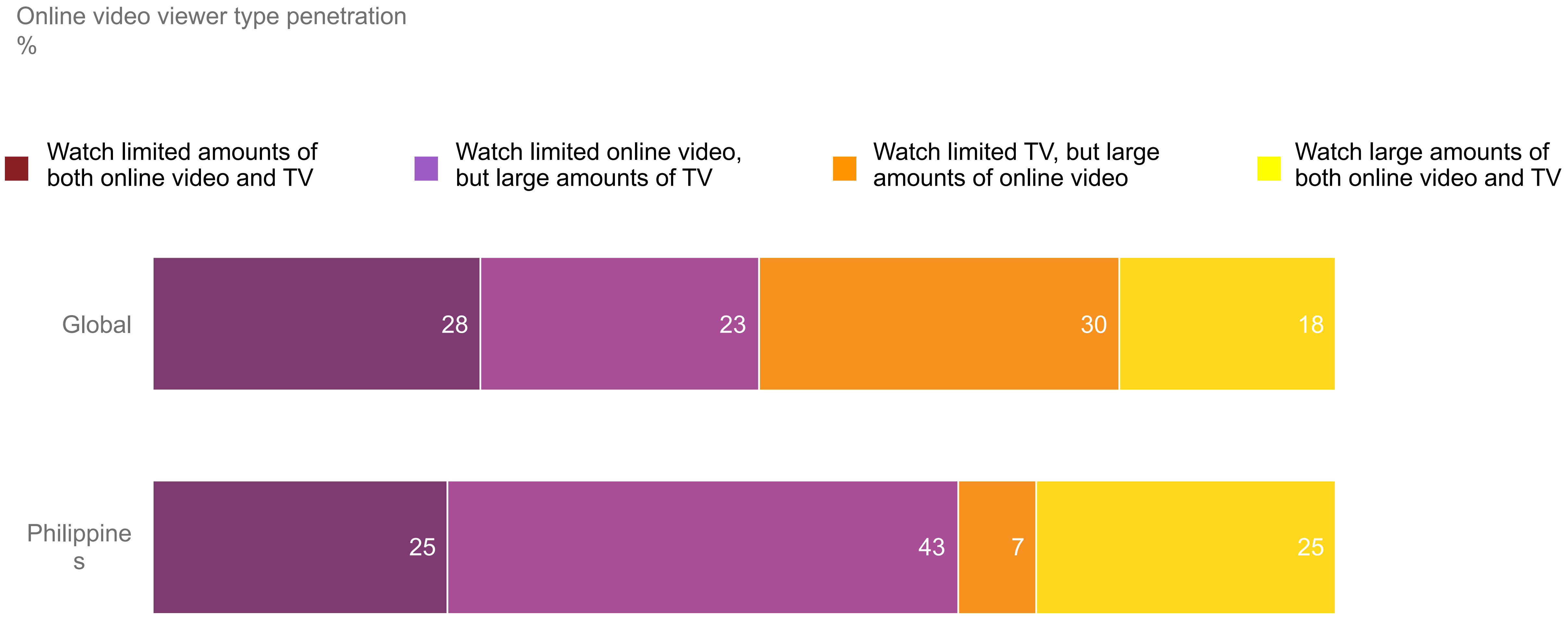
How much media time has moved online?

Daily users
%



Source: (C1) Frequency of online activities | (C1c) Frequency of offline activities | (D3) Time spent on activities
Base: Global (72067) | Emerging Asia (16621) | Philippines (1001)
Kantar TNS Connected Life

What proportion are moving away from traditional TV?



Source: (D3) Time spent on media/activities
Base: Global (72067) | Emerging Asia (16621) | Philippines (1001)
Kantar TNS Connected Life

Beware of clichés – the connected world is building upon traditional ways of marketing, not killing them

The change – connectivity trend	**The cliché** – what's 'dying'?	**The implication** – reality check
Media migration	Traditional media	Balance online/offline channel approach
Rise of online video	Television advertising	Complement and boost TV content with online video
Social media growth and fragmentation	Effective targeting	Use data insight to prioritise device and social platforms
Ad blockers	Digital advertising	Brands must deliver relevant content in the right moments

Cutting through the hype requires a comprehensive view of the activities your target is doing online, and on what devices, in order to reach them in the right way.

About Kantar Media

6,000+
employees

tracking
3 million
brands

work with
32,000
clients

2007
Philippine
operations
started

Our Clients

We are uniquely positioned to provide essential insight across **paid**, **owned** and **earned media.**

Local Media

Agencies

Regional Clients

BANK
MARKETING
ASSOCIATION
OF THE
PHILIPPINES

PROPOSED RESEARCH PROGRAM

Similar to the BSP, BMAP can also provide members with insights

By **Melissa Luz T. Lopez**, *Senior Reporter*

Majority of Filipino households unbanked: BSP survey

Posted on **January 14, 2017**

MAJORITY of Filipino families remained unbanked in 2014, based on the central bank's latest Consumer Finance Survey (CFS) that saw more a third of households spending beyond their means.

Consumer confidence slips in Q3 — BSP

By Lawrence Agcaoili (The Philippine Star) | Updated September 9, 2017 - 12:00am

Filipino consumers turned less optimistic in the third quarter but the overall confidence index stayed in positive territory since President Duterte assumed office in June last year, the Bangko Sentral ng Pilipinas (BSP) reported yesterday. **File**

MANILA, Philippines — Filipino consumers turned less optimistic in the third quarter but the overall confidence index stayed in positive territory since President Duterte assumed office in June last year, the Bangko Sentral ng Pilipinas (BSP) reported yesterday.

Rosabel Guerrero, director at the BSP's Department of Economic Statistics (DES), said results of the latest Consumer Expectation Survey (CES) showed the consumer confidence index (CI) declined to 10.2 percent in the third quarter after hitting a high 13.1 percent in the second quarter.

Despite the decline, Guerrero said the level was the second highest since the survey was launched in 2007. The confidence index has been in negative territory since the CES was launched in the first quarter of 2007 until it turned positive at 2.5 percent in the third quarter last year.

Guerrero explained the CI only turned positive in the third quarter last year after President Duterte assumed office.

"The lower but positive confidence index indicates the number of optimists declined but continued to outnumber the pessimists," she said.

Guerrero said respondents attributed the less favorable outlook for the current quarter to the peace and order problems amid the current situation in Marawi City, as well as the occurrence of calamities and poor health arising from the avian flu scare.

Market Research Options for BMAP

Research Type	Advantages	Limitations
Kantar's Media Insight Banking Report	Results are available	May not address all of BMAP's requirements
	Cost efficient	
Commission a Qualitative Study	Quick turnaround (minimum of 4 weeks)	Results are not conclusive
	Can address qual information needed by BMAP	
Commission a Quantitative Study	Can provide all of BMAP's information requirements.	Requires more funding
	Results are quantifiable and conclusive	Requires at least 3 months to complete

PHASE 1 – SUBSCRIPTION TO EXISTING MEDIA INSIGHTS MODULE

BMAP can have access to the following information upon subscription

BANKING & REMITTANCE CENTER & PAWNSHOP
Awareness to bank transactions or services/products
Bank transactions or services/products currently avail
Bank currently use
Bank transactions or services/products intend to avail in the next 12 months
Bank intend to avail the services/products in the next 12 months
Remittance Incidence
Bank or Remittance Center avail of
Bank or Remittance Center avail most often
Considerations in choosing a bank/remittance center to do transactions
CREDIT CARD/FINANCES/DEBIT CARD
Credit card ownership/Number of credit cards own
Credit cards currently owned
Credit cards used in the last 12 months
Type of Credit Card
Frequency of using credit cards
Purposes/occasions of using credit card
Decision Maker for Household Purchases

In addition, BMAP will also have access to additional information like:

- Demographic profiles of banked/unbanked consumers
- Their Media habits/touchpoints (offline/online)
- Their Lifestyle/Shopping/Dining activities

BMAP's investment: Php 1 Million plus VAT

- If 10 BMAP members are interested, they only pay Php 100,000 each
- If 15 BMAP members are interested, they only pay Php 67,000 each

Each BMAP member get's a powerpoint copy of the report. We can also customize charts if needed.

PHASE 2 – COMMISSION A QUALITATIVE STUDY

SCMI's Qualitative Study Overview

Methodology

- Focus group discussions

Areas to be covered

- Metro Manila and key cities

Respondent definition

- Consumers who have no bank accounts/experience

Investment per FGD group – Php 100,000

Sample project investment:

- 4 cities x 1 group per city x 100,000 = Php 400,000

PHASE 3 – COMMISSION AN EXCLUSIVE BMAP QUANTITATIVE STUDY

Investment

BMAP to commission an exclusive nationwide study

- BMAP to invest Php 2,500 per interview
- Sample investment = Php 2,500 x 2,000 interviews = Php 5,000,000

Thank you!

Jay Bautista
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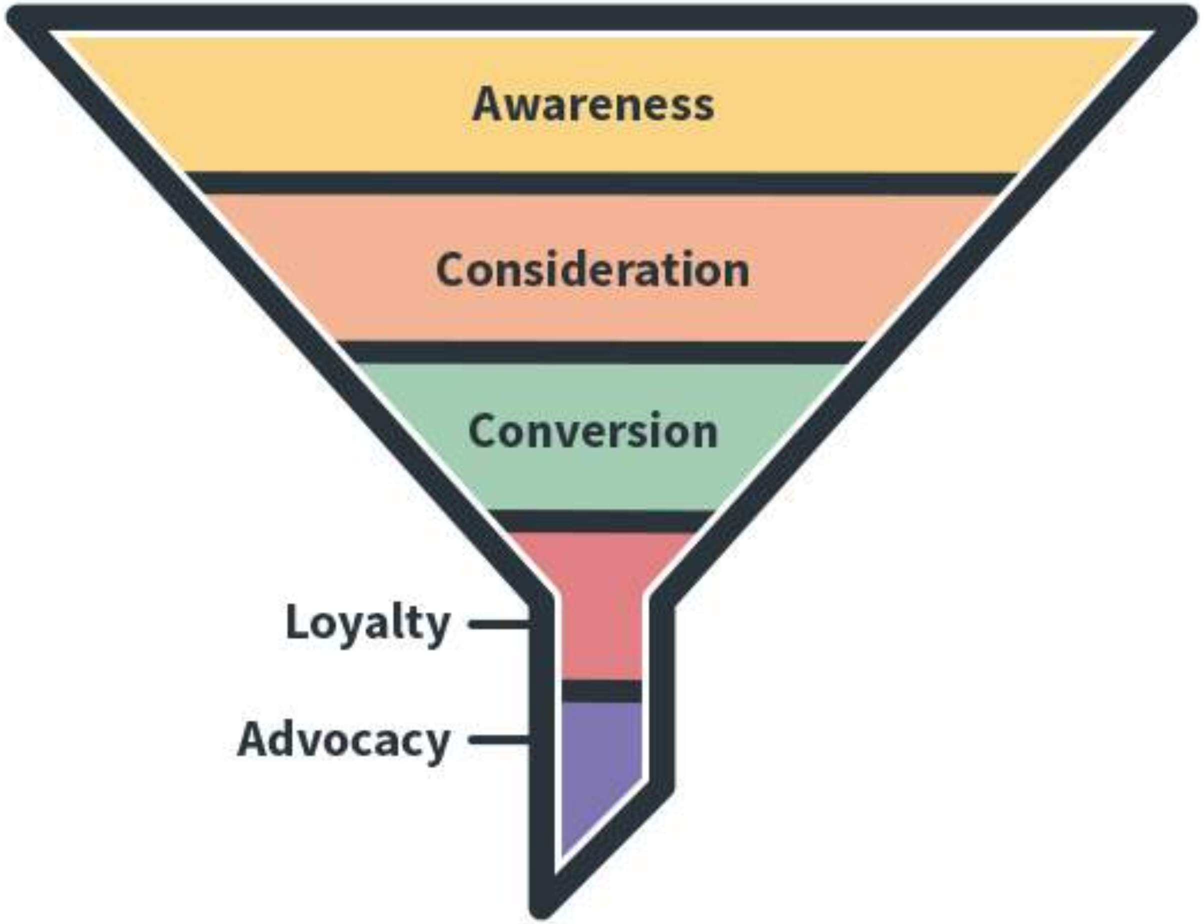
(02) 441 7800

Measuring Effectiveness

Marketing Objectives Funnel



Traditional vs Digital Media Planning and Buying

Independent Media Research

Plan on Target Market Sets

DEMOGRAPHICS

PSYCHOGRAPHICS

Media Channel Selection and Buying

3rd Party Tracking

Data from Media Owners

(Facebook, Google, etc.)

Media Channel Buying and Selection

WEBSITE

PLATFORM

Tracking from Media Owners

(Facebook, Google, etc.)

Traditional Media Metrics

Reach

Frequency

Impressions/TARPs/GRPs

Digital Media Metrics

Reach

CPM

Cost-per-Lead

Organic Search

Cost-per-Click

Bounce Rates

Page Views

Impressions

Unique Visits

Net Promoter Score

Conversion Rates

Share of Voice

Keyword Ranking

Click by Channel

Click-Through-Rate

Page Rank

Lead Origination

Referring URLs

Acquisition Rate

Digital Marketing Challenges

- BAV Threat
  - Brand Safety
    - 6.7% of display impressions are surrounded by unsafe or inappropriate content
    - 7% of video impressions are surrounded by unsafe or inappropriate content

  - Ad Fraud
    - 16% of digital impressions are fraudulent

  - Viewability
    - Only 50% of display ads are in “view”
    - Only 40% of video ads are in “view”