China Advertising Industry Report, 2013

July 2013
**STUDY GOAL AND OBJECTIVES**

This report provides the industry executives with strategically significant competitor information, analysis, insight and projection on the competitive pattern and key companies in the industry, crucial to the development and implementation of effective business, marketing and R&D programs.

**REPORT OBJECTIVES**

- To establish a comprehensive, factual, annually updated and cost-effective information base on market size, competition patterns, market segments, goals and strategies of the leading players in the market, reviews and forecasts.
- To assist potential market entrants in evaluating prospective acquisition and joint venture candidates.
- To complement the organizations’ internal competitor information gathering efforts with strategic analysis, data interpretation and insight.
- To suggest for concerned investors in line with the current development of this industry as well as the development tendency.
- To help company to succeed in a competitive market, and

**METHODOLOGY**

Both primary and secondary research methodologies were used in preparing this study. Initially, a comprehensive and exhaustive search of the literature on this industry was conducted. These sources included related books and journals, trade literature, marketing literature, other product/promotional literature, annual reports, security analyst reports, and other publications. Subsequently, telephone interviews or email correspondence was conducted with marketing executives etc. Other sources included related magazines, academics, and consulting companies.

**INFORMATION SOURCES**

The primary information sources include Company Reports, and National Bureau of Statistics of China etc.
Abstract

China’s advertising industry from 2012 to the first half of 2013 showed the following characteristics:

**Traditional media kit advertising growth has slowed down, touching its lowest level in the five years.**

Due to macroeconomic impact, the Chinese traditional media kit (television, radio, newspapers and outdoor) advertising market witnessed a tiny year-on-year increase of 4.5% in 2012, touching its lowest level in the recent five years, of which, newspaper advertising reached an overall market size of approximately RMB 68.55 billion, down 12.6% YoY, the first negative growth over the past decade. In the first quarter of 2013, the Chinese newspaper advertising market size continued to fall, a year-on-year decline of about 12%.

**Internet advertising has seen rapid development, with market size in 2012 up 46.83% YoY**

China’s internet advertising market size attained to RMB 75.31 billion in 2012, a year-on-year increase of 46.83%, and then slowed down to RMB 19.84 billion in the first quarter of 2013, with year-on-year growth of the first quarter firstly less than 40% for three consecutive years, entering into a relatively slackened growth cycle after high-speed development. Concerning the internet advertising revenue scale by enterprise, Baidu held the first position; Youku Tudou after the merger ranked eighth with revenue up to RMB 429 million in the first quarter of 2013.
China Advertising Industry Report, 2013 by ResearchInChina mainly includes the followings:

- Development status, policy environment, advertisers change and market competition of advertising industry in China;

- Market size, market segments, advertisers change and enterprise competition of internet advertising in China, as well as operation and advertising revenue of 11 major online advertising media companies including Baidu, Taobao, Google, Tencent, Sohu, Sina, Youku Tudou, SouFun, Qihoo 360, CBSi and NetEase;

- Market size, market segments, advertisers change of newspaper advertising in China, as well as operation and advertising revenue of four major newspaper advertising media companies, i.e. Shanghai XinHua Media Co., Ltd., Chengdu B-Ray Media Co., Ltd., Huawen Media Investment Corporation and Zhejiang Daily Media Group Co., Ltd.;

- China’s outdoor advertising market size as well as operation and advertising revenue of four leading outdoor advertising media companies, i.e. Focus Media Holding Limited, AirMedia Group Inc., DHA Group and Clear Media Limited;

- China’s TV & radio advertising market size as well as operation and advertising revenue of five major TV & radio advertising media companies - China Television Media, Ltd., Shanghai Media Group, Hunan TV & Broadcast Intermediary Co., Ltd., Jiangsu Broadcasting Corporation and Zhejiang Broadcasting Corporation.
# Table of contents

1. **Overview of China Advertising Industry**
   1.1 Policy Environment
   1.2 Development Status
   1.3 Advertiser
   1.4 Market Competition

2. **Internet Advertising Market in China**
   2.1 Market Size
   2.2 Market Segments
   2.2.1 Search Engine Advertising
   2.2.2 Online Video Advertising
   2.3 Advertiser
   2.4 Enterprise Competition
   2.5 Baidu
     2.5.1 Profile
     2.5.2 Development Course
     2.5.3 Advertising Business
   2.6 Taobao
     2.6.1 Profile
     2.6.2 Advertising Business
   2.7 Google China
     2.7.1 Profile
     2.7.2 Main Business
     2.7.3 Acquisition
   2.8 Tencent
     2.8.1 Profile
     2.8.2 Operation
     2.8.3 Advertising Business
     2.9 Sohu
     2.9.1 Profile
     2.9.2 Operation
     2.9.3 Video Business Adjustment
   2.10 Sina
     2.10.1 Profile
     2.10.2 Operation
     2.10.3 E-commerce Road of Sina Weibo
   2.11 Youku Tudou
     2.11.1 Profile
   2.12 SouFun
     2.12.1 Profile
     2.12.2 Operation
     2.12.3 Release of “Xinfangtong” Platform
   2.13 Qihoo 360
   2.14 CBSi
   2.15 NetEase

3. **Newspaper Advertising Market in China**
   3.1 Market Size
   3.2 Market Segments
   3.3 Advertiser

4. **Outdoor Advertising Market in China**
   4.1 Market Size
   4.2 Focus Media
   4.3 AirMedia
   4.4 DHA Group
   4.5 Clear Media

5. **TV & Radio Advertising Market in China**
   5.1 Market Size
   5.2 CTV Media
     5.2.1 Profile
     5.2.2 Operation
     5.2.3 Assets Reorganization
     5.2.4 Performance Forecast
   5.3 SMG
   5.4 Hunan TV & Broadcast Intermediary
     5.4.1 Profile
     5.4.2 Operation
     5.4.3 Performance Forecast
   5.5 Jiangsu Broadcasting Corporation
   5.6 Zhejiang Broadcasting Corporation
Selected Charts

- Related Policies and Regulations on Advertising Industry in China, 1982-2012
- TOP10 Advertising Industries in China (by Advertising Costs), Q1 2013
- TOP10 Advertising Brands in China (by Advertising Costs), Q1 2013
- Market Size and YoY Growth of Internet Advertising in China, 2006-2016E
- Market Size and QoQ Growth of Internet Advertising in China, 2011-2013
- Market Structure of Internet Advertising in China (by Segment), 2008-2016E
- Revenue and YoY Growth of Search Engine Advertising in China, 2008-2016E
- Revenue Structure of Search Engine Advertising in China, 2012
- Revenue Structure of Online Video Industry in China, 2012
- Top Industry Brands in China by Internet Advertising Costs, Apr. 2013
- Top Advertisers in China by Internet Brand Advertising Costs, Apr. 2013
- Advertising Features of Sina, Baidu and Taobao
- Top10 Internet Advertising Media Companies in China by Advertising Revenue, Q1 2013
- Development Course of Baidu
- Revenue and Net Income of Baidu, 2008-2013
- Revenue Structure of Baidu (by Business), 2008-2013
- Features of Advertising Products of Taobao
- Four Stages of Advertising Business of Taobao
- Total Trading Volume of Alipay on Each November 11, 2009-2012
- Development Course of Google in China
- Revenue and Net Income of Google, 2008-2013
- Revenue Structure of Google (by Business), 2010-2013
- Revenue Structure of Google (by Region), 2010-2013
- Acquisition Cases of Google, 2012
Selected Charts

- Revenue and Profit of Tencent, 2008-2013
- Revenue Structure of Tencent (by Business), 2011-2013
- Revenue and Net Income of Sohu, 2009-2013
- Revenue Structure of Sohu (by Business), 2011-2013
- Revenue and Net Income of Sina, 2008-2013
- Revenue Structure of Sina (by Business), 2010-2013
- Revenue Structure of Sina (by Business), Q4 2012-Q1 2013
- Visit Traffic from Sina Weibo to Taobao via Link, 2012-2013
- Revenue and Net Income of Youku Tudou, 2008-2013
- Revenue Structure of Youku Tudou (by Business), 2010-2013
- Revenue and Net Income of SouFun, 2008-2013
- Revenue Structure of SouFun (by Business), 2011-2013
- Revenue and Net Income of Qihoo 360, 2008-2013
- Revenue Structure of Qihoo 360 (by Business), 2010-2013
- Main Business Areas of CBSi in China
- Total Revenue and Advertising Revenue of CBS Corporation, 2011-2013
- Revenue and Net Income of NetEase, 2008-2013
- Revenue Structure of NetEase (by Business), 2008-2013
- Market Size and YoY Change of Newspaper Advertising in China, 2008-2012
- Newspaper Advertising Spending Structure in China (by Industry), 2012-2013
- TOP10 Advertisers in China’s Newspaper Advertising, Q1 2013
- Newspaper Media Advertising Spending in China (by Region), 2012-2013
- TOP10 by Newspaper Media Advertising Spending in China, 2012
- Magazine Advertising Spending Structure in China (by Industry), 2012-2013
- YoY Change of Magazine Media Advertising Spending in Major Industries, Q1 2013
• TOP10 Advertisers in China by Magazine Advertising Spending, Q1 2013
• TOP10 by Magazine Media Advertising Spending in China, 2012
• Newspaper Advertising Spending Structure in China (by Industry) and YoY Growth, 2011-2012
• Proportion of TOP4 Industries by Newspaper Advertising Spending in China, 2012-2013
• Revenue and Net Income of Xinhua Media, 2009-2013
• Revenue Structure of Xinhua Media (by Business), 2008-2012
• Revenue and Net Income of B-Ray Media, 2009-2013
• Revenue Structure of B-Ray Media (by Business), 2009-2012
• Revenue and Net Income of B-Ray Media, 2013E-2016E
• Revenue and Net Income of Huawen Media, 2009-2013
• Revenue Structure of Huawen Media (by Business), 2008-2012
• Revenue and Net Income of Huawen Media, 2013E-2016E
• Revenue and Net Income of Zhejiang Daily Media, 2009-2013
• Revenue Structure of Zhejiang Daily Media (by Business), 2011-2012
• Investment for Film and TV Series of Zhejiang Daily Media
• Revenue and Net Income of Zhejiang Daily Media, 2013E-2016E
• Characteristics of Different Types of Outdoor Advertising
• Market Size of Outdoor Electronic Screen Advertising in China, 2011-2012
• Market Share of Outdoor Electronic Screen Advertising in China (by Segment), Q3 2012
• Revenue and Net Income of Focus Media, 2008-2012
• Revenue Structure of Focus Media (by Business), 2008-2012
• Revenue and Net Income of AirMedia, 2009-2013
• Revenue Structure of AirMedia (by Business), 2009-2013
• Revenue and Net Income of DHA Group, 2009-2013
• Revenue Structure of DHA Group (by Business), 2009-2013
Selected Charts

- Business Coverage of Clear Media
- Turnover and Net Income of Clear Media, 2008-2012
- Turnover Structure of Clear Media (by Region), 2012
- Revenue and Net Income of CTV Media, 2009-2013
- Revenue Structure of CTV Media (by Business), 2008-2012
- Revenue Structure of CTV Media (by Region), 2008-2012
- Revenue and Net Income of Hunan TV & Broadcast Intermediary, 2009-2013
- Revenue Structure of Hunan TV & Broadcast Intermediary (by Business), 2009-2012
- Revenue and Net Income of Hunan TV & Broadcast Intermediary, 2013E-2016E
You can place your order in the following alternative ways:

1. Order online at www.researchinchina.com
2. Fax order sheet to us at fax number: +86 10 82601570
3. Email your order to: report@researchinchina.com
4. Phone us at +86 10 82600828/ 82601561

Choose type of format
PDF (Single user license) .......... 1,800 USD
Hard copy ......................... 1,900 USD
PDF (Enterprisewide license) ....... 2,800 USD

※ Reports will be dispatched immediately once full payment has been received.

Payment may be made by wire transfer or credit card via PayPal.

| Party A: | 
| Name: | 
| Address: | 
| Contact Person: | Tel |
| E-mail: | 

| Party B: | 
| Name: Beijing Waterwood Technologies Co., Ltd (ResearchInChina) |
| Address: Room 502, Block 3, Tower C, Changyuan Tiandi Building, No. 18, Suzhou Street, Haidian District, Beijing, China 100080 |
| Contact Person: Liao Yan | Phone: 86-10-82600828 |
| E-mail: report@researchinchina.com | Fax: 86-10-82601570 |

| Bank details: | 
| Beneficial Name: Beijing Waterwood Technologies Co., Ltd |
| Bank Name: Bank of Communications, Beijing Branch |
| Bank Address: NO.1 jinxiyuan shijicheng,landianchang,Haidian District,Beijing |
| Bank Account No #: 110060668012015061217 |
| Routing No #: 332906 |
| Bank SWIFT Code: COMMCHNDBJG |

<table>
<thead>
<tr>
<th>Title</th>
<th>Format</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Room 502, Block 3, Tower C, Changyuan Tiandi Building, No. 18, Suzhou Street, Haidian District, Beijing, China 100080
Phone: +86 10 82600828 ● Fax: +86 10 82601570 ● www.researchinchina.com ● report@researchinchina.com