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Advertising Transformation Index (ATI)

Proto-type (Full) report

4 September 2002

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Introduction

- **The following report aims to look at 3 main areas:**
  1. The profile of media spending by race and LSMs versus both the population and the profile of people accessing the medium.
  2. Within each medium the report attempts to look at proportional and disproportional spending versus audience size amongst the specific players.\
  3. The government's spending patterns have been looked at in a similar manner.

- **All of the above have been illustrated via indices that can be tracked over time and used to show transformation(or lack thereof) within advertising spending.**

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Introduction contd

- **We need to consider the following issues when studying this report:**
  - Do advertisers target citizens or potential consumers?
  - Should the advertising investment strategy be designed at the discretion of the advertiser to deliver the maximum return on investment? Should it be influenced by the race structure of society?
  - Would it be responsible for advertisers to direct their advertising to people who cannot afford the goods – does this not raise unfair expectations and potentially the incidence of bad debt?

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The Process in selecting Media

The communication Value Chain

Marketers identifies a consumer need that is not totally fulfilled by current offerings and establishes that the need is shared amongst a large enough group of people that have the means to purchase a brand offering

Marketer influence

Marketer constructs a product offering to meet consumer need – all elements of the marketing mix need to balanced
Price, packaging, distribution and promotion

Creative agency influence

It is determined that ATL advertising can play a role in the promotion of a brand
Marketer and agency develop creative concepts based on the consumer insights and key purchasing motivators. These have been established with the help of research.

Media planning agency is briefed to reach the identified consumers finding cost effective means. Marketers seek to maximise share of mind and not necessarily the cheapest buy.

Communication plan is developed (in conjunction with creative) to meet client's objectives usually within a prescribed budget

Media agency influence

Communication plan is agreed to by all parties and executed in the market place.

The cost of buying media space and time

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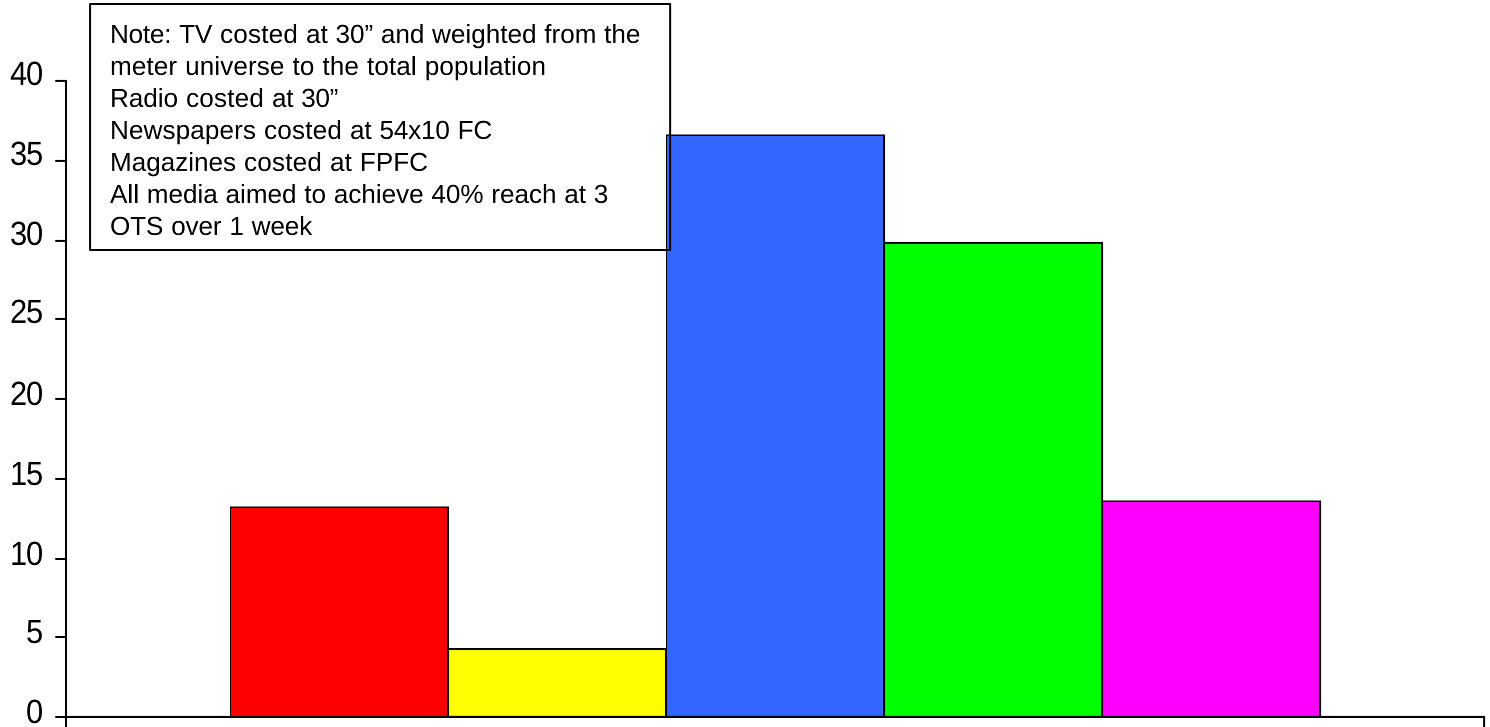
Relative cost of media

- **In going through this report it is important to remember that the cost of reaching 1000 people varies dramatically between media offerings (both inter and intra media).**
- **Each media vehicle has a ceiling in terms of reach potential, once this is achieved, the advertiser needs to find alternative media vehicles to add incremental reach.**
- **In essence, more affluent communities are more expensive to reach ie to reach 1000 people of LSM 6-10 might be 4 times as expensive as reaching those in LSM 1-10.**

Cost Per Thousand Comparison by Medium All Housewives



	CPT in Rands
TV	13.16
Radio	4.3
Dailies	36.51
Weeklies	29.81

urce: AMPS 2001b MindShare schedules

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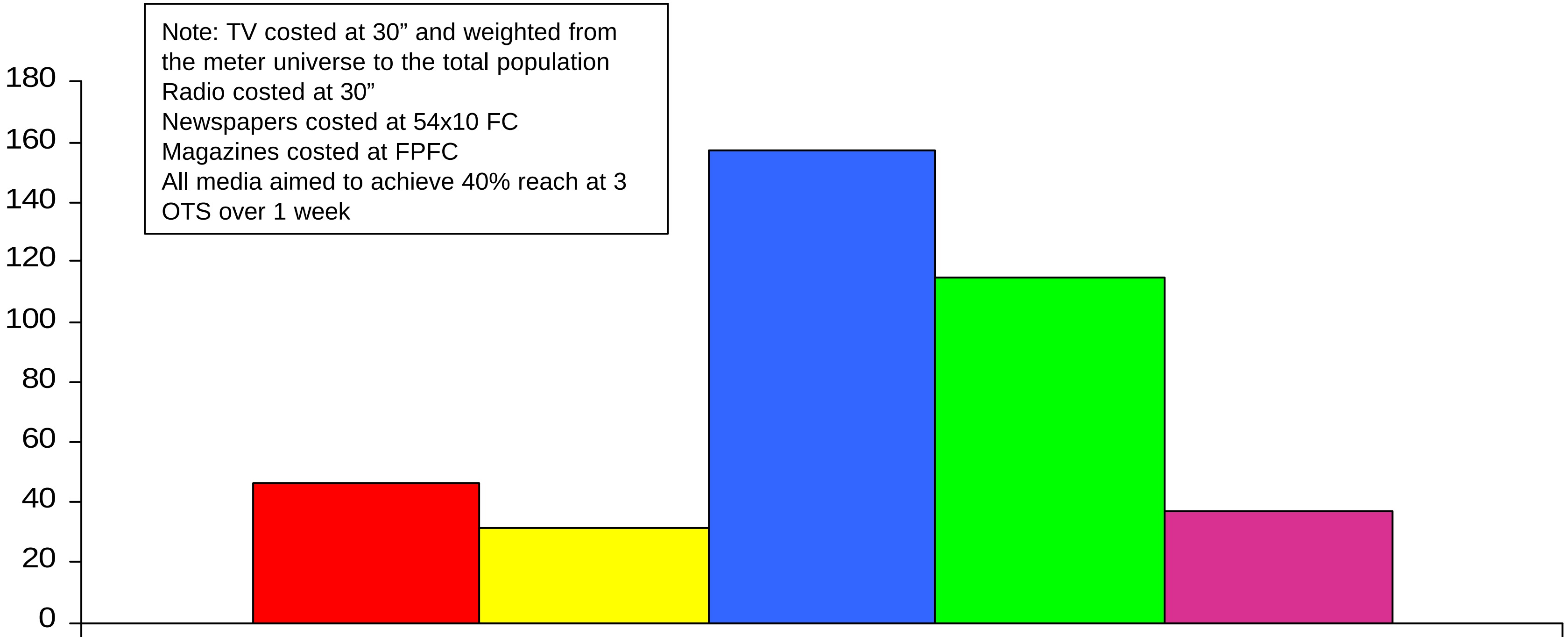
Cost Per Thousand Comparison by Medium
Housewives LSM 6-10



	CPT in Rands
TV	46.63
Radio	31.61
Dailies	157.38
Weeklies	114.5
Magazines	36.93

urce: AMPS 2001b MindShare schedules

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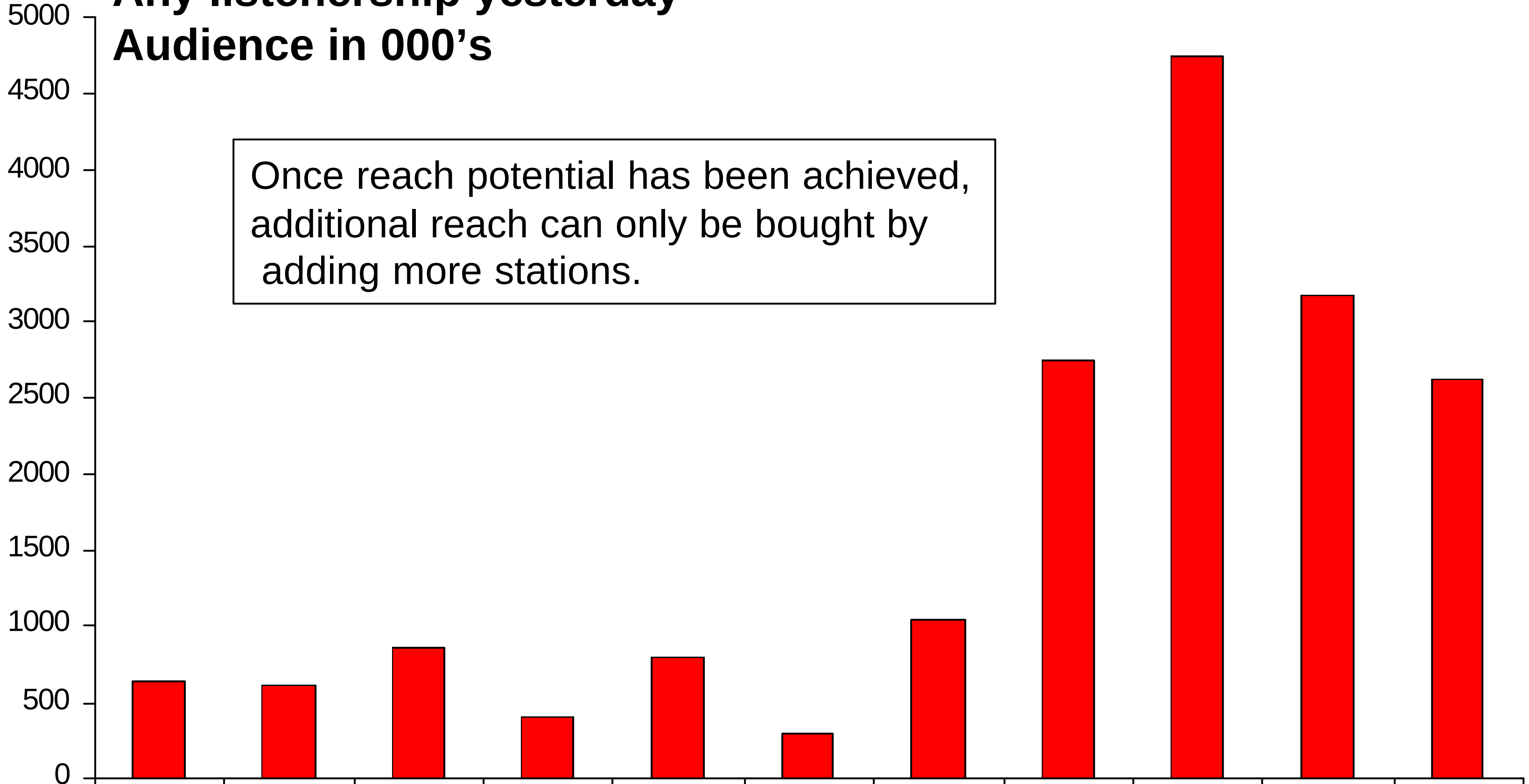
Relative Reach potential of various radio stations measured against All Adults

Any listenership yesterday
Audience in 000's



	5fm	94.7	Jac	G Hope	Yfm	Lotus	RSG	Metro	Ukhozi	U Wenene	Lesedi
Reach in 000's	640	611	861	410	792	303	1042	2750	4753	3169	2618

Source: AMPS 2002a

2002 Relative cost of reaching thousand people

using 1 spot per hour 05h00-22h00 M-F against All Adults

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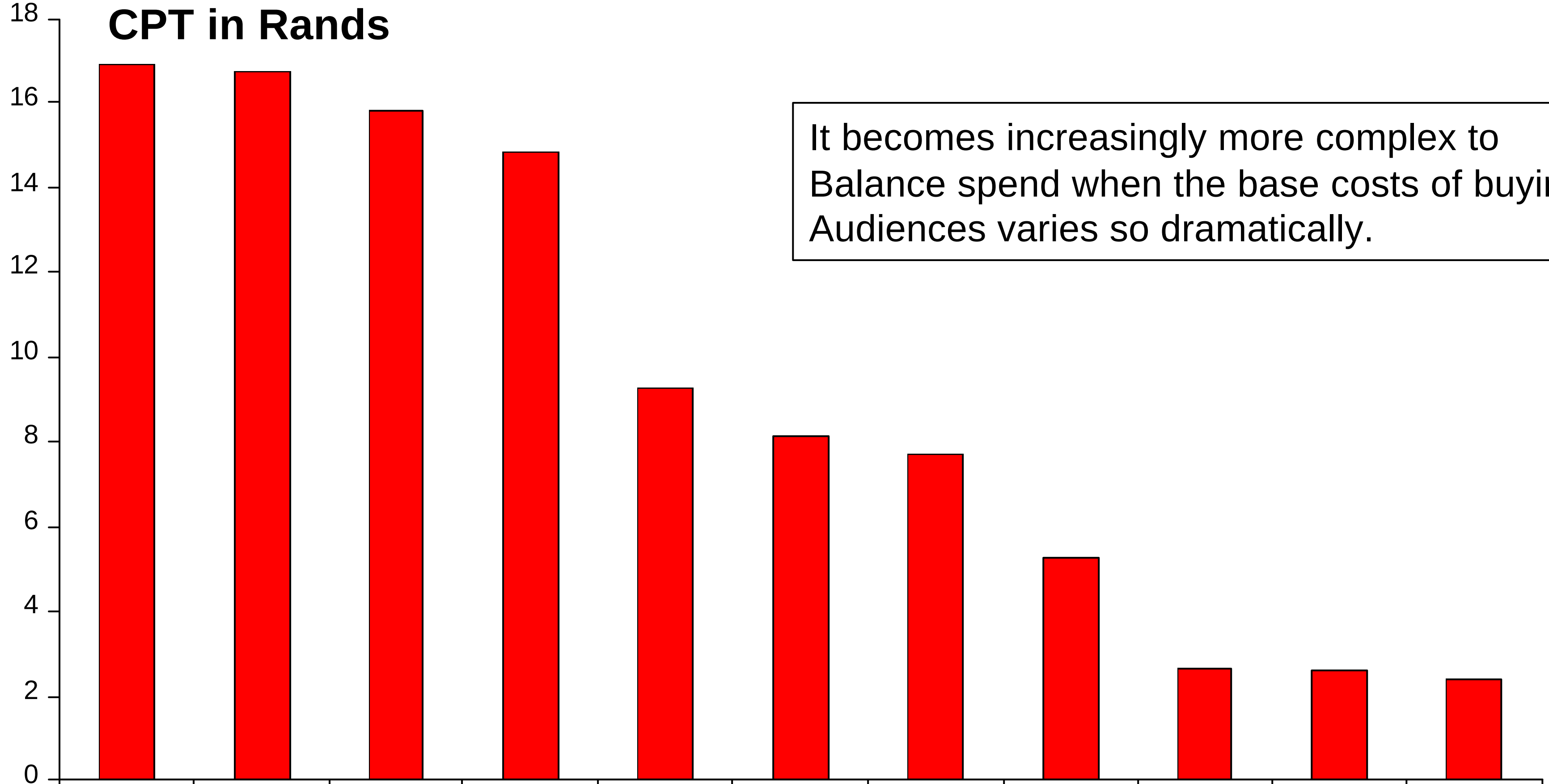

It becomes increasingly more complex to Balance spend when the base costs of buying Audiences varies so dramatically.

	5fm	94.7	Jac	G Hope	Yfm	Lotus	RSG	Metro	Ukhozi	U Wenene	Lesedi
CPT	16.91	16.72	15.82	14.84	9.28	8.16	7.69	5.25	2.64	2.61	2.37

Source: MIW 2002

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Comments

- It is virtually impossible to balance spend levels to size of audience as the base cost and rate card structures are factors that cannot be controlled.
- Each media owner sets a rate that they believe the market can bear, without negatively influencing the level of demand.
- A fine balancing act for any media owner and one that in the South African market is not a transparent process.

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Above-the-Line adspend

Definitions & Exclusions

- ***Below-the-Line spending is not measured by Adex. The combination of Below-the-line and non-measurable media could potentially be as high as the measured Above-the-Line portion ie we are possibly only capturing half of the communication spending. This BTL spend may be directed to the lower LSM groups as access to ATL media is limited and may result in a very different spending profile if this data could be captured.***
- **The detailed analysis has been done using Adex data exclusive of self promotion (i.e. spending within own media vehicle). The spending levels include pro-bona advertising. Everything is tracked at rate card levels i.e. volume discounts/compensatory spots/added value/agency discounts are not taken into account.**
- **The following analysis based on the "big 4" media types is representative of 83% of the 2001 media spending (excluding self promotion).**
- **All recruitment, classifieds and notices also fall outside of measured spend.**

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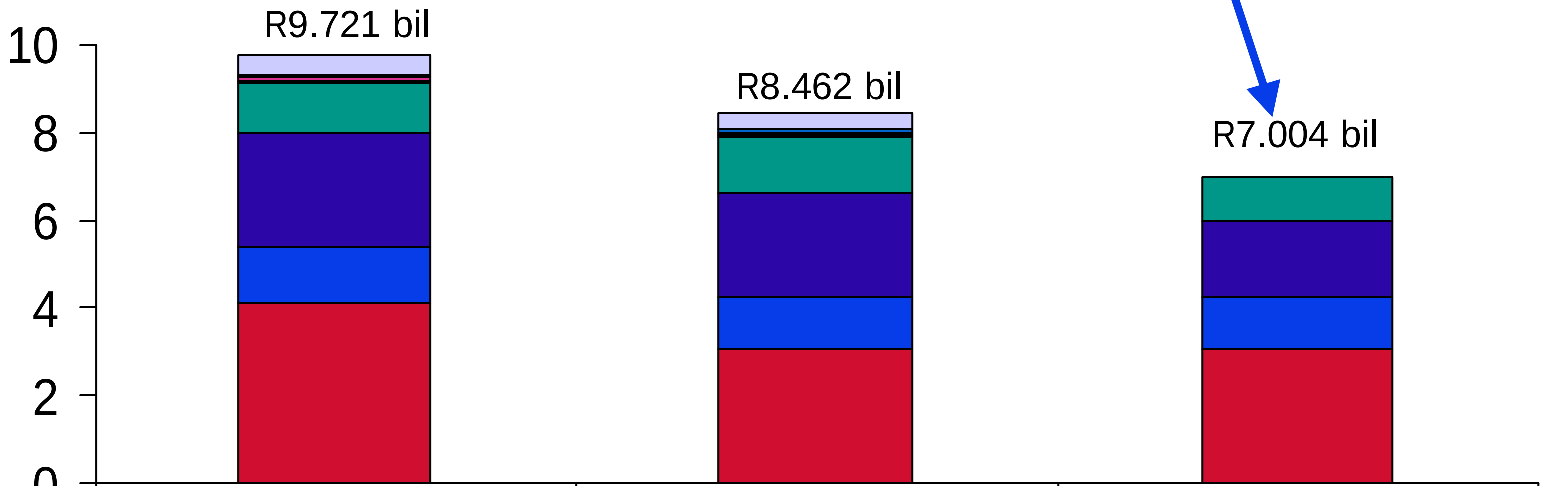
Definitions and exclusions

- **Unfortunately it is not possible to profile all media types either because the Adex data has not been collected in such a way to provide breakouts or the AMPs question is too broad. Cinema, Internet, K&D, Outdoor have been excluded for this reason.**
- **Although Free sheet newspapers are captured by Adex they are currently not measured in AMPS and are therefore excluded from the exercise. Adex tracked R417 mil spend in Free sheets in 2001.**
- **Community radio has not been captured by Adex in 2001 as the data was not provided by the stations and is therefore excluded from the analyses. The value of those Community radio stations that <u>were measured</u> by AdEx in 2000 was R1,401,421. As from January 2002 the data is back in the report.**
- **In addition outdoor has now been broken out going back at least 2 years and can now be included in the analysis.**
- **Black = The combination of Black Coloured and Indian**

SA Adspend 2001 by medium

Spend in Rbillions

The detailed report is based on this



	Adex	Adex Excl self Promo	Measured by AMPS Excl Self promo
Outdoor	0.382	0.382	
K&D	0.074	0.074	
Internet	0.053	0.053	
Cinema	0.062	0.062	
Magazines	1.165	1.247	0.991
Newspapers	2.635	2.417	1.794
Radio	1.206	1.174	1.165
TV	4.145	3.053	3.054

Source: ACNielsen - Adex

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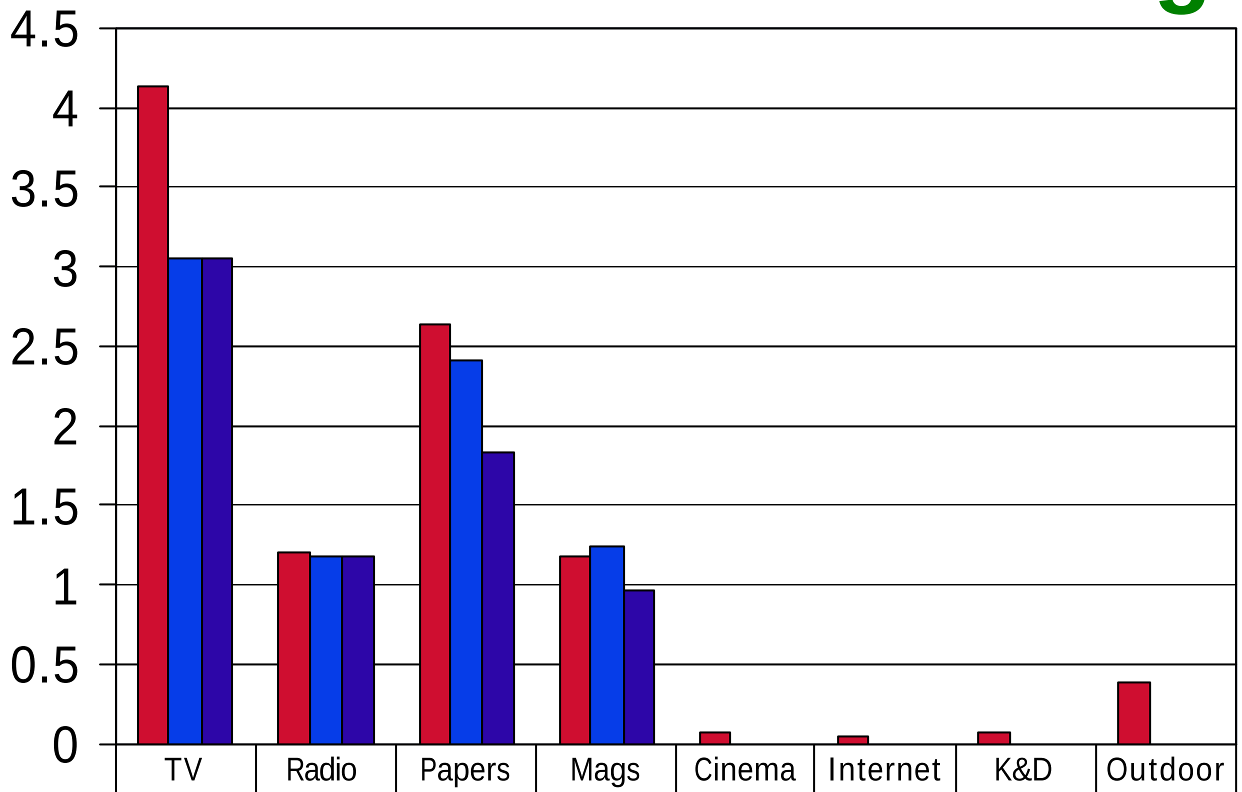
SA Adspend 2001 by medium – what we are measuring

Spend in Rbillions



	TV	Radio	Papers	Mags	Cinema	Internet	K&D	Outdoor
Adex	4.145	1.206	2.635	1.165	0.062	0.053	0.074	0.382
Adex Excl self Promo	3.053	1.173	2.417	1.247				
Measured by AMPS Excl Self promo	3.054	1.165	1.819	0.966				

Source: ACNielsen - Adex

1) Profile of Media Spending versus population and people accessing each medium

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Measuring Audience profile

- **In order to measure the race profile of each medium AMPS 2001b has been used.**
- **The following measures against Adults (16+) were used:-**
  - Television – past 7 days
  - Radio – past 7 days
  - Newspapers - Average issue readership
  - Magazines- Average issue readership
  - Cinema – past 6 weeks
  - Outdoor – past 7 days

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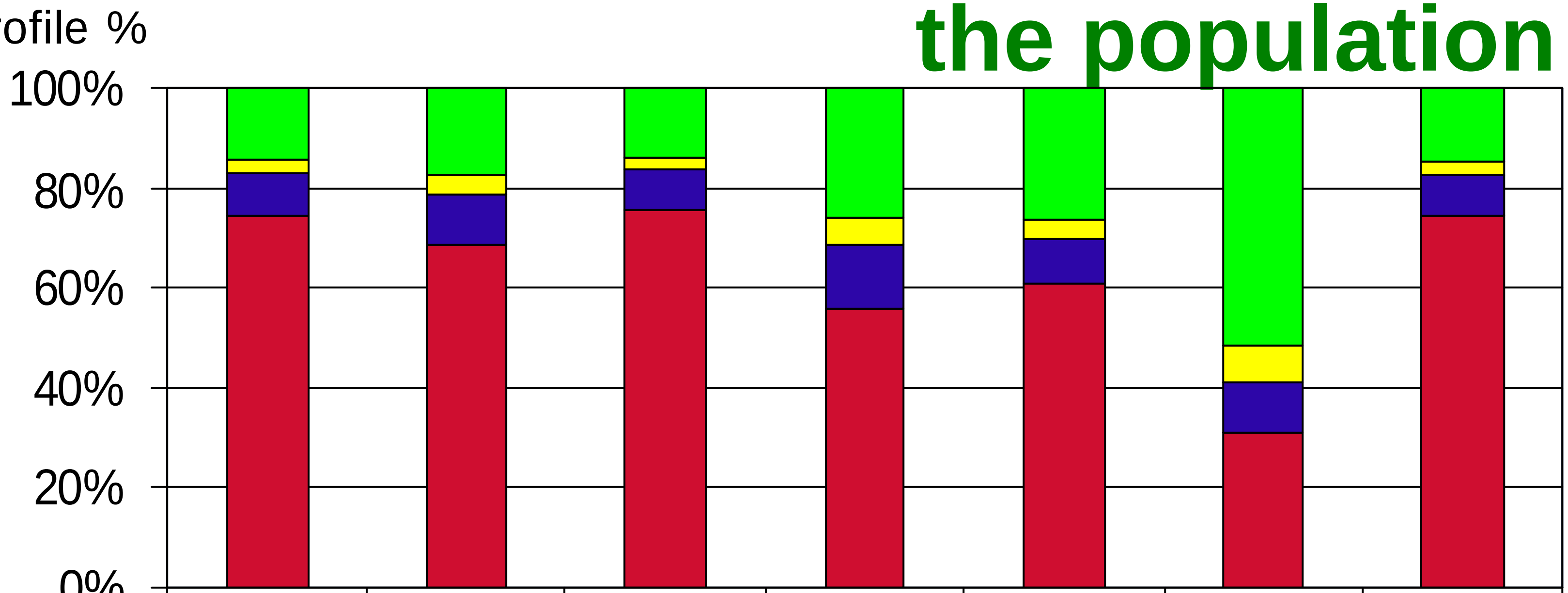
Audience profile of SA Media vs the population



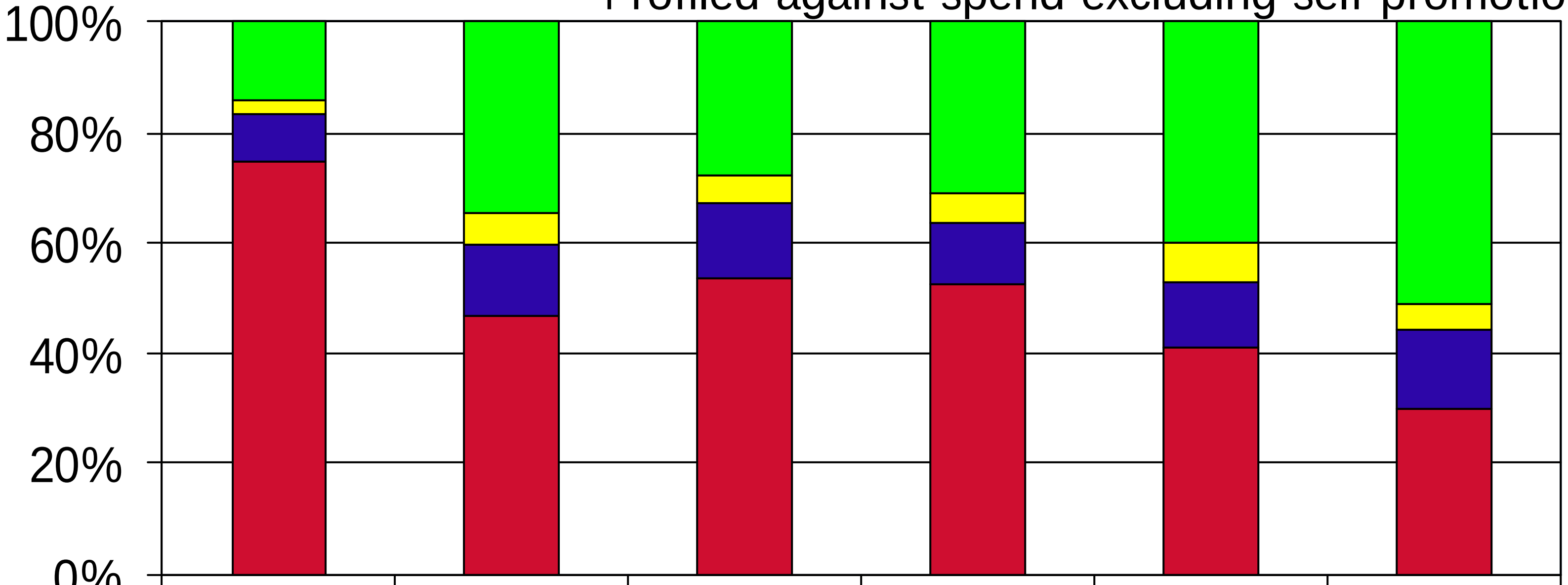
	Pop	Any TV p7d	Any Radio p7d	AI Newspape	AI Magazines	p6w cinema	p7d outdoor
White	14.3	17.8	13.8	26.2	26.7	51.5	14.8
Ind	2.6	3.3	2.7	5	3.8	7.7	2.8
Col	8.5	10.1	8	12.9	8.9	9.9	7.8
Black	74.6	68.7	75.5	55.9	60.5	30.8	74.7

Source: AMPS 2001b

2001 Spend profile of SA Media vs the population

Profile %

Profiled against spend excluding self promotion



	Pop	Big 4	TV	Radio	Newspapers	Magazines
White	14.3	35	27.7	31.1	39.8	50.9
Ind	2.6	6	5	5.2	7.5	4.8
Col	8.5	13	13.9	11.3	12	14.4
Black	74.6	47	53.4	52.3	40.7	30

Note: Big 4 = the combined adspend profile for TV, Radio, Npapers & mags

Source: ACNielsen - Adex 2001 &AMPS 2001b

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Comments on Spend profiling

- Of the 4 major media types, magazines are the least representative of the South African population.
- Radio provides the closest match.
- The way in which advertisers spend within each medium must be limited by the opportunities presented by that medium.

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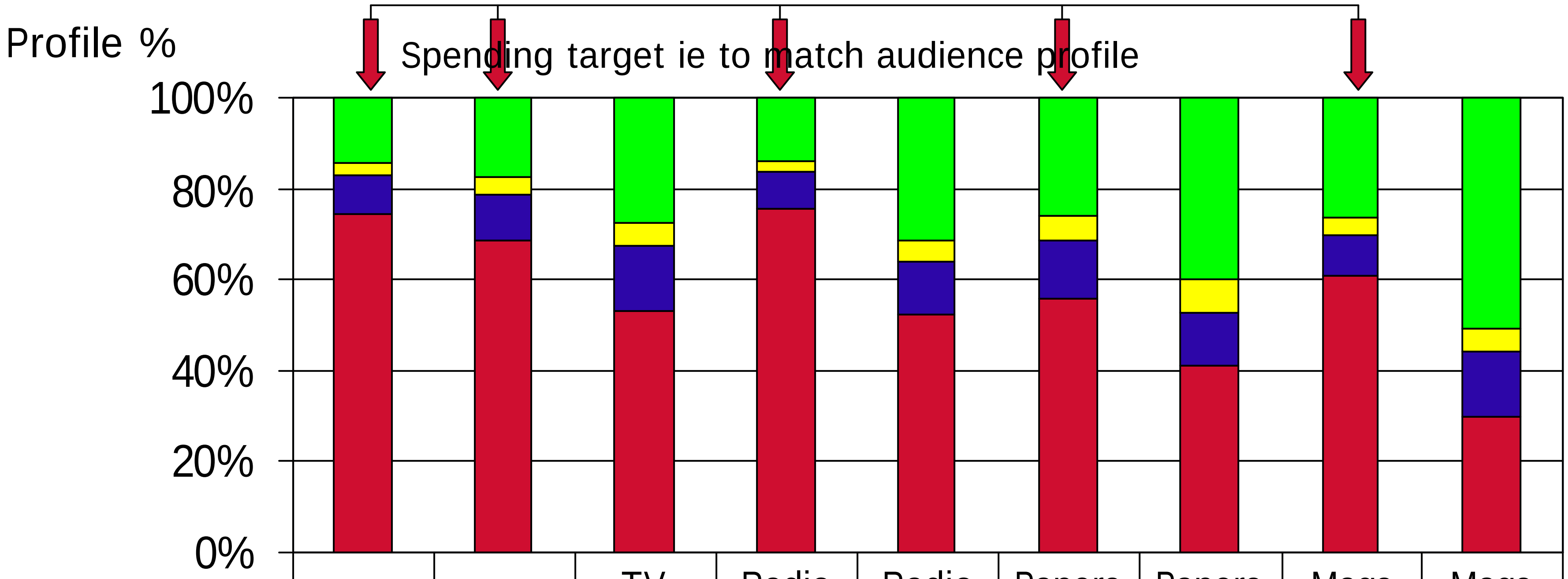
Audience profiles of SA Media vs 2001 Spending profiles



	Pop	TV Aud	TV spend	Radio Aud	Radio spend	Papers Aud	Papers spend	Mags Aud	Mags spend
White	14.3	17.8	27.7	13.8	31.1	26.2	39.8	26.7	50.9
Ind	2.6	3.3	5	2.7	5.2	5	7.5	3.8	4.8
Col	8.5	10.1	13.9	8	11.3	12.9	12	8.9	14.4
Black	74.6	68.7	53.4	75.5	52.3	55.9	40.7	60.5	30

Source: ACNielsen - Adex 2001 & AMPS 2001b

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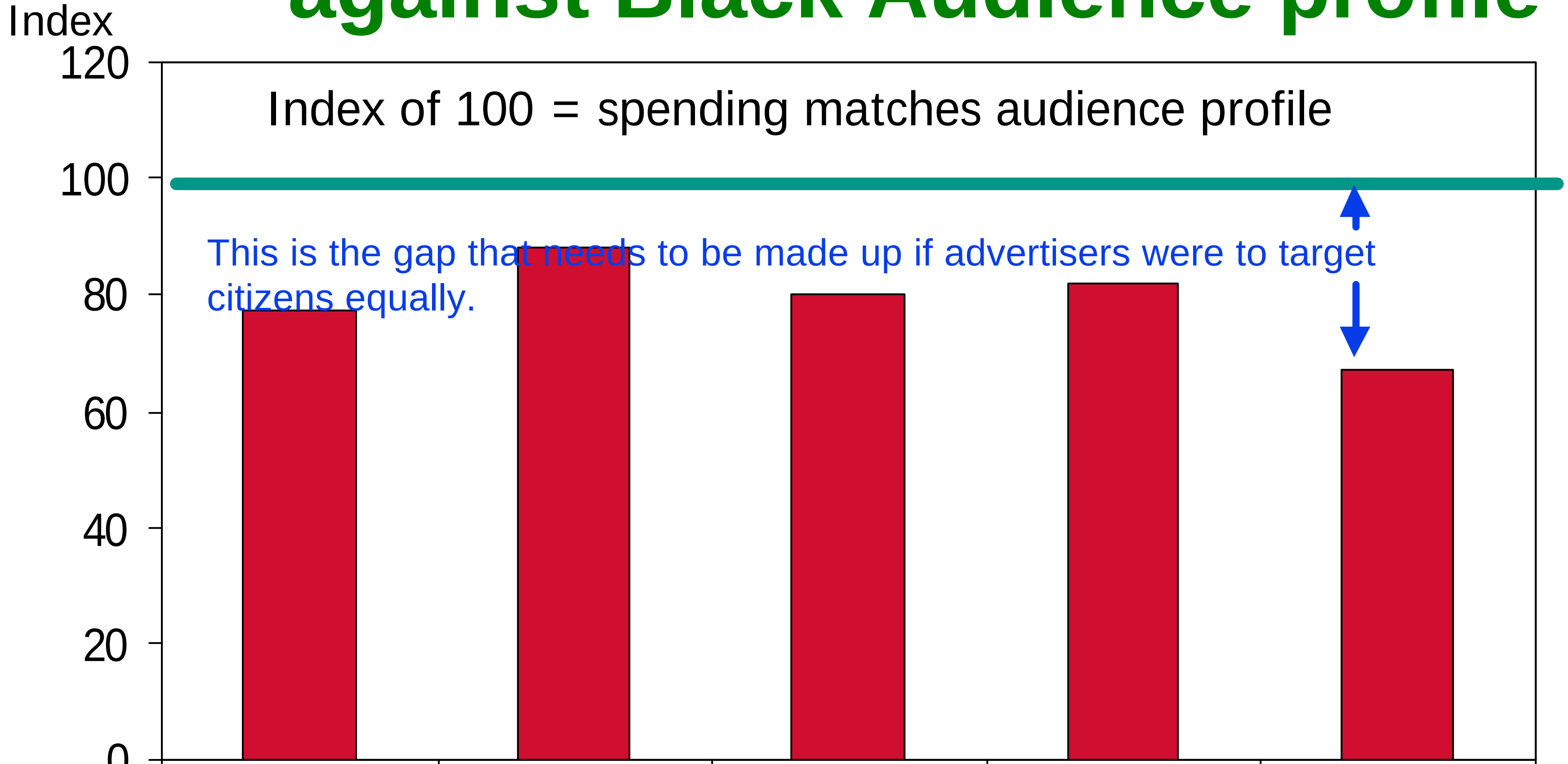
- **Assuming all adults in South Africa are equal and factors such as employment/education and income status were not critical in determining where advertisers spend their money.**
- **The profile of media spending within a medium should match the audience profile the same medium attracts.**
- **Eg if a medium's audience is made of 20% Black consumers (combined Black, Coloured and Indian), than the spending profile within that particular medium should ideally be 20%.**
- **Indeces greater than 100 show that a medium receives a higher spending against Black audiences than the medium profile, and indeces less than 100 illustrate the opposite.**

Index of 2001 Black spending against Black Audience profile



	Big 4	TV	Radio	Newspapers	Magazines
ATI	77	88	80	82	67

Note: Black = sum of Black ,Coloured and Indian audiences and spending.

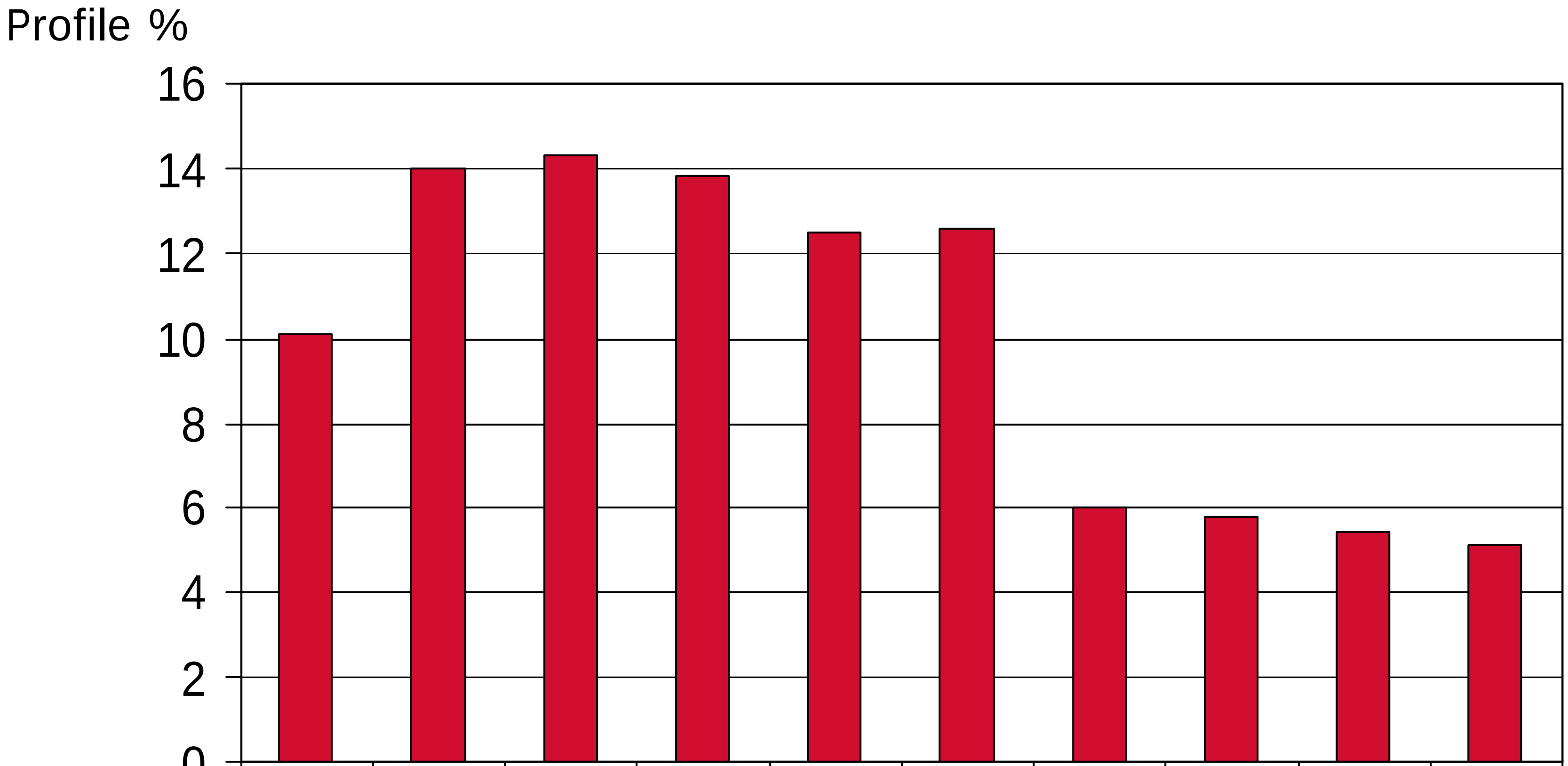
Source: ACNielsen - Adex 2001 & AMPS 2001b

Comments

- Black consumers are under-supported with advertising within the top 4 media.
- Magazines fall behind the other media in that spending against Black audiences is lower than the proportion of Black people accessing the medium
- It must be noted that a lot of "cross over" media exist and that few media vehicles are either Black or White.
- In light of this factor perhaps some of the onus lies with the media owners to attract the right profile of audience and not all the "fault" of the media planner.

Let's look at the same spending patterns through LSMs

Population profile by LSM



	LSM1	LSM 2	LSM3	LSM4	LSM 5	LSM6	LSM 7	LSM 8	LSM 9	LSM 10
Population	10.1	14	14.3	13.8	12.5	12.6	6	5.8	5.4	5.1

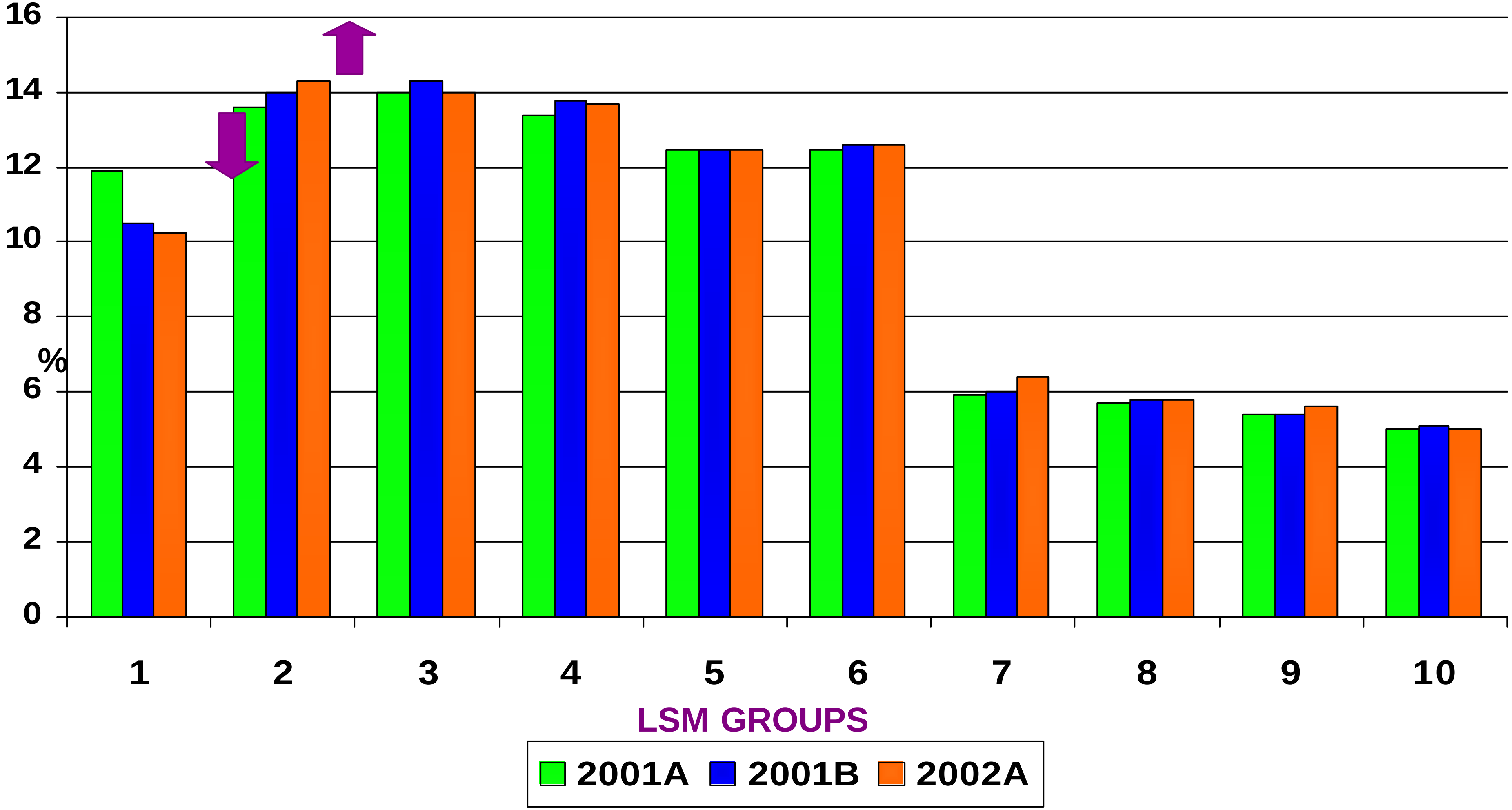
Source: AMPS 2001b

SAARF UNIVERSAL LSM GROUPS

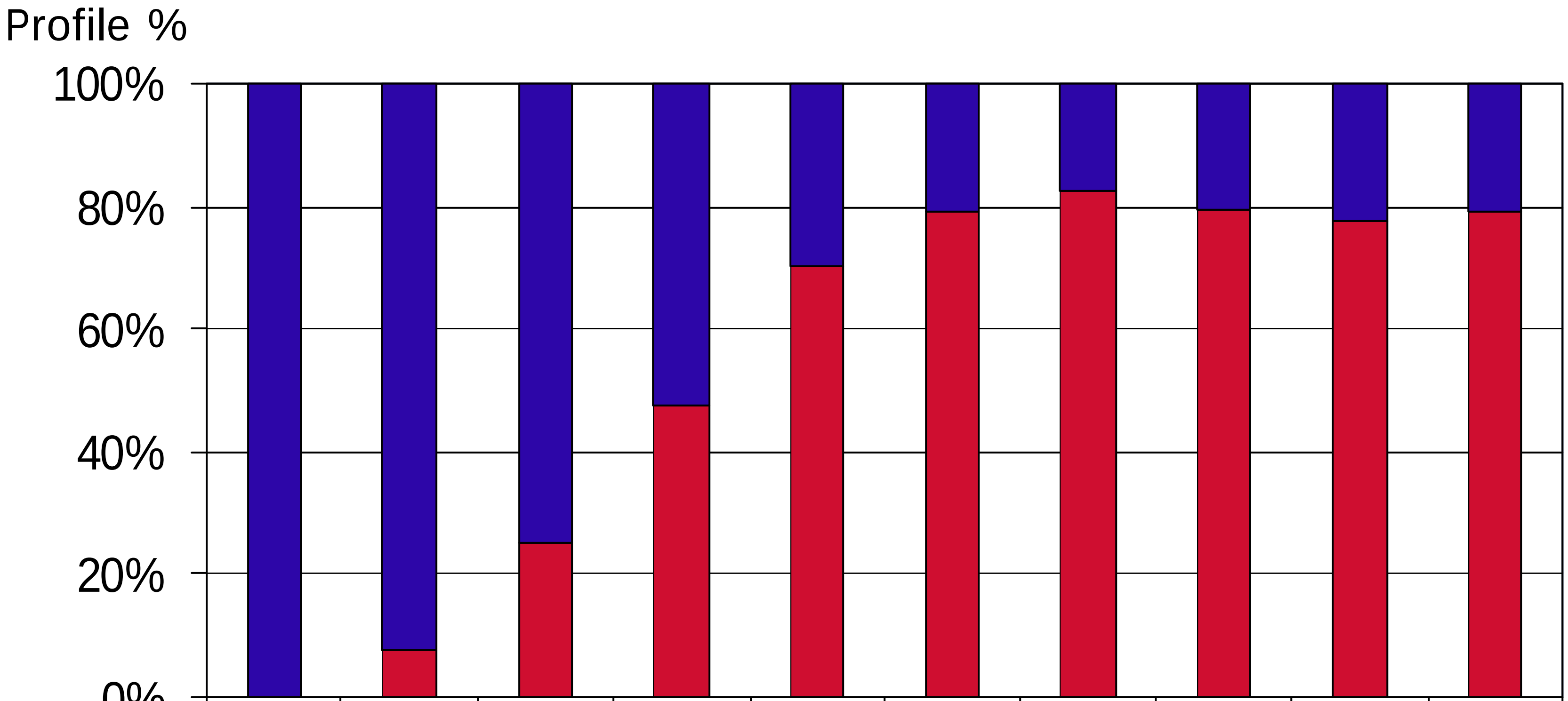
	Penetration			Average Household Income		
	2001A %	2001B %	2002A %	2001A	2001B	2002A
LSM 1	11.9	10.5	10.2	R 749	R 777	R 804
LSM 2	13.6	14.0	14.3	R 884	R 885	R 962
LSM 3	14.0	14.3	14.0	R 1 092	R 1 107	R 1 188
LSM 4	13.4	13.8	13.7	R 1 541	R 1 523	R 1 570
LSM 5	12.5	12.5	12.5	R 2 171	R 2 205	R 2 230
LSM 6	12.5	12.6	12.6	R 3 571	R 3 557	R 3 619
LSM 7	5.9	6.0	6.4	R 5 376	R 5 509	R 5 675
LSM 8	5.7	5.8	5.8	R 7 275	R 7 428	R 7 587
LSM 9	5.4	5.4	5.6	R 9 562	R 9 861	R10 245
LSM 10	5.0	5.1	5.0	R13 463	R13 788	R15 076

SAARF Universal LSM Groups

The trends are in the right direction



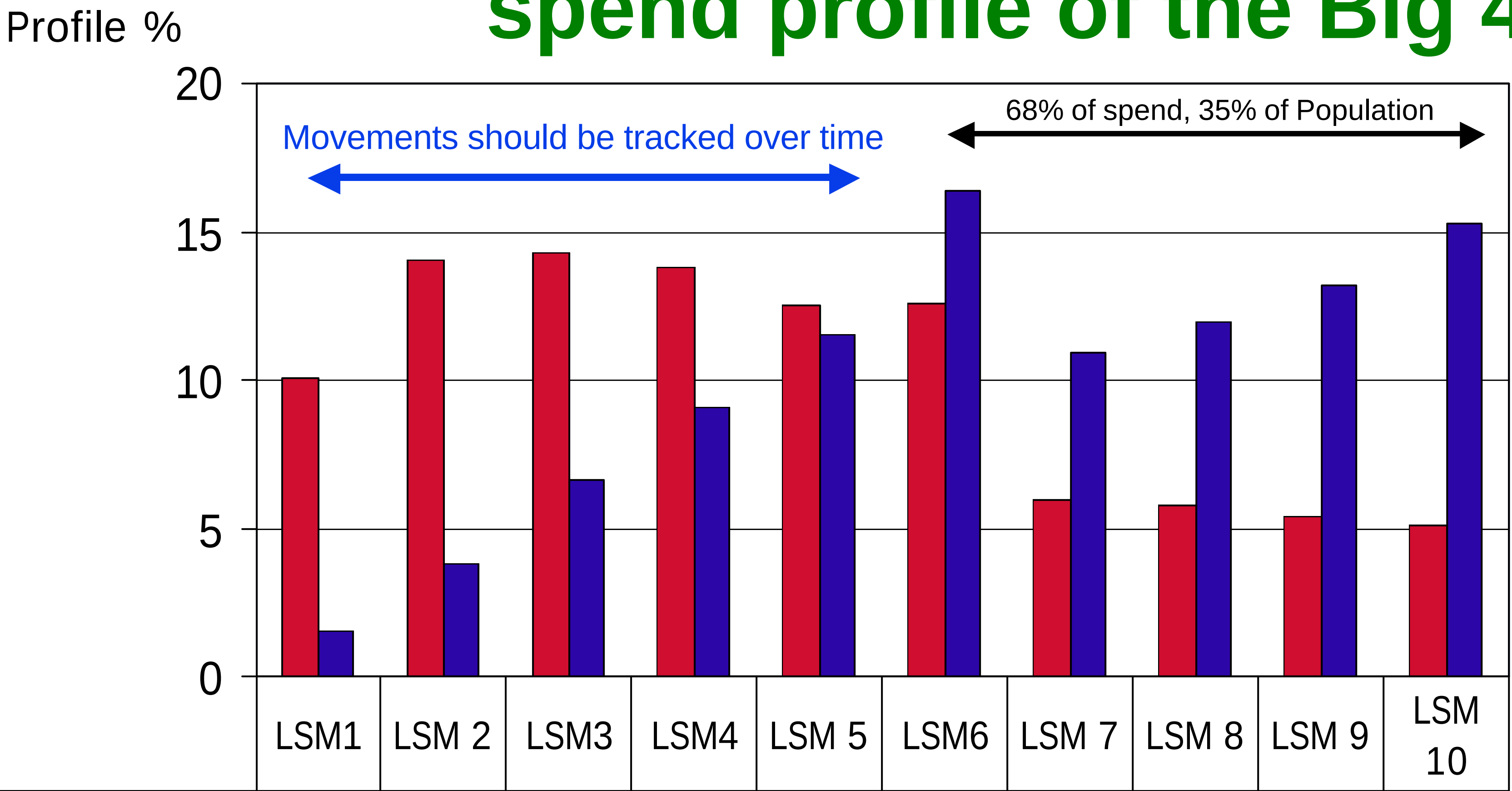
LSM Group Urban/Rural profiles



	LSM1	LSM 2	LSM3	LSM4	LSM 5	LSM6	LSM 7	LSM 8	LSM 9	LSM 10
Rural	100	92.3	74.7	52.7	30	21.2	17.8	20.4	22.1	20.8
Urban	0	7.7	25.3	47.3	70	78.8	82.2	79.6	77.9	79.2

Source: AMPS 2001b, Adex

Population profile by LSM vs 2001 spend profile of the Big 4



	LSM1	LSM 2	LSM3	LSM4	LSM 5	LSM6	LSM 7	LSM 8	LSM 9	LSM 10
Population	10.1	14	14.3	13.8	12.5	12.6	6	5.8	5.4	5.1
Spend Big 4	1.5	3.8	6.6	9.1	11.5	16.4	10.9	11.9	13.2	15.3

Source: AMPS 2001b, Adex

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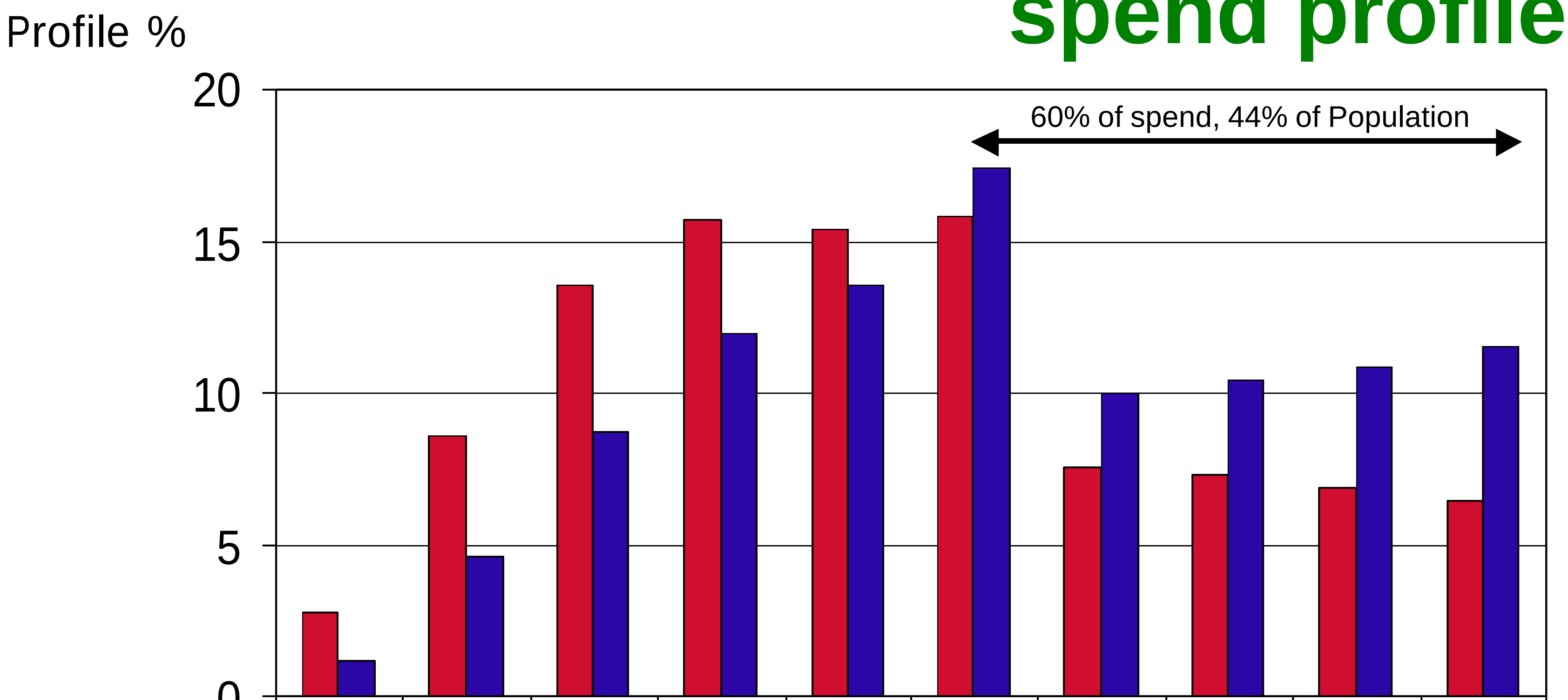
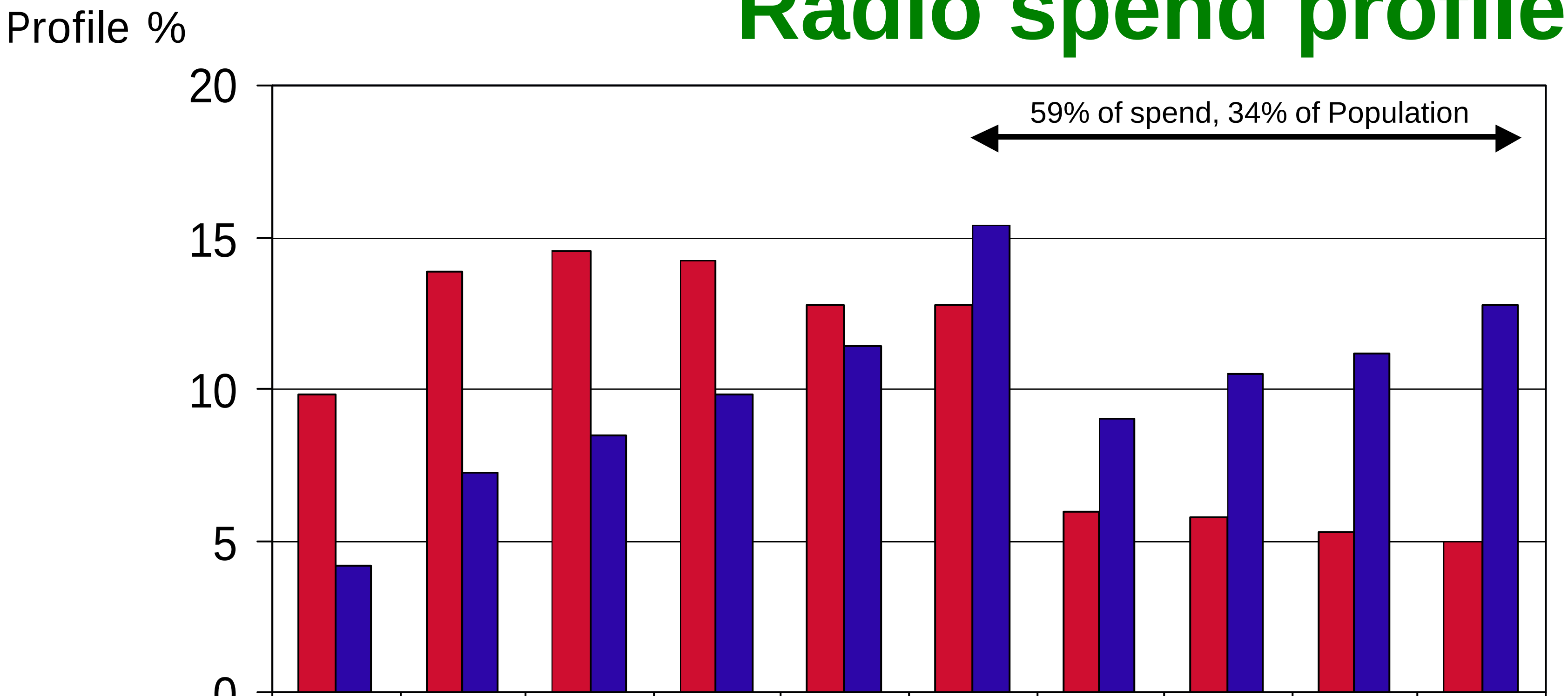
Any TV profile by LSM vs 2001 TV spend profile



	LSM1	LSM 2	LSM3	LSM4	LSM 5	LSM6	LSM 7	LSM 8	LSM 9	LSM 10
Any TV	2.8	8.6	13.5	15.7	15.4	15.8	7.6	7.3	6.9	6.5
TV Spending	1.2	4.6	8.7	11.9	13.5	17.4	10	10.4	10.8	11.5

Source: AMPS 2001b, Adex

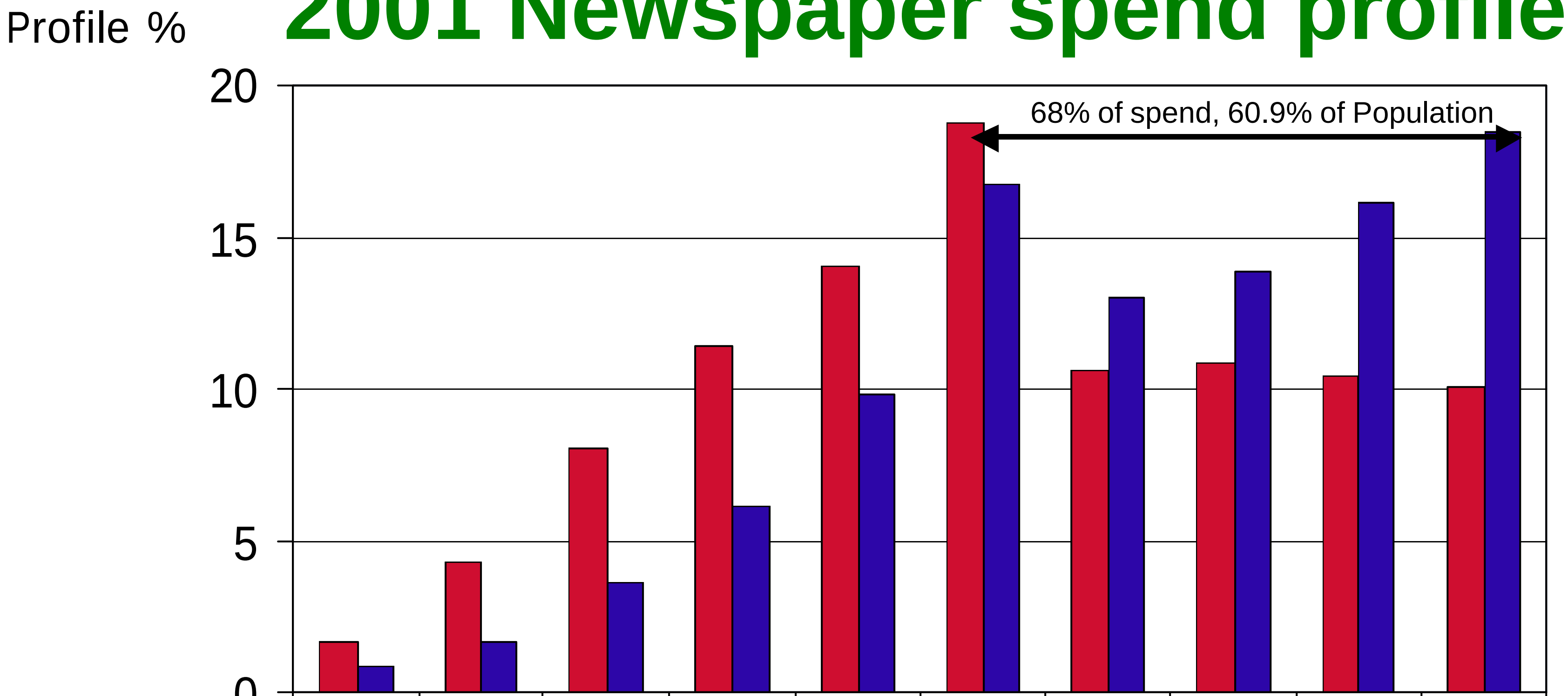
Any Radio profile by LSM vs 2001 Radio spend profile



	LSM1	LSM 2	LSM3	LSM4	LSM 5	LSM6	LSM 7	LSM 8	LSM 9	LSM 10
Any Radio	9.8	13.9	14.5	14.2	12.8	12.8	6	5.8	5.3	5
Radio Spend	4.2	7.2	8.5	9.8	11.4	15.4	9	10.5	11.2	12.8

Source: AMPS 2001b, Adex

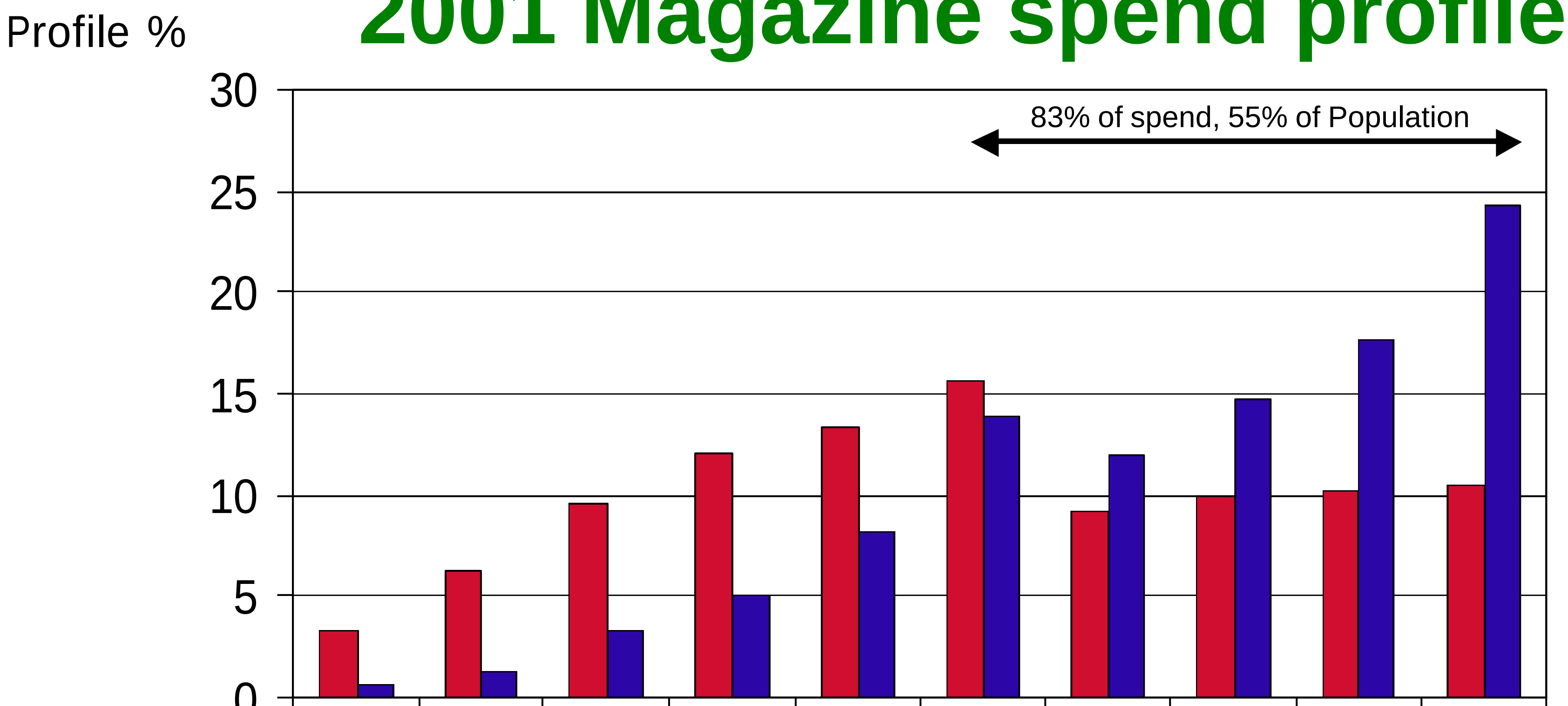
Any Newspaper profile by LSM vs 2001 Newspaper spend profile



	LSM1	LSM 2	LSM3	LSM4	LSM 5	LSM6	LSM 7	LSM 8	LSM 9	LSM 10
Any Npaper	1.7	4.3	8.1	11.4	14	18.7	10.6	10.8	10.4	10.1
Npaper spend	0.8	1.7	3.6	6.1	9.8	16.7	13	13.9	16.1	18.5

Source: AMPS 2001b, Adex

Any Magazine profile by LSM vs 2001 Magazine spend profile



	LSM1	LSM 2	LSM3	LSM4	LSM 5	LSM6	LSM 7	LSM 8	LSM 9	LSM 10
Any Magazine	3.3	6.3	9.6	12.1	13.3	15.6	9.2	9.9	10.2	10.4
Mags spend	0.6	1.3	3.3	5.1	8.2	13.9	12	14.7	17.7	24.3

Source: AMPS 2001b, Adex

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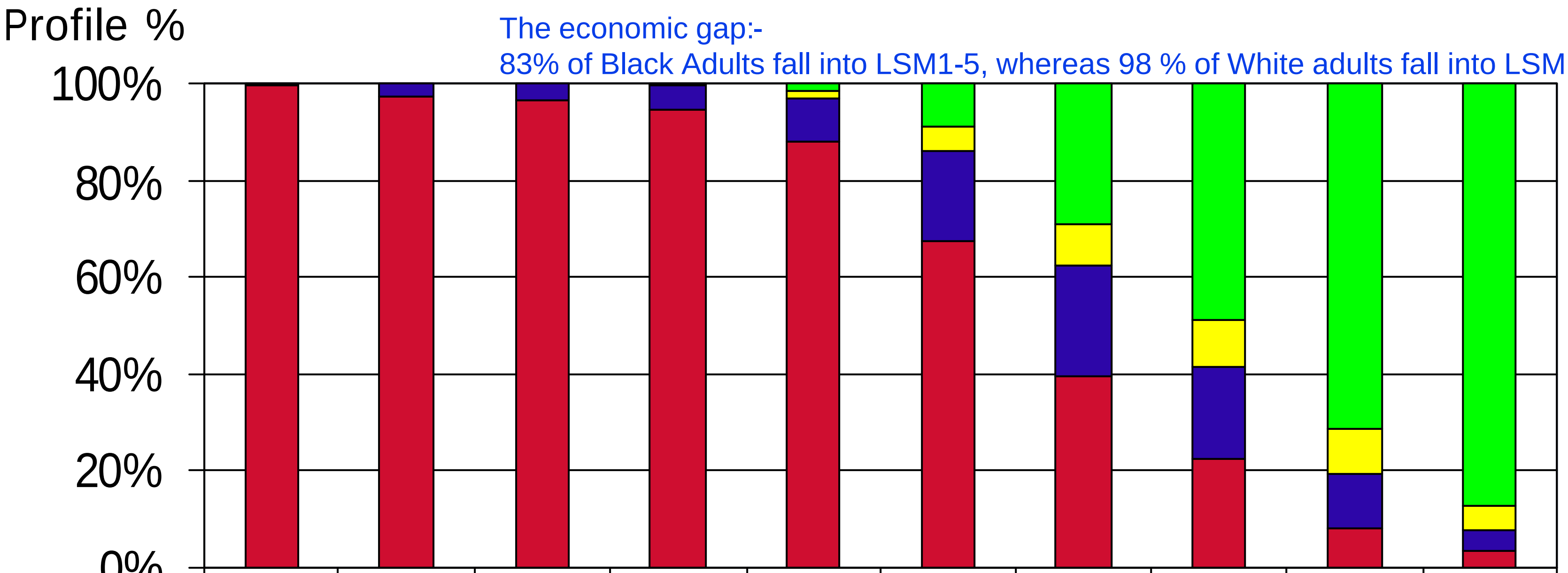
LSM Group Race profiles

The economic gap:-
83% of Black Adults fall into LSM1-5, whereas 98 % of White adults fall into LSM 6-10



	LSM1	LSM 2	LSM3	LSM4	LSM 5	LSM6	LSM 7	LSM 8	LSM 9	LSM 10
White	0	0	0.1	0.3	1.7	8.9	29.4	49.1	71.2	87.4
Ind	0	0	0	0.2	1.3	4.7	8.3	9.6	9.5	4.9
Col	0.3	2.4	3.8	5	9.4	19.1	23	19.2	11.1	4.4
Black	99.1	97.6	96.1	94.5	87.6	67.3	39.3	22.1	8.2	3.2

Source: AMPS 2001b, Adex

Comments

- We see the skewed spending to LSMs 6-10, ie households earning more than R3500 per month.
- Is this unreasonable when the urban bread-line level as measured by the BMR averaged R1300 in 2000 TBC.
- From an economic perspective the current spending trends are understandable, the tragedy is that they strongly favour whites .

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Comments contd

- The fact that the upper LSM groups (9 & 10) strongly skew white is a function of the inequalities of the past.
- By changing or influencing the way advertisers spend will not correct these indifferences.
- Long term sustainable empowerment efforts on behalf of government and the private sector will.
- In the interim would it be appropriate to hold advertisers to ransom for merely targeting people with money?

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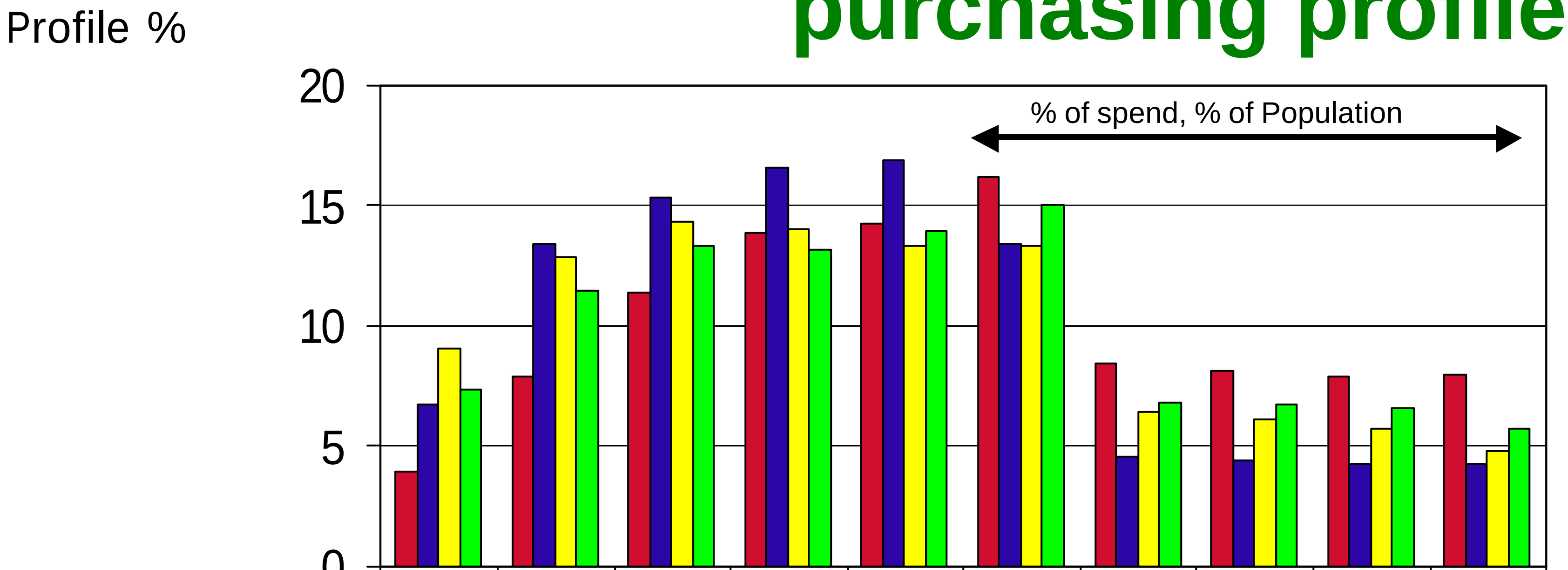
2) Examples of category spending

Detergent Spend profile by LSM vs purchasing profile

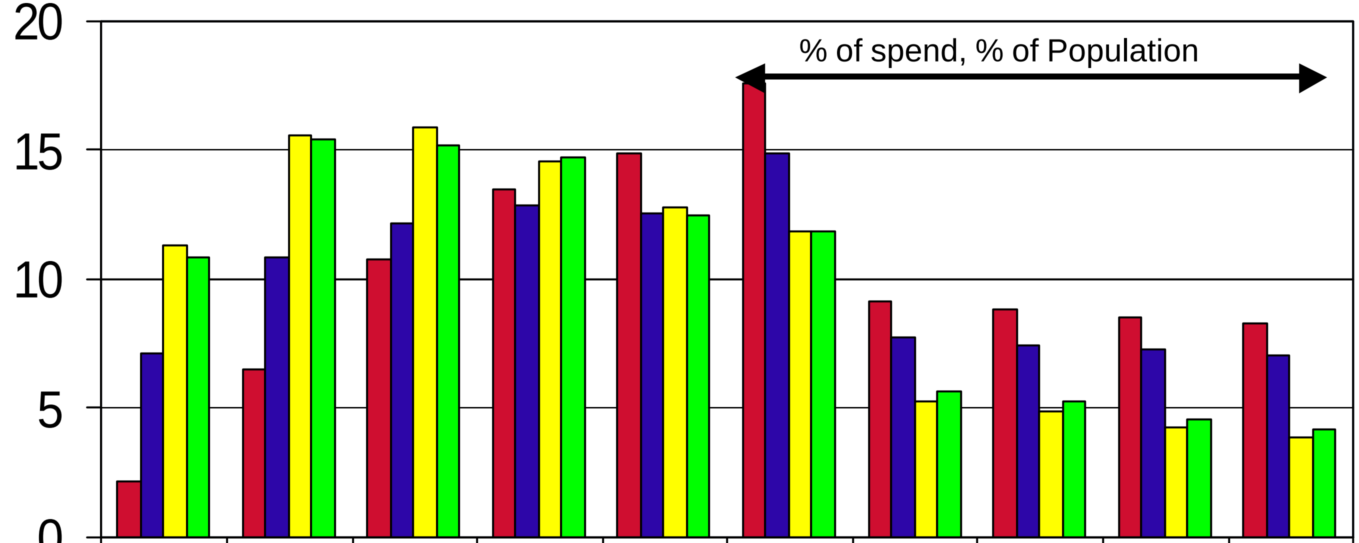


	LSM1	LSM 2	LSM3	LSM4	LSM 5	LSM6	LSM 7	LSM 8	LSM 9	LSM 10
spend excl outdoor	3.9	7.9	11.4	13.8	14.3	16.2	8.4	8.1	7.9	8
spend incl outdoor	6.7	13.4	15.3	16.6	16.9	13.4	4.6	4.4	4.3	4.3
purchase ever	9	12.9	14.4	14	13.3	13.3	6.4	6.1	5.7	4.8
purchase M/H	7.3	11.5	13.3	13.2	13.9	15	6.8	6.7	6.6	5.7

Source: AMPS 2001b, Adex

Tea Spend profile by LSM vs purchasing profile

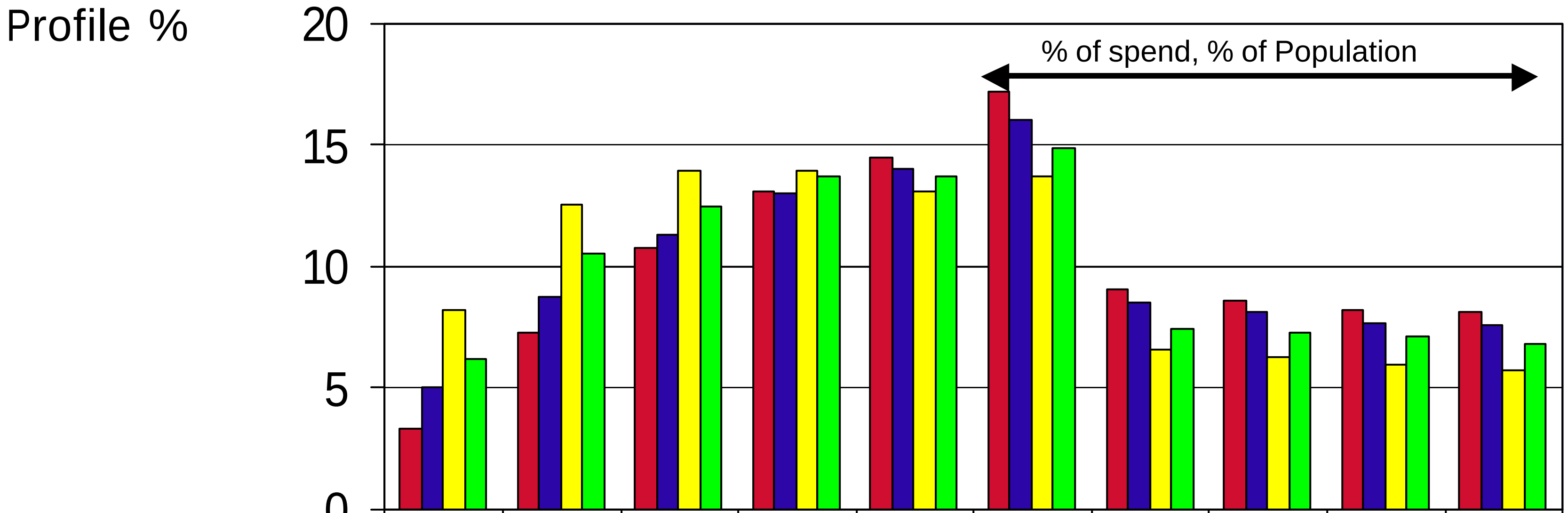
Profile %



	LSM1	LSM 2	LSM3	LSM4	LSM 5	LSM6	LSM 7	LSM 8	LSM 9	LSM 10
spend excl outdoor	2.1	6.5	10.7	13.5	14.9	17.6	9.2	8.8	8.5	8.3
spend incl outdoor	7.1	10.8	12.1	12.9	12.6	14.9	7.8	7.5	7.2	7
purchase ever	11.3	15.5	15.8	14.6	12.8	11.8	5.2	4.9	4.3	3.8
purchase M/H	10.9	15.4	15.2	14.7	12.5	11.8	5.6	5.2	4.6	4.1

Source: AMPS 2001b, Adex

Carbonated Beverages Spend profile by LSM vs purchasing profile



	LSM1	LSM 2	LSM3	LSM4	LSM 5	LSM6	LSM 7	LSM 8	LSM 9	LSM 10
spend excl outdoor	3.3	7.2	10.7	13.1	14.5	17.2	9	8.6	8.2	8.1
spend incl outdoor	5	8.7	11.3	13	14	16.1	8.5	8.1	7.7	7.6
purchase ever	8.2	12.6	13.9	13.9	13.1	13.7	6.6	6.3	6	5.7
purchase M/H	6.2	10.5	12.4	13.7	13.7	14.9	7.5	7.2	7.1	6.8

Source: AMPS 2001b, Adex

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3) Proportional and disproportional spending versus audience size SOV/SOA

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- **Assuming all adults in South Africa are equal and factors such as employment/education and income status were not critical in determining where advertisers spend their money.**
- **Share of spend against Black consumers (i.e. the share a particular media vehicle gets of the investment to that medium), should ideally be equal to the share of Black audience that same medium or vehicle draws.**
- **If the vehicle receives a disproportionately high investment relative to its audience size, this is shown by an index above 100.**
  - Conversely, if a vehicle receives a disproportionately lower share of spend relative to its share of audience, an index below 100 would result.

2001 Radio share of spend vs share of audience

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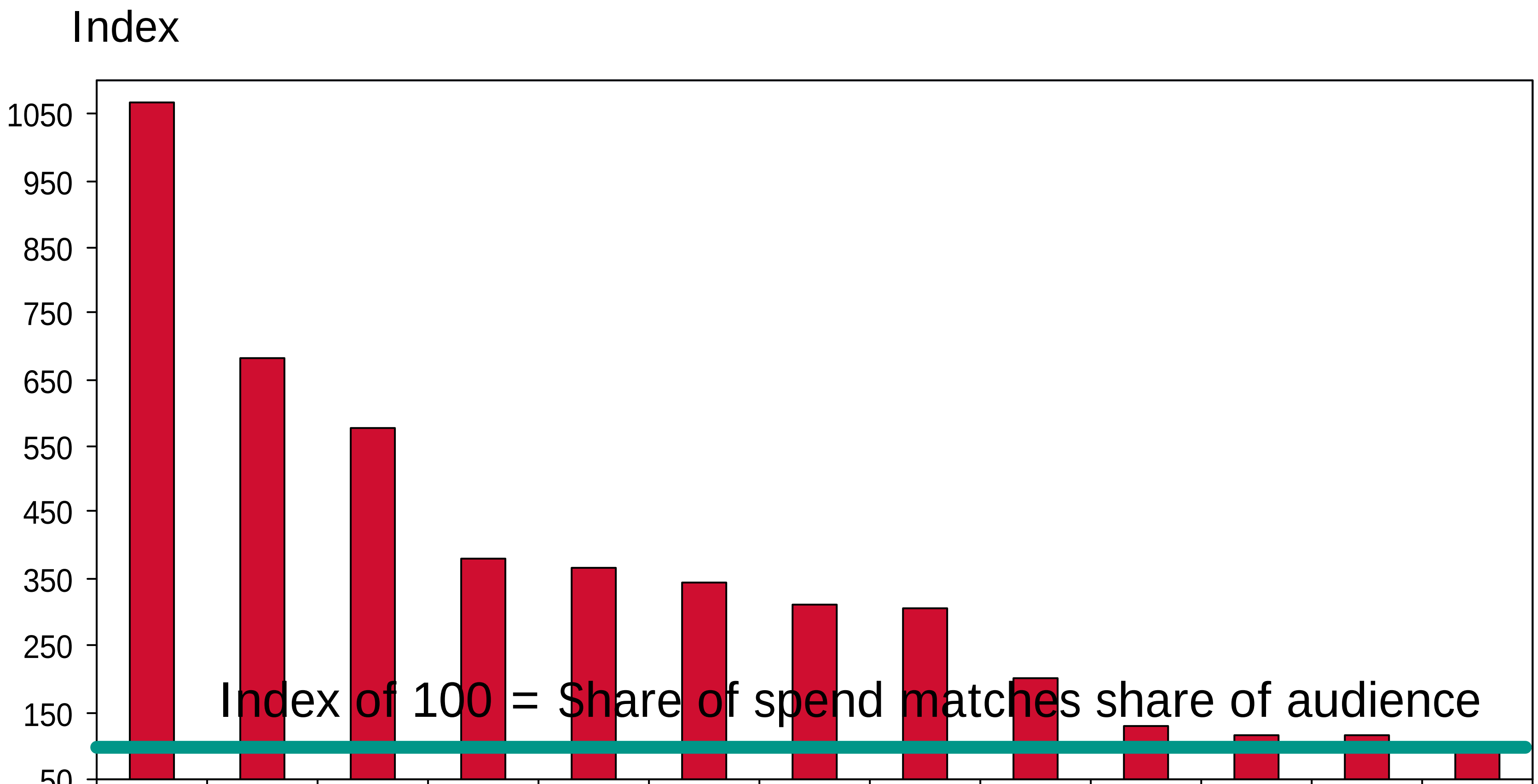
Rank on SOV/SOA index	Station	Spend	Share of spend SOV	Rank on SOV	Audience in 000's	Rank on Audience	Share of Audience	SOV/SOA Index
1	CLASSIC FM	R 34,501,012	3%	13	130	31	0.3%	1,067
2	CAPE TALK	R 13,741,862	1%	19	81	32	0.2%	682
3	94.7 HIGHVELD STEREO	R 132,761,109	11%	1	924	17	2.0%	578
4	RADIO 702	R 30,189,082	3%	14	319	28	0.7%	380
5	EAST COAST RADIO	R 113,744,407	10%	3	1,247	12	2.7%	367
6	KFM	R 66,442,381	6%	7	772	19	1.6%	346
7	5FM	R 105,032,889	9%	5	1,348	11	2.9%	313
8	JACARANDA 94.2	R 109,145,604	9%	4	1,434	10	3.1%	306
9	GOOD HOPE FM	R 41,249,528	4%	12	831	18	1.8%	200
10	SAFM	R 16,717,716	1%	18	515	22	1.1%	130
11	RSG	R 45,592,495	4%	9	1,584	8	3.4%	116
12	YFM	R 45,108,790	4%	10	1,596	7	3.4%	114
13	OFM	R 8,502,363	1%	21	343	27	0.7%	100
14	METRO FM	R 113,835,790	10%	2	5,425	2	11.6%	84
15	KAYA FM	R 17,926,757	2%	17	938	15	2.0%	77
16	LOTUS FM	R 8,642,951	1%	20	467	23	1.0%	74
17	RADIO ALGOA	R 7,036,079	1%	22	392	25	0.8%	72
18	UKHOZI FM	R 86,971,169	7%	6	6,640	1	14.2%	53
19	LESEDI FM	R 44,223,516	4%	11	3,787	4	8.1%	47
20	UMHLOBO WENENE FM	R 46,872,029	4%	8	4,522	3	9.7%	42
21	THOBELA FM	R 25,611,467	2%	15	2,755	6	5.9%	37
22	RMFM	R 3,079,485	0%	27	361	26	0.8%	34
23	MOTSWEDING FM	R 24,001,787	2%	16	3,365	5	7.2%	29
24	LIGWALAGWALA FM	R 6,970,521	1%	23	1,137	14	2.4%	25
25	P4 CAPE TOWN	R 1,395,255	0%	28	261	29	0.6%	21
26	MUNGHANA LONENE FM	R 6,207,342	1%	24	1,465	9	3.1%	17
27	RADIO 2000	R 756,030	0%	30	188	30	0.4%	16
28	PHALAPHALA FM	R 3,627,454	0%	25	928	16	2.0%	16
29	P4 DURBAN	R 1,092,234	0%	29	397	24	0.8%	11
30	IKWEKWEZI FM	R 3,340,980	0%	26	1,222	13	2.6%	11
31	PUNT	R 100,252	0%	33	68	33	0.1%	6
32	RADIO BOP	R 536,480	0%	31	691	21	1.5%	3
33	CKI FM	R 303,233	0%	32	708	20	1.5%	2
	TOTAL	**R 1,165,260,049**			**46,841**			

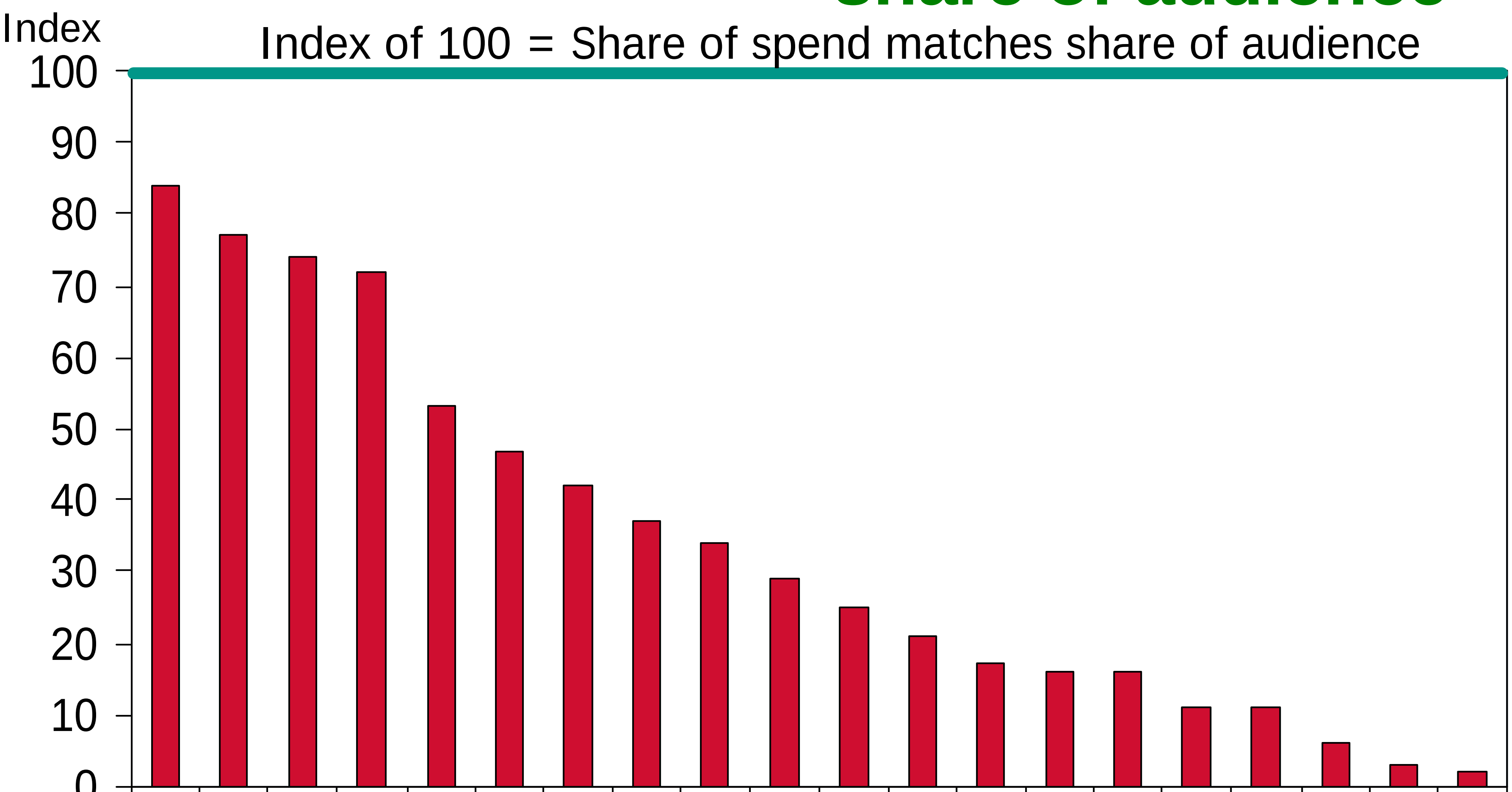
Index of 2001 Radio share of spend vs share of audience



	Classic	Cape Talk	94.7	702	ECS	KFM	5FM	Jac	GHFM	SAFM	RSG	YFM	OFM
ATI	1067	682	578	380	367	346	313	306	200	130	116	114	100

Source: AMPS 2001b & ACNielsen - Adex 2001

Index of Radio share of 2001 spend vs share of audience



	Metro	Kaya	Lotus	Algoa	Ukhozi	Lesedi	UW	Thob	RMF M	Mot	Ligw	P4 cape	ML	2000	Phala	P4 Dur	Ikwek	Punt	Bop	CKI
ATI	84	77	74	72	53	47	42	37	34	29	25	21	17	16	16	11	11	6	3	2

Source: AMPS 2001b & ACNielsen - Adex

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Comments

- **The SABC vernacular stations in particular, are negatively affected by the current spending patterns.**
- **Some of English and Afrikaans regional stations also find themselves in an under-investment situation.**
- **Traditionally "Black" profiled stations are cheaper to buy ie the cost of buying maximum reach at a set frequency level may be half that of a "white" profiled station.**
- **The "niche" regional stations catering to upper income households appear to be the most advantaged.**
- **Notes:**
  - Community radio spends are not provided to Adex and are therefore excluded from the analysis
  - The medium shrunk in 2001 and competition between the players increased.
  - This trend has not continued into 2002

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A closer look at radio

- **Perhaps the picture is skewed by those stations that reach the economically inactive, whereas advertisers are after those with money.**
- **The same analysis has been done looking at the top third of the population i.e. LSM 6-10 (or those households with an average income of R3500+ per month).**
- **The extremes at either end narrow, but the same stations remain at the top end. The bottom end differs significantly.**

2001 Radio share of spend vs share of LSM 6-10 audience

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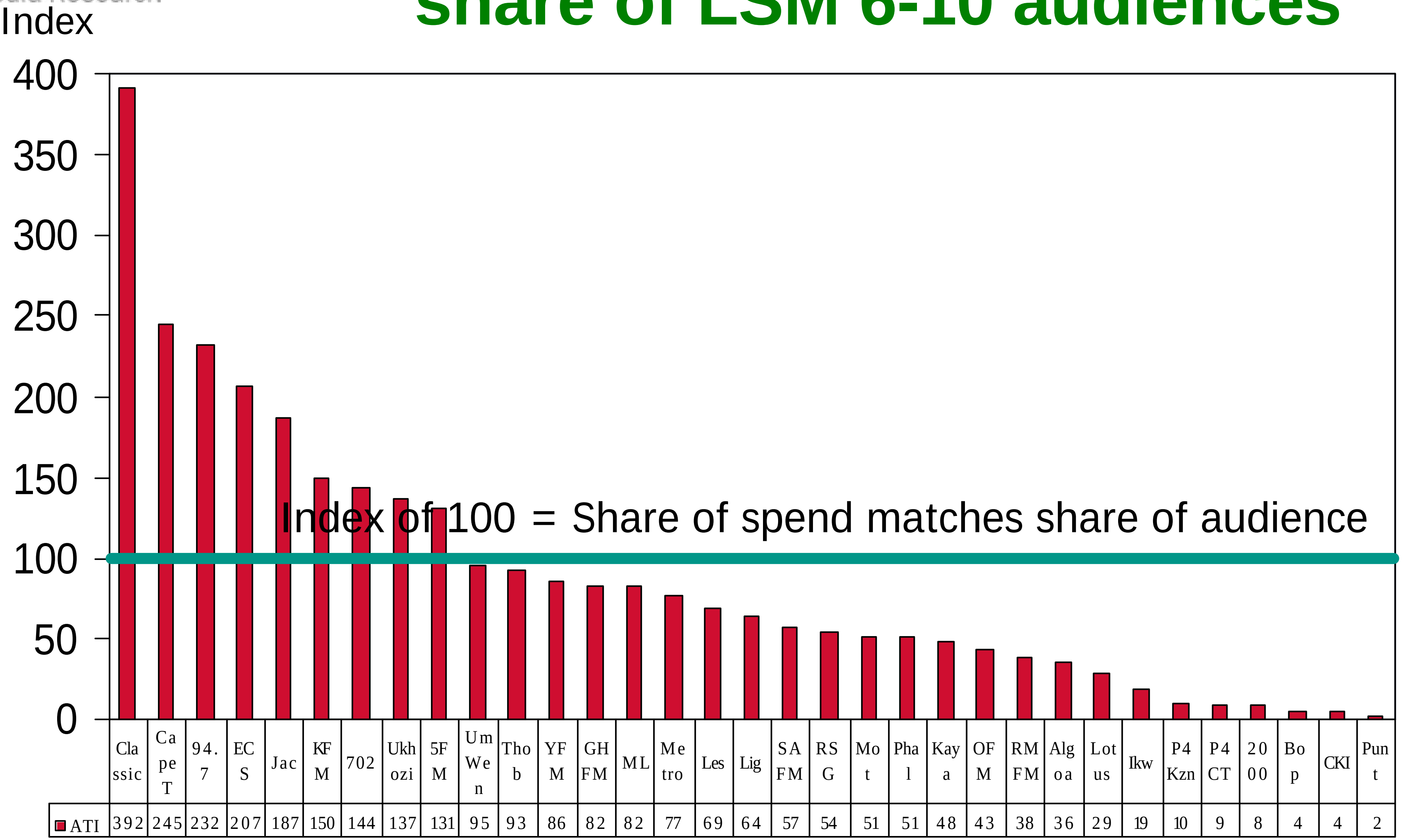
Rank on SOV/SOA Index	Station	Spend	Share of spend SOV	Rank on SOV	Audience in 000's	Rank on Audience	Share of Audience	SOV/SOA Index
1	CLASSIC FM	R 34,501,012	3.0%	13	124	27	0.8%	392
2	CAPE TALK	R 13,741,862	1.2%	19	79	32	0.5%	245
3	94.7 HIGHVELD STEREO	R 132,761,109	11.4%	1	807	7	4.9%	232
4	EAST COAST RADIO	R 113,744,407	9.8%	3	774	8	4.7%	207
5	JACARANDA 94.2	R 109,145,604	9.4%	4	825	6	5.0%	187
6	KFM	R 66,442,381	5.7%	7	626	13	3.8%	150
7	RADIO 702	R 30,189,082	2.6%	14	296	18	1.8%	144
8	UKHOZI FM	R 86,971,169	7.5%	6	896	5	5.5%	137
9	5FM	R 105,032,889	9.0%	5	1,131	3	6.9%	131
10	UMHLOBO WENENE FM	R 46,872,029	4.0%	8	696	11	4.2%	95
11	THOBELA FM	R 25,611,467	2.2%	15	389	17	2.4%	93
12	YFM	R 45,108,790	3.9%	10	742	9	4.5%	86
13	GOOD HOPE FM	R 41,249,528	3.5%	12	706	10	4.3%	82
14	MUNGHANA LONENE FM	R 6,207,342	0.5%	24	107	30	0.7%	82
15	METRO FM	R 113,835,790	9.8%	2	2,089	1	12.7%	77
16	LESEDI FM	R 44,223,516	3.8%	11	906	4	5.5%	69
17	LIGWALAGWALA FM	R 6,970,521	0.6%	23	154	25	0.9%	64
18	SAFM	R 16,717,716	1.4%	18	410	16	2.5%	57
19	RSG	R 45,592,495	3.9%	9	1,186	2	7.2%	54
20	MOTSWEDING FM	R 24,001,787	2.1%	16	660	12	4.0%	51
21	PHALAPHALA FM	R 3,627,454	0.3%	25	101	31	0.6%	51
22	KAYA FM	R 17,926,757	1.5%	17	524	14	3.2%	48
23	OFM	R 8,502,363	0.7%	21	280	19	1.7%	43
24	RMFM	R 3,079,485	0.3%	27	115	28	0.7%	38
25	RADIO ALGOA	R 7,036,079	0.6%	22	278	20	1.7%	36
26	LOTUS FM	R 8,642,951	0.7%	20	414	15	2.5%	29
27	IKWEKWEZI FM	R 3,340,980	0.3%	26	249	21	1.5%	19
28	P4 DURBAN	R 1,092,234	0.1%	29	156	24	0.9%	10
29	P4 CAPE TOWN	R 1,395,255	0.1%	28	226	22	1.4%	9
30	RADIO 2000	R 756,030	0.1%	30	142	26	0.9%	8
31	RADIO BOP	R 536,480	0.0%	31	173	23	1.1%	4
32	CKI FM	R 303,233	0.0%	32	109	29	0.7%	4
33	PUNT	R 100,252	0.0%	33	62		0.4%	2
	TOTAL	**R 1,165,260,049**			**16,432**			

Index of Radio share of 2001 spend vs share of LSM 6-10 audiences



Source: AMPS 2001b & ACNielsen - Adex

Comments

- **The same stations remain on top!**
- **A few thoughts as to why….**
  - Bigger stations are always disadvantaged and vulnerable to erosion (of audience and adspend) by the niche media which often provide a closer match on lifestyle (e.g. Classic FM)
  - Better marketing and service delivery
  - The economic health of the regions in which stations operate may also play a role
  - Familiarity – planners go with what they know

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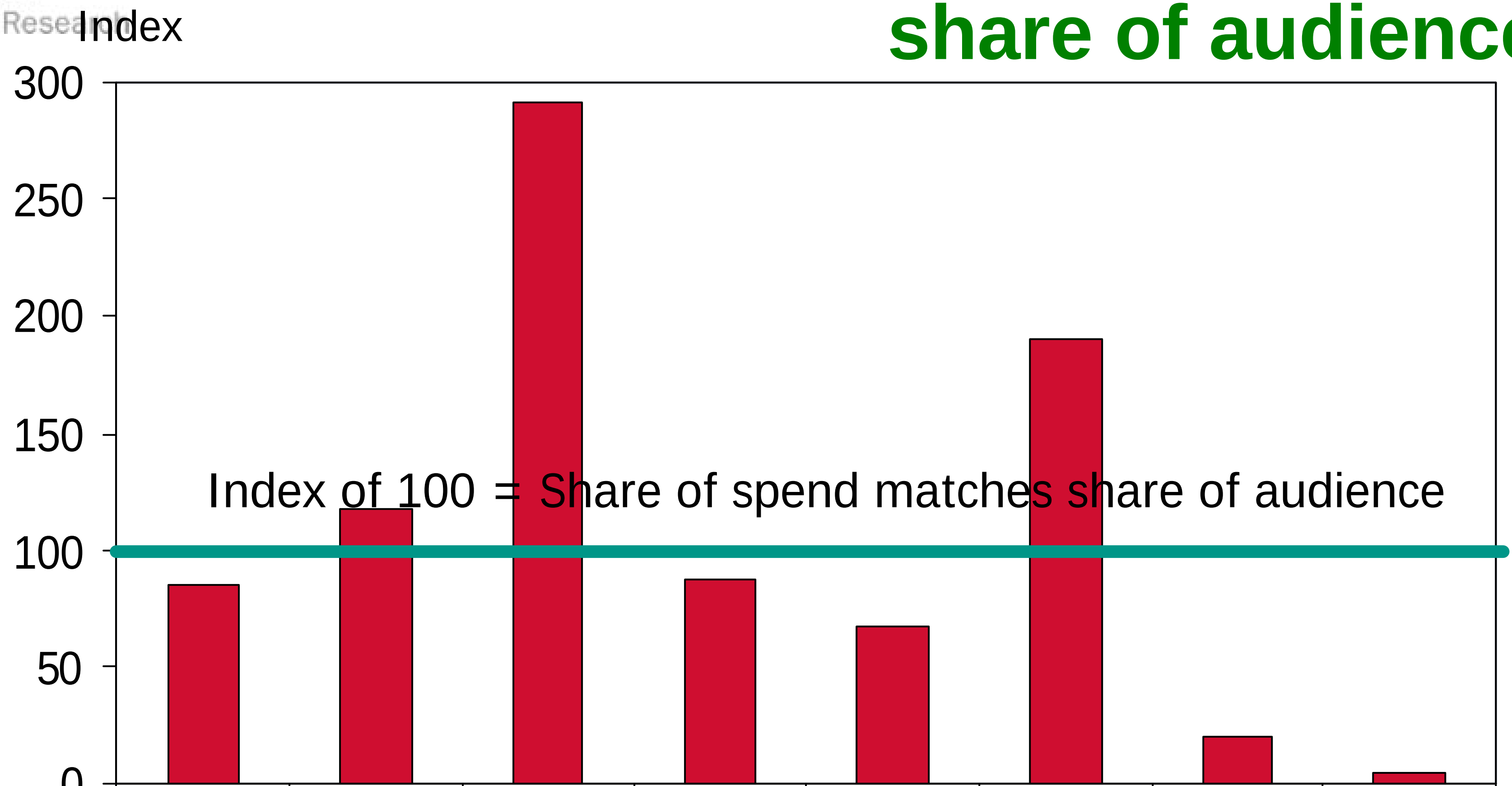
Television share of 2001 spend vs share of audience

Rank on SOV/SOA Index	Station	Spend	Share of spend SOV	Rank on SOV	Audience in 000's	Rank on audience	Share of audience SOA	SOV/ SOA index
1	M-NET	R 562,876,678	18%	3	4,218	5	6.3%	291
2	DSTV	R 103,469,113	3%	6	1,190	6	1.8%	190
3	SABC3	R 619,763,834	20%	2	11,493	4	17.2%	118
4	E-TV	R 507,829,075	17%	4	12,803	3	19.2%	87
5	SABC1	R 753,216,976	25%	1	19,413	1	29.1%	85
6	SABC2	R 500,806,541	16%	5	16,300	2	24.5%	67
7	CSN	R 4,292,517	0%	7	461	8	0.7%	20
8	BOP-TV	R 1,517,123	0%	8	787	7	1.2%	4
	TOTAL	R 3,053,771,857			66,665			

Below 100 = an under investment in this station vs share of audience
Over 100 = over investment in this medium vs share of audience

Source: AMPS 2001b & ACNielsen - Adex = audience taken as p7d

Index of Television share of 2001 spend vs share of audience



	S1	S3	Mnet	etv	S2	DStv	csn	BopTV
ATI	85	118	291	87	67	190	20	4

Source: AMPS 2001b & ACNielsen - Adex

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Comments

- **PayTV has a clear advantage.**
- **A few thoughts as to why….**
  - The economics – advertisers want the few with money.
  - Bigger stations are always disadvantaged and vulnerable to erosion (of audience and adspend) by the niche media which often provide a closer match on lifestyle e.g. Discovery Channel. Fragmentation is a global phenomena.
  - Familiarity – planners go with what they know.

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A closer look at Television

- **When the analysis is done looking at LSM 6-10 adults the picture looks a little more balanced suggesting that Television is used to reach the wealthier urban communities.**

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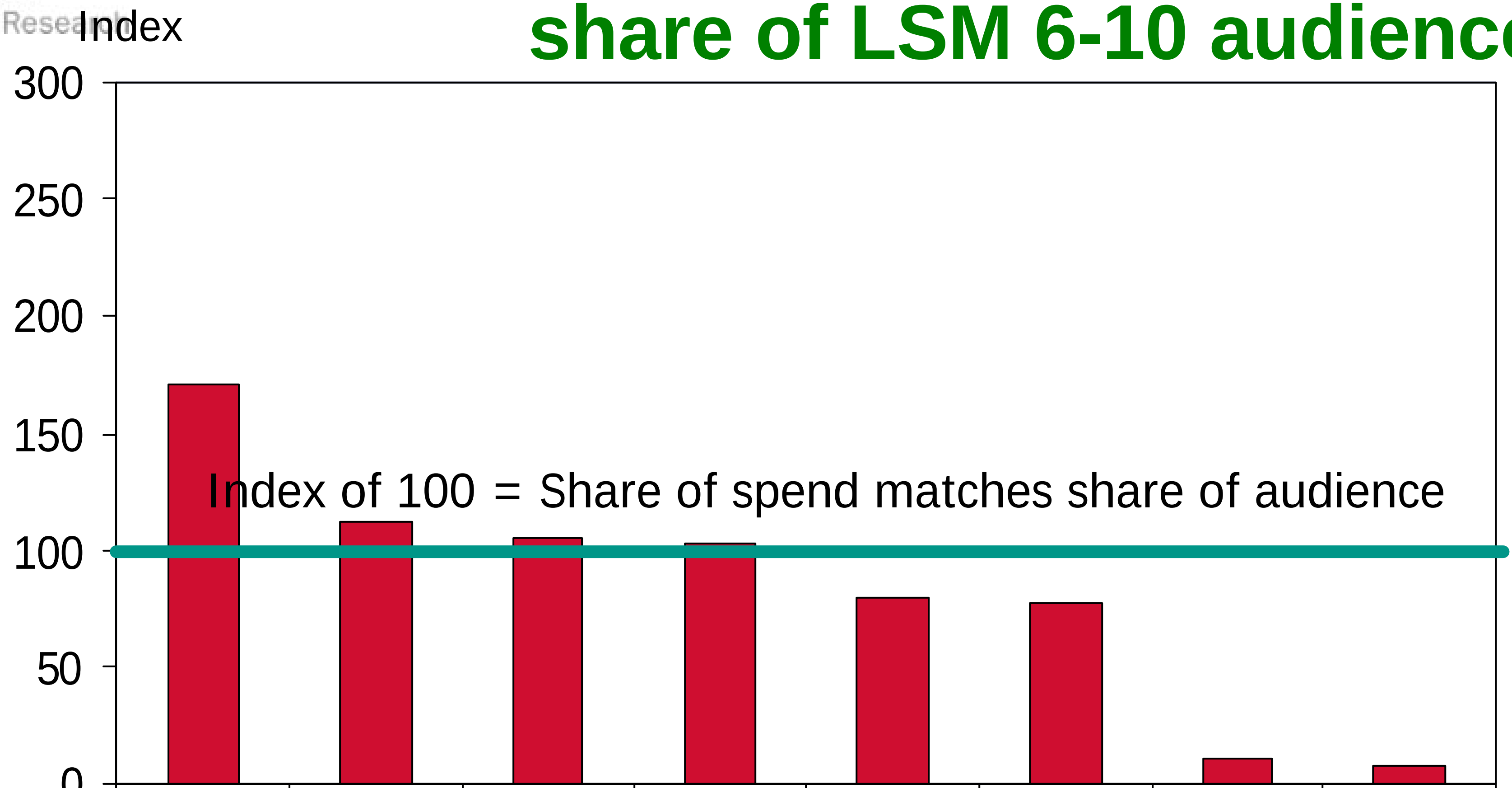
Television share of 2001 spend vs share of LSM 6-10 audiences

Rank on SOV/SOA Index	Station	Spend	Share of spend SOV	Rank on SOV	Audience in 000's	Rank on audience	Share of audience SOA	SOV/ SOA index
1	M-NET	R 562,876,678	18%	3	3,845	5	10.8%	171
2	SABC1	R 753,216,976	25%	1	7,832	1	21.9%	112
3	DSTV	R 103,469,113	3%	6	1,149	6	3.2%	105
4	SABC3	R 619,763,834	20%	2	7,071	4	19.8%	103
5	E-TV	R 507,829,075	17%	4	7,481	3	20.9%	79
6	SABC2	R 500,806,541	16%	5	7,649	2	21.4%	77
7	CSN	R 4,292,517	0%	7	439	8	1.2%	11
8	BOP-TV	R 1,517,123	0%	8	255	7	0.7%	7
	TOTAL	R 3,053,771,857			35,721			

Source: AMPS 2001b & ACNielsen - Adex = audience taken as p7d

Index of Television share of 2001 spend vs share of LSM 6-10 audience



	Mnet	S1	DStv	S3	etv	S2	csn	Bop
ATI	171	112	105	103	79	77	11	7

Source: AMPS 2001b & ACNielsen - Adex

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Mags share of 2001 spend vs share of audience

Rank on SOV/SOA Index	Title	Spend	Rank on Spend	Share of Spend SOV	Audience in 000's	Rank on Audience	Share of Audience SOA	SOV/SOA Index
1	Financial Mail	R 66,660,656.00	2	6.7%	176	51	0.4%	1616
2	Finansies&Tegniek	R 19,003,379.00	15	1.9%	90	69	0.2%	901
3	Finance Week	R 16,261,548.00	19	1.6%	93	67	0.2%	746
4	Shape	R 13,651,807.00	24	1.4%	113	63	0.3%	515
5	SA 4X4	R 11,812,998.00	27	1.2%	137	54	0.3%	368
6	Wine Magazine	R 7,588,258.00	38	0.8%	91	68	0.2%	356
7	Longevity	R 10,360,812.00	30	1.0%	129	56	0.3%	343
8	Golf Digest SA	R 7,992,280.00	36	0.8%	101	65	0.2%	338
9	Complete Golfer	R 8,357,541.00	35	0.8%	108	64	0.3%	330
10	Landbouweekblad	R 20,772,152.00	14	2.1%	270	44	0.6%	328
11	Getaway	R 41,227,311.00	4	4.2%	630	23	1.5%	279
12	Caravan&Outdoor Life	R 7,307,871.00	39	0.7%	116	61	0.3%	269
13	Mens Health	R 29,200,912.00	10	2.9%	522	25	1.2%	239
14	GQ SA	R 12,964,588.00	25	1.3%	246	46	0.6%	225
15	SA City Life	R 5,844,172.00	45	0.6%	113	62	0.3%	221
16	Enterprise	R 4,764,998.00	52	0.5%	93	66	0.2%	219
17	Fair Lady	R 40,107,045.00	5	4.1%	796	16	1.9%	215
18	Sarie	R 32,579,331.00	9	3.3%	728	17	1.7%	191
19	Bike SA	R 12,119,982.00	26	1.2%	276	42	0.7%	187
20	Huisgenoot	R 92,211,583.00	1	9.3%	2112	3	5.0%	186
21	Cosmopolitan	R 36,815,683.00	6	3.7%	850	13	2.0%	185
22	C Nast House&Garden	R 17,010,235.00	16	1.7%	402	28	1.0%	181
23	Car	R 34,436,090.00	8	3.5%	841	14	2.0%	175
24	Elle	R 14,728,981.00	21	1.5%	362	32	0.9%	174
25	Marie Claire	R 14,449,725.00	22	1.5%	375	30	0.9%	164
26	Top Car	R 15,644,269.00	20	1.6%	466	27	1.1%	143
27	Femina	R 16,332,510.00	18	1.6%	491	26	1.2%	142
28	You	R 62,781,227.00	3	6.3%	1978	5	4.7%	135
29	Wiel	R 4,888,918.00	51	0.5%	163	52	0.4%	128
30	Time	R 8,863,954.00	34	0.9%	297	39	0.7%	127
31	House & Leisure	R 9,119,391.00	33	0.9%	306	38	0.7%	127
32	Runners World	R 3,426,466.00	55	0.3%	124	59	0.3%	118
33	FHM	R 9,221,349.00	32	0.9%	341	34	0.8%	115
34	SA Homeowner	R 7,204,287.00	40	0.7%	275	43	0.7%	112
35	Computer Magazine SA	R 7,683,125.00	37	0.8%	294	41	0.7%	112
36	SL	R 5,249,804.00	49	0.5%	215	48	0.5%	104

Nielsen Media Research

Mags share of 2001 spend vs share of audience

Rank on SOV/SOA Index	Title	Spend	Rank on Spend	Share of Spend SOV	Audience in 000's	Rank on Audience	Share of Audience SOA	SOV/SOA Index
37	Style	R 6,137,177	43	0.6%	264	45	0.6%	99
38	De Kat	R 2,899,352	58	0.3%	125	58	0.3%	99
39	Gardening SA	R 6,663,907	41	0.7%	296	40	0.7%	96
40	Woman's Value	R 14,255,368	23	1.4%	636	22	1.5%	96
41	Insig	R 1,541,959	66	0.2%	70	70	0.2%	94
42	Man Magnum	R 2,979,219	57	0.3%	136	55	0.3%	93
43	Rooi Rose	R 16,890,613	17	1.7%	815	15	1.9%	88
44	Rapport Tydskrif	R 23,857,114	13	2.4%	1,261	10	3.0%	81
45	Out There	R 2,277,872	61	0.2%	126	57	0.3%	77
46	Sunday Times Mag	R 36,537,823	7	3.7%	2,112	4	5.0%	74
47	Your Baby	R 5,383,110	48	0.5%	320	36	0.8%	72
48	SA Sports Illu	R 10,388,427	29	1.0%	663	19	1.6%	67
49	Garden&Home	R 10,104,999	31	1.0%	660	20	1.6%	65
50	Farmer's Weekly	R 1,778,942	64	0.2%	118	60	0.3%	64
51	Drum	R 26,148,388	12	2.6%	1,787	8	4.2%	62
52	True Love	R 27,186,398	11	2.7%	1,970	6	4.7%	59
53	Essentials	R 4,970,305	50	0.5%	368	31	0.9%	58
54	Top Forty	R 748,791	69	0.1%	58	71	0.1%	55
55	Tribute	R 2,654,982	60	0.3%	216	47	0.5%	52
56	Country Life SA	R 1,797,082	63	0.2%	150	53	0.4%	51
57	Drive	R 3,845,461	54	0.4%	351	33	0.8%	47
58	PC Format	R 1,597,949	65	0.2%	185	50	0.4%	37
59	Living & Loving	R 5,721,977	46	0.6%	684	18	1.6%	36
60	Food&Home	R 3,046,991	56	0.3%	378	29	0.9%	34
61	Your Family	R 4,566,329	53	0.5%	659	21	1.6%	30
62	Reader's Digest	R 6,055,035	44	0.6%	1,064	11	2.5%	24
63	Vrouekeur	R 1,204,601	67	0.1%	330	35	0.8%	16
64	Pace	R 5,606,530	47	0.6%	1,556	9	3.7%	15
65	Kickoff	R 6,538,098	42	0.7%	1,854	7	4.4%	15
66	Bona	R 11,650,111	28	1.2%	3,660	1	8.7%	14
67	Hustler	R 910,480	68	0.1%	311	37	0.7%	12
68	Tv Plus	R 2,685,175	59	0.3%	999	12	2.4%	11
69	Joy	R 423,700	70	0.0%	186	49	0.4%	10
70	Edgards Club Mag	R 2,091,469	62	0.2%	2,543	2	6.0%	4
71	People	R 183,364	71	0.0%	609	24	1.4%	1
	TOTAL Magazines	R 989,974,336			42,240			

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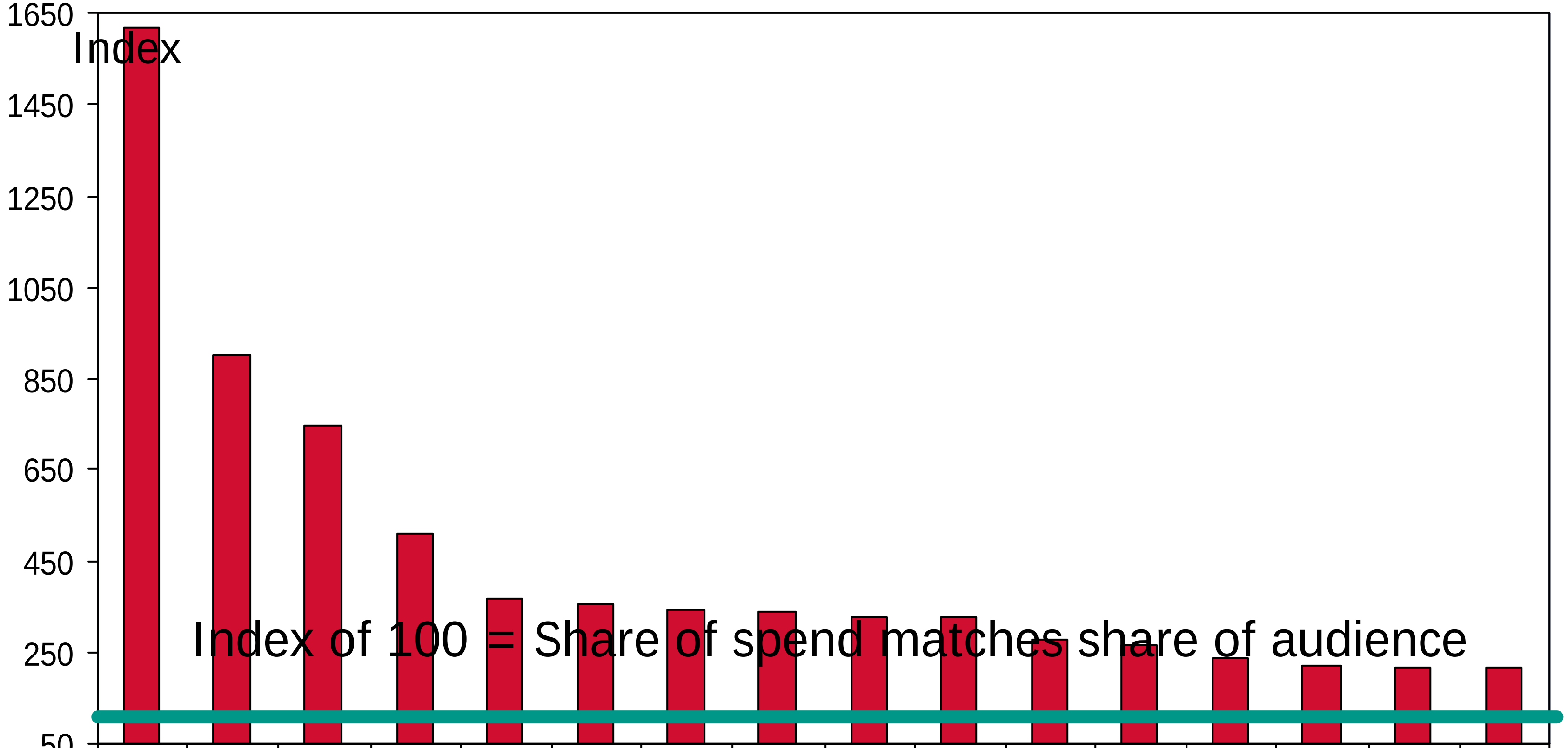
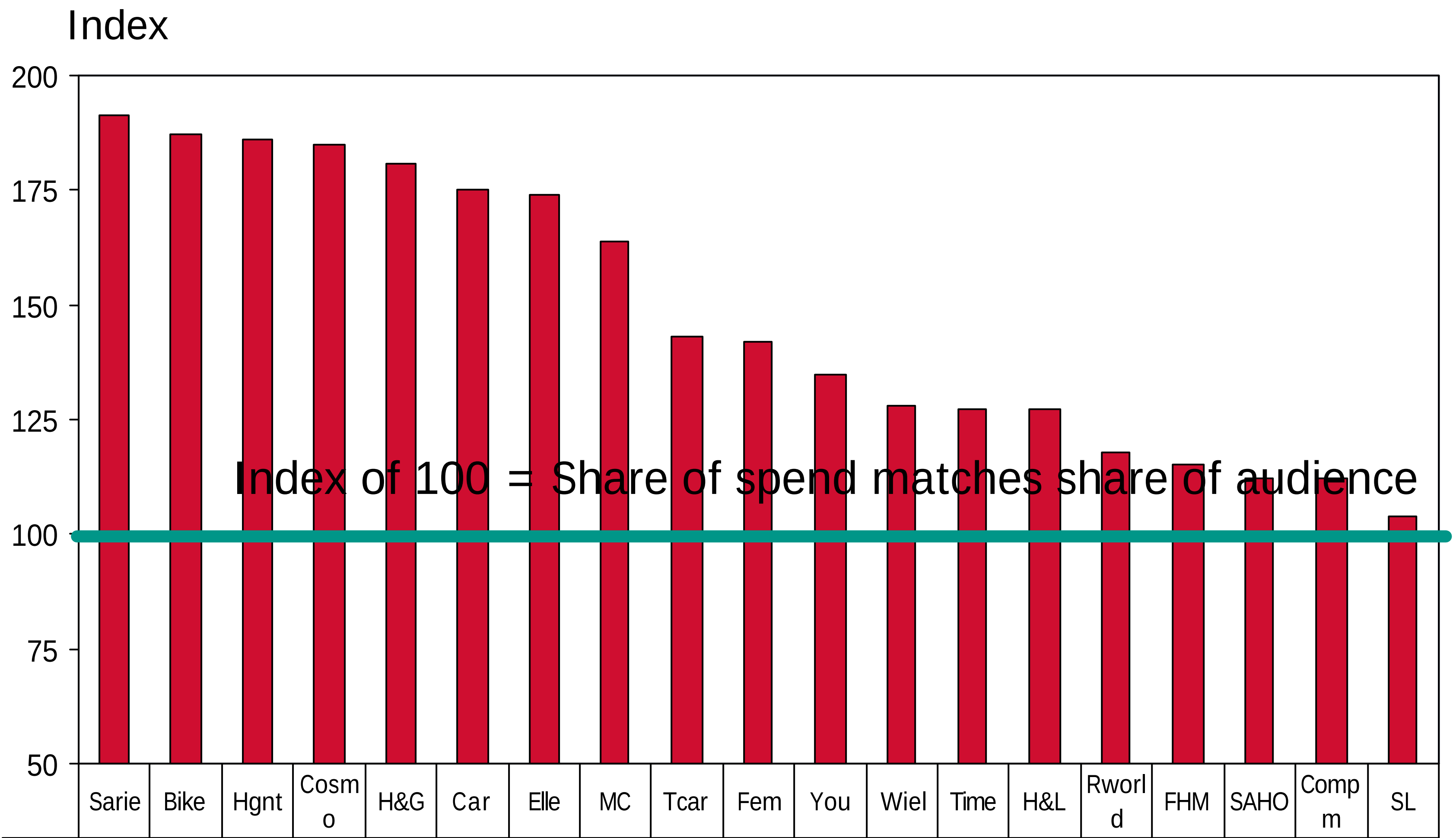
Index of Magazine share of 2001 spend vs share of audience



	FM	F&T	FW	Shape	4x4	Wine	Long	Golf D	C Golf	Landb wd	Gway	C&O life	MH	GQ	Enter prise	FL
ATI	1616	901	746	515	368	356	343	338	330	328	279	269	239	225	219	215

Source: AMPS 2001b & ACNielsen - Adex

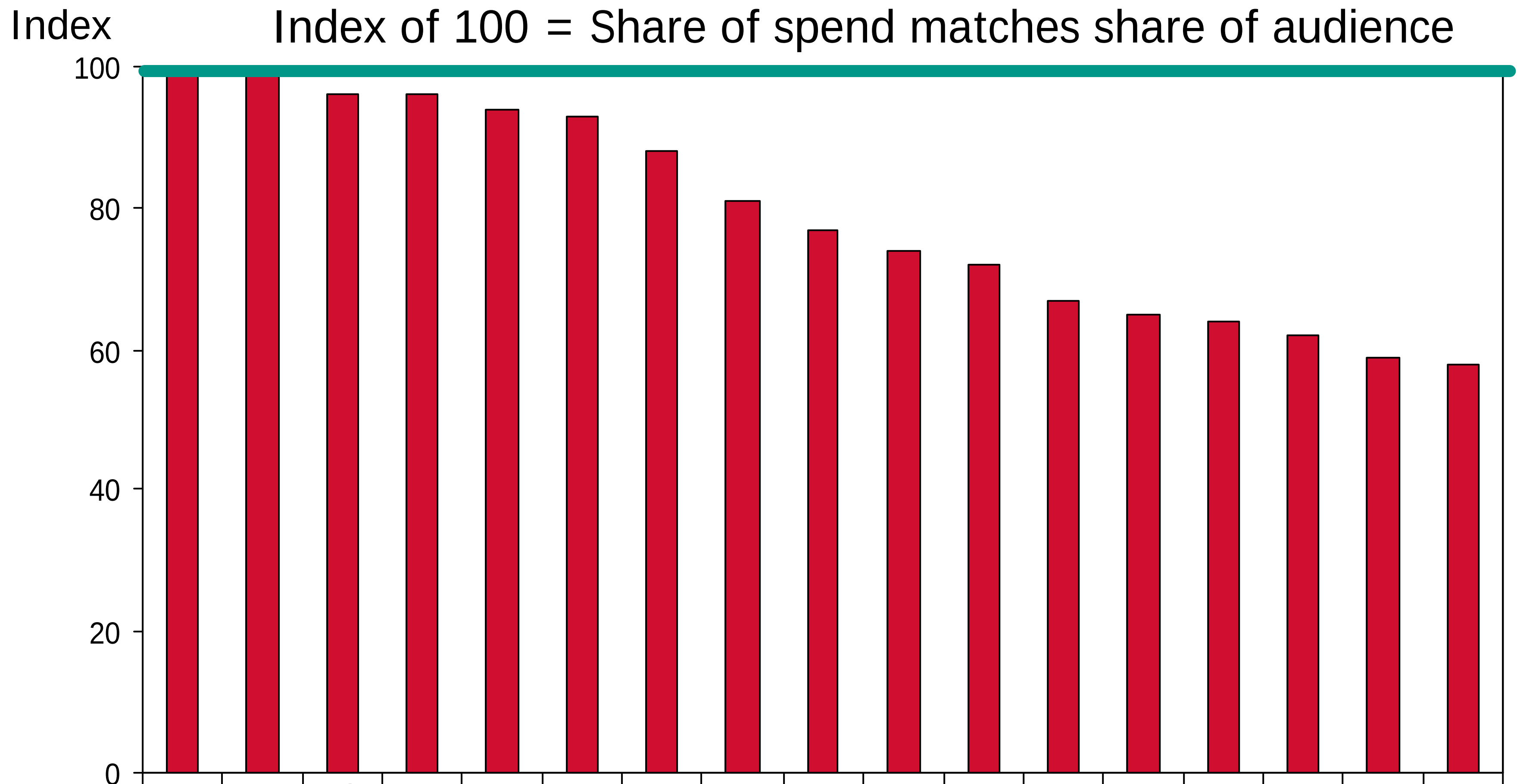
Index of Magazine share of 2001 spend vs share of audience (contd)



	Sarie	Bike	Hgnt	Cosmo	H&G	Car	Elle	MC	Tcar	Fem	You	Wiel	Time	H&L	Rworld	FHM	SAHO	Comp m	SL
ATI	191	187	186	185	181	175	174	164	143	142	135	128	127	127	118	115	112	112	104

Source: AMPS 2001b & ACNielsen - Adex

Index of Magazine share of 2001 spend vs share of audience (contd)

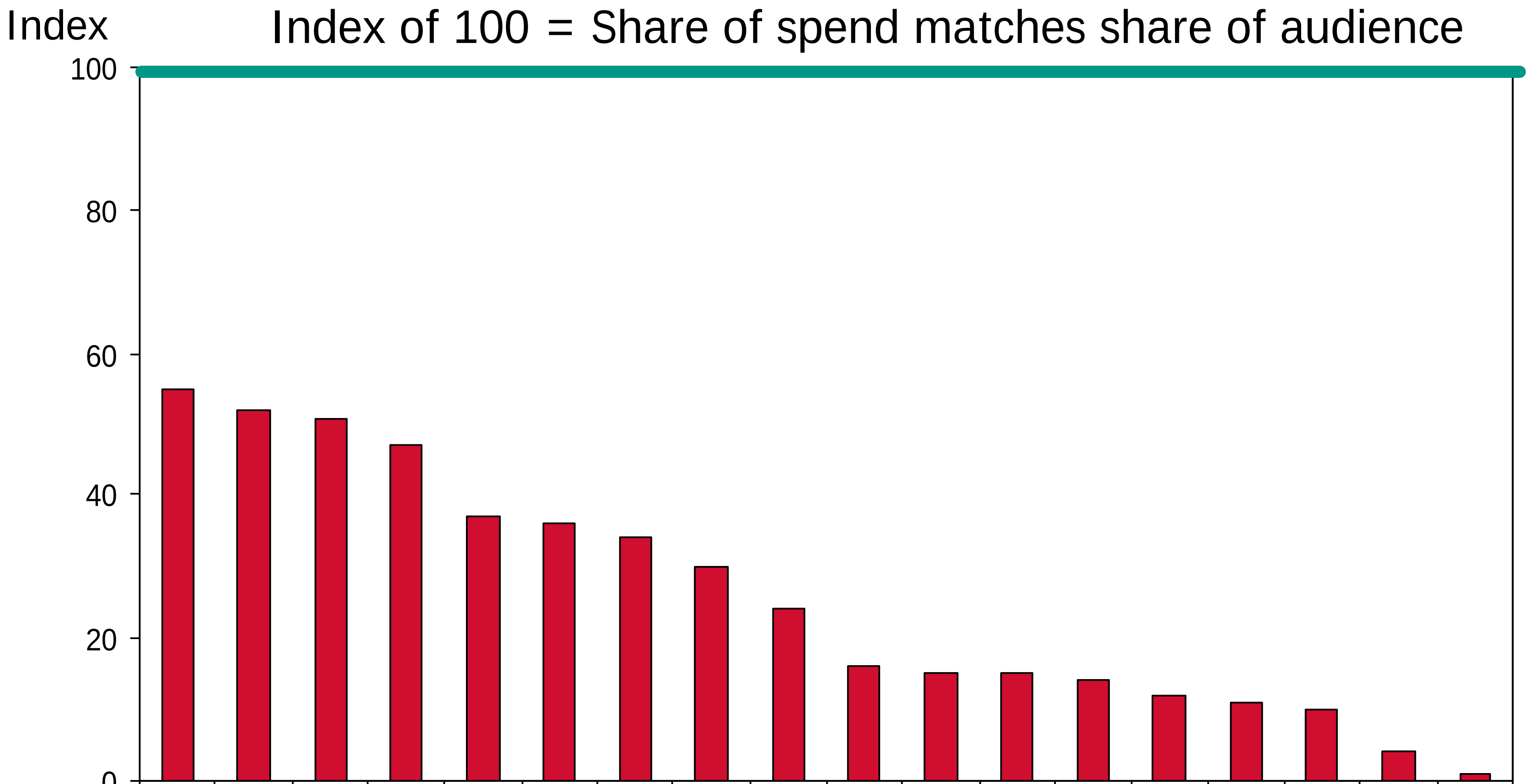


	Style	De Kat	Garden SA	WV	Insig	Mag	RR	Rap T	Othere	STM	Ybaby	SASI	G&H	FarmW	Drum	TL	Essent
ATI	99	99	96	96	94	93	88	81	77	74	72	67	65	64	62	59	58

Source: AMPS 2001b & ACNielsen - Adex

Index of Magazine share of 2001 spend vs share of audience (contd)

Nielsen Media Research



	T40	Trib	Country L	Drive	PC F	L&Lov	F&H	Yfam	Rdig	Vkeur	Pace	Koff	Bona	Hust	TV P	Joy	Edgars C	People
ATI	55	52	51	47	37	36	34	30	24	16	15	15	14	12	11	10	4	1

Source: AMPS 2001b & ACNielsen - Adex

Nielsen Media Research

Comments

- **Business, Lifestyle and Afrikaans titles have the advantage.**
- **A few thoughts as to why….**
  - Niche titles seem to have the advantage over the "generalists"
  - Business is probably the largest "niche" advertising sector.
  - Afrikaans publications all seem to be receiving a disproportional advertising share – perhaps this is the 2nd most desirable sector. Limited choices exist in this sector.
  - There is chronic fragmentation within the English titles.
  - The age and maturity of a publication may also play a role.
  - The economics – advertisers want the few with money.
  - Familiarity – planners go with what they know.

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Newspapers share of spend vs share of audience

Newspapers (by title) 2001 share of spend versus share of audience

Rank on SOV/SOA Index	Title		Spend	Rank on spend	Share of Spend SOV	Audience in 000's	Rank on Audience	Share of Audience SOA	SOV/SOA Index
1	Business Day	R	74,310,511	11	2.1%	116	26	0.6%	387
2	Beeld	R	231,739,682	2	6.7%	489	13	2.3%	286
3	C Times	R	84,807,923	9	2.4%	235	20	1.1%	218
4	The Star	R	287,758,188	1	8.3%	1,069	7	5.1%	162
5	Pta News	R	60,531,136	12	1.7%	227	21	1.1%	161
6	The Mercury	R	52,550,294	15	1.5%	212	24	1.0%	150
7	Daily News	R	78,234,518	10	2.3%	328	16	1.6%	144
8	EP Herald	R	55,266,075	13	1.6%	273	17	1.3%	122
9	Argus	R	140,598,014	4	4.0%	754	10	3.6%	113
10	Volksblad	R	32,349,448	17	0.9%	179	25	0.9%	109
11	Burger	R	133,780,594	5	3.9%	803	9	3.8%	101
12	D.F. Advertiser	R	7,577,937	23	0.2%	52	27	0.2%	88
13	Natal Witness	R	30,321,355	18	0.9%	214	23	1.0%	85
14	Daily Dispatch	R	23,958,226	19	0.7%	222	22	1.1%	65
15	Rapport	R	132,665,040	6	3.8%	1,625	5	7.8%	49
16	Sunday Tribune	R	46,308,518	16	1.3%	671	12	3.2%	42
17	Citizen	R	89,007,365	8	2.6%	1,322	6	6.3%	41
18	Sunday Times	R	194,191,652	3	5.6%	3,279	1	15.7%	36
19	Sowetan	R	98,844,723	7	2.8%	1,839	3	8.8%	32
20	Mail & Guardian	R	10,618,825	21	0.3%	246	19	1.2%	26
21	Ilanga	R	19,969,836	20	0.6%	718	11	3.4%	17
22	Post	R	8,513,298	22	0.2%	331	15	1.6%	16
23	City Press	R	52,623,539	14	1.5%	2,473	2	11.8%	13
24	Sunday Independant	R	4,359,259	25	0.1%	249	18	1.2%	11
25	Sunday World	R	6,387,720	24	0.2%	940	8	4.5%	4
26	Independent on Saturday	R	194,408	27	0.0%	340	14	1.6%	0.3
27	Soccer Laduma	R	699,274	26	0.0%	1,743	4	8.3%	0.2
	TOTAL	**R**	**1,958,167,358**		56%	**20,949**			

Note: Star includes all of the M-F Star & Sat Star. Same for all dailies with weedend editions

Index of Newspapers share of 2001 spend vs share of audience

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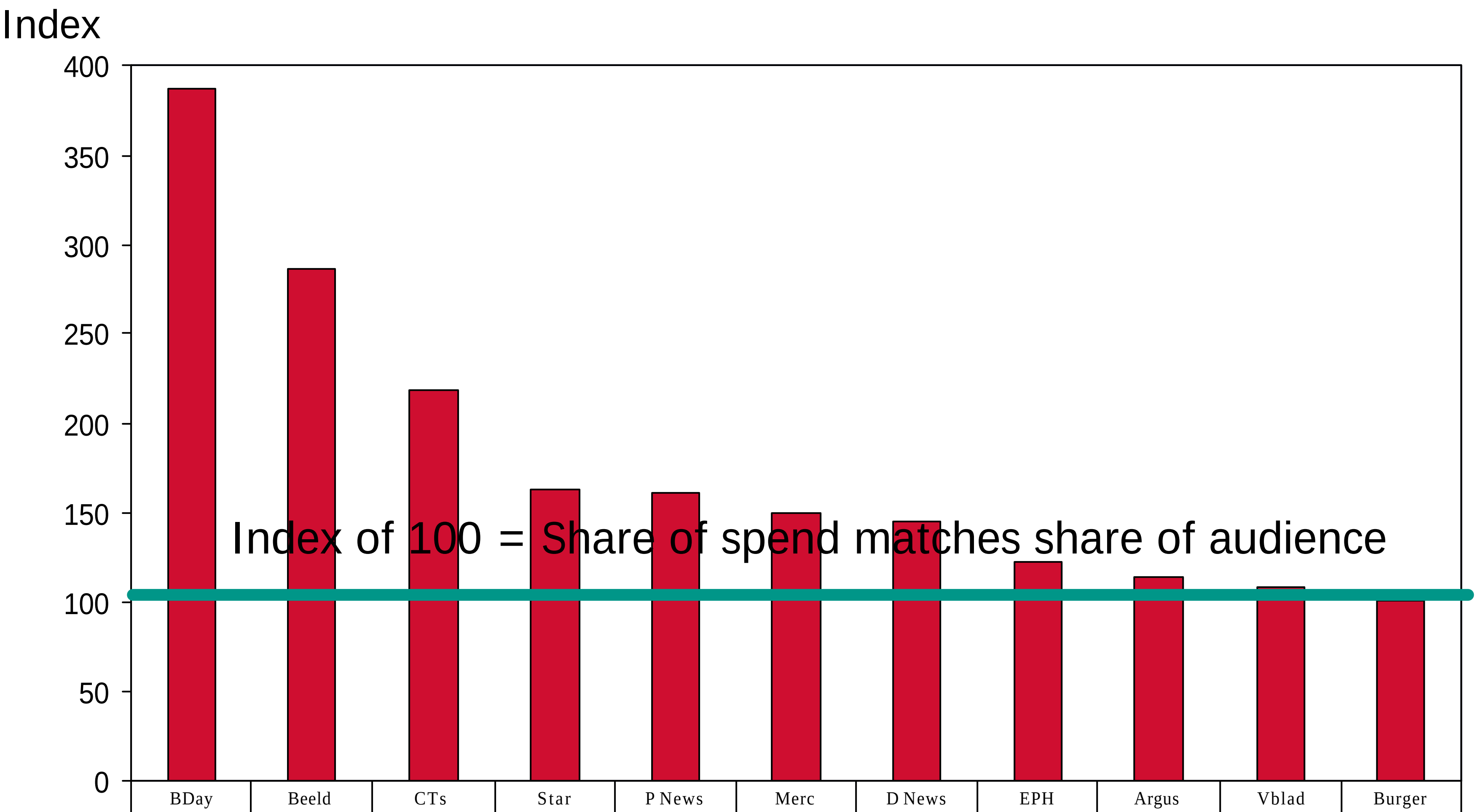

	BDay	Beeld	CTs	Star	P News	Merc	D News	EPH	Argus	Vblad	Burger
ATI	387	286	218	162	161	150	144	122	113	109	101

Source: AMPS 2001b & ACNielsen - Adex

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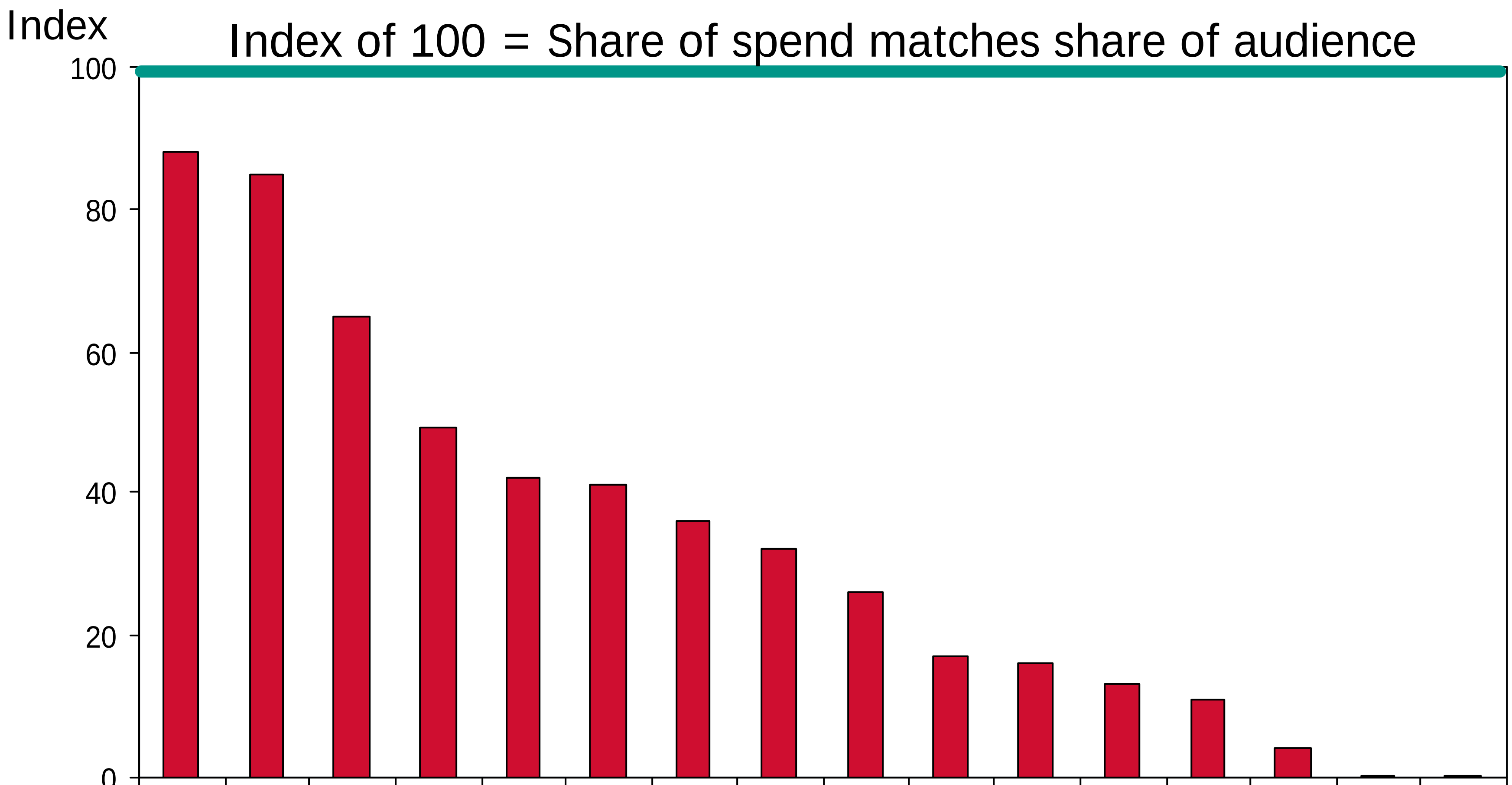
Index of Newspapers share of 2001 spend vs share of audience



	DFA	N Wit	Ddispatch	Rapport	S Trib	Citizen	S Times	Sowetan	M&G	Illanga	Post	C Press	S Inp	S World	Inp Sat	S Laduma
ATI	88	85	65	49	42	41	36	32	26	17	16	13	11	4	0.3	0.2

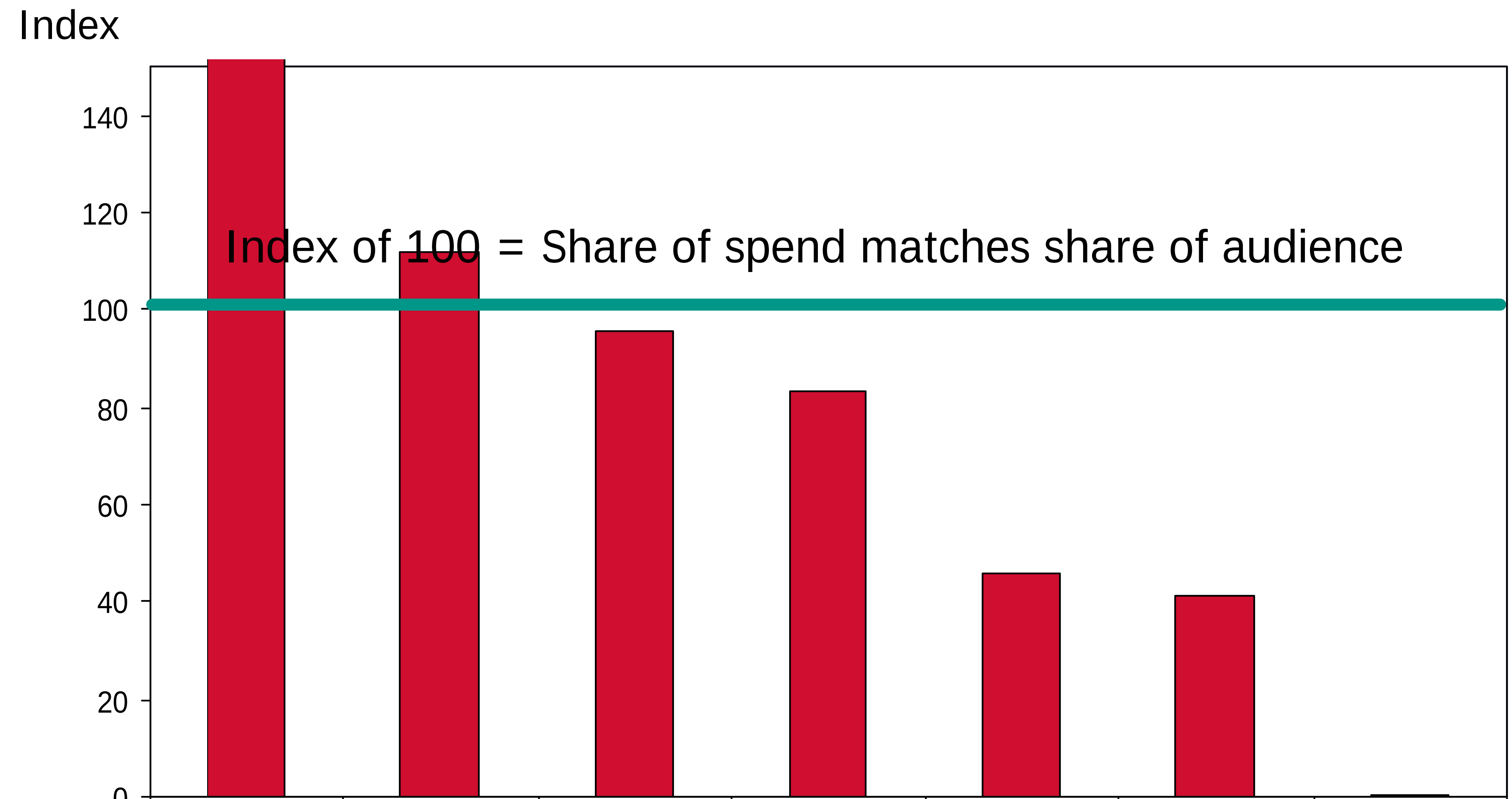
Source: AMPS 2001b & ACNielsen - Adex

Group Newspapers share of spend vs share of audience

Newspapers (by group) 2001 share of spend versus share of audience

Rank on SOV/SOA Index	Title	Spend		Rank on spend	Share of Spend SOV	Audience in 000's	Rank on Audience	Share of Audience SOA	SOV/SOA Index
1	INC	R	791,403,329	1	40.4%	5,186	1	24.8%	163
2	Naspers	R	583,158,303	2	29.8%	5,569	2	26.6%	112
3	Johnic	R	347,726,464	3	17.8%	3,890	3	18.6%	96
4	Caxton	R	119,328,720	4	6.1%	1,536	6	7.3%	83
5	Mail & Guardian	R	10,618,825	6	0.5%	246	7	1.2%	46
6	Thengisa		R 105,232,443	5	5.4%	2,779	4	13.3%	41
7	Soccer Laduma	R	699,274	7	0.0%	1,743	5	8.3%	0.4
	TOTAL	**R**	**1,958,167,358**		100%	**20,949**		100%	

Index of Newspaper Group share of 2001 spend vs share of audience



	INC	Naspers	Johnnic	Caxton	M&G	Thengisa	Soccor Laduma
ATI	163	112	96	83	46	41	0.4

Source: AMPS 2001b & ACNielsen - Adex

Comments

- **Business and Afrikaans titles sit at the top again**
- **A few thoughts as to why….**
  - Niche titles seem to have the advantage over the “generalists”
  - Business is probably the largest “niche” advertising sector.
  - Afrikaans publications all seem to be receiving a disproportional advertising share – perhaps this is the 2nd most desirable sector.
  - There is chronic fragmentation within the English titles – even though this is bi-and large regionally driven.
  - The broad reaching (Sunday) titles all seem disadvantaged.
  - The economics – advertisers want the few with money.
  - Familiarity – planners go with what they know.

  - ***It must also be noted that recruitment, notices and tender advertising is not captured by Adex and for titles such as Sunday Times this lucrative source of revenue could significantly change the picture.***

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Government spending in 2001

Government Adspend 2001 by medium

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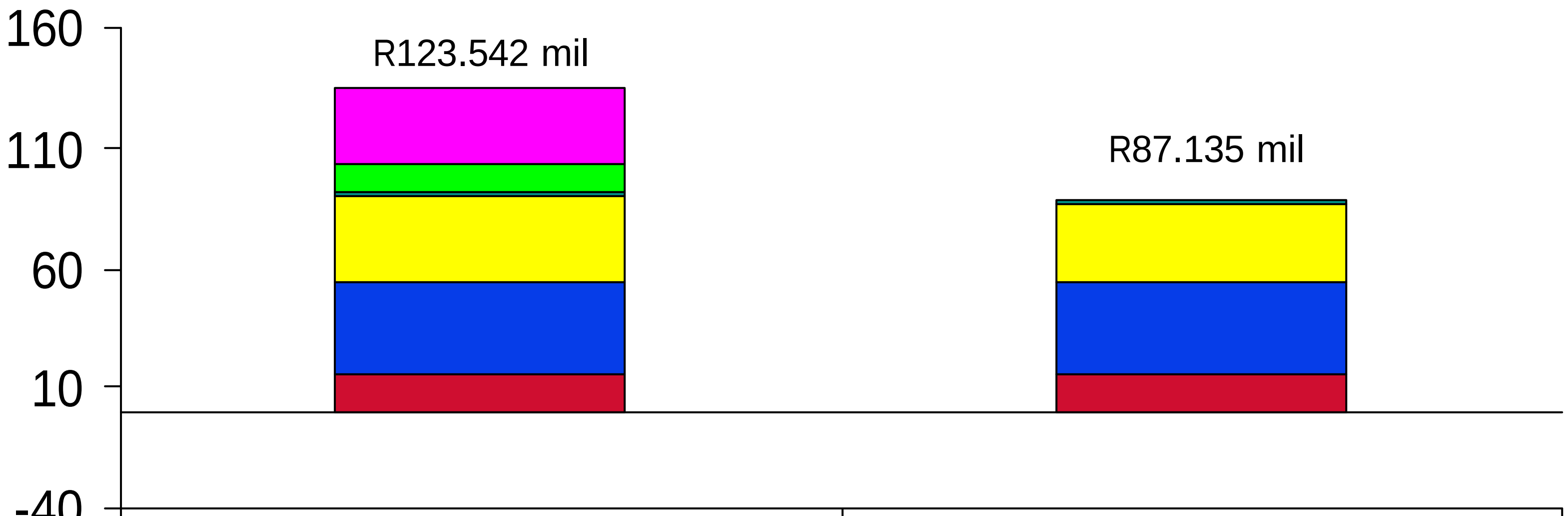
Spend in Rmillions

Note: Neither of these figures would include recruitment, notices and tender advertising.



	Total Govt	Measured Adex Govt
Outdoor	31.924	
K&D	11	
Internet	0.105	
Cinema	0.062	
Magazines	1.385	1.385
Newspapers	36.269	32.535
Radio	38.113	38.113
TV	15.735	15.735

Source: ACNielsen - Adex

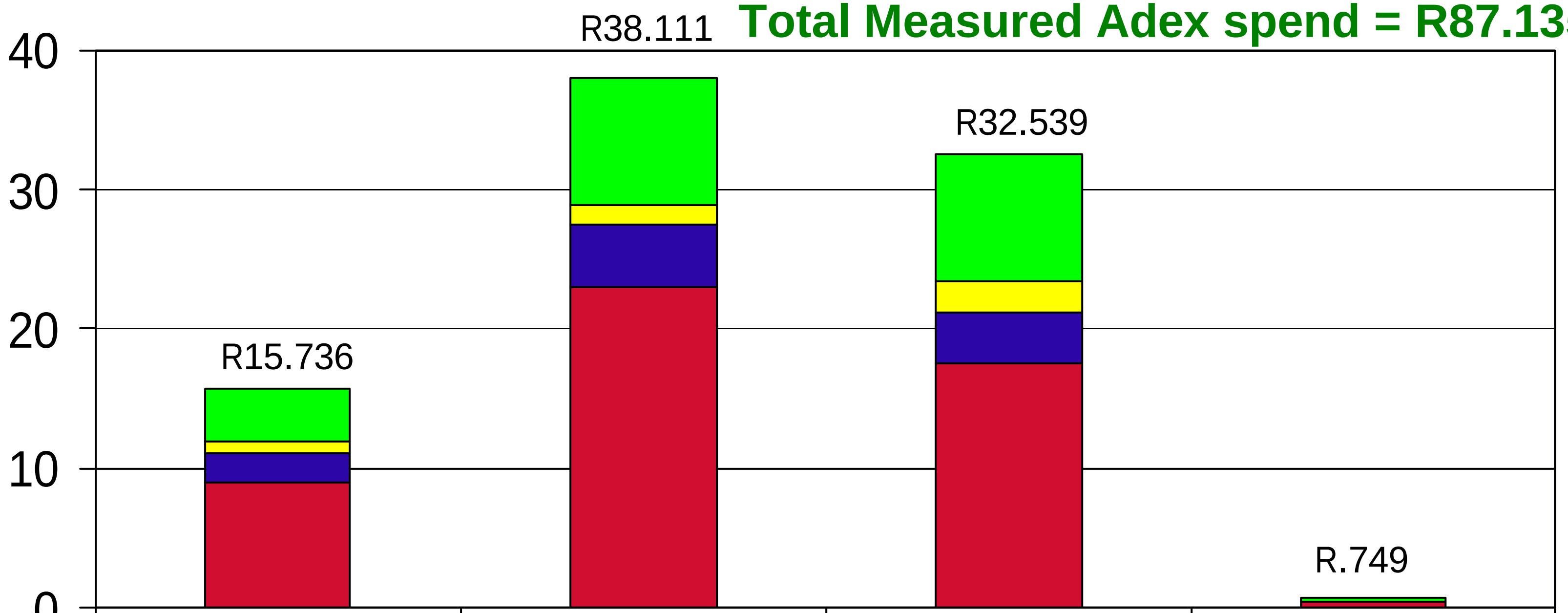
Comments

- Only 70% of the Government 2001 ATL advertising can be measured.
- Government recruitment is estimated to worth an additional R30mil.
- Outdoor which is a significant medium carrying R31 million cannot be accurately proportioned by race or LSM.

2001 Govt Spending by Medium proportioned by race

Total Measured Adex spend = R87.135 mil

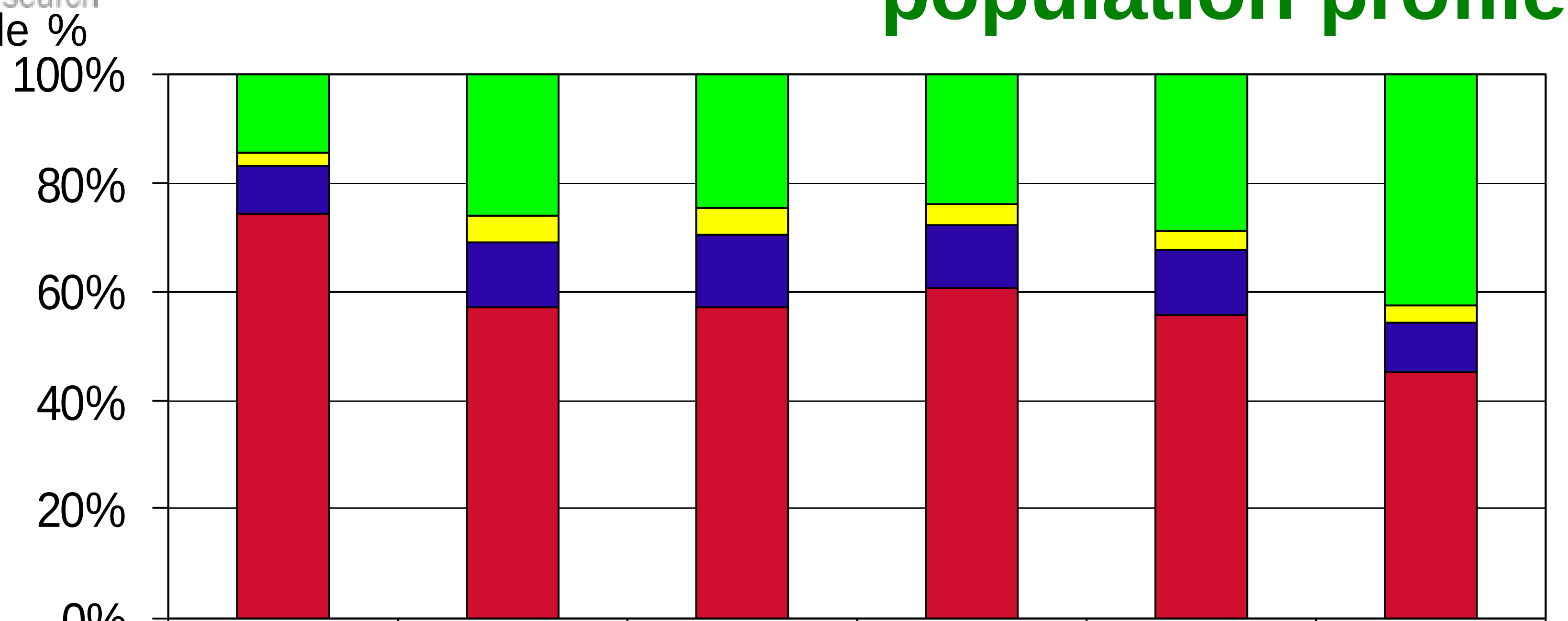
Spend in Rmillion's



	TV	Radio	Newspapers	Magazines
White	3.87	9.235	8.948	0.316
Ind	0.737	1.316	2.282	0.027
Col	2.12	4.502	3.681	0.067
Black	9.013	23.041	17.519	0.339

Source: ACNielsen - Adex 2001

2001 Govt Spend profile vs the population profile



	Pop	Big 4	TV	Radio	Newspapers	Magazines
White	14.3	25.7	24.6	24.2	27.5	42.3
Ind	2.6	5	4.7	3.5	3.5	3.6
Col	8.5	11.9	13.5	11.8	11.3	9
Black	74.6	57.3	57.3	60.5	53.8	45.2

Note: Big 4 = the combined adspend profile for TV, Radio, Npapers & mags

Source: ACNielsen - Adex 2001 &AMPS 2001b

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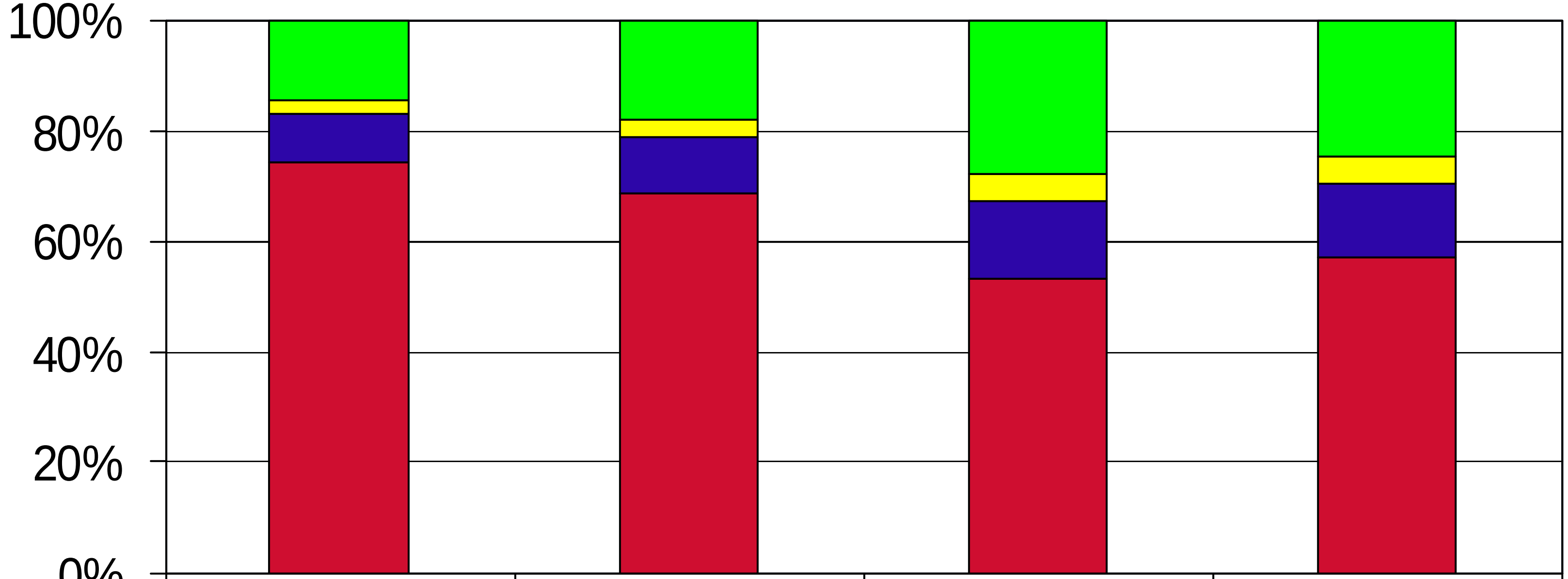
Audience profiles of Television vs 2001 Spending profiles

Govt = R15.735 mil

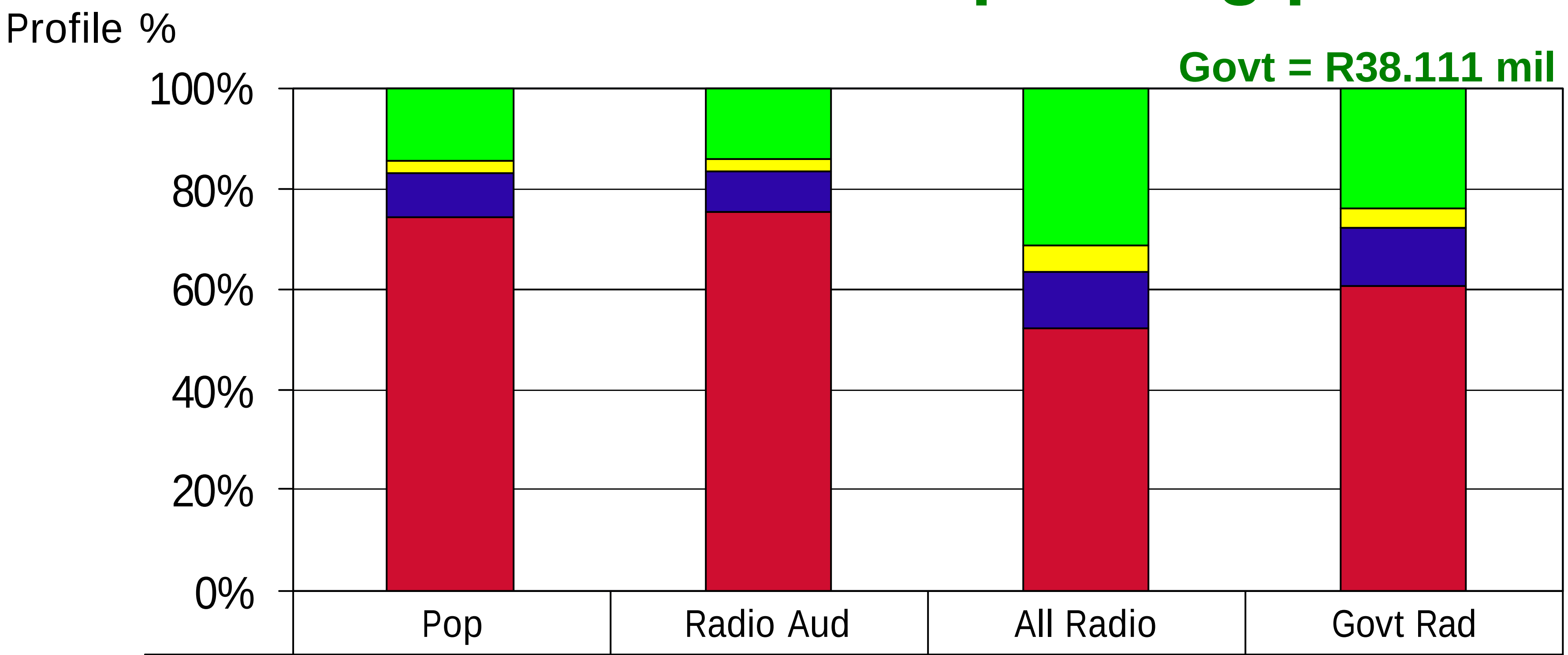
Profile %



	Pop	TV Aud	All TV	Govt TV
White	14.3	17.8	27.7	24.6
Ind	2.6	3.3	5	4.7
Col	8.5	10.1	13.9	13.5
Black	74.6	68.7	53.4	57.3

Source:ACNielsen - Adex 2001 & AMPS 2001b

Audience profiles of Radio vs 2001 Spending profiles

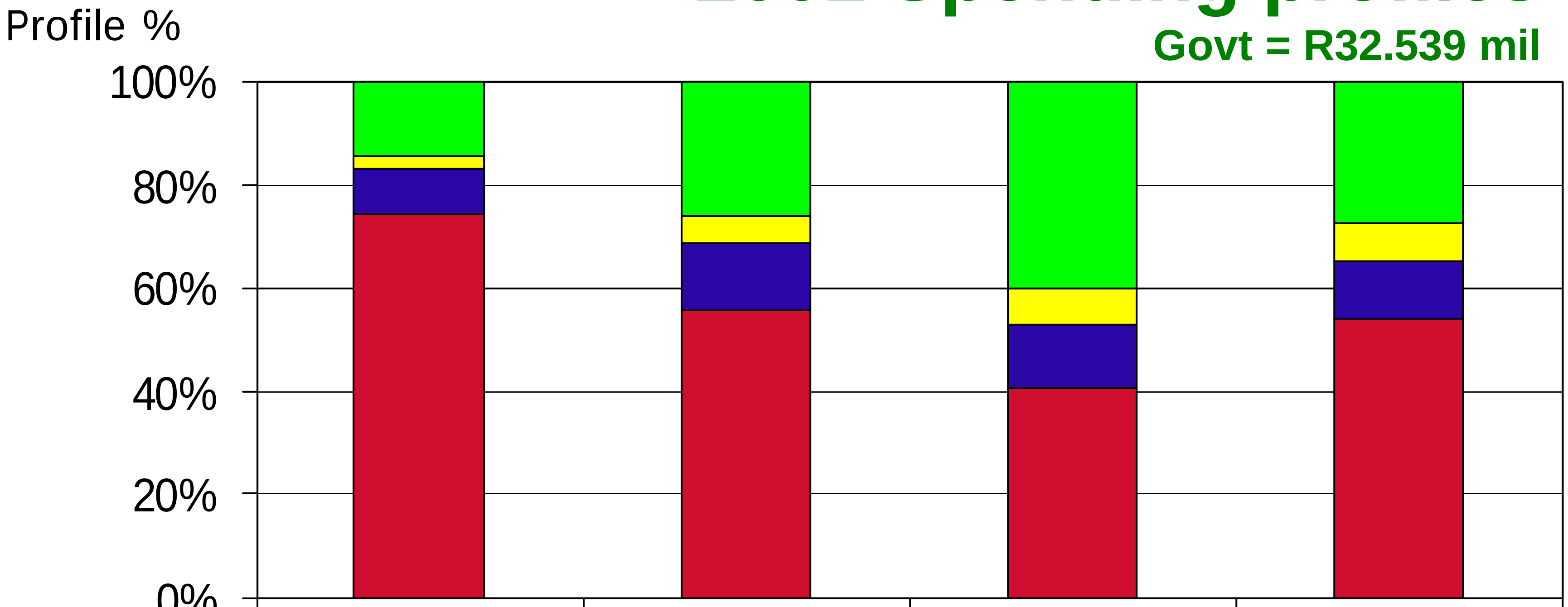


	Pop	Radio Aud	All Radio	Govt Rad
White	14.3	13.8	31.1	24.2
Ind	2.6	2.7	5.2	3.5
Col	8.5	8	11.3	11.8
Black	74.6	75.5	52.3	60.5

Source: ACNielsen - Adex 2001 & AMPS 2001b

Audience profiles of Newspapers vs 2001 Spending profiles

Govt = R32.539 mil

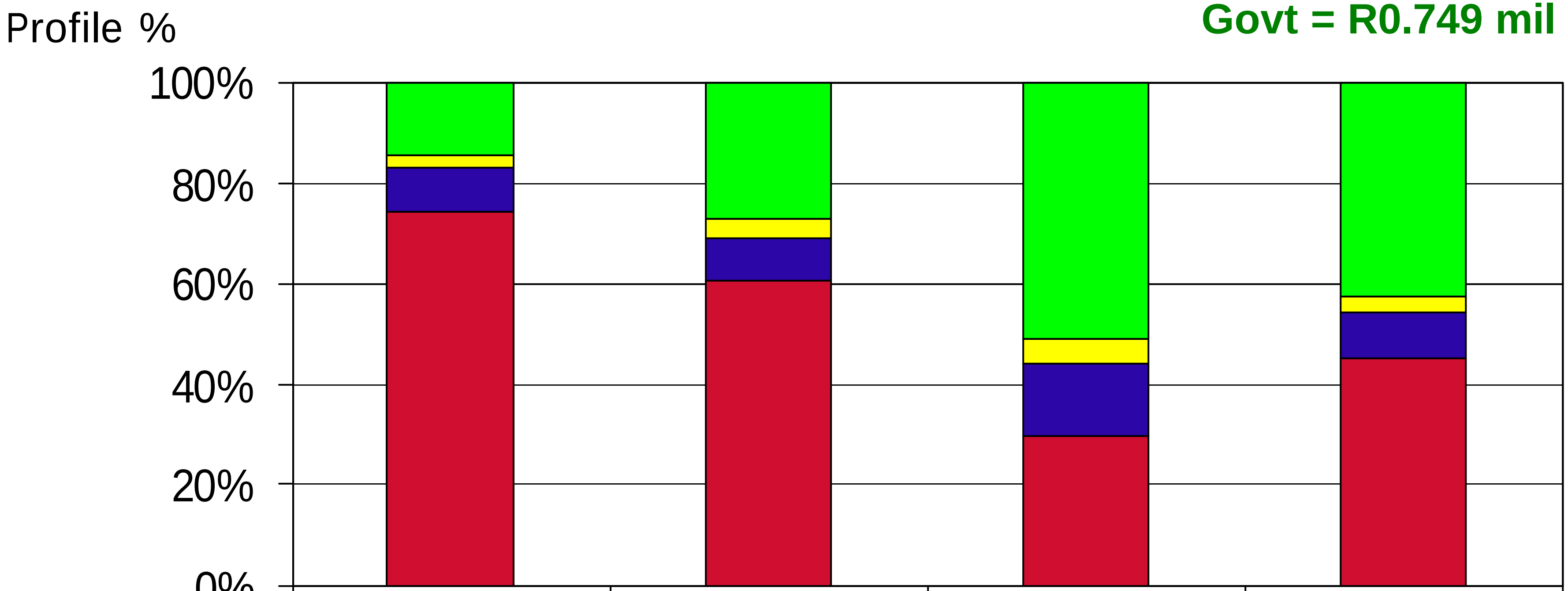


	Pop	Papers Aud	All papers	Govt papers
White	14.3	26.2	39.8	27.5
Ind	2.6	5	7.5	7
Col	8.5	12.9	12	11.3
Black	74.6	55.9	40.7	53.8

Source: ACNielsen - Adex 2001 & AMPS 2001b

Audience profiles of Magazines vs 2001 Spending profiles

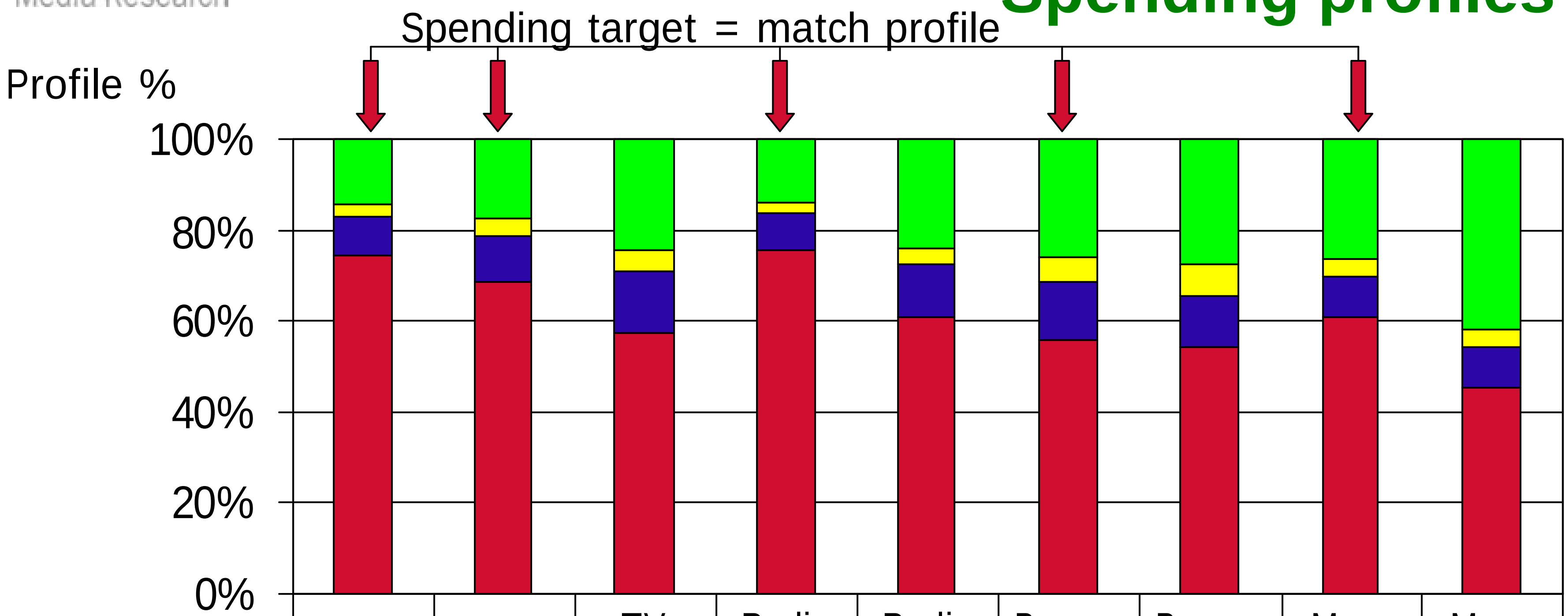
Govt = R0.749 mil



	Pop	Mag aud	All Mag spend	Govt Mags
White	14.3	26.7	50.9	42.3
Ind	2.6	3.8	4.8	3.6
Col	8.5	8.9	14.4	9
Black	74.6	60.5	30	45.2

Source: ACNielsen - Adex 2001 & AMPS 2001b

Audience profiles of SA Media vs 2001 Govt Spending profiles



	Pop	TV Aud	TV spend	Radio Aud	Radio spend	Papers Aud	Papers spend	Mags Aud	Mags spend
White	14.3	17.8	24.6	13.8	24.2	26.2	27.5	26.7	42.3
Ind	2.6	3.3	4.7	2.7	3.5	5	7	3.8	3.6
Col	8.5	10.1	13.5	8	11.8	12.9	11.3	8.9	9
Black	74.6	68.7	57.3	75.5	60.5	55.9	53.8	60.5	45.2

Source: ACNielsen - Adex 2001 & AMPS 2001b

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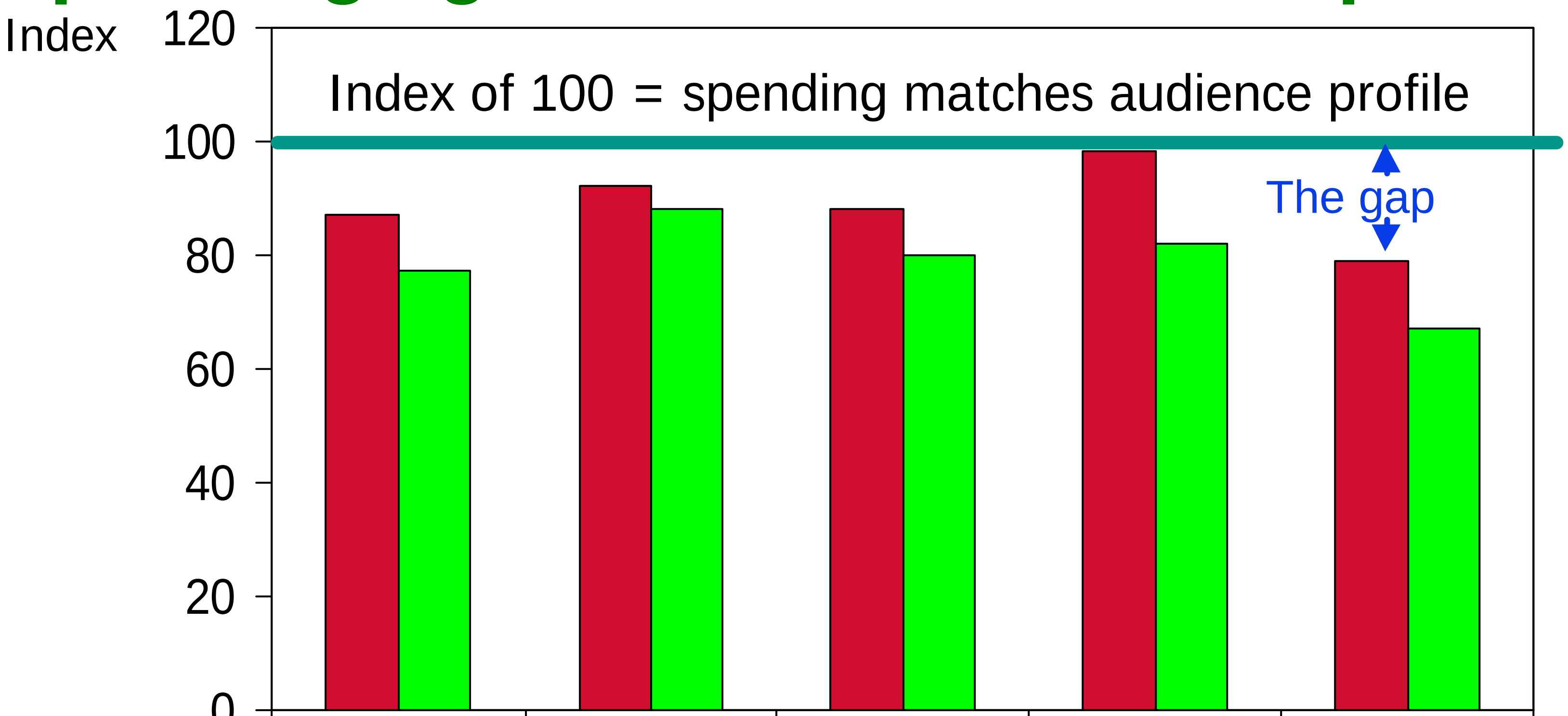
Index of 2001 Black Allspend & Govt spending against Black Audience profile



	Big 4	TV	Radio	Newspapers	Magazines
ATI Govt	87	92	88	98	79
ATI all adspend	77	88	80	82	67

Source: AMPS 2001b & ACNielsen - Adex 2001

All Adspend is indexed against the population and is the sum of the 4 major media types reflected
- "big 4" indexed against total adult population

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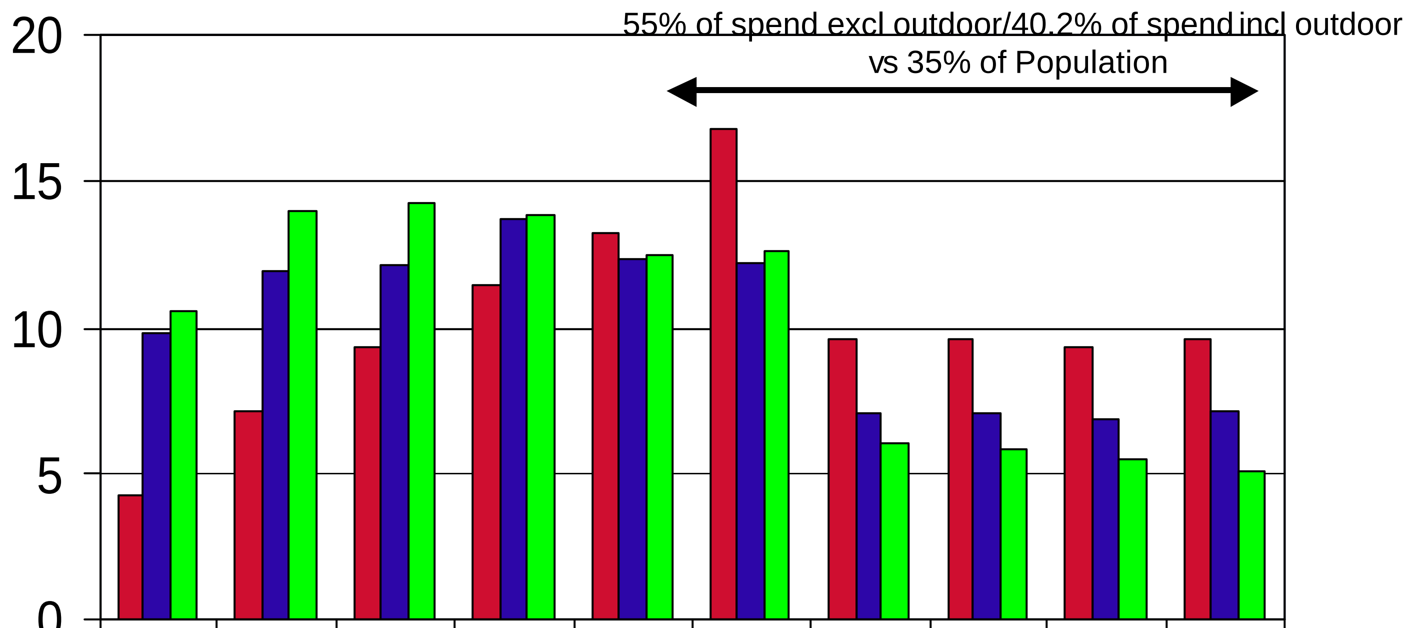
Government 2001 Spend profile by LSM

Profile %

Outdoor could make all the difference



	LSM1	LSM 2	LSM3	LSM4	LSM 5	LSM6	LSM 7	LSM 8	LSM 9	LSM 10
profile excl outdoor	4.2	7.1	9.3	11.5	13.2	16.8	9.6	9.6	9.3	9.6
Est profile incl outdoor	9.8	11.9	12.1	13.7	12.3	12.2	7	7	6.9	7.1
Pop %	10.5	14	14.3	13.8	12.5	12.6	6	5.8	5.4	5.1

Source: AMPS 2001b, Adex

Comments

- **Government seems to have done a slightly better job than commercial advertisers, but still fall short of addressing all citizens equally! Government is not seeking a return on investment but rather to inform, educate and change attitudes, their spend should reflect this.**
- **There is no doubt that the inclusion of outdoor into the analysis could improve the Government spending match further. An index of 91 (vs the current 87) may even be possible.**
- **Government Magazine adspend falls particularly short possibly as a result of the trade focus of this medium as well as the limited availability of Black skewed titles.**

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Conclusion

- Overall ATL measured advertising does tend to favour those consumers within the higher LSM groups.
- It must be noted that the proportioning of outdoor and BTL spending could vastly alter the spending landscape.
- Those media vehicles (across all media types) that have upper income profiles tend to do better and receive disproportional advertising.
- Should the base pricing strategies of media owners come under the spotlight? Can media owners set their rates based on all consumers being equal, or can media owners ask more for high income consumers and unique editorial environments.
- Should advertisers be held to ransom because the lucrative top end Lsm groups skew to white consumers? This is not something that can be corrected by advertising but rather by sustainable development and empowerment.

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The same questions remain….

- **The same issues that were raised at the beginning of the presentation need to be re-considered:-**
  - Do advertisers target citizens (everyone) or potential consumers (those who can afford their goods)?
  - Should the advertising investment strategy be designed at the discretion of the advertiser to deliver the maximum return on investment? Should it be influenced by the race structure of society?
  - Would it be responsible for advertisers to direct their advertising to people who cannot afford the goods – does this not raise unfair expectations and potentially the incidence of bad debt?

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