



## Department of Communications

# Advertising Transformation Index (ATI)

**23 August 2004**  
**Final report**

# 1.0 Introduction

## The purpose of this study is to:

- 1. Conduct survey of above the line (ATL) advertising spend for the period August 2002 to October 2003, excluding below the line (BTL) promotions**
- 2. Focus analysis on Television, Radio, Magazines, Outdoors and Newspapers**
- 3. Conduct comparative analysis with the ATI 2002 report**

The objectives of the study are to:

1. Measure total media spending by government and the private sector
2. Measure total media spending by private sector
3. Measure total media spending by government
4. Analyse advertising expenditure patterns for both the industry and government

The aim of the report is to:

1. Present the profile of media spending by race and LSMs versus both the population and the profile of people accessing the medium
2. Attempt to look at proportional and disproportional spending versus audience size amongst the specific players, within each medium
3. Identify the government's spending patterns

<b>Above the line adspend</b>	Above the line adspend is the advertisement spenditure in formal media such as television, radio, cinema, Internet, newspaper, magazine, knock and drop and outdoor.
<b>Blow the line adspend</b>	Blow the line adspend is the advertisement expenditure that advertisers used that do not fall under formal media. This could be in the form of brochures and pamphlets distributed in shops or in the street, or various promotion activities that do not involve formal media. AC Nielsen's ADEX do not measure Below the Line adspend
<b>Audience Population</b>	Population who are audience for the specific media, including readership in the case of the print media.
<b>Adspend</b>	Advertising expenditure
<b>AMPS</b>	All Media Products Survey
<b>ADEX</b>	Advertising Index

## 2. Methodology

## 2.1 Methodology

- The 2002 ATI report was used as a baseline for designing the structure of this report .
- Data was gathered from sources of advertising and media market data.
- Verification of the integrity of the data was done by comparing the year on year data and discussing with the AC Nielson Research department.
- Analysis was made for the 2002 and 2003 data in order to create trends information. We found it not helpful to do analysis for a 15 months period (August 2002 to October 2003) as this would not make it possible to do trends analysis.
- The Amps data was used to do calculations leading to Adex/AMPS data overlay to indicate which segments of the population are targeted by the advertisers
- The report will show a graphical presentation of the advertising trends for 2001 to 2003.



- **ADEX Data**
  - ADEX database is produced by AC Nelsen
  - ADEX provides a detailed and most comprehensive adspend in all above the line advertisement Nationally
- **AMPS Data**
  - AMPS Database is produced by South African Advertising Research Foundation (SAARF).
  - AMPS Database provides a detailed and comprehensive data on the market audience and spending trends of the South African population in various media outlets. The data provide data in various populations categories such as LSM and race
- **ADEX and AMPS data are overlaid to provide insight into distribution of adspend to various population groups.**

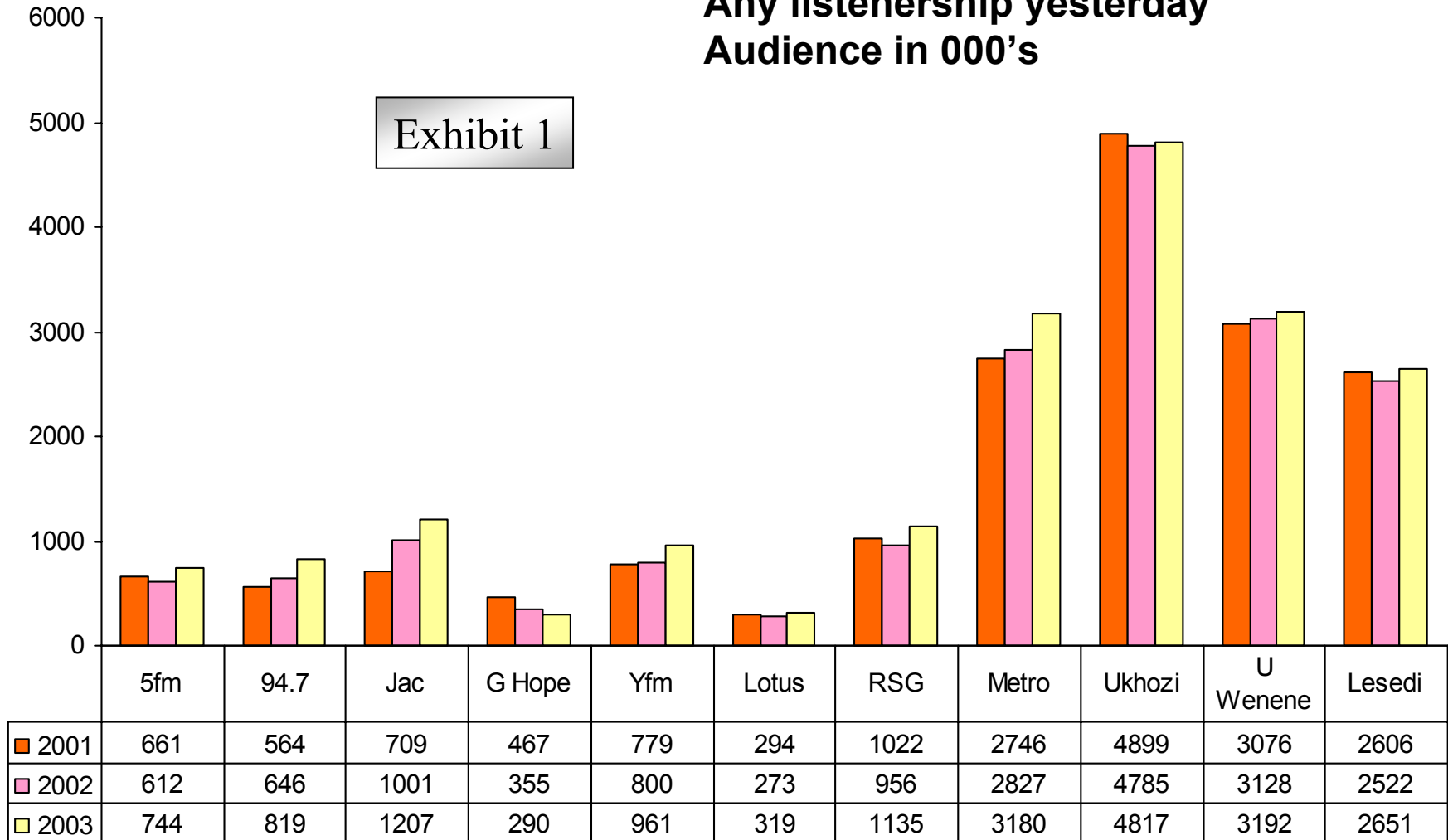
## 3. Relative Reach Various Radio Stations

- Relative Reach Potential of Various Radio Stations was measured against all adults.
- Amps data was used to analyse the audience growth trends .
- There is a big difference in reach between most PBS stations and private regional stations.
- Exhibit 1 next page shows the Any Listenership yesterday Audience in 000's

# 3.2 Relative Reach Potential of Various Radio Stations Measured Against All Adults

Any listenership yesterday  
Audience in 000's

Exhibit 1



### **The trends observed in the last 3 years are quite revealing**

- It is virtually impossible to perfectly 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

## 4. Above-the-Line Adspend

- *“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, i.e. we are possibly only capturing half of the communication spending “ {AC Nielsen}*
- *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). Everything is tracked at rate card levels i.e. volume discounts/compensatory spots/added value/agency discounts are not taken into account as stipulated in the TOR.
- The big 4 media types are TV, Radio, magazines and newspapers.
- The following analysis based on the “big 4” media types is representative of over 80% of the media spending (excluding self promotion), i.e. media covered in AMPS research
- All recruitment, classifieds and notices also fall outside of measured spend

- 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
- Community radio was not captured by Adex in 2001 and was therefore excluded from the analysis. The value of those community radio stations that were measured by AdEx in 2003 was R2.5 million
- In addition outdoor has now been broken out and can now be included in the analysis
- Black = The combination of Black, Coloured and Indian



- Analysis of the all media outlets from 2001 to 2003.
- Comparison of adspend for all outlets measured by Adex and those measured by AMPS.
- Breakdown in all adspend using AMPS Data overlaid on Adex data
- The Big 4 Adspend growth from R7004 m in 2001 to R9036m in 2003 (29%)
- The overall all media outlets adspend growth from R9721m in 2001 to R13169m in 2003.( 35.5% growth)

# 4.2 SA Adspend 2001 to 2003 by medium

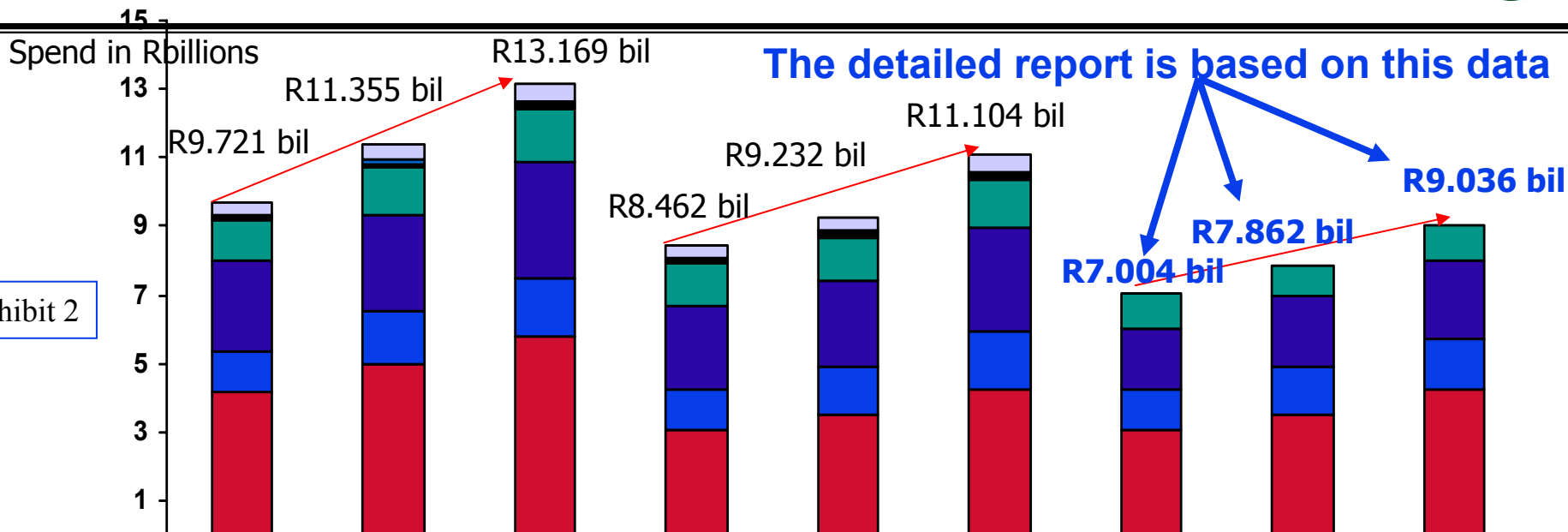


Exhibit 2

	Adex 2001	Adex 2002	Adex 2003	Adex Excl self Promo 2001	Adex Excl self Promo 2002	Adex Excl self Promo 2003	Measured by AMPS 2001	Measured by AMPS 2002	Measured by AMPS 2003
Outdoor	0.382	0.429	0.518	0.382	0.36	0.517			
K&D	0.074	0.091	0.12	0.074	0.091	0.120			
Internet	0.053	0.046	0.05	0.053	0.045	0.050			
Cinema	0.062	0.076	0.087	0.062	0.074	0.087			
Magazines	1.165	1.374	1.503	1.247	1.292	1.412	0.991	0.920	1.038
Newspapers	2.635	2.849	3.419	2.417	2.488	3.011	1.794	2.068	2.279
Radio	1.206	1.509	1.71	1.174	1.354	1.698	1.165	1.346	1.510
TV	4.145	4.98	5.762	3.053	3.528	4.210	3.054	3.528	4.210

The analysis is based on media measured by both Adex and AMPS to enable overlay between the two databases

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# 4.3 SA Adspend 2001 by medium –measured by ADEX



Spend in R billions

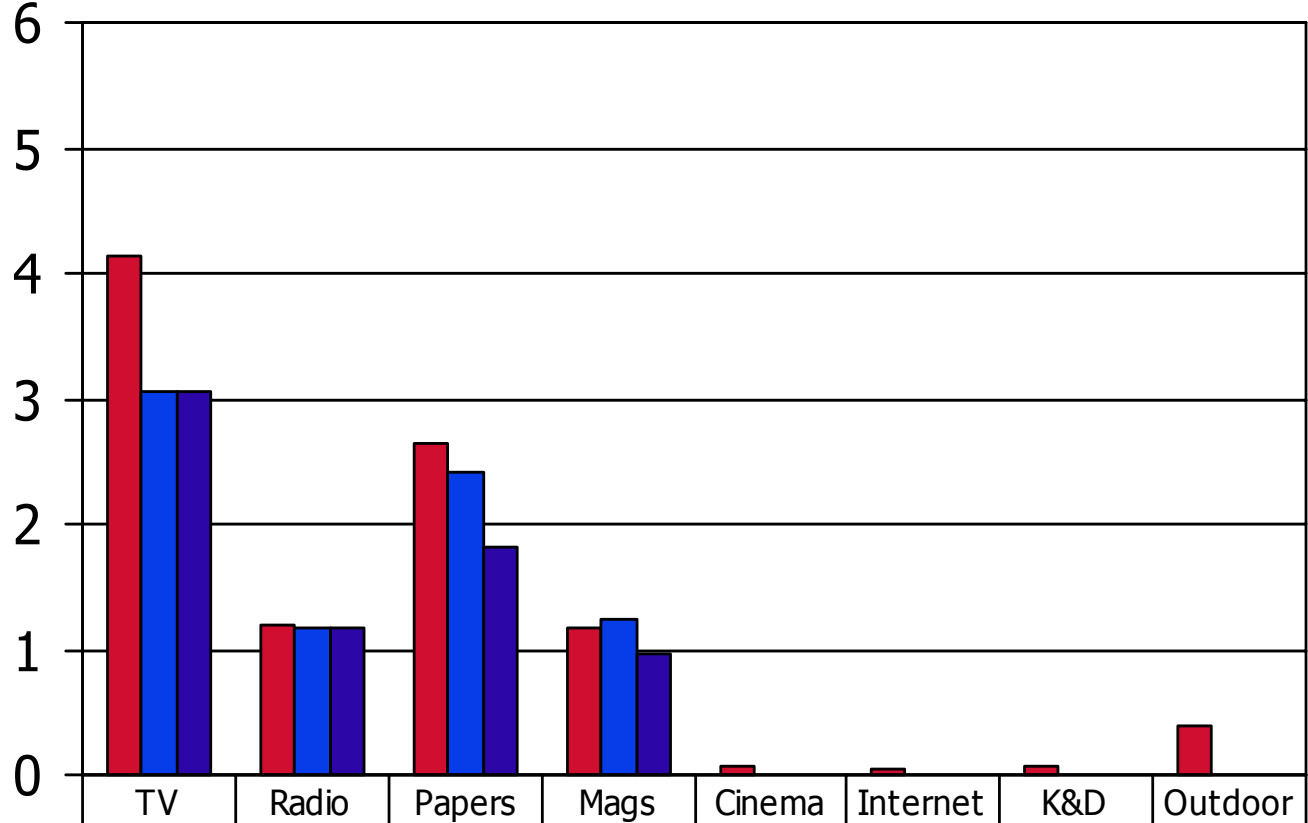


Exhibit 3

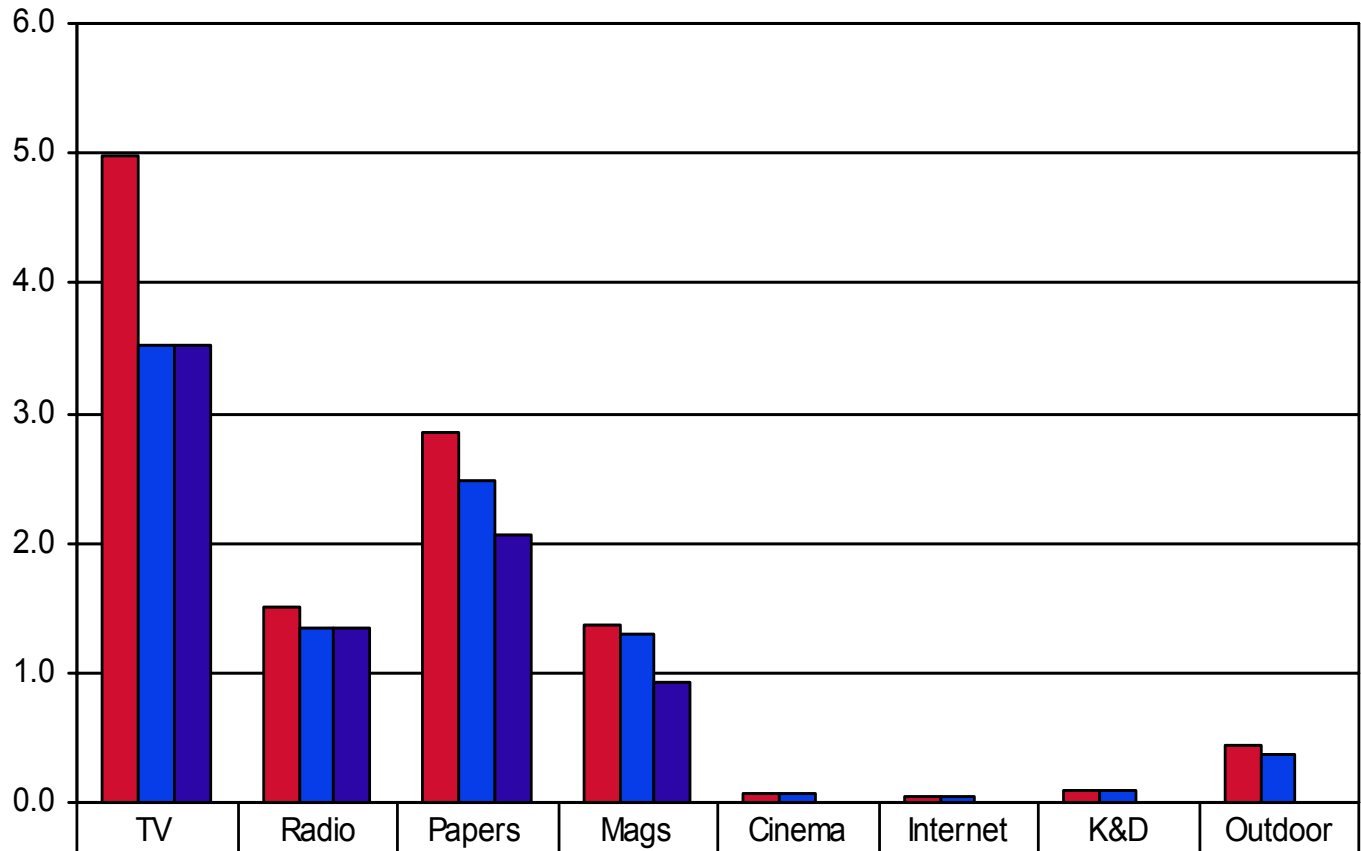
■ Adex	4.145	1.206	2.635	1.165	0.062	0.053	0.074	0.382
■ Adex Excl self Promo	3.053	1.173	2.417	1.247				
■ Measured by AMPS Excl Self promo	3.054	1.165	1.819	0.966				

# 4.4 SA Adspend 2002 by medium – measured by ADEX



Spend in R billions

Exhibit 4



	TV	Radio	Papers	Mags	Cinema	Internet	K&D	Outdoor
■ Adex	4.980	1.509	2.849	1.374	0.076	0.046	0.091	0.429
■ Adex Excl self Promo	3.528	1.354	2.488	1.292	0.074	0.045	0.091	0.360
■ Measured by AMPS Excl Self promo	3.528	1.346	2.068	0.920				<b>Confidential</b>

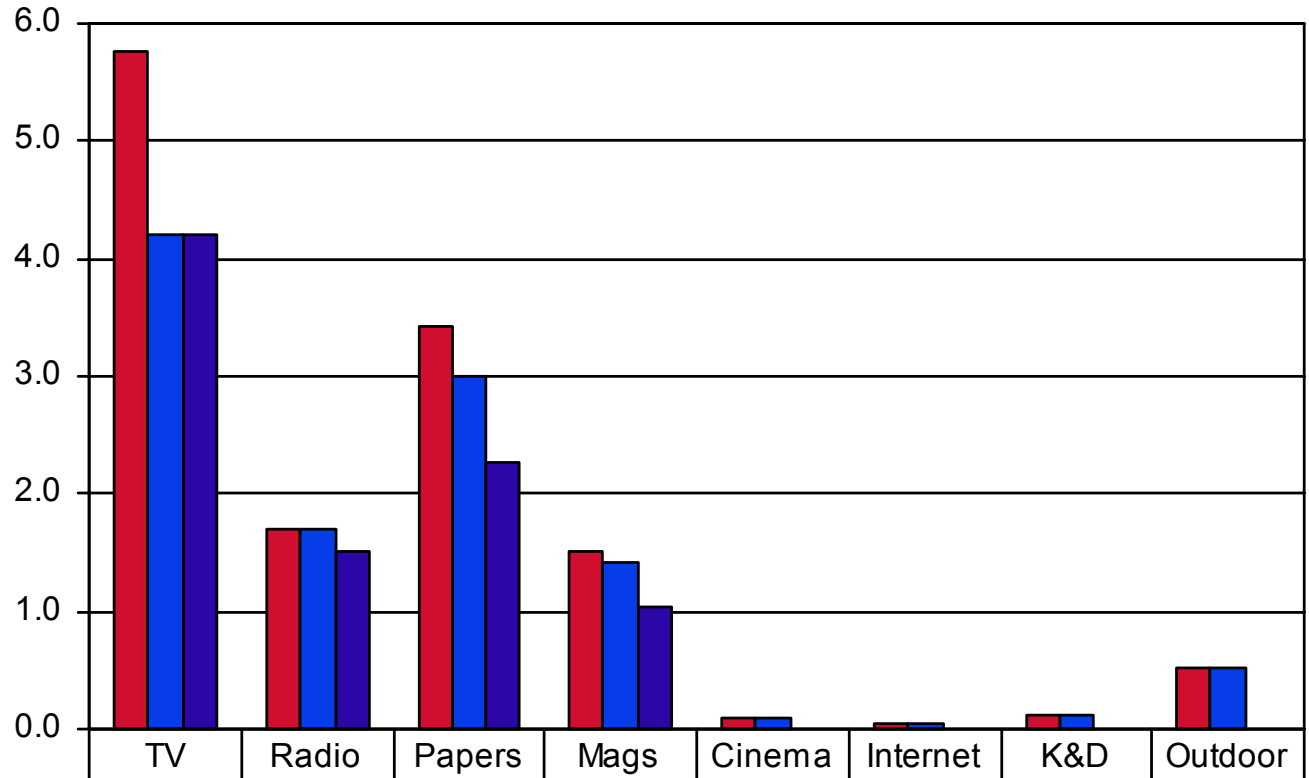
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# 4.5 SA Adspend 2003 by Medium – measured by ADEX



Spend in R billions

Exhibit 5



■ Adex	5.762	1.710	3.419	1.503	0.087	0.050	0.120	0.518
■ Adex Excl self Promo	4.210	1.698	3.011	1.412	0.087	0.050	0.120	0.517
■ Measured by AMPS Excl Self promo	4.210	1.510	2.279	1.038				

Source: ACNielsen, Adex 2003 & Amps 2003B

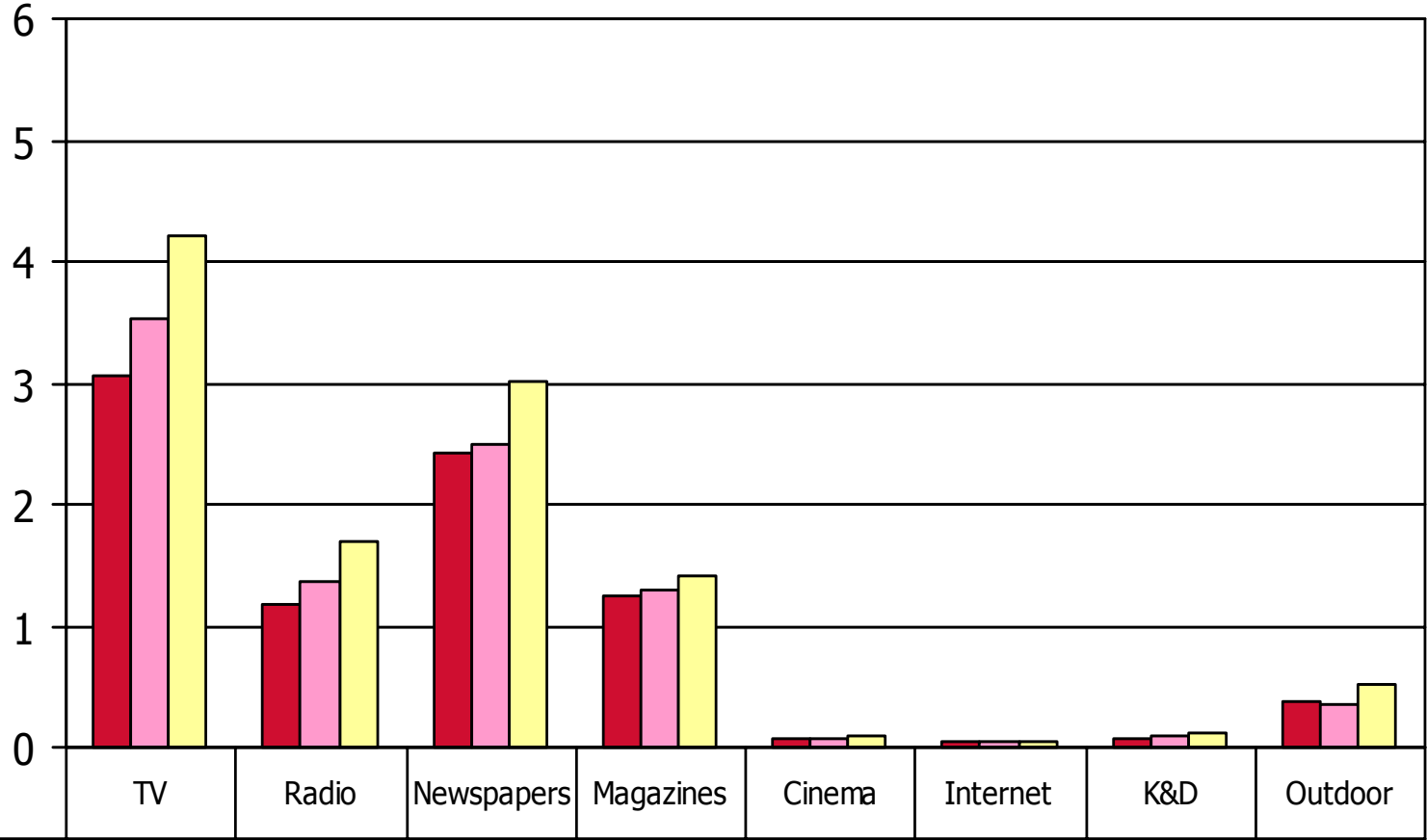
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# 4.6 Adspend Trends by Medium- measured by ADEX

Exhibit 6

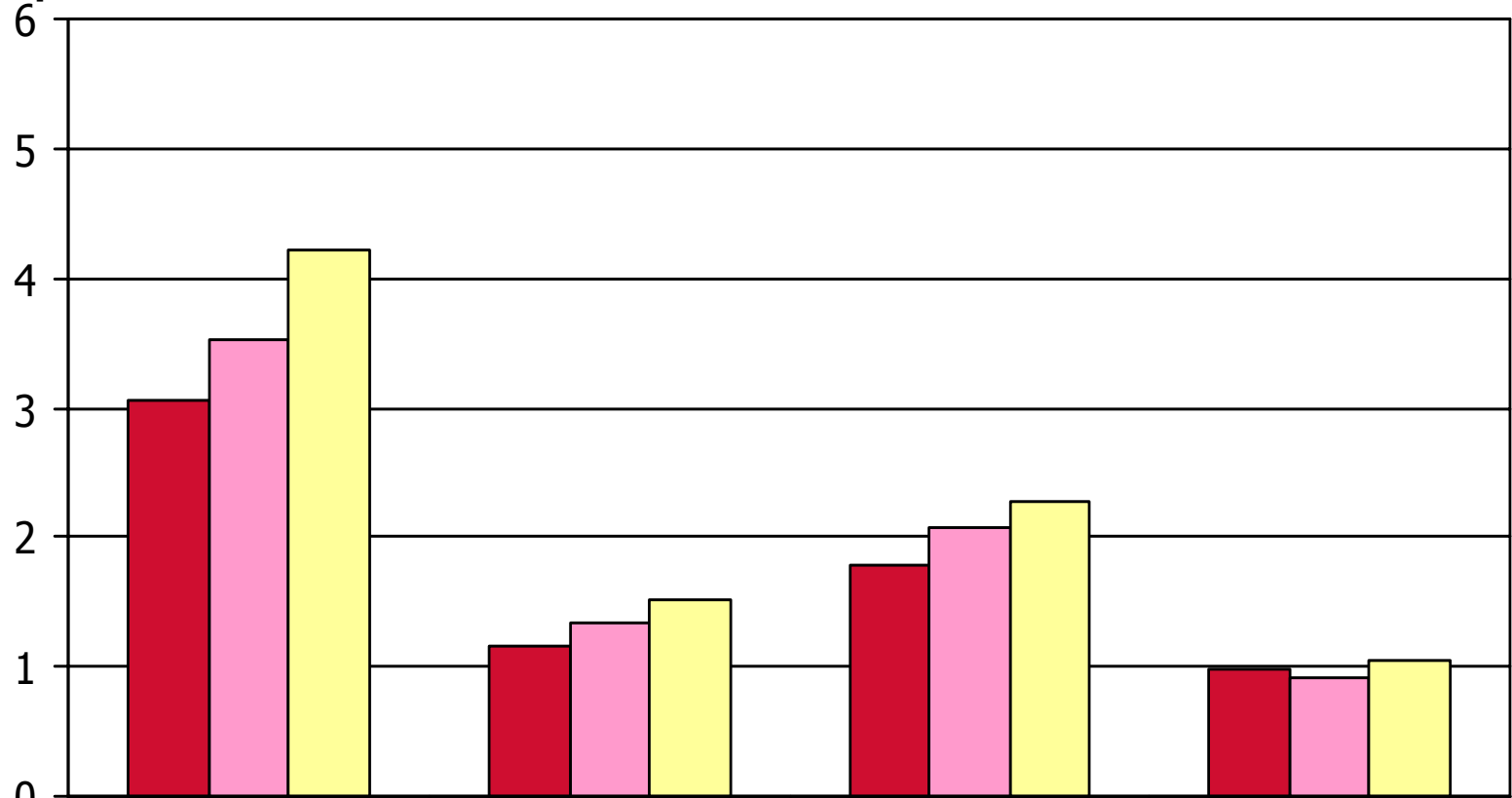
Spend in R billions



■ Adex Excl self Promo 2001	3.053	1.174	2.417	1.247	0.062	0.053	0.074	0.382
■ Adex Excl self Promo 2002	3.528	1.354	2.488	1.292	0.074	0.045	0.091	0.36
■ Adex Excl self Promo 2003	4.21	1.698	3.011	1.412	0.087	0.05	0.12	0.517

Exhibit 7

Spend in R billions

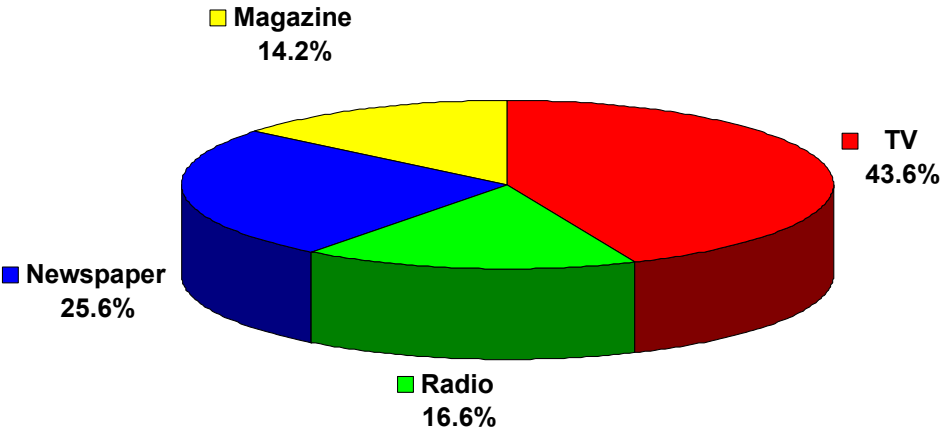


	TV	Radio	Newspapers	Magazines
■ Measured Adex 2001	3.054	1.165	1.794	0.991
■ Measured Adex 2002	3.528	1.346	2.068	0.92
■ Measured Adex 2003	4.21	1.51	2.279	1.038

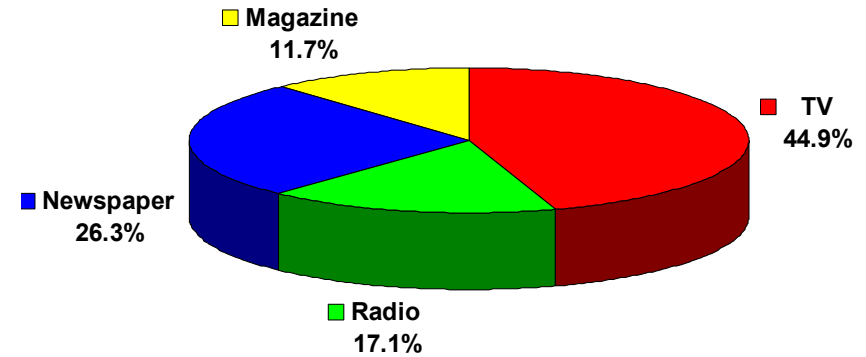
# 4.8 2001 to 2003 Adspend Distribution by Media Types



## 2001 Adspend



## 2002 Adspend



## 2003 Adspend

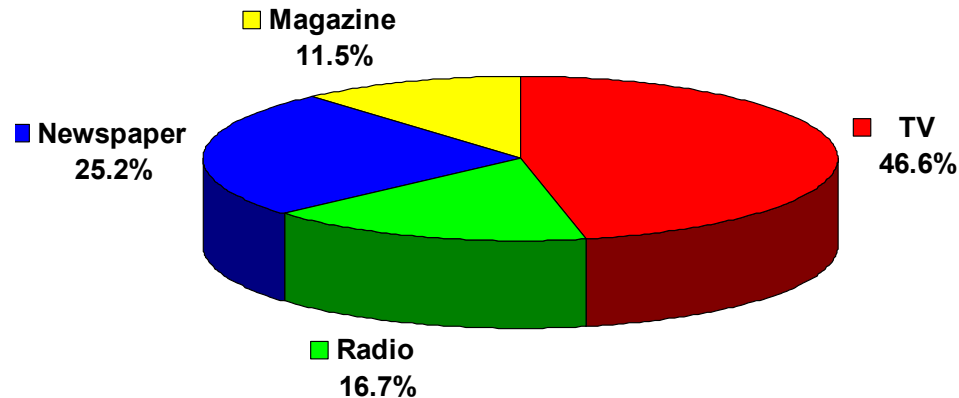


Exhibit 8



# 4.9 Advertising Growth Rate Over The Period



- Exhibit 2 to 8 shows the trends in adspend by media type
- The detailed report is based on media which are measured by both Adex and AMPS
- Media achieved a compound annual growth of 13.5% in advertising over the measured period for the measured media
- Radio and newspaper growth rates of 13.9% and 12.7% respectively, were close to the average
- Television growth of 17.4% was the highest
- Magazines had the lowest growth rate at 3.8%

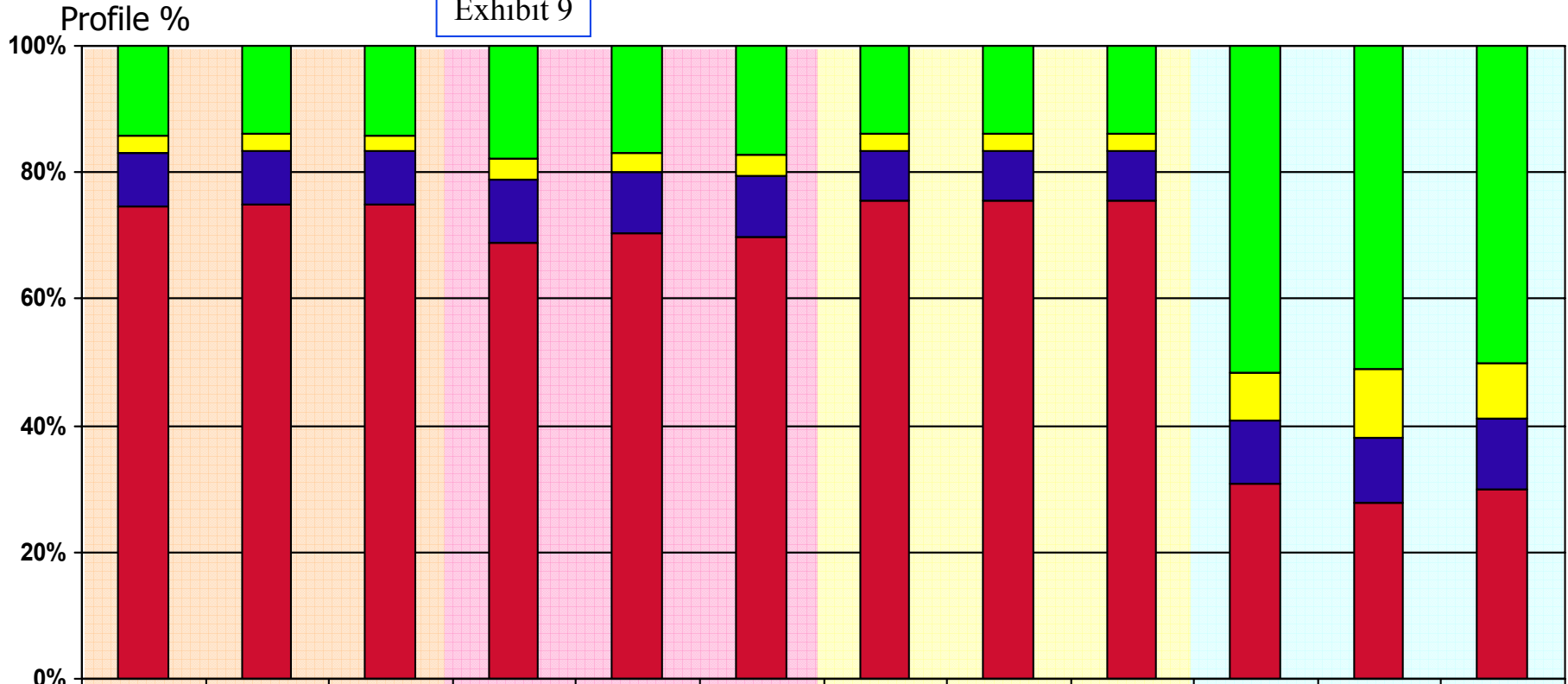
# 5 Profile of Media Spending Versus Population and People Accessing Each Medium

- **In order to measure the race profile of each medium AMPS 2001B, 2002B and 2003B were 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

# 5.2 Audience Profile of Electronic Media vs the Population: 2001 to 2003



Exhibit 9

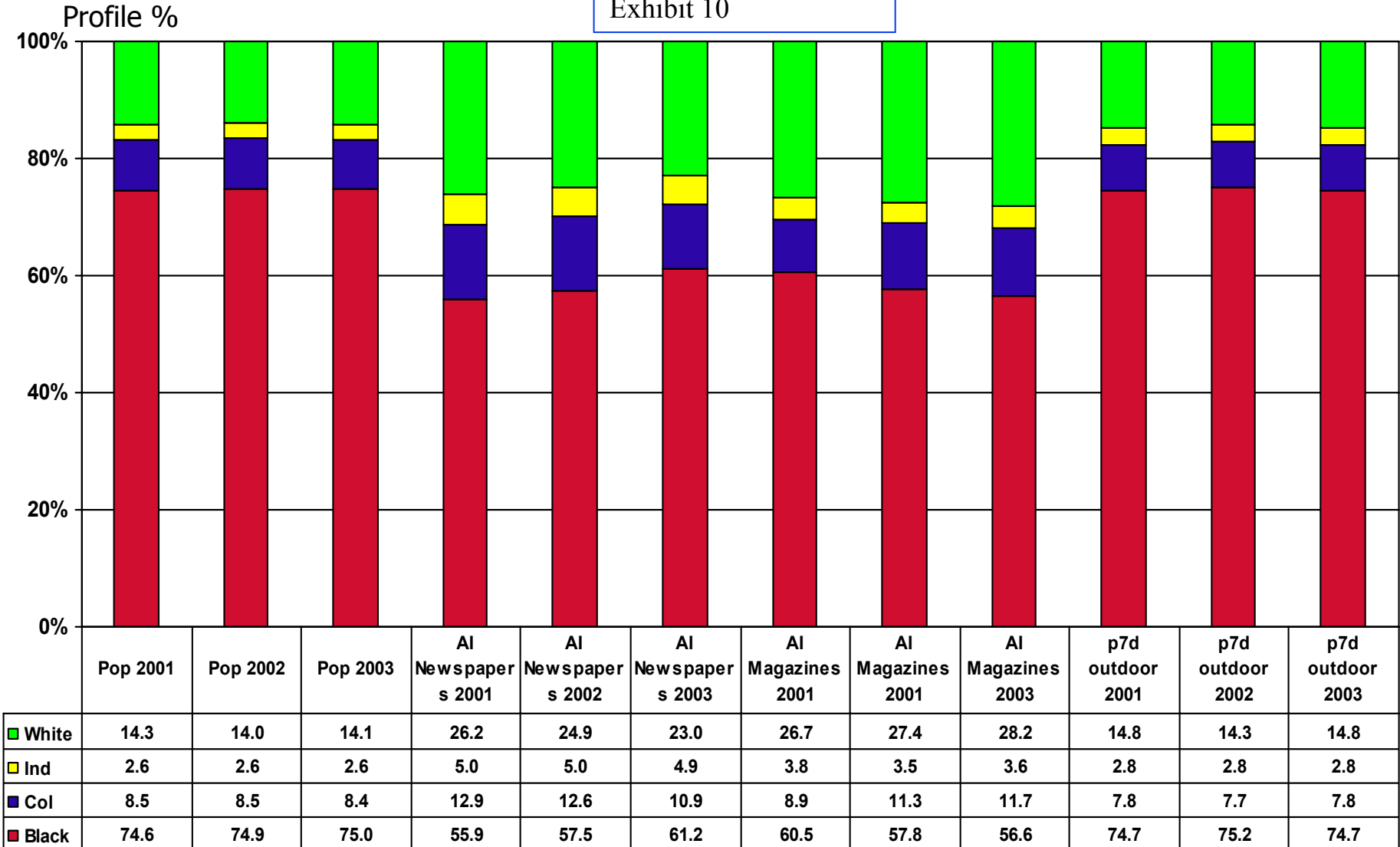


	Pop 2001	Pop 2002	Pop 2003	Any TV p7d 2001	Any TV p7d 2002	Any TV p7d 2003	Any Radio p7d 2001	Any Radio p7d 2002	Any Radio p7d 2003	p6w cinema 2001	p6w cinema 2002	p6w cinema 2003
White	14.3	14.0	14.1	17.8	16.9	17.2	13.8	13.8	13.9	51.5	51.2	50.0
Ind	2.6	2.6	2.6	3.3	3.1	3.2	2.7	2.7	2.7	7.7	10.6	8.8
Col	8.5	8.5	8.4	10.1	9.7	9.7	8.0	8.0	8.0	9.9	10.5	11.4
Black	74.6	74.9	75.0	68.7	70.2	69.9	75.5	75.5	75.4	30.8	27.7	29.8

# 5.3 Audience Profile of Print Media vs the Population: 2001 to 2003



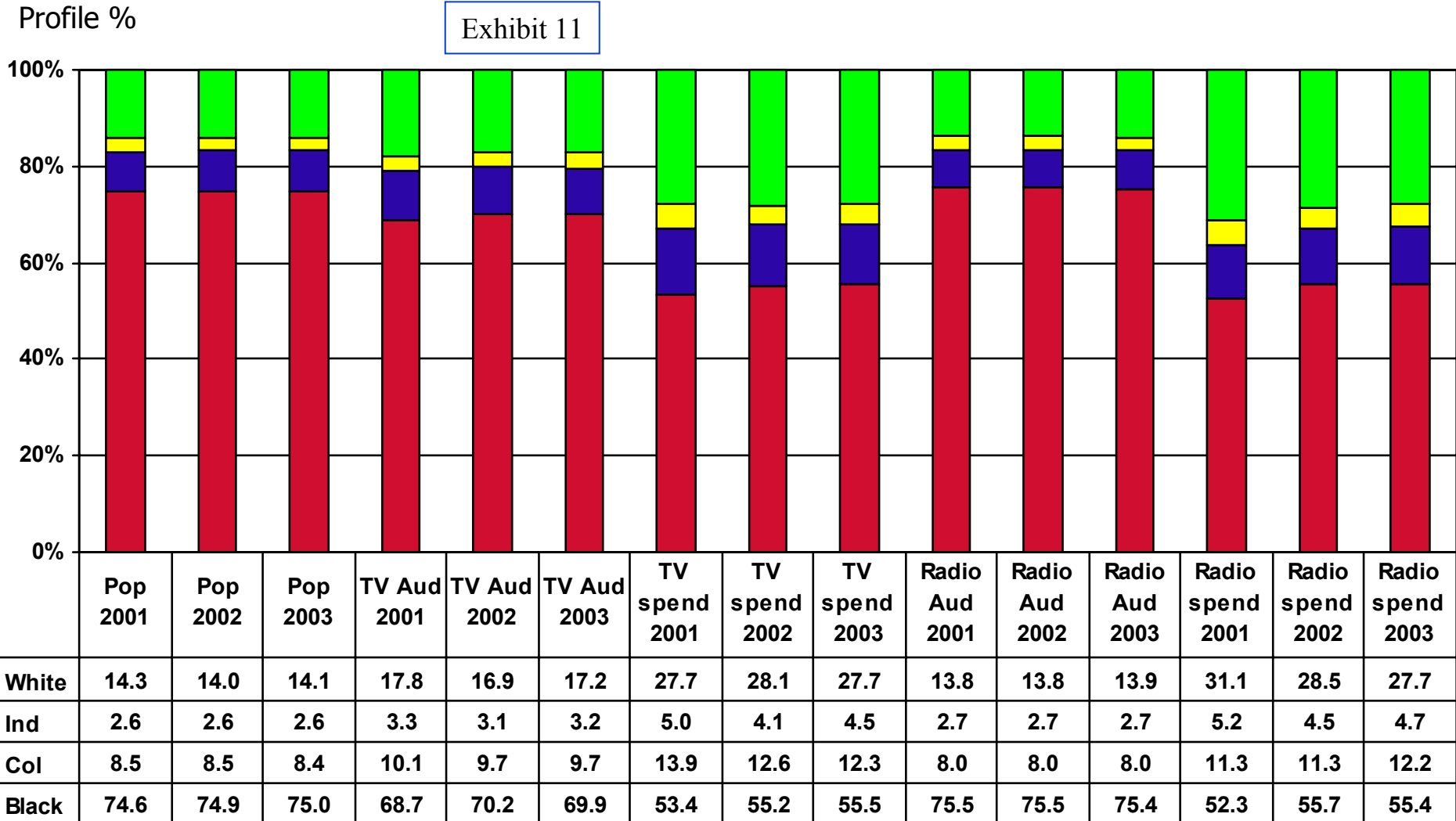
Exhibit 10



# 5.4 Audience Profiles of Electronic Media vs Spending Profiles: 2001, 2002 & 2003



Exhibit 11

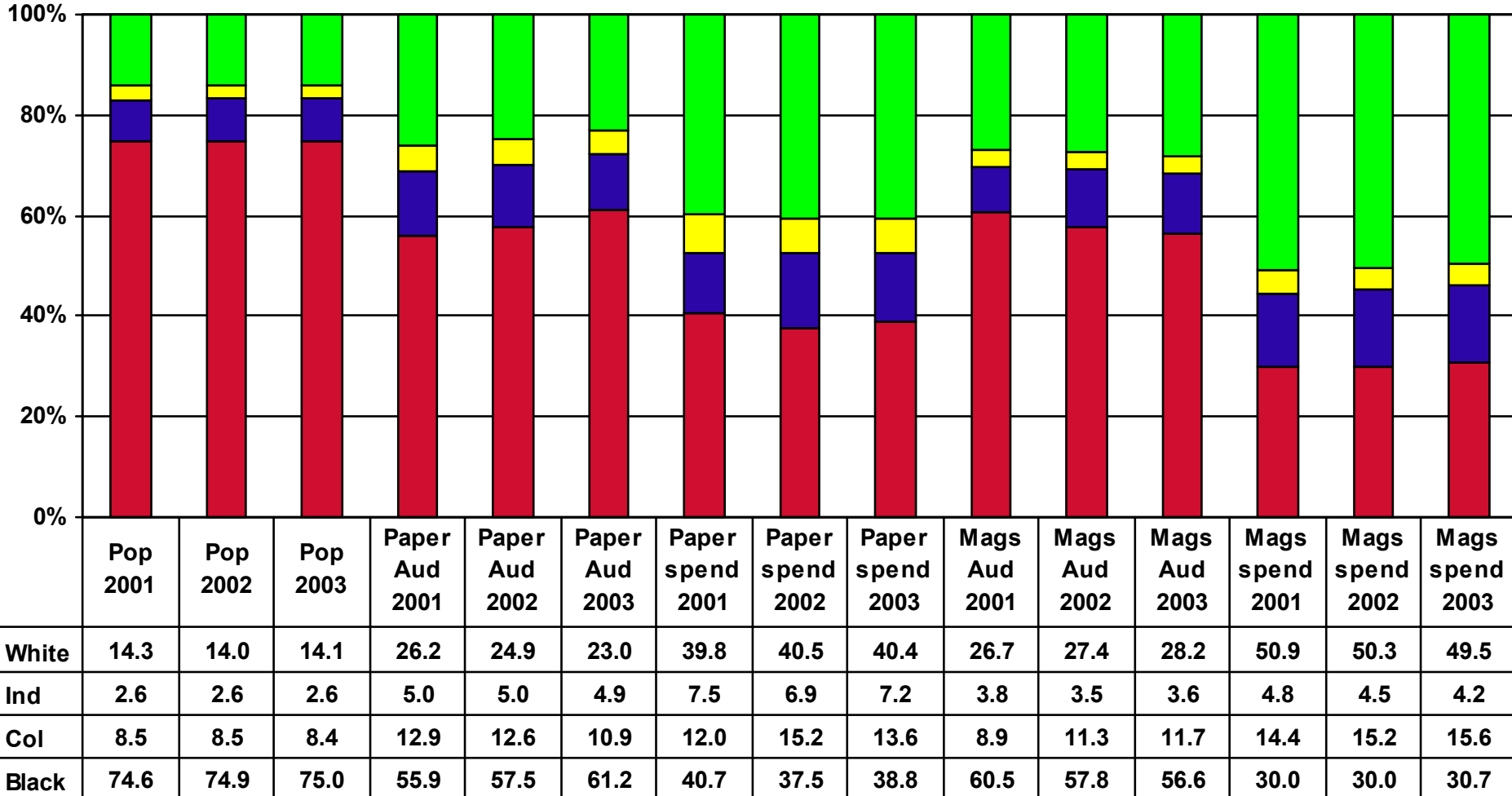


# 5.5 Audience Profiles of Print Media vs Spending Profiles : 2001, 2002 & 2003



Profile %

Exhibit 12



- The black population has good access to television and radio
- In comparison, there is little access to cinema by black audiences
- Better access to magazines and newspapers in the black population, but still somewhat low due to literacy problems
- Radio and outdoor are the best media for accessing the black population as a whole



# 6. Advertising Transformation Index

- 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
- E.g. if a medium's audience is made of 20% Black consumers (combined Black, Coloured and Indian), then the spending profile within that particular medium should ideally be 20%
- Indices greater than 100 show that a medium receives a higher spending against Black audiences than the medium profile, and indices less than 100 illustrate the opposite.

**\* This deficiency in the previous study is addressed later in this report**

# 6.2 Index of 2001 & 2003 Black spending against Black Audience profile



Index

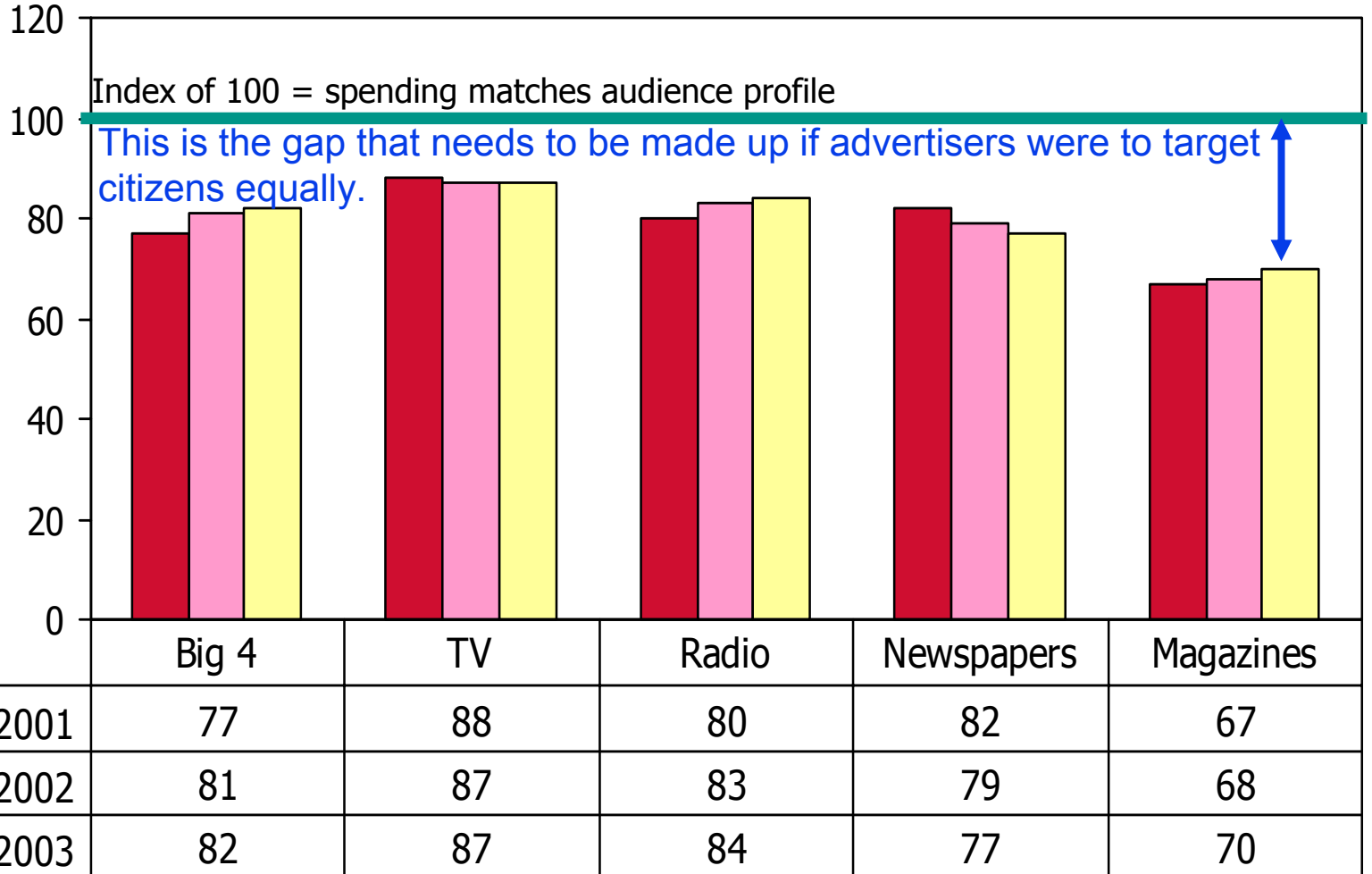


Exhibit 13

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

- **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**
- **We believe that the under-support of black consumers in the magazine market is due to:**
  - the significant segmentation of audiences in this market via focused titles, with the high-profile titles targeted at White audiences, and high-circulation low-profile magazines targeted at black audiences
  - the fact that the level of Black readership is exaggerated by sharing of magazines and the suspicion, based on anecdotal evidence, that magazines have a longer shelf life in black homes

- A positive factor is that the under-support of black consumers by the top 4 media has been declining over the last three years overall, and specifically for magazines
- This is, however, not true for newspapers as advertising has not yet grown to reflect the growth in audiences for the Sunday Sun and Daily Sun, and their derivatives
- 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.

- Adspend profiling using LSM analysis shows where the focus of advertisers and media planners is.
- We first look at the population trends in terms of LSMs for the period under review
- Exhibit 14 to 23 bring variety of information based on what the spending patterns by population groups are expected.
- An analysis of the “big 4” media outlets shows who the biggest adspend is targeting

# 6.6 Population profile by LSM

Profile %

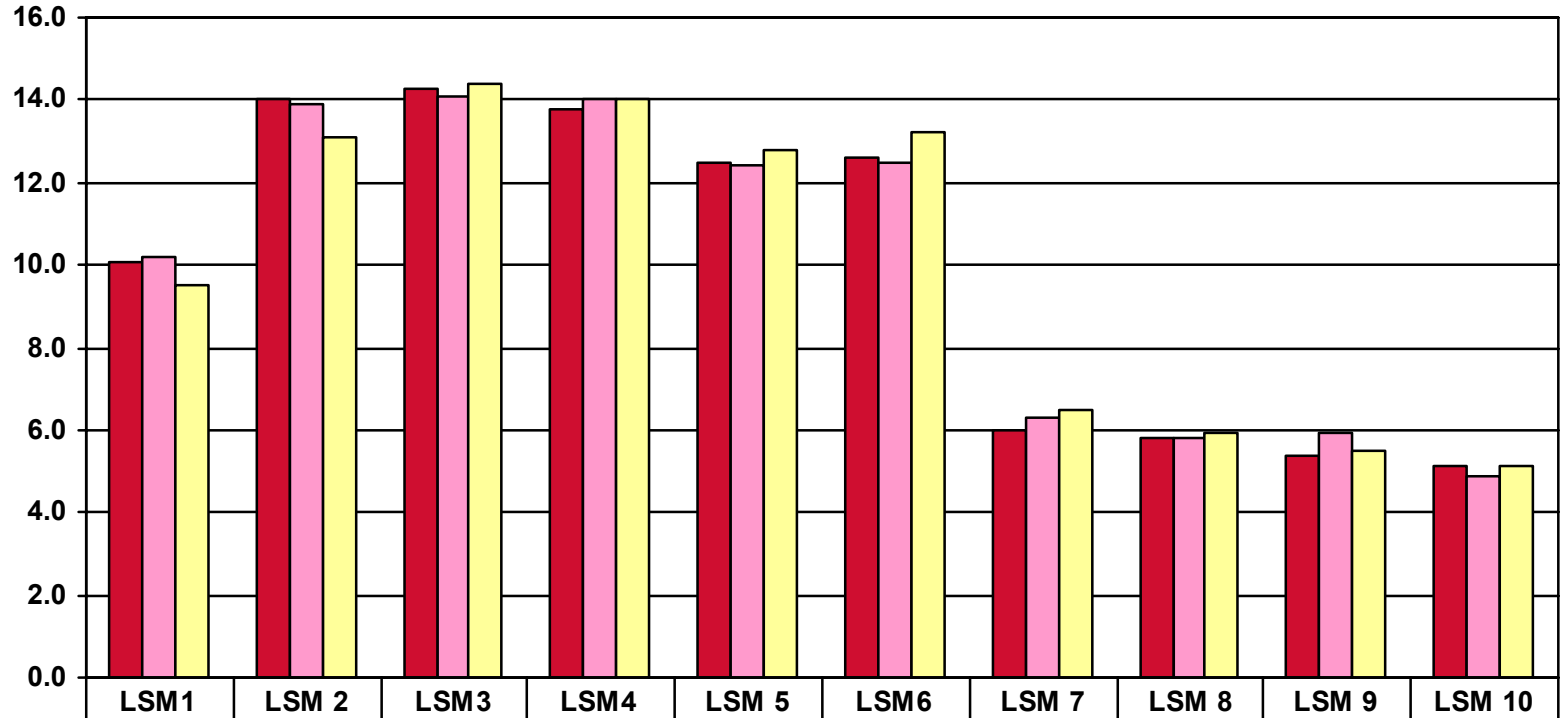


Exhibit 14

	LSM 1	LSM 2	LSM 3	LSM 4	LSM 5	LSM 6	LSM 7	LSM 8	LSM 9	LSM 10
■ Pop 2001B	10.1	14.0	14.3	13.8	12.5	12.6	6.0	5.8	5.4	5.1
■ Pop 2002B	10.2	13.9	14.1	14.0	12.4	12.5	6.3	5.8	5.9	4.9
■ Pop 2003B	9.5	13.1	14.4	14.0	12.8	13.2	6.5	5.9	5.5	5.1

Source: AMPS 2001B, AMPS 2002B & AMPS 2003B

# 6.7 SAARF Universal LSM Groups



	Penetration			Average Household Income		
	2001B %	2002B %	2003B %	2001B	2002B	2003B
LSM 1	10.5	10.2	9.5	R 777	R 832	R 886
LSM 2	14.0	13.9	13.1	R 885	R 1 075	R 1 130
LSM 3	14.3	14.1	14.4	R 1 107	R 1 318	R 1 348
LSM 4	13.8	14.0	14.0	R 1 523	R 1 724	R 1 717
LSM 5	12.5	12.4	12.8	R 2 205	R 2 421	R 2 347
LSM 6	12.6	12.5	13.2	R 3 557	R 3 897	R 3 960
LSM 7	6.0	6.3	6.5	R 5 509	R 5 859	R 6 189
LSM 8	5.8	5.8	5.9	R 7 428	R 8 053	R 8 522
LSM 9	5.4	5.9	5.5	R 9 861	R10 732	R12 195
LSM 10	5.1	4.9	5.1	R13 788	R15 931	R18 216



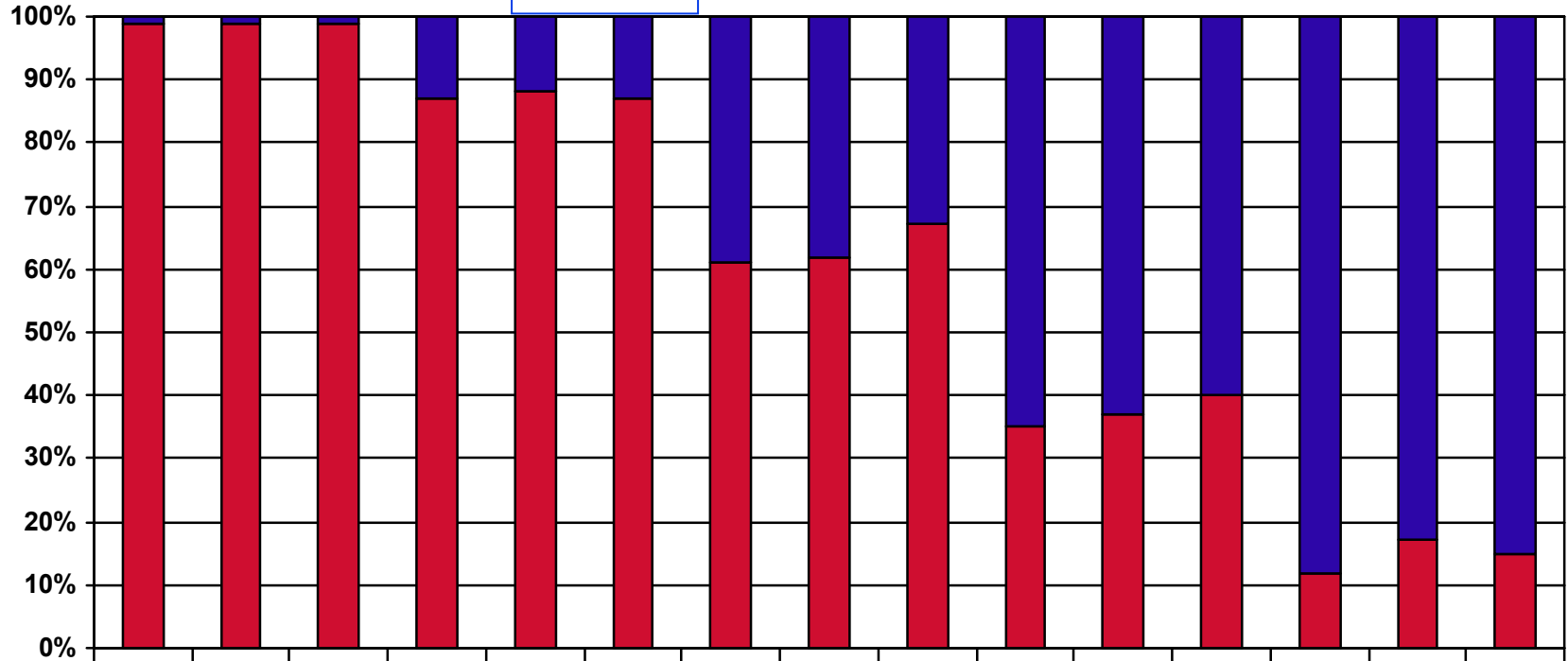
- There is a definite shift up the LSM chain, particularly out of LSM 1 and 2 into LSM 3
- This is likely driven by the government's welfare spend, improved pension payouts and urbanisation
- There is also growth in the middle class at LSM 4, 5, 6 and 7 driven by BEE, affirmative action and recognition of black corporate skills
- This bodes well for media growth, particularly media targeted at black audiences

# 6.9 LSM Group Urban/Rural Profiles: 2001 to 2003



Profile %

Exhibit 15



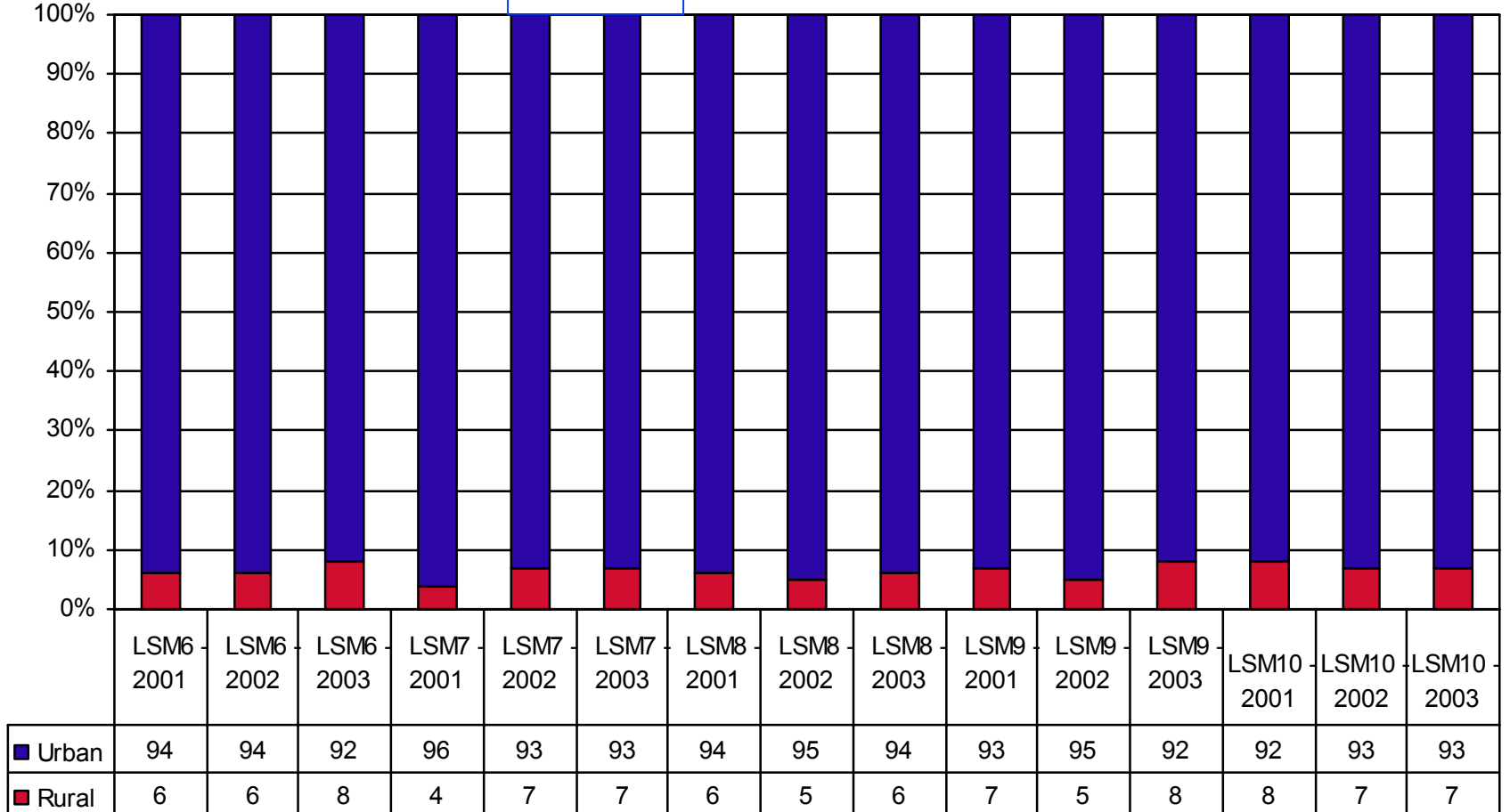
	LSM1 - 2001	LSM1 - 2002	LSM1 - 2003	LSM2 - 2001	LSM2 - 2002	LSM2 - 2003	LSM3 - 2001	LSM3 - 2002	LSM3 - 2003	LSM4 - 2001	LSM4 - 2002	LSM4 - 2003	LSM5 - 2001	LSM5 - 2002	LSM5 - 2003
■ Urban	1	1	1	13	12	13	39	38	33	65	63	60	88	83	85
■ Rural	99	99	99	87	88	87	61	62	67	35	37	40	12	17	15

# 6.10 LSM Group Urban/Rural Profiles: 2001 to 2003 (continue)



Profile %

Exhibit 16



# 6.11 Comments on Rural/Urban LSM Profiles

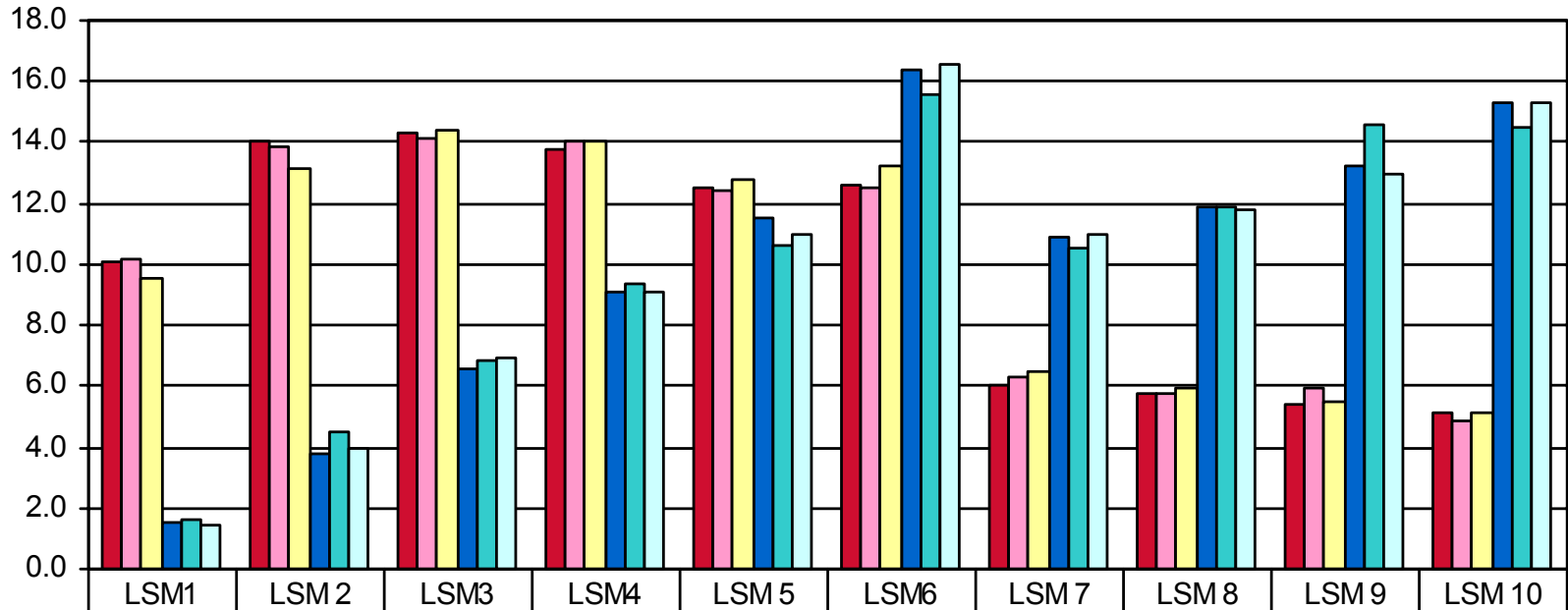
- There is a direct link between living standards and urbanisation, i.e. the lower LSM's are skewed towards rural areas
- LSM 3 and 4 show signs of growth in the rural skew. We believe that this may be due to improved welfare and pension programmes targeted at rural communities

# 6.12 Population Profile by LSM vs Spend

## Profile of the Big 4: 2001, 2002 & 2003

Profile %

Exhibit 17



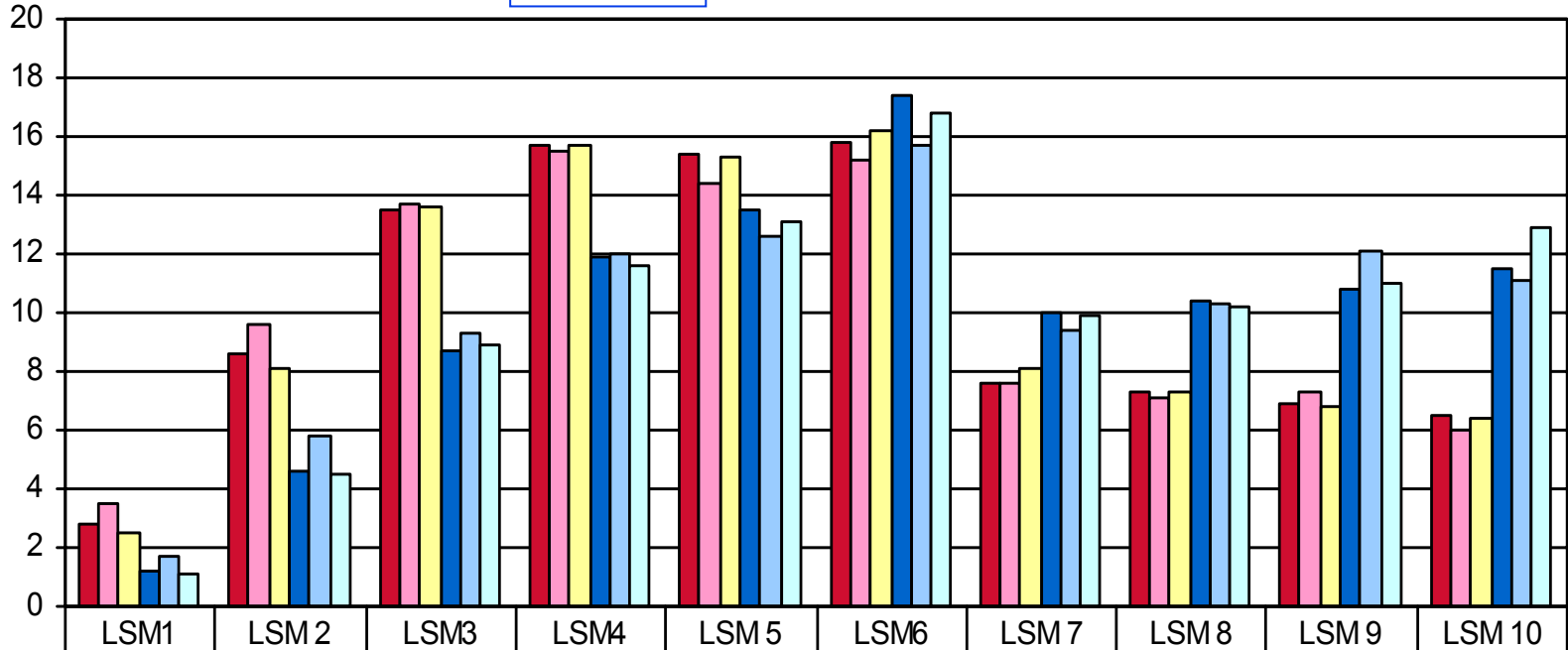
	LSM1	LSM2	LSM3	LSM4	LSM5	LSM6	LSM7	LSM8	LSM9	LSM10
■ Pop 2001	10.1	14.0	14.3	13.8	12.5	12.6	6.0	5.8	5.4	5.1
■ Pop 2002	10.2	13.9	14.1	14	12.4	12.5	6.3	5.8	5.9	4.9
■ Pop 2003	9.5	13.1	14.4	14.0	12.8	13.2	6.5	5.9	5.5	5.1
■ Spend Big 4 - 2001	1.5	3.8	6.6	9.1	11.5	16.4	10.9	11.9	13.2	15.3
■ Spend Big 4 - 2002	1.6	4.5	6.8	9.4	10.6	15.6	10.5	11.9	14.6	14.5
■ Big Spend 4 - 2003	1.4	4.0	6.9	9.1	11.0	16.6	11.0	11.8	13.0	15.3

# 6.13 Any TV Profile by LSM vs 2001, 2002 & 2003 TV Spend Profile



Profile %

Exhibit 18

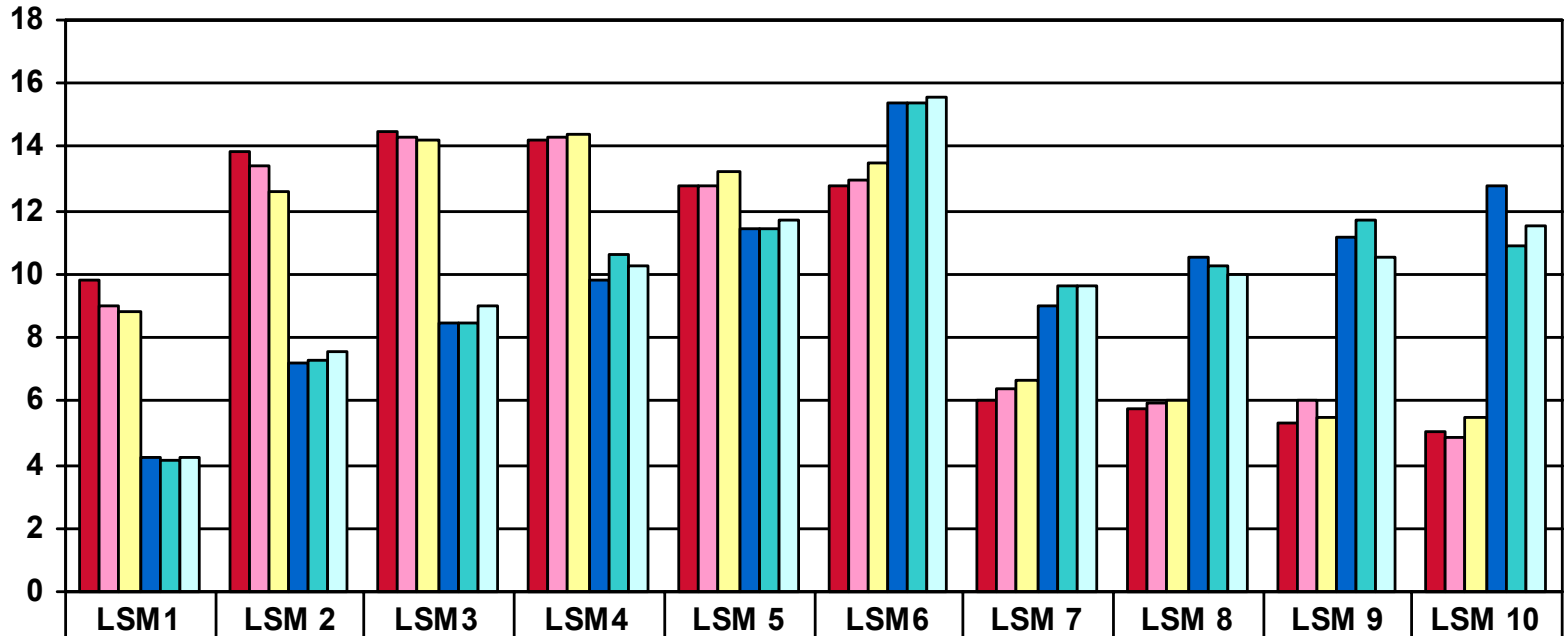


■ Any TV 2001B	2.8	8.6	13.5	15.7	15.4	15.8	7.6	7.3	6.9	6.5
■ Any TV 2002B	3.5	9.6	13.7	15.5	14.4	15.2	7.6	7.1	7.3	6.0
■ Any TV 2003B	2.5	8.1	13.6	15.7	15.3	16.2	8.1	7.3	6.8	6.4
■ TV Spending 2001	1.2	4.6	8.7	11.9	13.5	17.4	10.0	10.4	10.8	11.5
■ TV Spending 2002	1.7	5.8	9.3	12.0	12.6	15.7	9.4	10.3	12.1	11.1
■ TV Spending 2003	1.1	4.5	8.9	11.6	13.1	16.8	9.9	10.2	11.0	12.9

# 6.14 Any Radio Profile by LSM vs 2001, 2002, 2003 Radio Spend Profile

Profile %

Exhibit 19



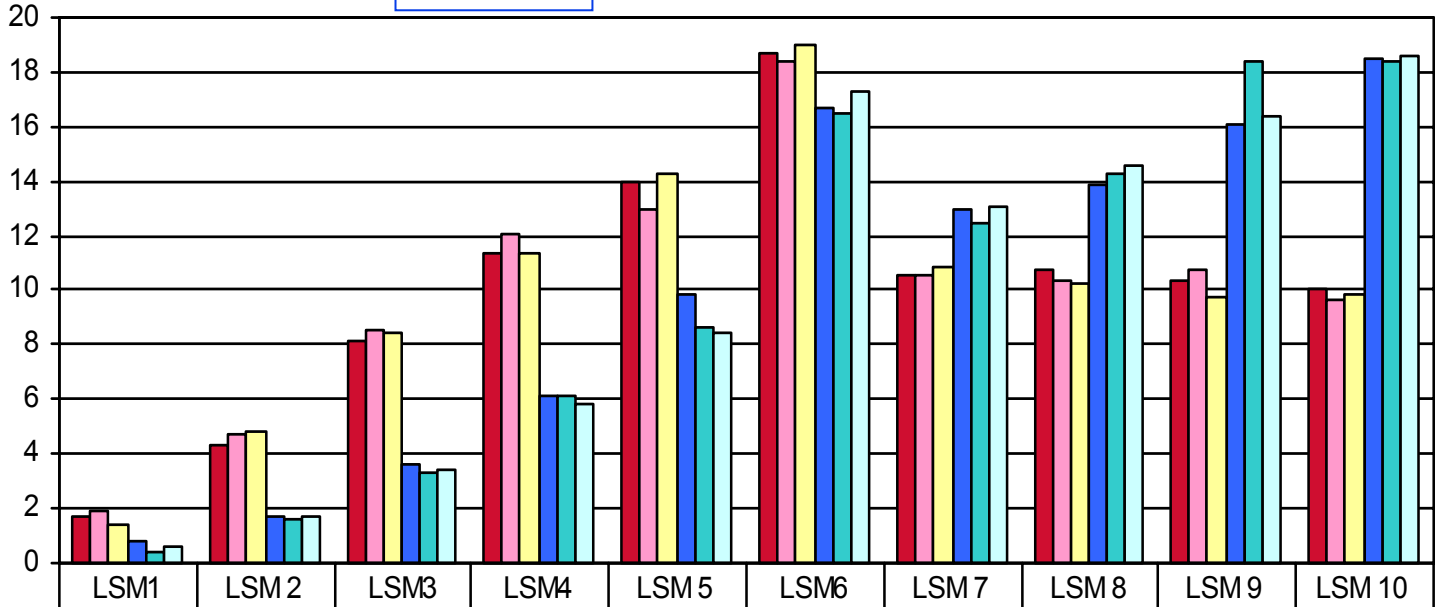
	LSM 1	LSM 2	LSM 3	LSM 4	LSM 5	LSM 6	LSM 7	LSM 8	LSM 9	LSM 10
■ Any Radio 2001B	9.8	13.9	14.5	14.2	12.8	12.8	6.0	5.8	5.3	5.0
■ Any Radio 2002B	9.0	13.4	14.3	14.3	12.8	13.0	6.4	5.9	6.0	4.9
■ Any Radio 2003B	8.8	12.6	14.2	14.4	13.2	13.5	6.7	6.0	5.5	5.5
■ Radio Spend 2001	4.2	7.2	8.5	9.8	11.4	15.4	9.0	10.5	11.2	12.8
■ Radio Spend 2002	4.1	7.3	8.5	10.6	11.4	15.4	9.6	10.3	11.7	10.9
■ Radio Spend 2003	4.2	7.6	9.0	10.3	11.7	15.6	9.6	10.0	10.5	11.5

# 6.15 Any Newspaper Profile by LSM vs 2001, 2002 & 2003 Newspaper Spend Profile



Profile %

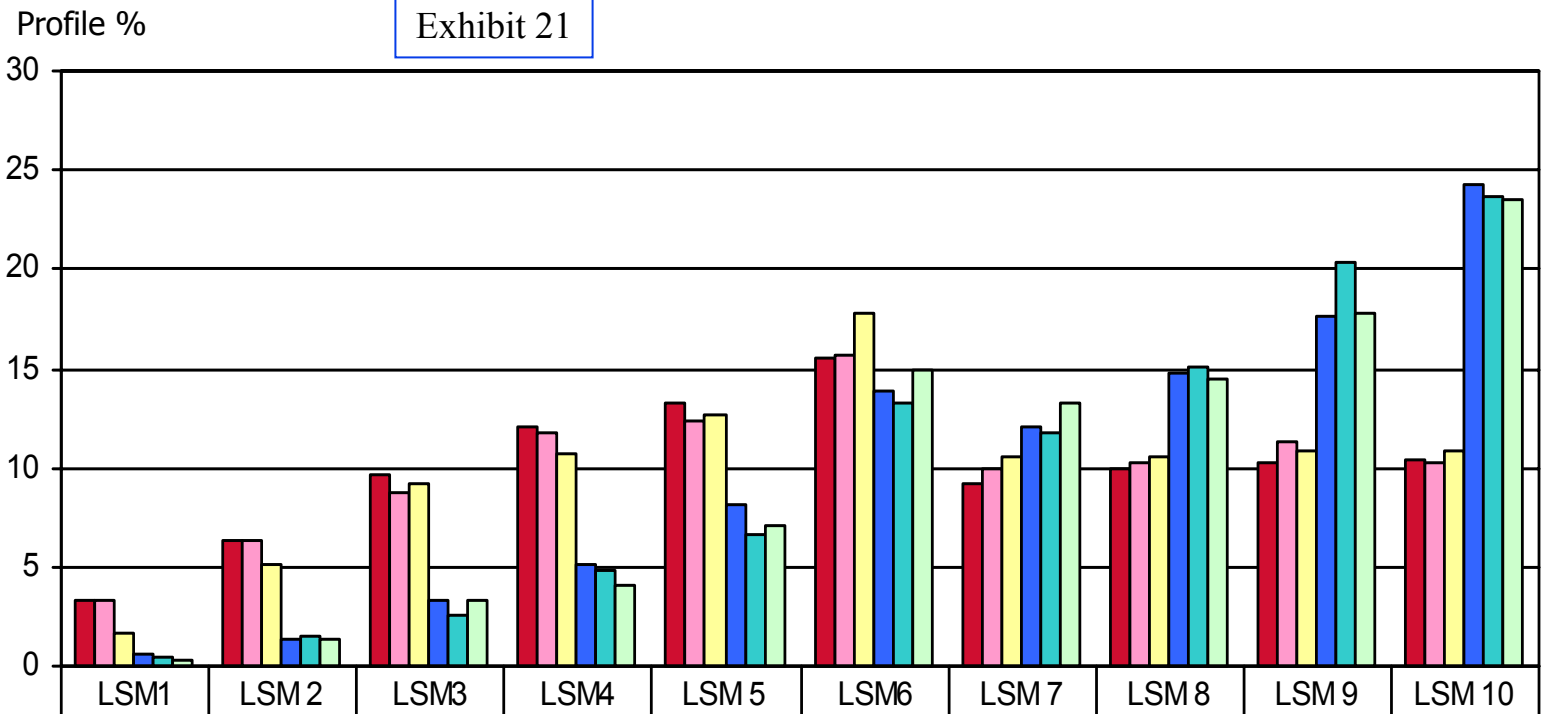
Exhibit 20



	LSM1	LSM 2	LSM3	LSM4	LSM 5	LSM6	LSM 7	LSM 8	LSM 9	LSM 10
■ Any Npaper 2001B	1.7	4.3	8.1	11.4	14	18.7	10.6	10.8	10.4	10.1
■ Any Npaper 2002B	1.9	4.7	8.5	12.1	13	18.4	10.6	10.4	10.8	9.6
■ Any Npaper 2003B	1.4	4.8	8.4	11.4	14.3	19	10.9	10.3	9.7	9.8
■ Npaper spend 2001	0.8	1.7	3.6	6.1	9.8	16.7	13	13.9	16.1	18.5
■ Npaper spend 2002	0.4	1.6	3.3	6.1	8.6	16.5	12.5	14.3	18.4	18.4
■ Npaper spend 2003	0.6	1.7	3.4	5.8	8.5	17.3	13.0	14.6	16.4	18.6



# 6.16 Any Magazine Profile by LSM vs 2001, 2002, 2003 Magazine Spend Profile



	LSM1	LSM 2	LSM3	LSM4	LSM 5	LSM6	LSM 7	LSM 8	LSM 9	LSM 10
Any Magazine 2001B	3.3	6.3	9.6	12.1	13.3	15.6	9.2	9.9	10.2	10.4
Any Magazine 2002B	3.3	6.3	8.8	11.7	12.3	15.7	9.9	10.2	11.3	10.3
Any Magazine 2003B	1.7	5.1	9.2	10.7	12.6	17.8	10.6	10.6	10.9	10.8
Mags spend 2001	0.6	1.3	3.3	5.1	8.2	13.9	12	14.7	17.7	24.3
Mags spend 2002	0.4	1.5	2.5	4.8	6.6	13.3	11.8	15.1	20.3	23.7
Mags spend 2003	0.3	1.3	3.3	4	7.1	15	13.2	14.5	17.8	23.5



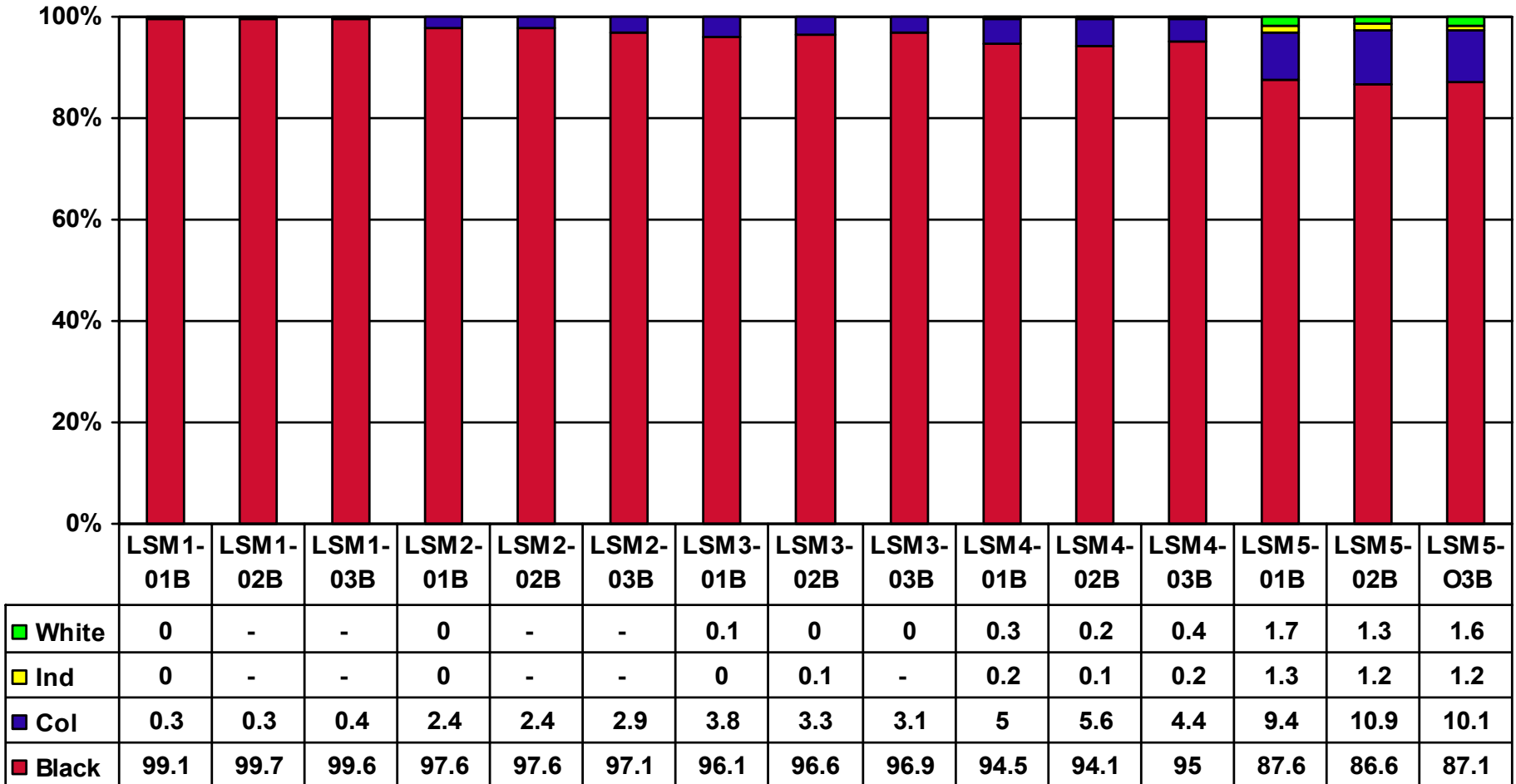
- The best match is newspapers, because readers are generally on the higher LSM's and thus warrant higher adspend
- The magazines match is below newspapers' because of higher readership of magazines than newspapers in lower LSM's due to longer magazine shelf life in black homes
- Radio has the worst match because it has the best reach of lower LSM's, which do not have high buying power
- Advertisers clearly target affluent audiences

# 6.18 LSM1-5 Group Race Profiles



Exhibit 22

Profile %



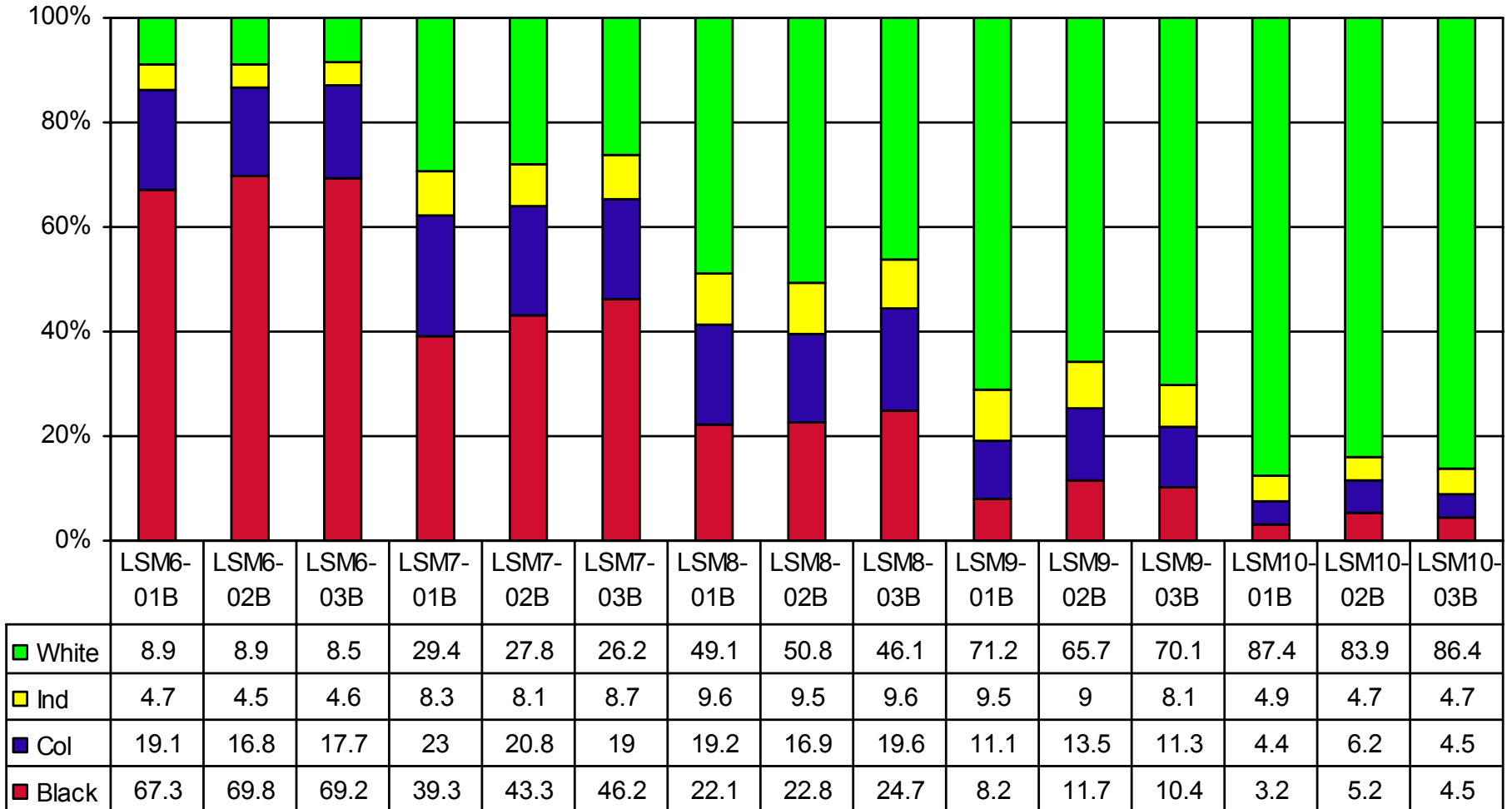
# 6.19 LSM6-10 Group Race Profiles



Exhibit 23

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

Profile %



## 7. Proportional and disproportional spending versus audience size SOV/SOA

# 7.1 (Adjusted) Advertising Transformation Index



- 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.
- However, this approach does not take the value of audiences into account
- We have developed a new index, the Adjusted Advertising Transformation Index (AATI), which applies an LSM rating against the old Advertising Transformation Index (ATI)
- The AATI thus assumes that all adults in South Africa are NOT equal

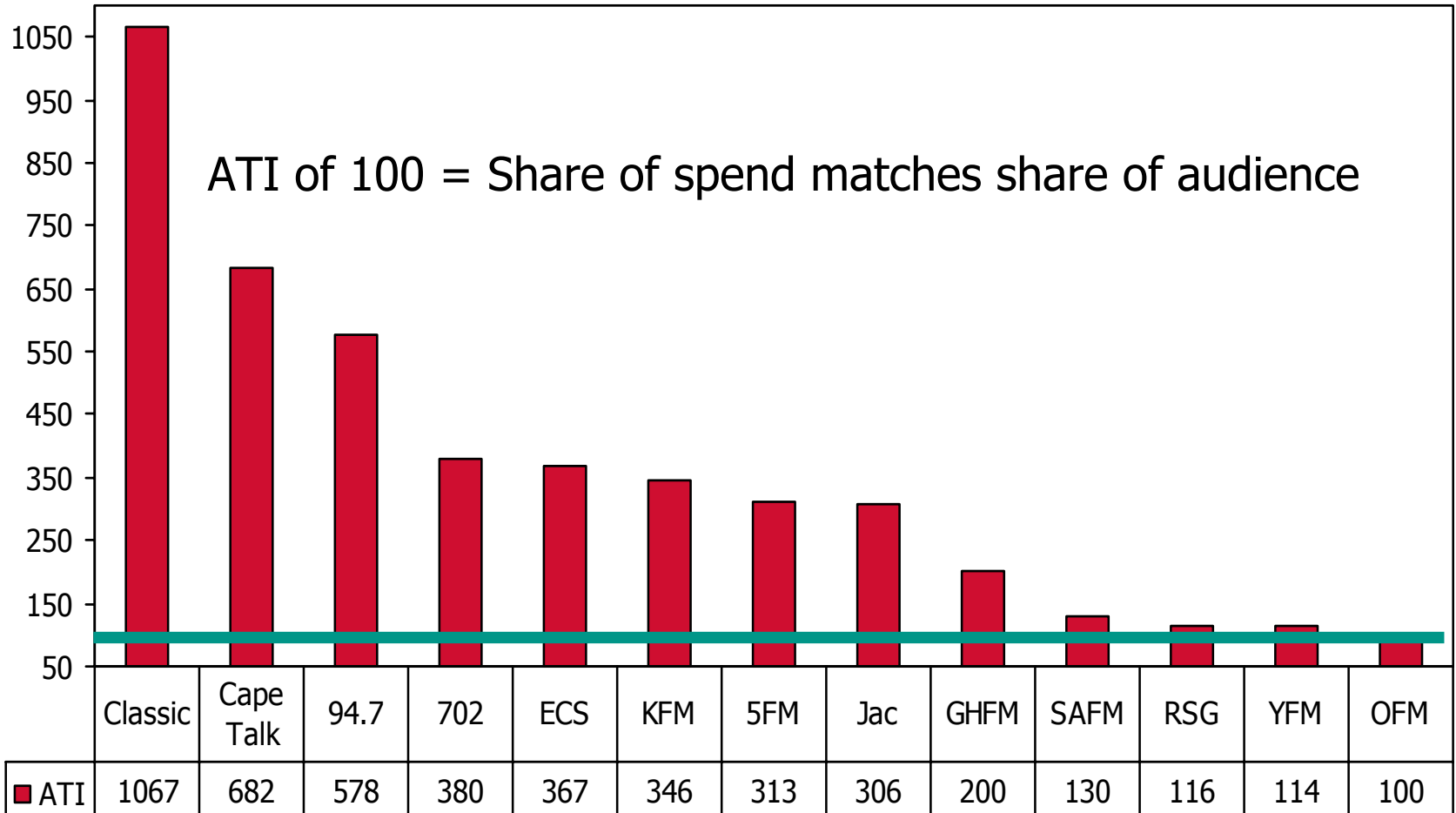
	DEFINITION
<b>ATI</b>	<b>Advertising Transformation Index, which measures the value of advertising for a specific station / title against the size of the audience for that station / title. For a perfect match of advertising volume to audience, the value of the ATI would be 1.0.</b>
<b>AATI</b>	<b>Adjusted Advertising Transformation Index, which factors in the LSM profile of a station / title, and applies it to the ATI. There is no ideal AATI, and the ratio serves to indicate the skew in advertising spend in relation to audiences and LSM's.</b>
<b>SOV</b>	<b>A station / title's percentage share of the total audience for that media type.</b>
<b>SOA</b>	<b>A station / title's percentage share of the total advertising cake for that media type.</b>
<b>LSM Index</b>	<b>Weighted average of the LSM for each station / title. Indicates the average LSM profile for each station / title. This is the factor that is applied to the ATI to derive the AATI.</b>

# 7.3 Index of 2001 Radio Share of Spend vs Share of Audience



Exhibit 24

Index





# 7.4 2001 Radio Share of Spend vs Share of Audience

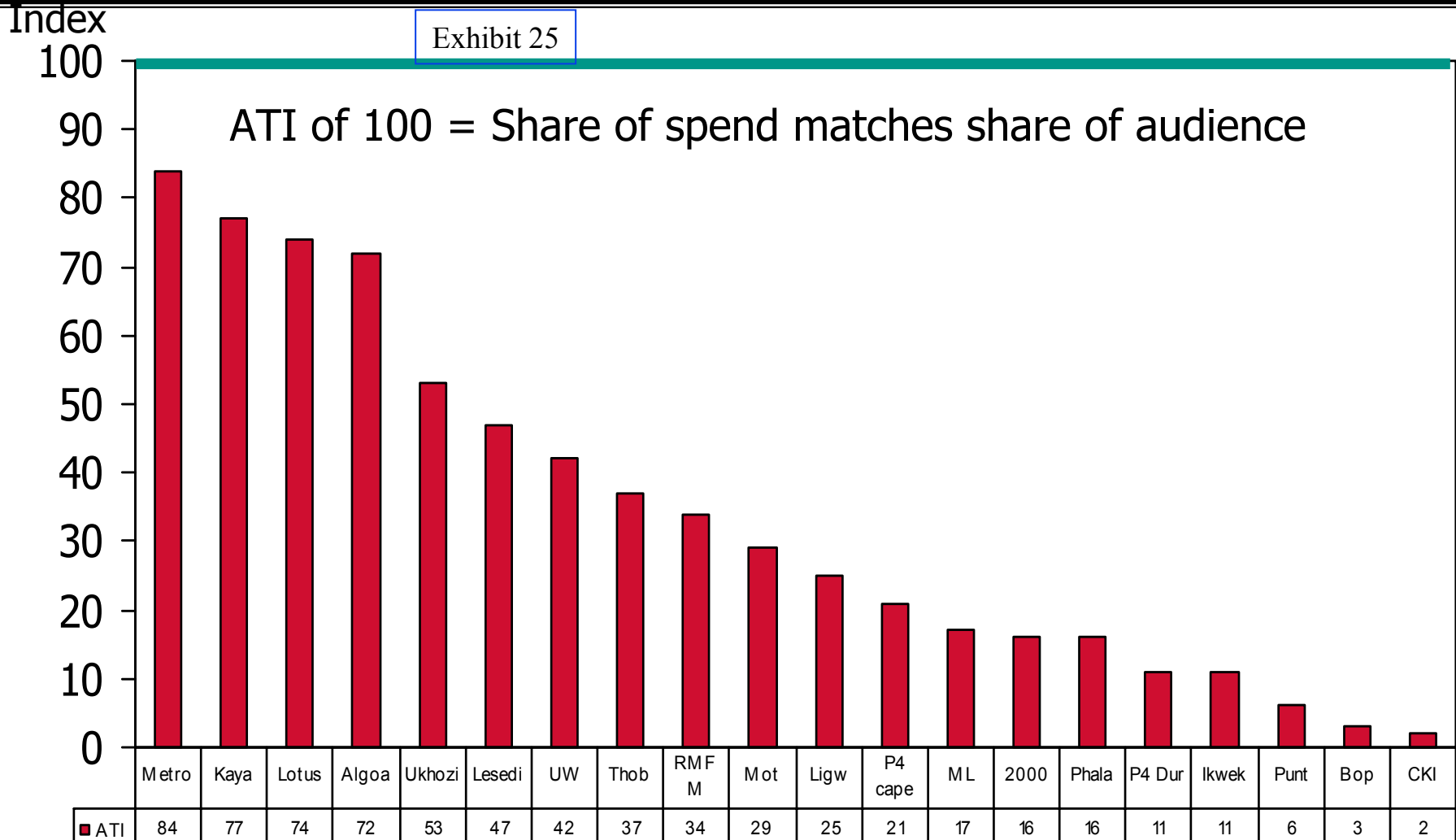


Rank on SOV/SOA index	Station	Spend	Share of spend SOV	Rank on SOV	Audience in 000's	Rank on Audience	Share of Audience	SOV/SOA Index
1	CLASSIC FM	R 34,501,012	3%	13	130	31	0.3%	1,067
2	CAPE TALK	R 13,741,862	1%	19	81	32	0.2%	682
3	94.7 HIGHVELD STEREO	R 132,761,109	11%	1	924	17	2.0%	578
4	RADIO 702	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
	<b>TOTAL</b>	<b>R 1,165,260,049</b>			<b>46,841</b>			

# 7.5 Index of Radio Share of 2001 Spend vs Share of Audience



Exhibit 25



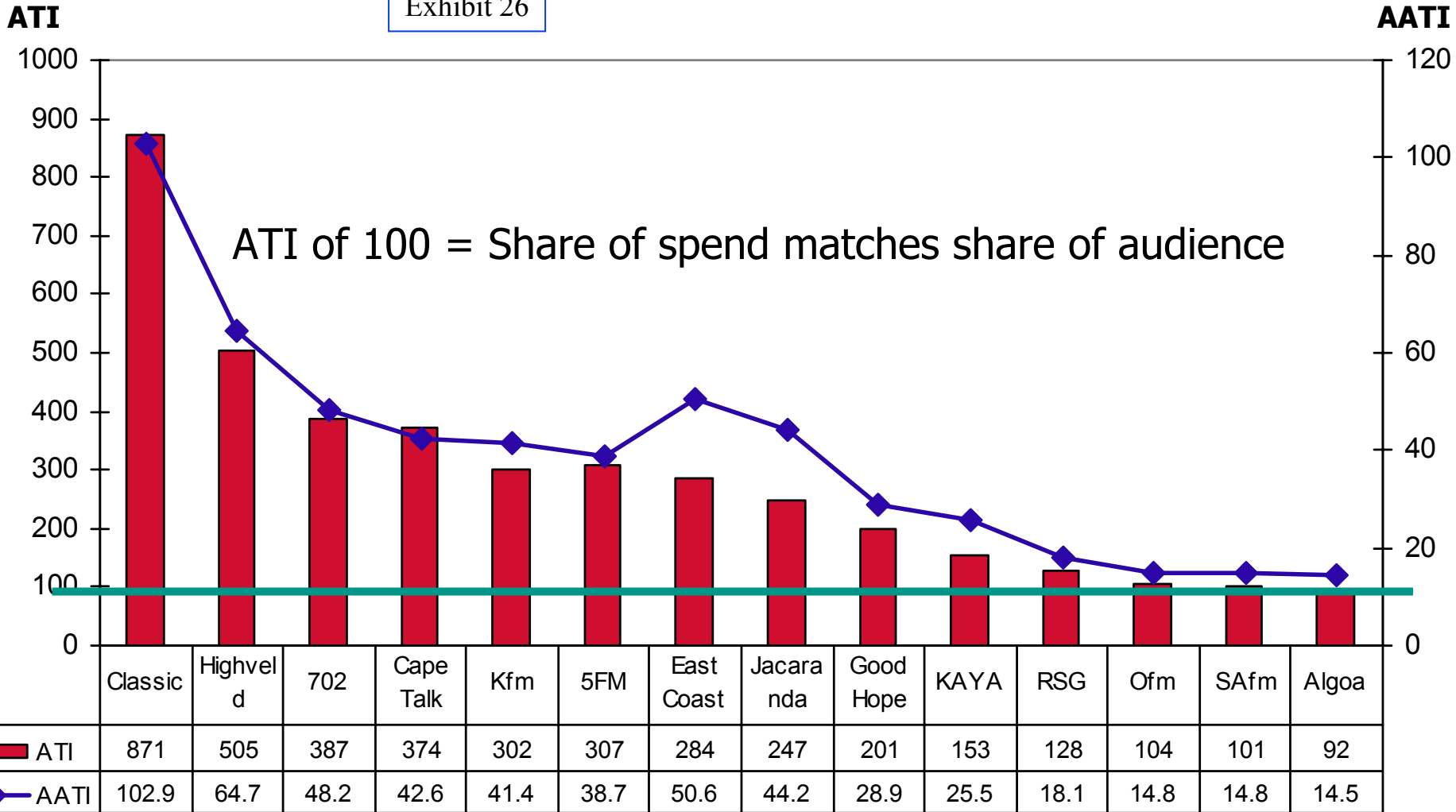
# 7.6 2002 Radio Share of Spend, Share of Audience against LSM Profile



Rank on AATI	Station	Spend in Rands	SOV	Rank on SOV	Audience in 000's	Rank on Audience	Share of Audience	ATI Index	Rank on ATI	LSM Index	AATI
1	Classic FM	34,771,101	2.58%	13	142	30	0.3%	871	1	8.5	102.9
2	94.7 Highveld Sterio	157,069,612	11.67%	1	1,107	15	2.3%	505	2	7.8	64.7
3	East Cost Radio	128,550,652	9.55%	4	1,609	9	3.4%	284	7	5.6	50.6
4	702 Talk Radio	30,466,604	2.26%	16	280	28	0.6%	387	3	8.0	48.2
5	Jacaranda 94.2 FM	145,529,653	10.81%	2	2,093	7	4.4%	247	8	5.6	44.2
6	567mw Cape Talk	11,136,928	0.83%	21	106	31	0.2%	374	4	8.8	42.6
7	Kfm 94.5	85,899,841	6.38%	7	1,011	16	2.1%	302	6	7.3	41.4
8	5 FM Music	105,772,299	7.86%	5	1,224	14	2.6%	307	5	7.9	38.7
9	Good Hope FM	39,216,330	2.91%	12	695	20	1.5%	201	9	7.0	28.9
10	KAYA FM 95.9	33,668,174	2.50%	14	782	17	1.6%	153	10	6.0	25.5
11	99.2 YFM	53,956,510	4.01%	8	1,622	8	3.4%	118	12	5.6	21.1
12	Radiosondergrense	51,891,626	3.86%	10	1,439	11	3.0%	128	11	7.1	18.1
13	METRO FM	131,317,297	9.76%	3	5,661	2	11.8%	82	16	4.9	16.7
14	SAfm	20,220,724	1.50%	18	714	19	1.5%	101	14	6.8	14.8
15	Ofm 94-97 FM	12,216,053	0.91%	19	419	25	0.9%	104	13	7.0	14.8
16	Ukhozi FM	88,940,163	6.61%	6	6,586	1	13.8%	48	18	3.3	14.6
17	Algoa FM	11,861,793	0.88%	20	461	23	1.0%	92	15	6.3	14.5
18	Umhlobo wenene FM	53,827,684	4.00%	9	4,537	3	9.5%	42	20	3.5	11.9
19	Thobela FM	31,586,829	2.35%	15	2,712	6	5.7%	41	21	3.6	11.7
20	Lesedi FM	51,674,516	3.84%	11	3,885	4	8.1%	47	19	4.4	10.7
21	Lotus fm	8,655,388	0.64%	22	431	24	0.9%	71	17	7.5	9.6
22	Motsweding FM	30,299,578	2.25%	17	3,212	5	6.7%	34	22	4.2	8.0
23	Ligwalagwala FM	6,842,484	0.51%	23	1,383	12	2.9%	18	24	3.6	4.9
24	Phalaphala FM	3,572,175	0.27%	26	764	18	1.6%	17	25	3.4	4.9
25	Munghana Lonene FM	6,187,077	0.46%	24	1,524	10	3.2%	14	26	3.4	4.2
26	P4 Cape Town	2,242,786	0.17%	28	331	27	0.7%	24	23	7.4	3.3
27	P4 KZN 99.5	1,655,632	0.12%	29	416	26	0.9%	14	27	4.6	3.1
28	RM FM	2,335,723	0.17%	27	640	21	1.3%	13	28	4.3	3.0
29	Ikwekwezi FM	4,051,355	0.30%	25	1,250	13	2.6%	12	29	3.9	3.0
30	Radio 2000	534,990	0.04%	30	220	29	0.5%	9	30	6.7	1.3
31	CKI-FM Sterio	128,776	0.01%	31	615	22	1.3%	1	31	3.7	0.2
		1,346,080,353			47,871						

# 7.7 Index of 2002 Radio Share of Spend, Share of Audience against LSM Profile

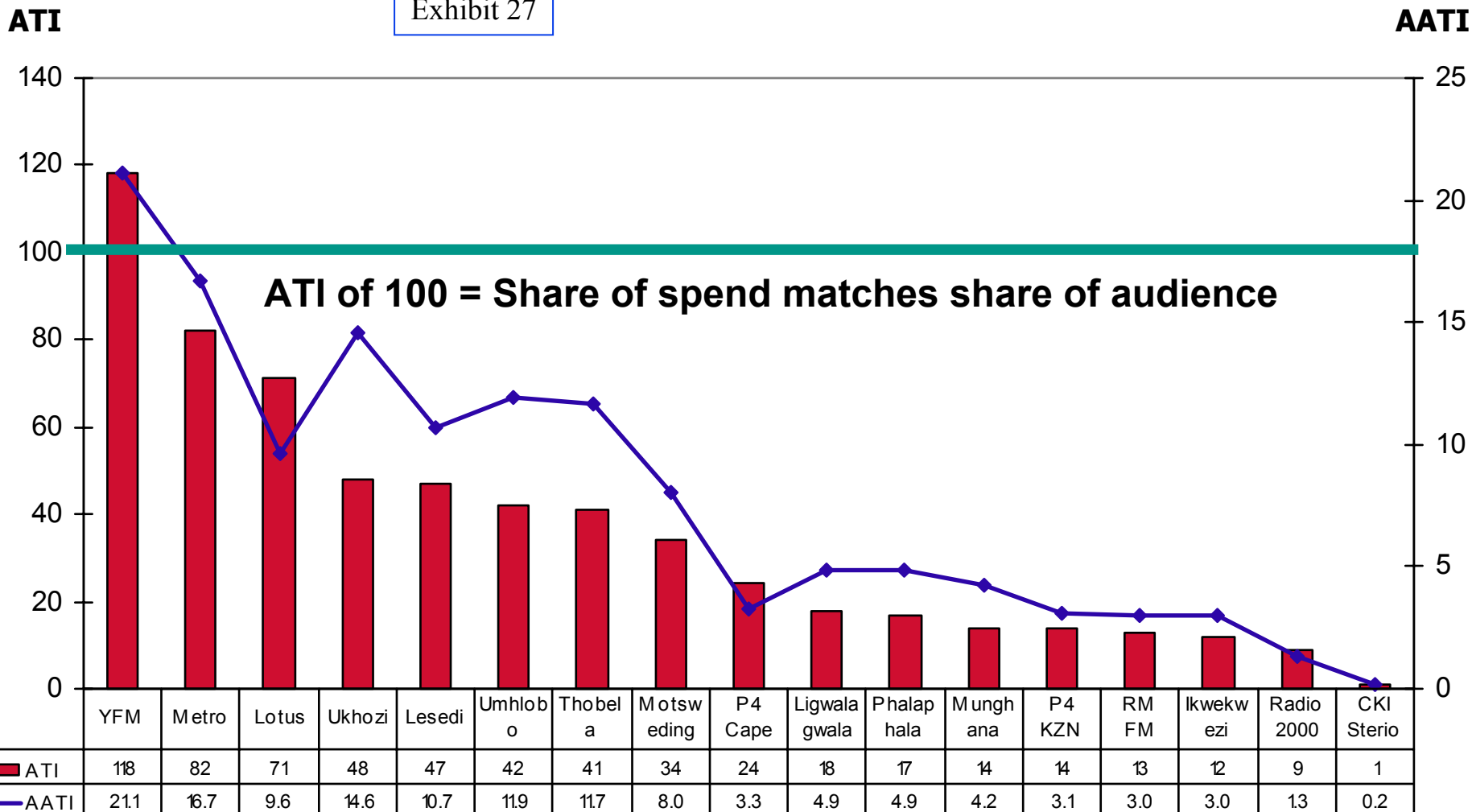
Exhibit 26



# 7.8 Index of Radio Share of 2002 Spend, Share of Audience against LSM Profile



Exhibit 27



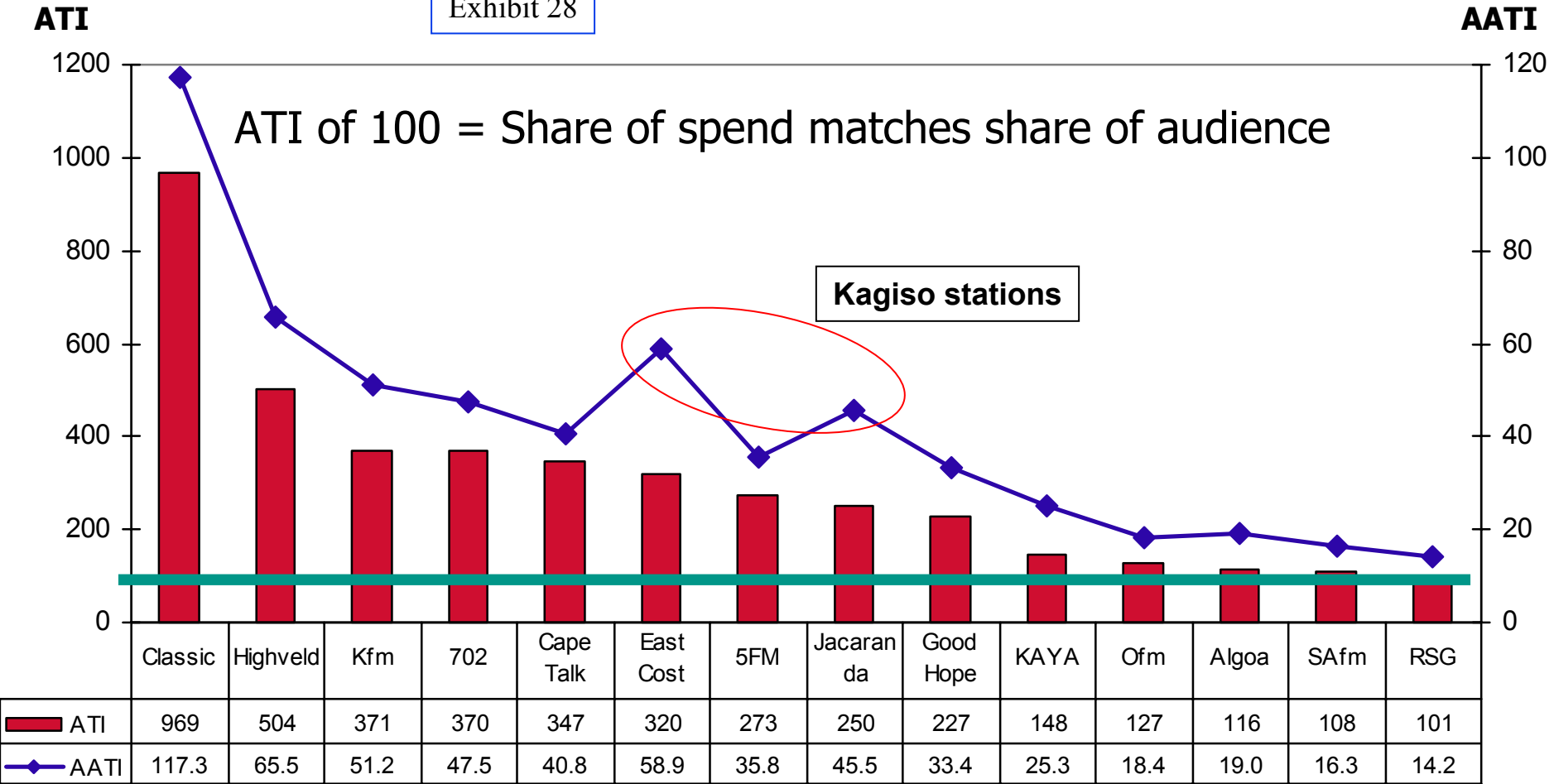
# 7.9 2003 Radio Share of Spend, Share of Audience against LSM Profile



Rank on AATI	Station	Spend in Rands	SOV	Rank on SOV	Audience in 000's	Rank on Audience	Share of Audience	ATI Index	Rank on ATI	LSM Index	AATI
1	Classic FM	44,983,925	2.98%	11	158	31	0.3%	969	1	8.3	117.3
2	94.7 Highveld Sterio	190,541,849	12.62%	1	1,286	15	2.5%	504	2	7.7	65.5
3	East Cost Radio	171,862,825	11.38%	3	1,831	9	3.6%	320	6	5.4	58.9
4	Kfm 94.5	125,698,048	8.33%	5	1,155	16	2.2%	371	3	7.2	51.2
5	702 Talk Radio	30,997,802	2.05%	16	285	30	0.6%	370	4	7.8	47.5
6	Jacaranda 94.2 FM	176,406,306	11.69%	2	2,402	7	4.7%	250	8	5.5	45.5
7	567mw Cape Talk	10,790,208	0.71%	20	106	32	0.2%	347	5	8.5	40.8
8	5 FM Music	110,787,048	7.34%	6	1,383	14	2.7%	273	7	7.6	35.8
9	Good Hope FM (GHFM)	39,247,894	2.60%	13	588	23	1.1%	227	9	6.8	33.4
10	KAYA FM 95.9	40,754,512	2.70%	12	938	17	1.8%	148	10	5.8	25.3
11	Algoa FM	16,350,189	1.08%	19	479	25	0.9%	116	12	6.1	19.0
12	Ofm 94-97 FM	16,572,185	1.10%	18	443	28	0.9%	127	11	6.9	18.4
13	SAfm	21,435,904	1.42%	17	675	20	1.3%	108	13	6.7	16.3
14	Ukhozi FM	101,162,923	6.70%	7	6,658	1	13.0%	52	17	3.4	15.1
15	METRO FM	128,843,067	8.53%	4	6,126	2	11.9%	72	16	4.9	14.6
16	Radiosondergrense (RSG)	50,706,891	3.36%	10	1,707	10	3.3%	101	14	7.1	14.2
17	Umhlobo wenene FM	61,070,797	4.05%	8	4,763	3	9.3%	44	19	3.6	12.3
18	Lesedi FM	57,967,774	3.84%	9	3,941	4	7.7%	50	18	4.5	11.3
19	Thobela FM	34,315,929	2.27%	14	3,137	6	6.1%	37	20	3.7	10.1
20	Lotus FM	10,011,795	0.66%	21	474	26	0.9%	72	15	7.3	9.9
21	Motsweding FM	33,128,705	2.19%	15	3,328	5	6.5%	34	21	4.3	7.9
22	Ligwalagwala FM	9,046,169	0.60%	22	1,465	11	2.9%	21	23	3.6	5.8
23	Munghana Lonene FM	7,892,482	0.52%	23	1,397	13	2.7%	19	25	3.4	5.7
24	Phalaphala FM	4,780,828	0.32%	25	820	18	1.6%	20	24	3.5	5.7
25	Radio 2000	2,052,340	0.14%	27	291	29	0.6%	24	22	6.4	3.8
26	Ikwekwezi FM	5,064,389	0.34%	24	1,436	12	2.8%	12	28	4.0	3.0
27	RM FM	2,488,518	0.16%	26	677	19	1.3%	13	27	4.5	2.8
28	P4 Radio Cape Town	1,822,956	0.12%	28	468	27	0.9%	13	26	7.0	1.9
29	P4 KZN 99.5	1,163,374	0.08%	30	509	24	1.0%	8	29	5.0	1.6
30	99.2 YFM	1,590,321	0.11%	29	1,856	8	3.6%	3	30	5.8	0.5
31	CKI-FM Sterio	96,336	0.01%	31	616	22	1.2%	1	31	4.0	0.1
	<b>TOTAL</b>	<b>1,509,634,289</b>			<b>51,398</b>						

# 7.10 Index of 2003 Radio Share of Spend, Share of Audience against LSM Profile

Exhibit 28

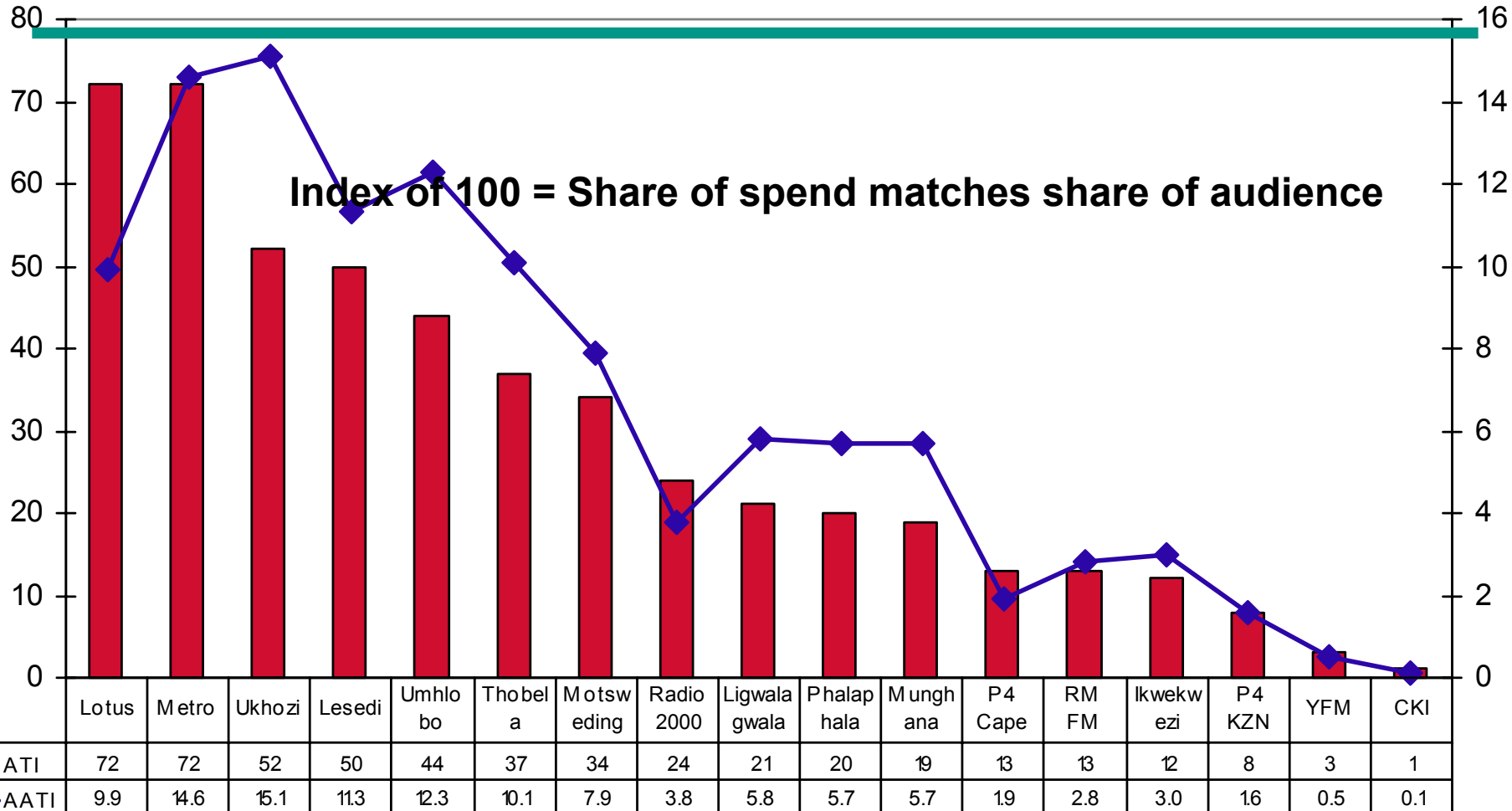


# 7.11 Index of Radio Share of 2003 Spend vs Share of Audience



Exhibit 29

Index





- The SABC vernacular stations in particular, are negatively affected by the current spending patterns, even when accounting for their lower LSM profile
- 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 for upper income households appear to be the most advantaged

- There is over-investment in high profile stations, regardless of the value or size of the audiences
- While race (of listeners) is a factor in this over-investment, it is not the only factor, and probably not the most important since for many high profile stations, black listenership has been growing along with over-investment
- However, we believe that marketing and sales promotion may be the defining factor, in other words, the stations owned by Kagiso, Primedia and NAIL are better marketed than SABC stations and the P4's
- Race may be also be factor in the sales promotion and marketing process, rather than in relation to the profile of listenership, i.e. how critical are personal relationships in the selling of airtime?
- Several SABC stations are subject to leakage, i.e. because they cover wide regional areas or the whole country, they are inefficient in their reach of target audience (radio is inherently a regional medium!)

# 7.14 Television Share of 2001 Spend vs Share of Audience

## Television 2001 share of spend vs share of audience

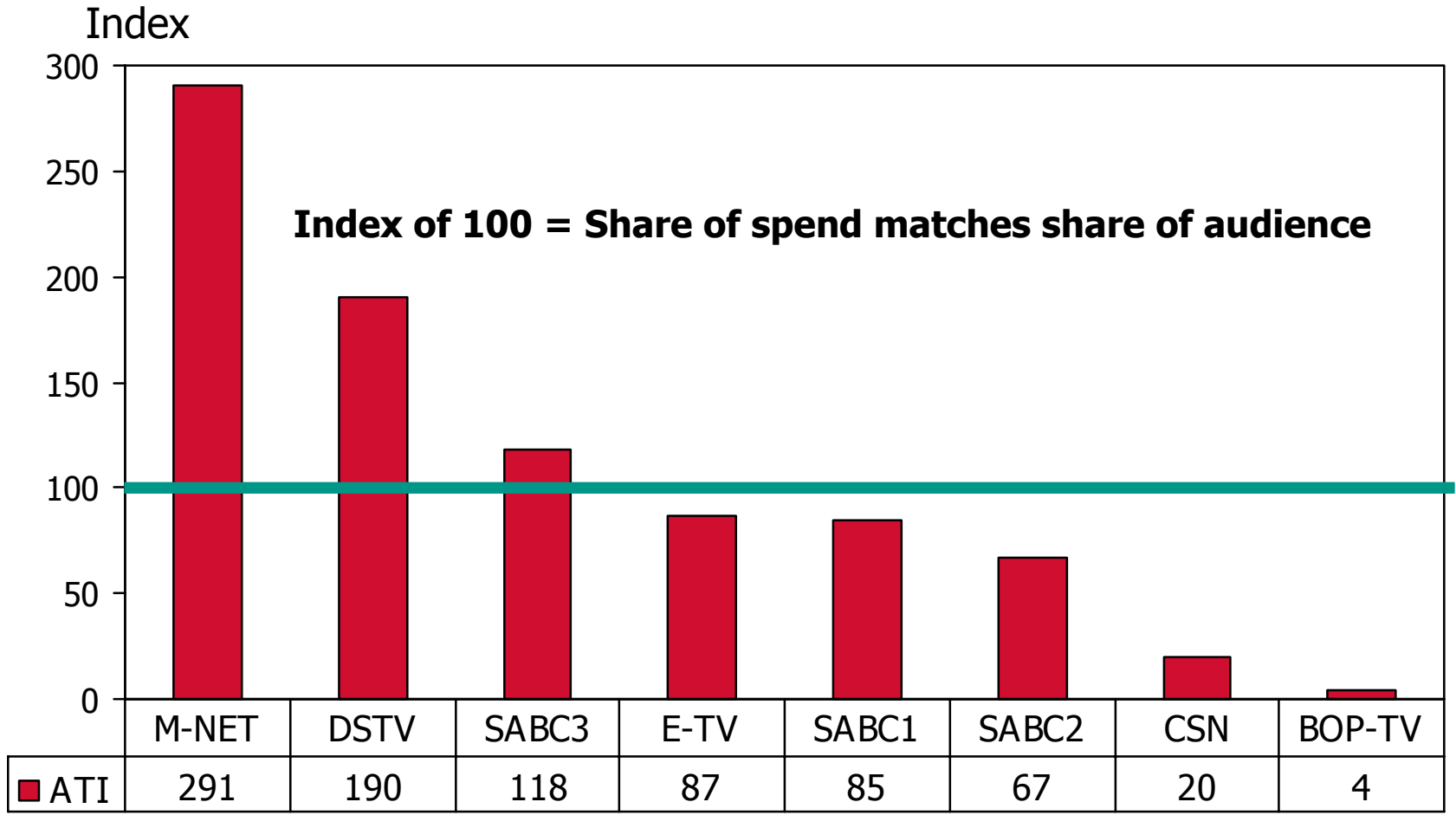
Rank on SOV/SOA Index	Station		Spend	Share of spend SOV	Rank on SOV	Audience in 000's	Rank on audience SOA	Share of audience SOA	SOV/ SOA index
1	M-NET	R	562,876,678	18%	3	4,218	5	6.3%	291
2	DSTV	R	103,469,113	3%	6	1,190	6	1.8%	190
3	SABC3	R	619,763,834	20%	2	11,493	4	17.2%	118
4	E-TV	R	507,829,075	17%	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

# 7.15 Index of Television Share of 2001 Spend vs Share of Audience

Exhibit 30



# 7.16 Television Share of 2002 Spend, Share of Audience against LSM Profile

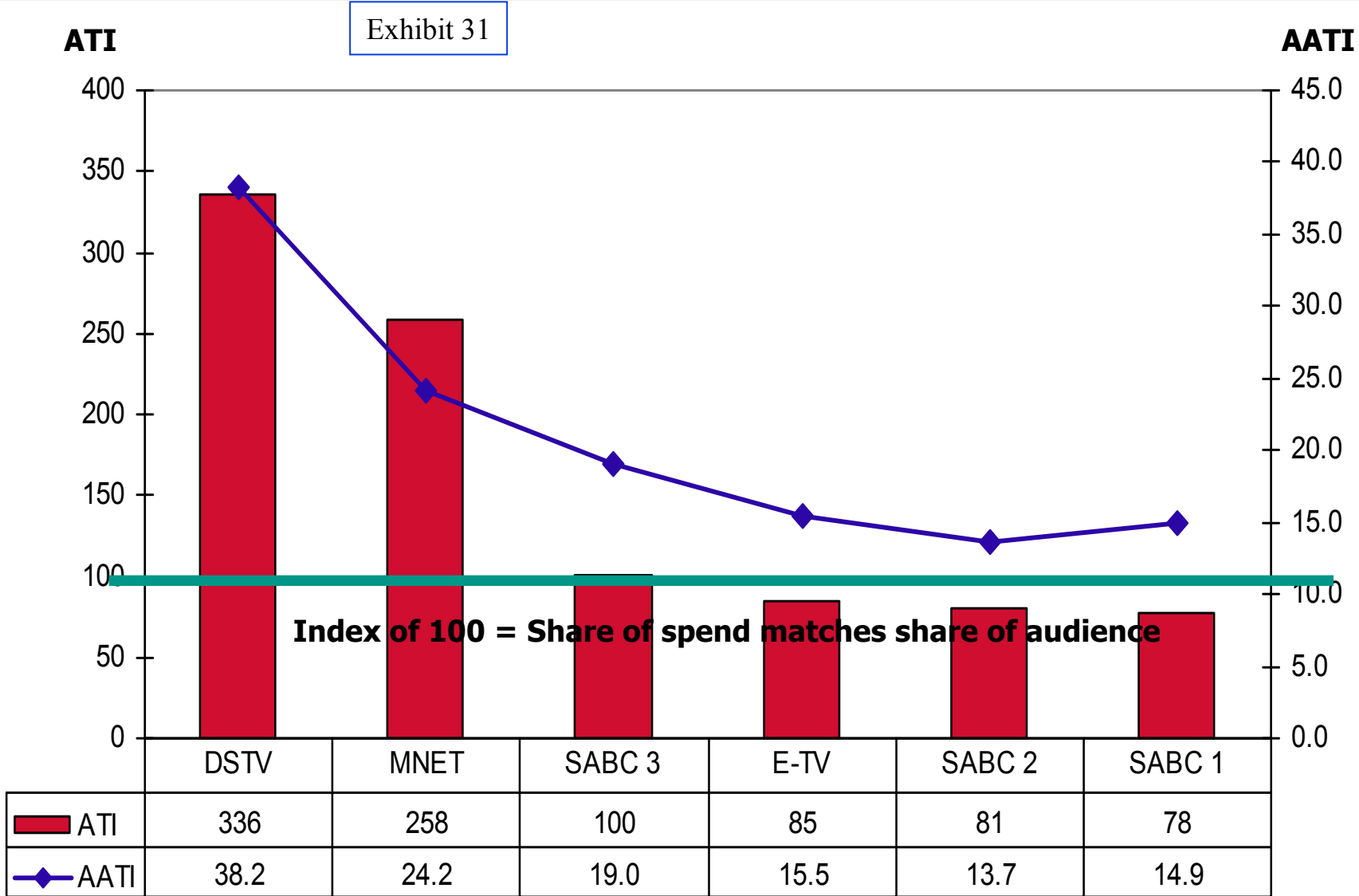


Rank on AATI	Station	Spend in Rands	SOV	Rank on SOV	Audience in 000's	Rank on Audience	Share of Audience	ATI Index	Rank on ATI	LSM Index	AATI
1	MNET	599,623,001	16.99%	4	3,281	5	5.4%	314	1	8.2	38.2
2	DSTV	176,544,017	5.00%	6	1,505	6	2.5%	202	2	8.3	24.2
3	SABC 3	607,014,860	17.20%	3	8,709	4	14.4%	120	3	6.3	19.0
4	E-TV	690,078,507	19.56%	2	13,277	3	21.9%	89	4	5.7	15.5
6	SABC 1	857,640,333	24.31%	1	20,239	1	33.4%	73	6	4.9	14.9
5	SABC 2	597,533,753	16.93%	5	13,644	2	22.5%	75	5	5.5	13.7
		3,528,434,471			60,655						

# 7.17 Index of Television Share of 2002 Spend vs Share of Audience



Exhibit 31



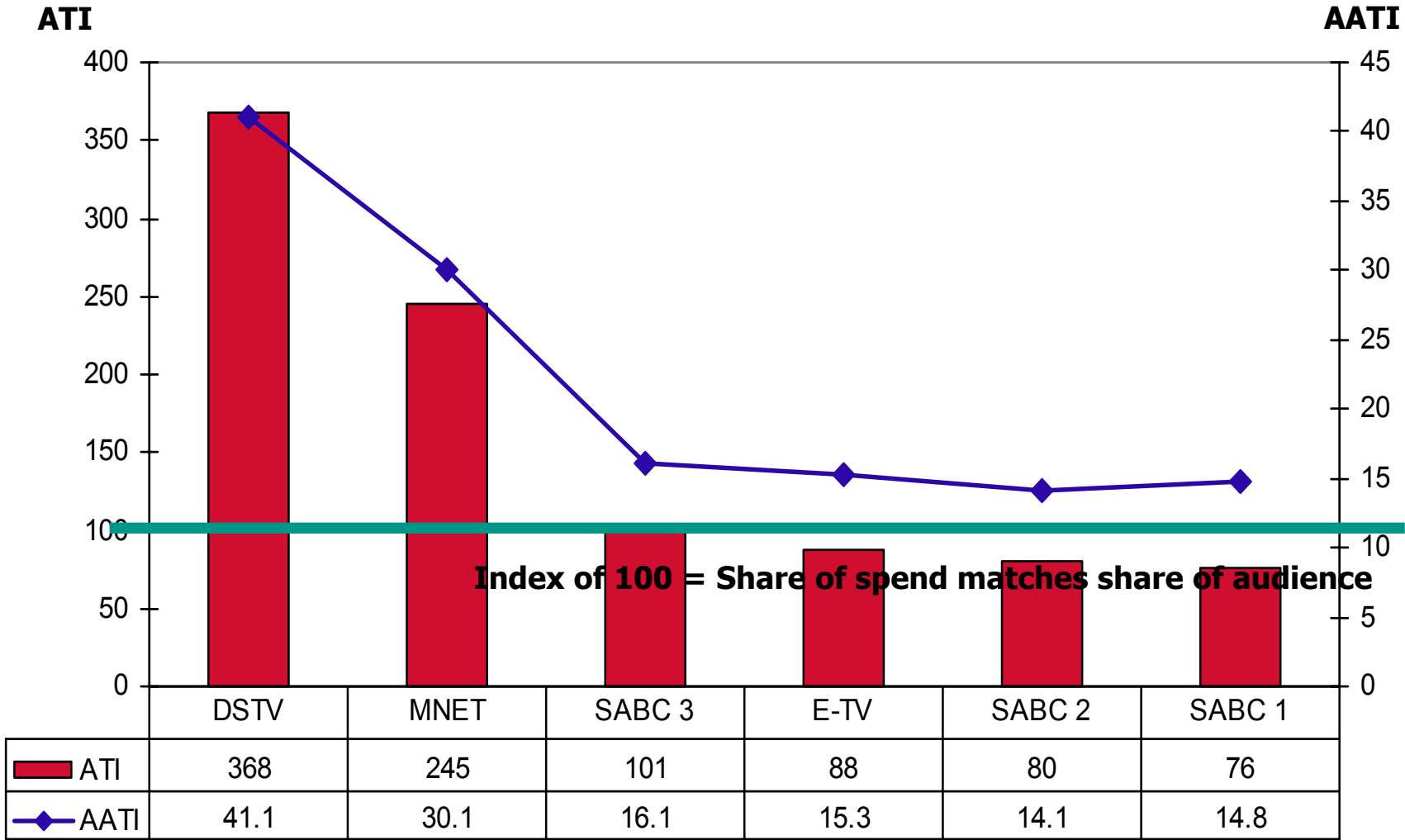
# 7.18 Television Share of 2003 Spend, Share of Audience against LSM Profile

Rank on AATI	Station	Spend in Rands	SOV	Rank on SOV	Audience in 000's	Rank on Audience	Share of Audience	ATI Index	Rank on ATI	LSM Index	AATI
1	DSTV	341,113,434	8.10%	6	1,564	6	2.2%	368	1	8.9	41.1
2	MNET	586,317,622	13.93%	5	4,033	5	5.7%	245	2	8.2	30.1
3	SABC 3	724,281,894	17.21%	4	12,134	4	17.1%	101	3	6.2	16.1
4	E-TV	876,641,689	20.83%	2	16,832	2	23.7%	88	4	5.7	15.3
5	SABC 1	932,507,535	22.15%	1	20,731	1	29.2%	76	6	5.1	14.8
6	SABC 2	748,663,249	17.78%	3	15,749	3	22.2%	80	5	5.7	14.1
	<b>TOTAL</b>	<b>4,209,525,423</b>			<b>71,043</b>						

# 7.19 Index of Television Share of 2003 Spend vs Share of Audience



Exhibit 32





- **Pay TV 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.

# 7.21 Magazines Share of 2001 Spend vs Share of Audience



Print 2001 share of spend versus share of audience

Rank on SOV/SOA Index	Title	Spend	Rank on Spend	Share of Audience Spend SOV	Share of 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

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# 7.21 Magazines Share of 2001 Spend vs Share of Audience



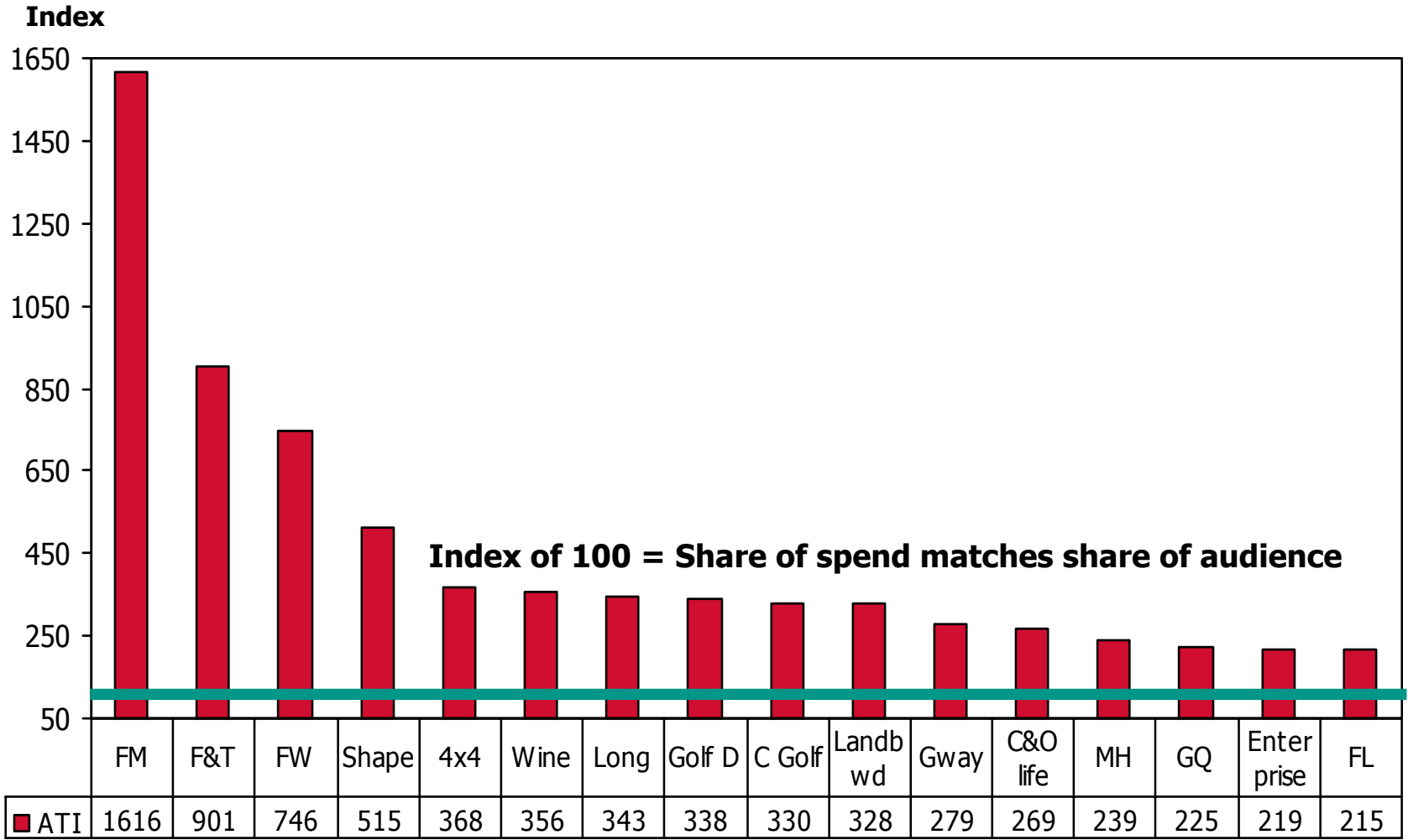
Rank on SOV/SOA Index	Title	Spend	Rank on Spend	Share of Spend SOV	Audience in 000's	Rank on Audience	Share of Audience SOA	SOV/SOA Index
37	Style	R 6,137,177	43	0.6%	264	45	0.6%	99
38	De Kat	R 2,899,352	58	0.3%	125	58	0.3%	99
39	Gardening SA	R 6,663,907	41	0.7%	296	40	0.7%	96
40	Woman's Value	R 14,255,368	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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# 7.22 Index of Magazine Share of 2001 Spend vs Share of Audience



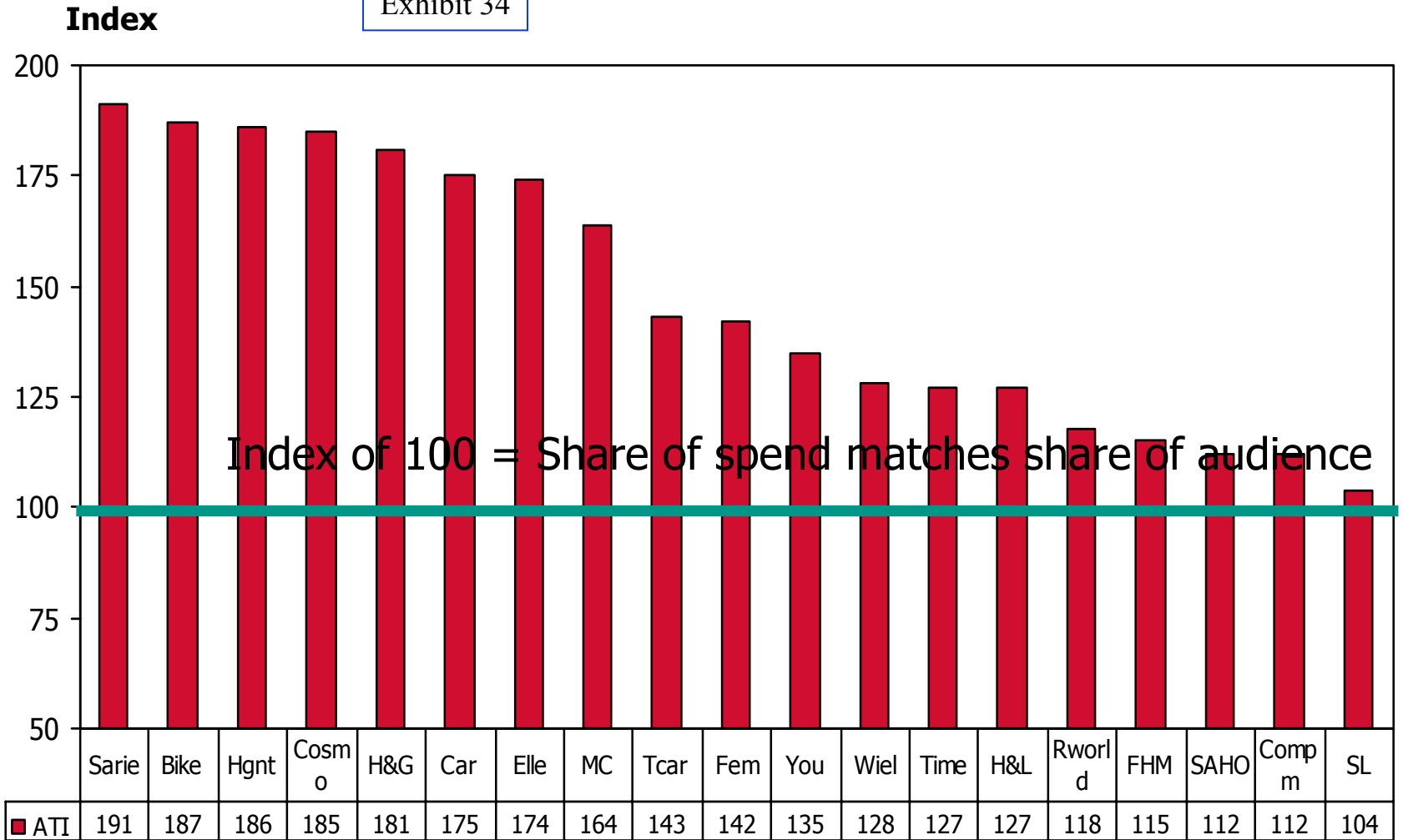
Exhibit 33



# 7.23 Index of Magazine Share of 2001 Spend vs Share of Audience (continued)



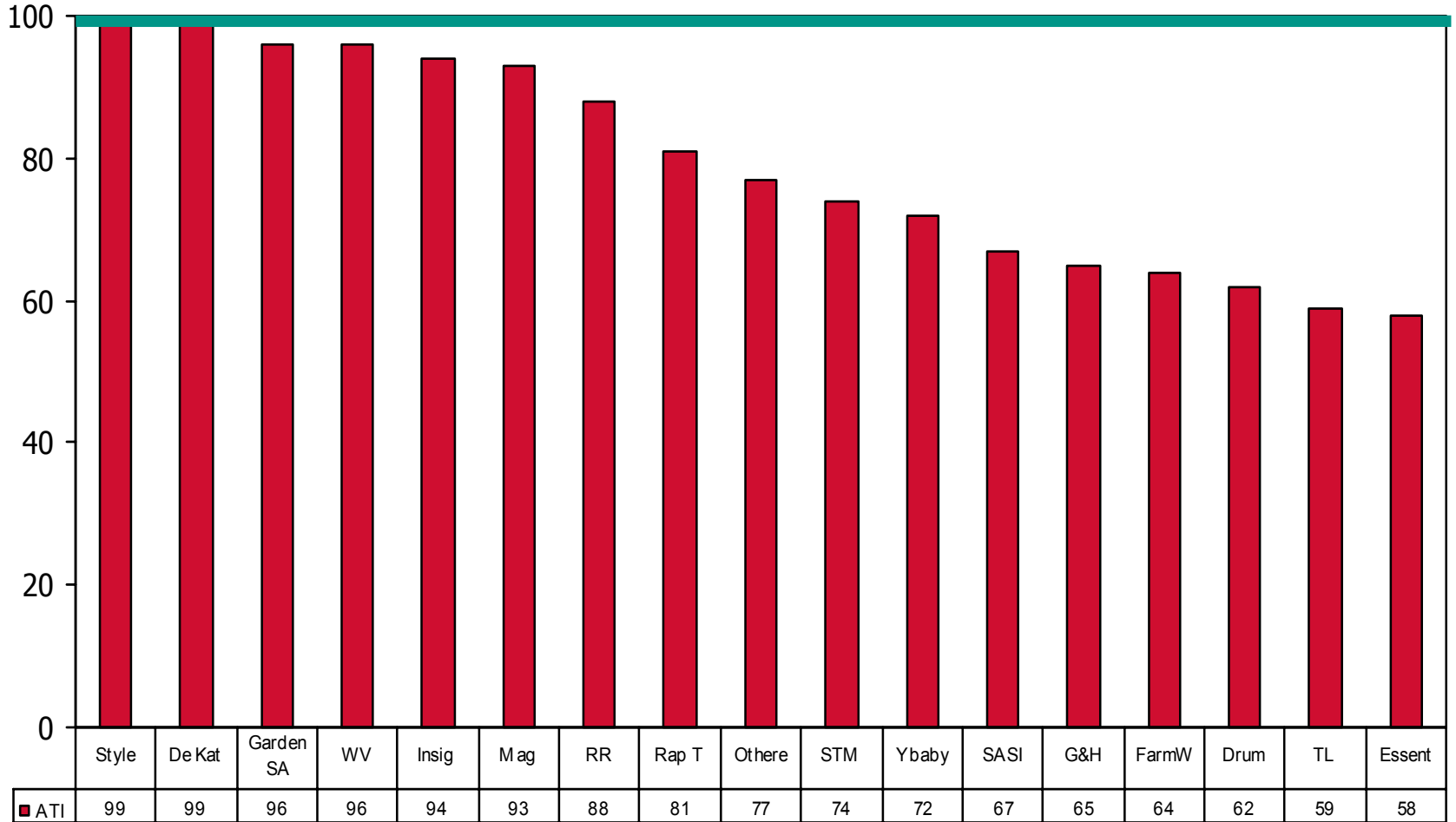
Exhibit 34



# 7.24 Index of Magazine Share of 2001 Spend vs Share of Audience (continued)

Exhibit 35

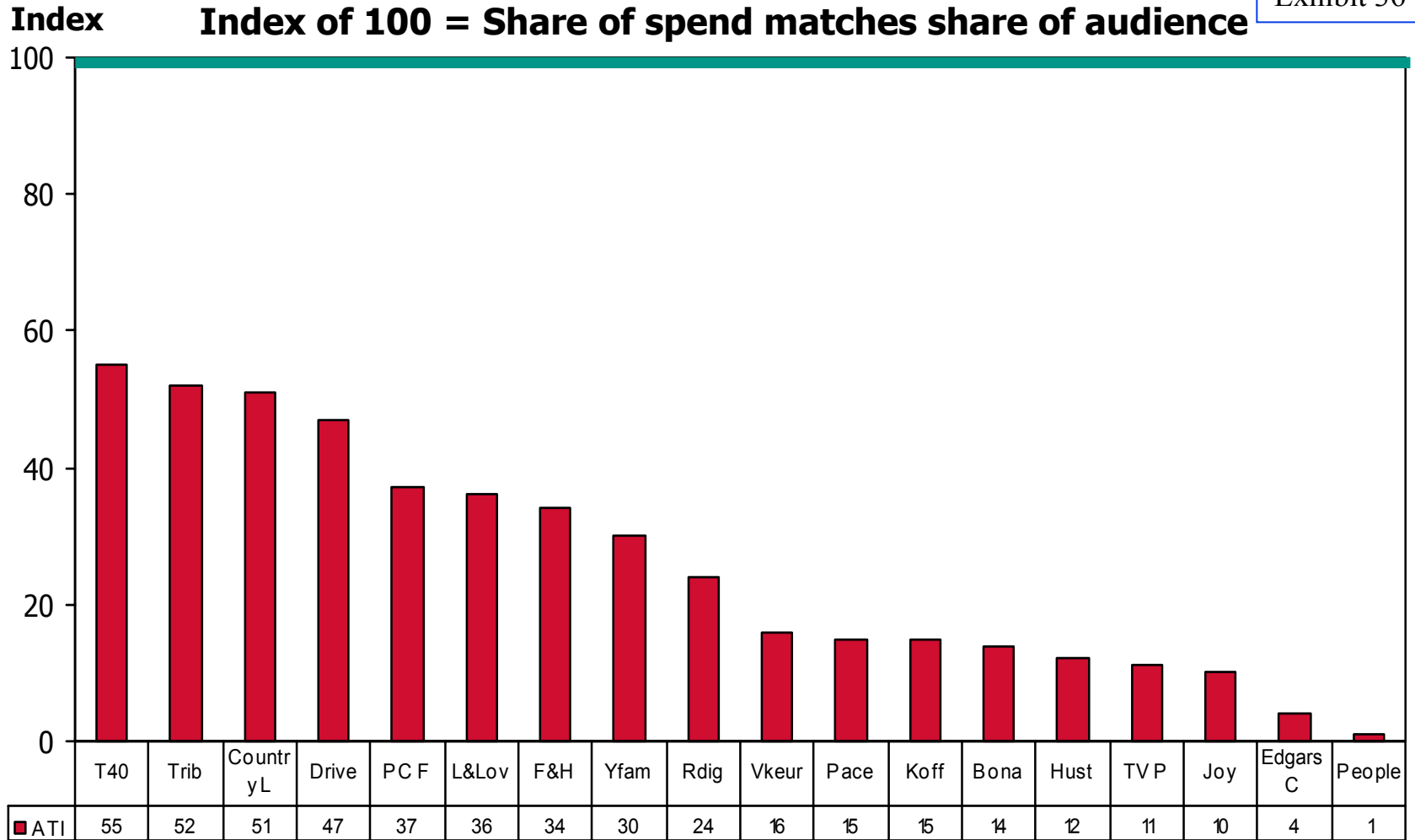
**Index** **Index of 100 = Share of spend matches share of audience**



# Index of Magazine Share of 2001 Spend vs Share of Audience (continued)



Exhibit 36





# Magazines Share of 2002 Spend, Share of Audience against LSM Profile



Rank on AATI	Magazine	Spend in Rands	SOV	Rank on SOV	Audience in 000's	Rank on Audience	Share of Audience	ATI Index	Rank on ATI	LSM Index	AATI
1	FINANCIAL MAIL	60,117,551	6.53%	3	185	46	0.53%	1,242	1	8.0	155.1
2	FINANSIES& TEGNIEK	15,480,328	1.68%	16	71	68	0.20%	834	2	8.7	96.1
3	FINANCE WEEK	11,641,012	1.26%	26	91	65	0.26%	489	3	8.1	60.1
4	SA GOLF DIGEST	9,693,042	1.05%	29	99	63	0.28%	374	4	8.3	45.0
5	WINE MAGAZINE	7,888,072	0.86%	35	92	64	0.26%	328	5	8.3	39.5
6	SHAPE	13,499,200	1.47%	22	176	50	0.50%	293	6	8.3	35.3
7	ENTERPRISE	4,593,778	0.50%	46	73	67	0.21%	241	10	7.2	33.6
8	DIT	13,531,093	1.47%	21	177	49	0.50%	292	7	8.7	33.6
9	COMPLEAT GOLFER	8,634,319	0.94%	33	118	59	0.34%	280	8	8.4	33.4
10	LANDBOU WEEKBLAD	17,871,911	1.94%	14	260	40	0.74%	263	9	8.2	32.0
11	MEN'S HEALTH	33,594,904	3.65%	7	643	15	1.83%	200	12	8.0	24.8
12	GETAWAY	31,666,419	3.44%	9	559	21	1.59%	217	11	8.8	24.7
13	HUISGENOOT	98,512,071	10.70%	1	2,013	4	5.72%	187	14	7.6	24.5
14	FAIRLADY	36,929,850	4.01%	5	767	12	2.18%	184	15	7.6	24.1
15	CAR	41,826,620	4.54%	4	824	11	2.34%	194	13	8.1	24.0
16	BABA& KLEUTER	4,473,740	0.49%	47	100	62	0.28%	171	17	7.7	22.2
17	ELLE	14,791,387	1.61%	17	333	29	0.95%	170	19	7.9	21.4
18	TOPCAR	21,757,287	2.36%	13	489	23	1.39%	170	18	8.1	21.0
19	HOUSE AND LEISURE	14,178,462	1.54%	18	320	31	0.91%	169	20	8.3	20.3
20	INSIG	3,667,752	0.40%	53	81	66	0.23%	173	16	8.6	20.1
21	LONGEVITY	6,543,527	0.71%	37	154	52	0.44%	162	21	8.5	19.1
22	COSMOPOLITAN	32,945,270	3.58%	8	874	10	2.48%	144	23	8.0	18.0
23	SA HOME OWNER	9,338,943	1.01%	31	249	42	0.71%	143	24	8.1	17.7
24	YOU	69,231,010	7.52%	2	2,127	2	6.05%	124	28	7.3	17.1
25	ROOI ROSE	26,036,578	2.83%	10	749	13	2.13%	133	26	7.8	17.1
26	FHM	15,973,898	1.74%	15	438	25	1.24%	139	25	8.3	16.8
27	CARAVAN AND OUTDOOR LIFE	4,118,162	0.45%	49	108	61	0.31%	146	22	8.8	16.5
28	RUNNER'S WORLD	4,006,188	0.44%	51	117	60	0.33%	131	27	7.9	16.5
29	SARIE	23,189,706	2.52%	12	716	14	2.04%	124	29	7.8	15.9
30	MARIE CLAIRE	12,152,814	1.32%	24	376	27	1.07%	124	30	8.1	15.3
31	BIKE SA MAGAZINE	8,896,005	0.97%	32	276	38	0.78%	123	31	8.3	14.8
32	FEMINA	13,641,846	1.48%	20	443	24	1.26%	118	32	8.0	14.8
33	TIME	9,523,212	1.03%	30	312	33	0.89%	117	33	8.2	14.3
34	WIEL	4,311,485	0.47%	48	144	54	0.41%	114	34	8.5	13.4

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# Magazines Share of 2002 Spend, Share of Audience against LSM Profile (continued)

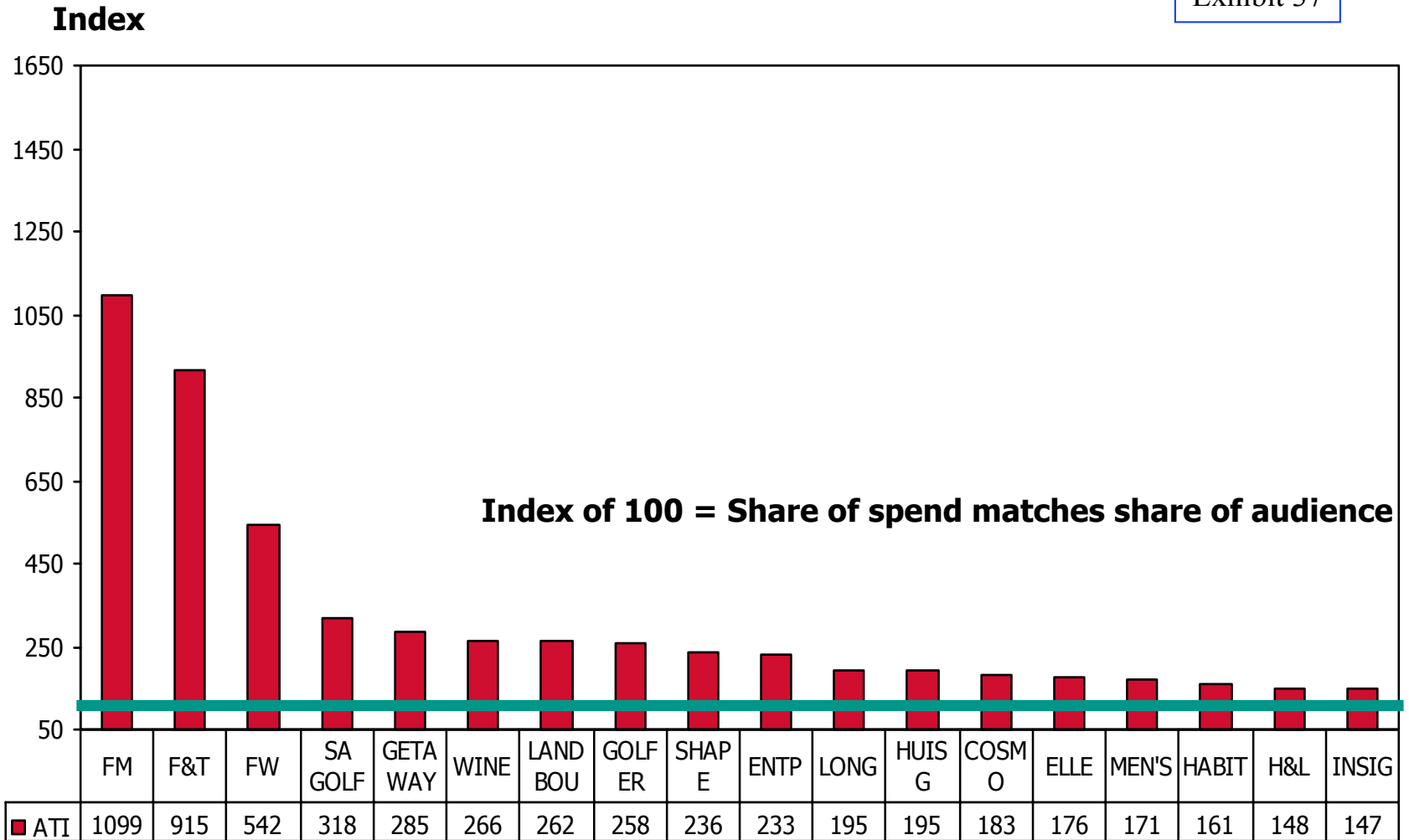


Rank on AATI	Magazine	Spend	SOV	Rank on SOV	Audience in 000's	Rank on Audience	Share of Audience	ATI Index	Rank on ATI Index	LSM Index	AATI
35	GQ	7,276,303	0.79%	36	258	41	0.73%	108	35	8.2	13.1
36	YOUR BABY	6,395,904	0.69%	38	287	37	0.82%	85	39	6.9	12.4
37	SA SPORTS ILLUSTRATED	14,096,665	1.53%	19	590	19	1.68%	91	37	7.5	12.1
38	TRUE LOVE	34,624,591	3.76%	6	2,101	3	5.97%	63	46	5.3	11.9
39	SL	4,717,679	0.51%	44	182	48	0.52%	99	36	8.5	11.7
40	FARMER'S WEEKLY	2,959,070	0.32%	54	125	57	0.36%	91	38	8.1	11.2
41	WOMAN'S VALUE	11,786,942	1.28%	25	545	22	1.55%	83	40	8.1	10.1
42	SA GARDENING	6,252,668	0.68%	39	297	36	0.84%	80	41	8.3	9.6
43	DRUM	23,783,576	2.58%	11	1,878	5	5.34%	48	51	5.0	9.6
44	TRIBUTE	2,880,630	0.31%	55	171	51	0.49%	64	45	6.8	9.5
45	SA GARDEN& HOME	13,301,429	1.45%	23	638	16	1.81%	80	42	8.5	9.4
46	SA 4X4	2,533,937	0.28%	59	125	58	0.36%	77	43	8.5	9.1
47	STYLE	4,651,692	0.51%	45	273	39	0.78%	65	44	7.5	8.7
48	MAN MAGNUM	2,117,578	0.23%	61	130	55	0.37%	62	47	7.8	7.9
49	ESSENTIALS	5,622,655	0.61%	43	360	28	1.02%	60	48	8.5	7.1
50	YOUR PREGNANCY	2,633,376	0.29%	57	218	43	0.62%	46	53	6.5	7.1
51	PACE	10,496,127	1.14%	27	1,169	7	3.32%	34	58	5.0	6.9
52	PC FORMAT	2,799,377	0.30%	56	184	47	0.52%	58	49	8.5	6.8
53	DRIVE	4,084,757	0.44%	50	305	34	0.87%	51	50	7.7	6.7
54	SA COUNTRY LIFE	1,763,274	0.19%	63	145	53	0.41%	46	52	8.7	5.3
55	DE KAT	1,376,854	0.15%	64	127	56	0.36%	41	54	7.9	5.3
56	FOOD& HOME ENT.	3,833,202	0.42%	52	389	26	1.11%	38	56	7.4	5.1
57	Y MAG	2,607,825	0.28%	58	317	32	0.90%	31	59	6.3	5.0
58	YOUR FAMILY	5,888,412	0.64%	41	584	20	1.66%	39	55	7.9	4.9
59	LIVING& LOVING	5,767,028	0.63%	42	635	17	1.80%	35	57	7.2	4.8
60	KICKOFF	8,421,795	0.92%	34	1,823	6	5.18%	18	63	4.5	3.9
61	READER'S DIGEST	6,180,850	0.67%	40	964	9	2.74%	25	60	7.3	3.4
62	BONA	10,443,921	1.13%	28	3,065	1	8.71%	13	64	4.1	3.2
63	VROUE KEUR	1,997,996	0.22%	62	330	30	0.94%	23	61	7.9	2.9
64	STYWE LYNE/TIGHT LINES	1,079,267	0.12%	65	193	45	0.55%	21	62	8.5	2.5
65	HUSTLER	598,212	0.07%	66	305	35	0.87%	7	66	5.8	1.3
66	TV PLUS	2,429,067	0.26%	60	1,101	8	3.13%	8	65	7.4	1.1
67	JOY	253,640	0.03%	68	194	44	0.55%	5	67	8.0	0.6
68	PEOPLE	387,301	0.04%	67	622	18	1.77%	2	68	7.3	0.3
		815,481,037	88.61%		34,646						ntial

# Index of Magazine Share of 2002 Spend vs Share of Audience



Exhibit 37

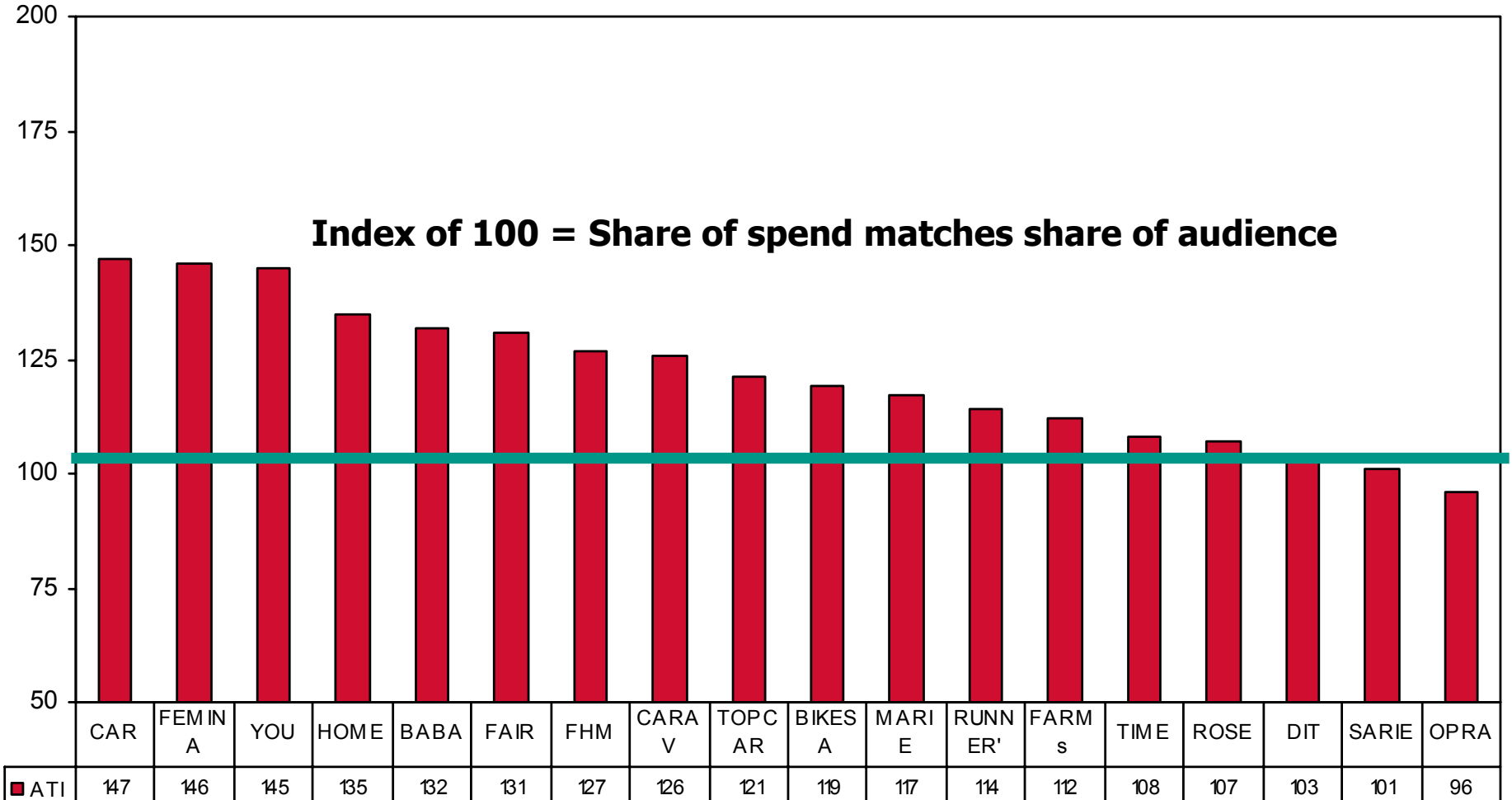


# Index of Magazine Share of 2002 Spend vs Share of Audience (continued)



Exhibit 38

**Index**

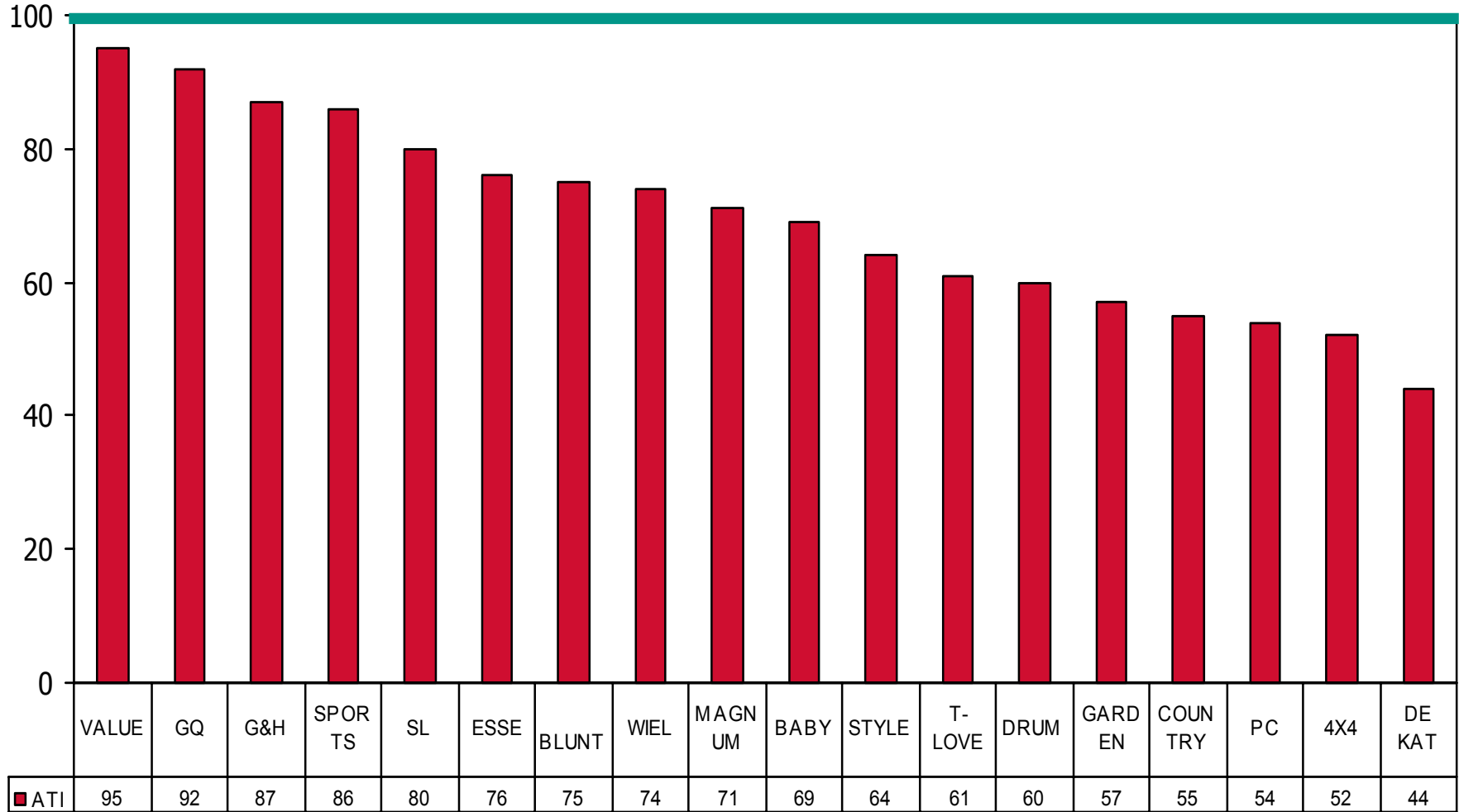


# Index of Magazine Share of 2002 Spend vs Share of Audience (continued)



Exhibit 39

Index of 100 = Share of spend matches share of audience



# Index of Magazine Share of 2002 Spend vs Share of Audience (continued)



Exhibit 40

## Index

Index of 100 = Share of spend matches share of audience



# Magazines Share of 2003 Spend, Share of Audience against LSM Profile



Rank on AATI	Magazine	Spend in Rands	SOV	Rank on SOV	Audience in 000's	Rank on Audience	Share of Audience	ATI Index	Rank on ATI Index	LSM Index	AATI
1	FINANCIAL MAIL	57,618,386	5.55%	3	198	48	0.53%	1,046	1	7.9	132.3
2	FINANSIES& TEGNIEK	20,699,029	2.00%	15	83	70	0.22%	897	2	8.5	105.3
3	FINANCE WEEK	17,735,092	1.71%	16	115	65	0.31%	555	3	8.0	69.7
4	SA GOLF DIGEST	11,128,192	1.07%	28	114	66	0.31%	351	4	8.1	43.5
5	ENTERPRISE	5,682,470	0.55%	41	85	69	0.23%	240	9	6.1	39.2
6	COMPLEAT GOLFER	10,887,724	1.05%	29	136	57	0.36%	288	6	7.5	38.2
7	GETAWAY	53,585,783	5.17%	4	604	20	1.62%	319	5	8.7	36.7
8	WINE MAGAZINE	8,612,216	0.83%	35	118	64	0.32%	262	7	7.7	33.9
9	LANDBOU WEEKBLAD	21,966,238	2.12%	13	306	40	0.82%	258	8	7.9	32.5
10	SHAPE	16,416,840	1.58%	21	247	44	0.66%	239	10	8.1	29.4
11	HUISGENOOT	116,116,874	11.19%	1	2,157	3	5.78%	194	12	7.7	25.3
12	LONGEVITY	7,284,929	0.70%	37	133	60	0.36%	197	11	8.3	23.8
13	MEN'S HEALTH	36,912,548	3.56%	9	753	14	2.02%	176	13	7.7	22.9
14	COSMOPOLITAN	39,258,285	3.78%	7	803	13	2.15%	176	14	8.0	22.0
15	YOU	88,475,122	8.53%	2	2,110	4	5.66%	151	18	7.3	20.7
16	CAR	42,834,791	4.13%	5	1,015	10	2.72%	152	16	7.8	19.5
17	SA HOME OWNER	12,446,256	1.20%	25	310	39	0.83%	144	19	7.6	19.1
18	HOUSE AND LEISURE	14,349,458	1.38%	24	340	33	0.91%	152	15	8.2	18.5
19	HABITAT	5,347,810	0.52%	42	127	62	0.34%	151	17	8.2	18.4
20	FEMINA	17,352,117	1.67%	18	440	27	1.18%	142	20	7.8	18.2
21	BABA& KLEUTER	5,314,636	0.51%	43	143	55	0.38%	134	23	7.5	17.8
22	FAIRLADY	38,001,218	3.66%	8	1,051	8	2.82%	130	25	7.5	17.4
23	ELLE	14,398,544	1.39%	23	385	28	1.03%	134	22	7.8	17.2
24	FHM	21,163,302	2.04%	14	552	24	1.48%	138	21	8.3	16.6
25	RUNNER'S WORLD	4,873,564	0.47%	44	136	58	0.36%	129	26	7.8	16.6
26	FARMER'S WEEKLY	3,869,482	0.37%	49	121	63	0.32%	115	30	7.3	15.7
27	INSIG	3,524,368	0.34%	52	95	68	0.25%	133	24	8.7	15.4
28	BIKE SA MAGAZINE	10,279,631	0.99%	30	292	41	0.78%	127	28	8.3	15.3
29	O' THE OPRAH MAGAZINE	10,168,296	0.98%	31	314	37	0.84%	116	29	7.7	15.0
30	CARAVAN AND OUTDOOR L	4,582,543	0.44%	45	129	61	0.35%	128	27	8.6	14.9
31	MARIE CLAIRE	11,784,852	1.14%	26	377	29	1.01%	112	31	7.7	14.6
32	SA SPORTS ILLUSTRATED	17,678,533	1.70%	17	630	19	1.69%	101	33	7.3	13.7
33	SARIE	25,454,869	2.45%	11	915	11	2.45%	100	34	7.7	13.0
34	TIME	8,697,496	0.84%	34	313	38	0.84%	100	35	7.7	13.0
35	WOMAN'S VALUE	16,487,347	1.59%	20	573	23	1.54%	103	32	8.1	12.7
36	ROOI ROSE	23,420,188	2.26%	12	862	12	2.31%	98	36	7.7	12.7

# Magazines Share of 2003 Spend, Share of Audience against LSM Profile (continued)



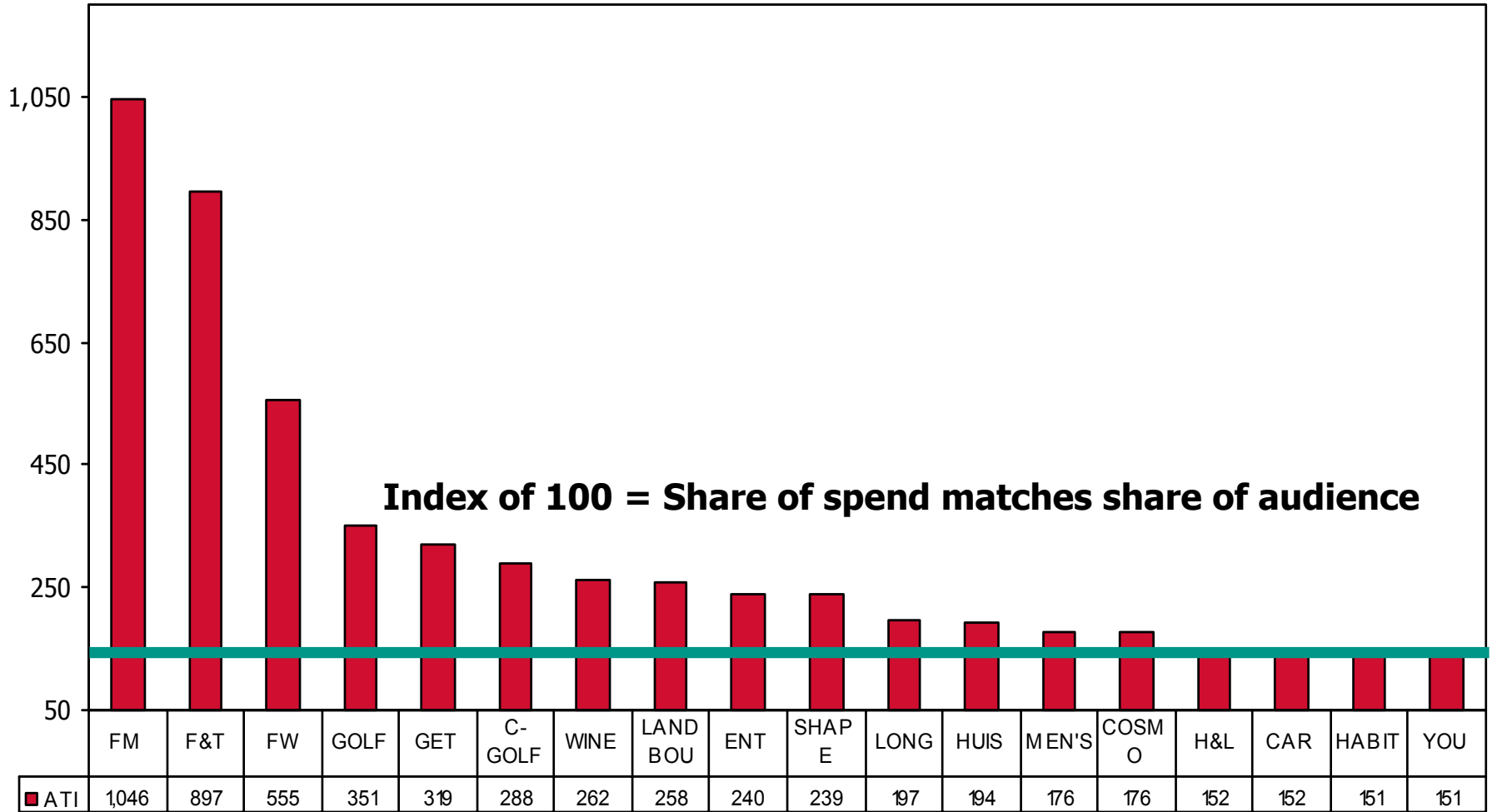
Rank on AATI	Magazine	Spend	SOV	Rank on SOV	Audience in 000's	Rank on Audience	Share of Audience	ATI Index	Rank on ATI	LSM Index	AATI
37	TOPCAR	15,517,323	1.50%	22	582	22	1.56%	96	38	7.8	12.2
38	GQ	9,090,816	0.88%	33	338	34	0.91%	97	37	8.1	12.0
39	TRUE LOVE	41,134,420	3.97%	6	2,297	2	6.16%	64	46	5.4	11.9
40	DRUM	26,013,349	2.51%	10	1,627	6	4.36%	57	48	5.2	11.0
41	SA GARDEN& HOME	16,525,625	1.59%	19	709	16	1.90%	84	39	8.3	10.0
42	ESSENTIALS	7,591,429	0.73%	36	335	35	0.90%	81	40	8.1	10.0
43	SL	3,866,975	0.37%	50	174	51	0.47%	80	41	8.2	9.8
44	MAN MAGNUM	2,871,334	0.28%	57	138	56	0.37%	75	42	7.9	9.5
45	YOUR BABY	6,154,570	0.59%	39	356	31	0.95%	62	47	6.6	9.4
46	WIEL	3,424,430	0.33%	53	178	50	0.48%	69	43	8.1	8.5
47	SA COUNTRY LIFE	2,704,666	0.26%	59	150	54	0.40%	65	45	8.0	8.1
48	STYLE	4,524,050	0.44%	46	283	42	0.76%	57	49	7.5	7.7
49	BLUNT MAGAZINE	2,855,434	0.28%	58	153	53	0.41%	67	44	8.7	7.7
50	DE KAT	2,064,660	0.20%	63	135	59	0.36%	55	50	8.2	6.7
51	SA 4X4	2,252,825	0.22%	61	157	52	0.42%	52	52	7.8	6.7
52	YOUR PREGNANCY	3,021,757	0.29%	55	263	43	0.71%	41	54	6.3	6.6
53	PC FORMAT	3,004,752	0.29%	56	205	47	0.55%	53	51	8.6	6.1
54	SA GARDENING	4,381,145	0.42%	47	374	30	1.00%	42	53	7.8	5.4
55	DRIVE	3,832,881	0.37%	51	347	32	0.93%	40	55	7.6	5.2
56	LIVING& LOVING	6,606,694	0.64%	38	676	17	1.81%	35	56	7.1	4.9
57	KICKOFF	11,451,766	1.10%	27	1,829	5	4.90%	23	60	4.7	4.8
58	YOUR FAMILY	6,132,233	0.59%	40	664	18	1.78%	33	57	7.6	4.4
59	FOOD& HOME ENT.	3,280,743	0.32%	54	466	25	1.25%	25	59	7.1	3.5
60	STYWE LYNE/TIGHT LINES	1,642,610	0.16%	64	224	45	0.60%	26	58	8.5	3.1
61	BONA	9,724,936	0.94%	32	2,675	1	7.17%	13	63	4.4	3.0
62	READER'S DIGEST	4,380,042	0.42%	48	1,030	9	2.76%	15	62	7.1	2.1
63	VROUE KEUR	2,135,053	0.21%	62	454	26	1.22%	17	61	8.0	2.1
64	Y MAG	1,588,820	0.15%	65	594	21	1.59%	10	65	6.3	1.5
65	HUSTLER	616,636	0.06%	68	325	36	0.87%	7	67	5.7	1.2
66	DIT (die idees tydskrif)	626,287	0.06%	67	222	46	0.60%	10	64	8.5	1.2
67	TV PLUS	2,617,287	0.25%	60	1,224	7	3.28%	8	66	7.1	1.1
68	PEOPLE	1,078,105	0.10%	66	747	15	2.00%	5	68	7.7	0.7
69	JOY	155,325	0.01%	69	190	49	0.51%	3	69	7.3	0.4
70	LOSLYF	62,188	0.01%	70	101	67	0.27%	2	70	6.5	0.3
		1,037,340,195			37,304						

# Index of Magazine Share of 2003 Spend vs Share of Audience



Exhibit 41

Index

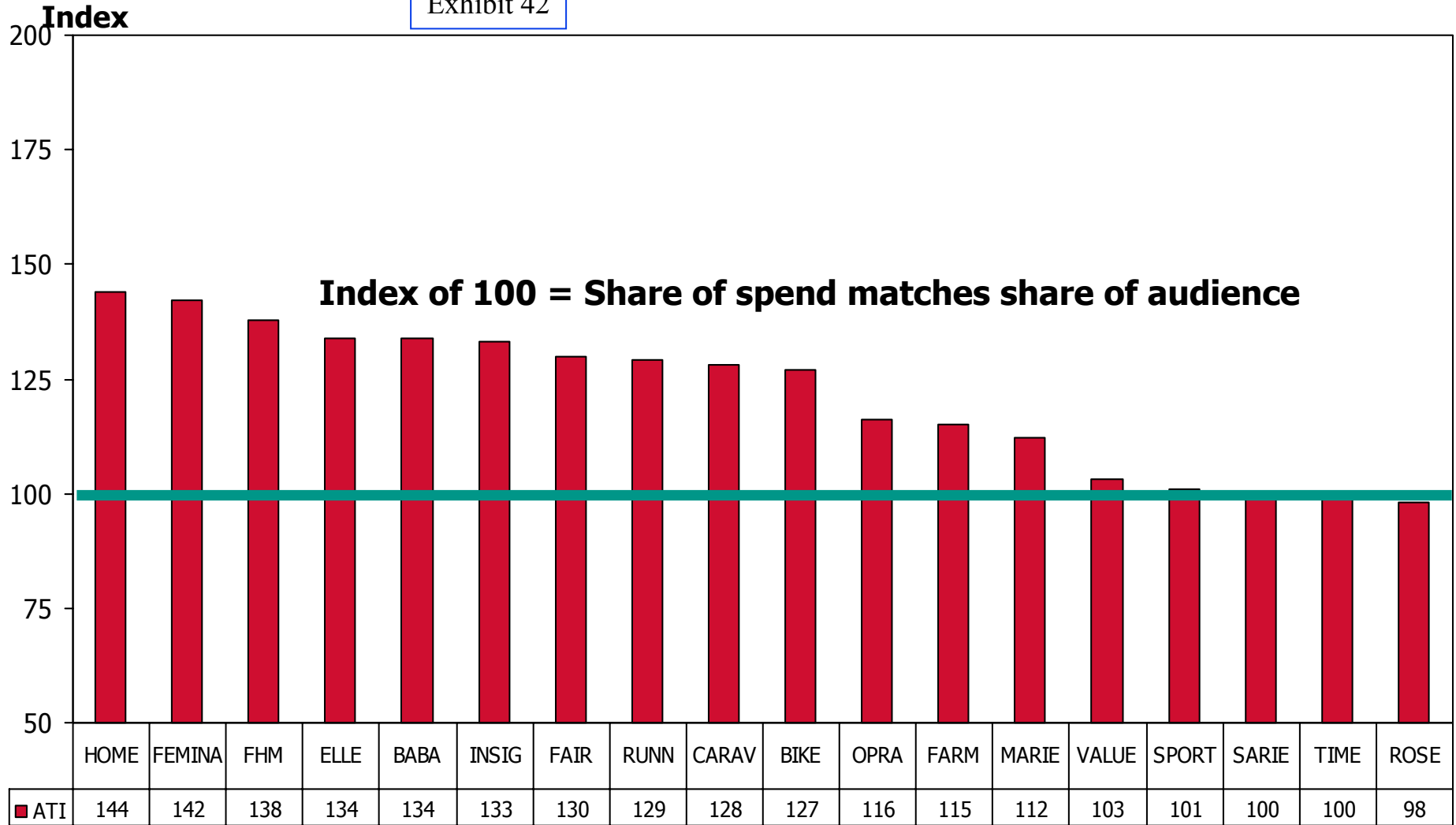




# Index of Magazine Share of 2003 Spend vs Share of Audience (continue)



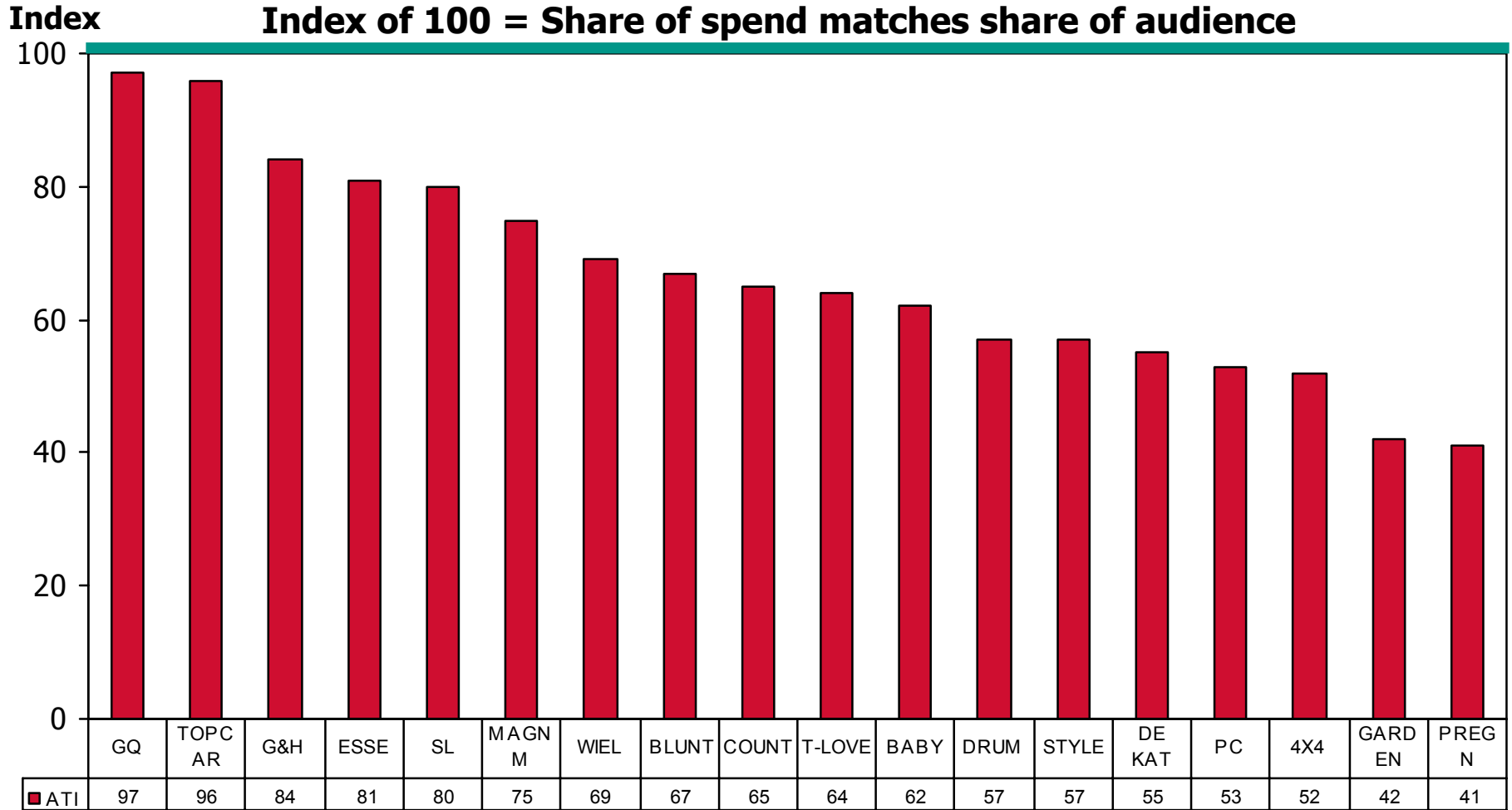
Exhibit 42



# Index of Magazine Share of 2003 Spend vs Share of Audience (continue)



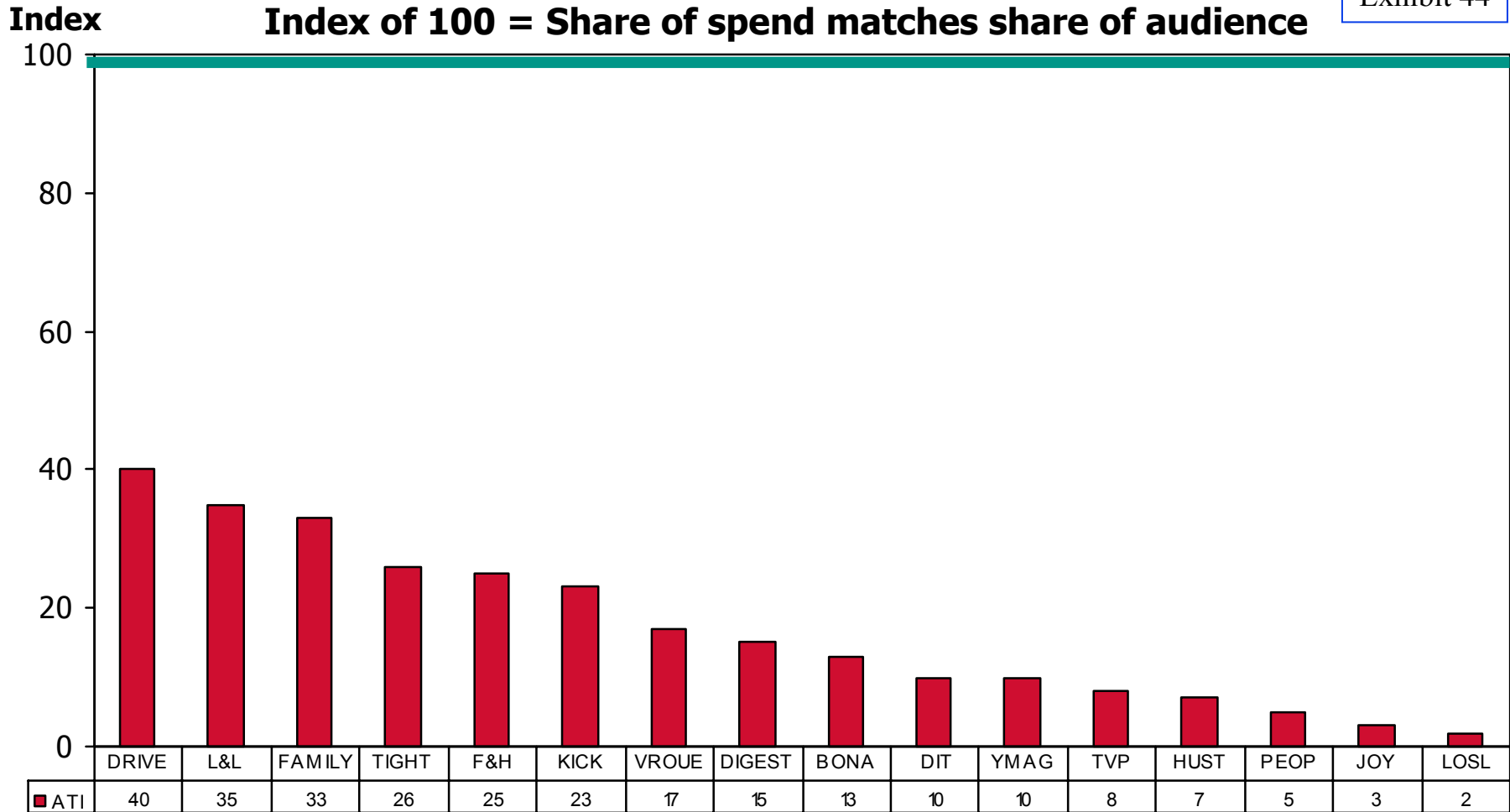
Exhibit 43



# Index of Magazine Share of 2003 Spend vs Share of Audience (continue)



Exhibit 44



- **Black publications really only attract low-income audiences, thus affecting their attractiveness to advertisers**
- **Niching ensures that the skew in ratings is pronounced**
- **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 2<sup>nd</sup> 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

# Newspapers Share of 2001 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 Independent	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
	<b>TOTAL</b>	<b>R</b>	<b>1,958,167,358</b>		<b>56%</b>	<b>20,949</b>			

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

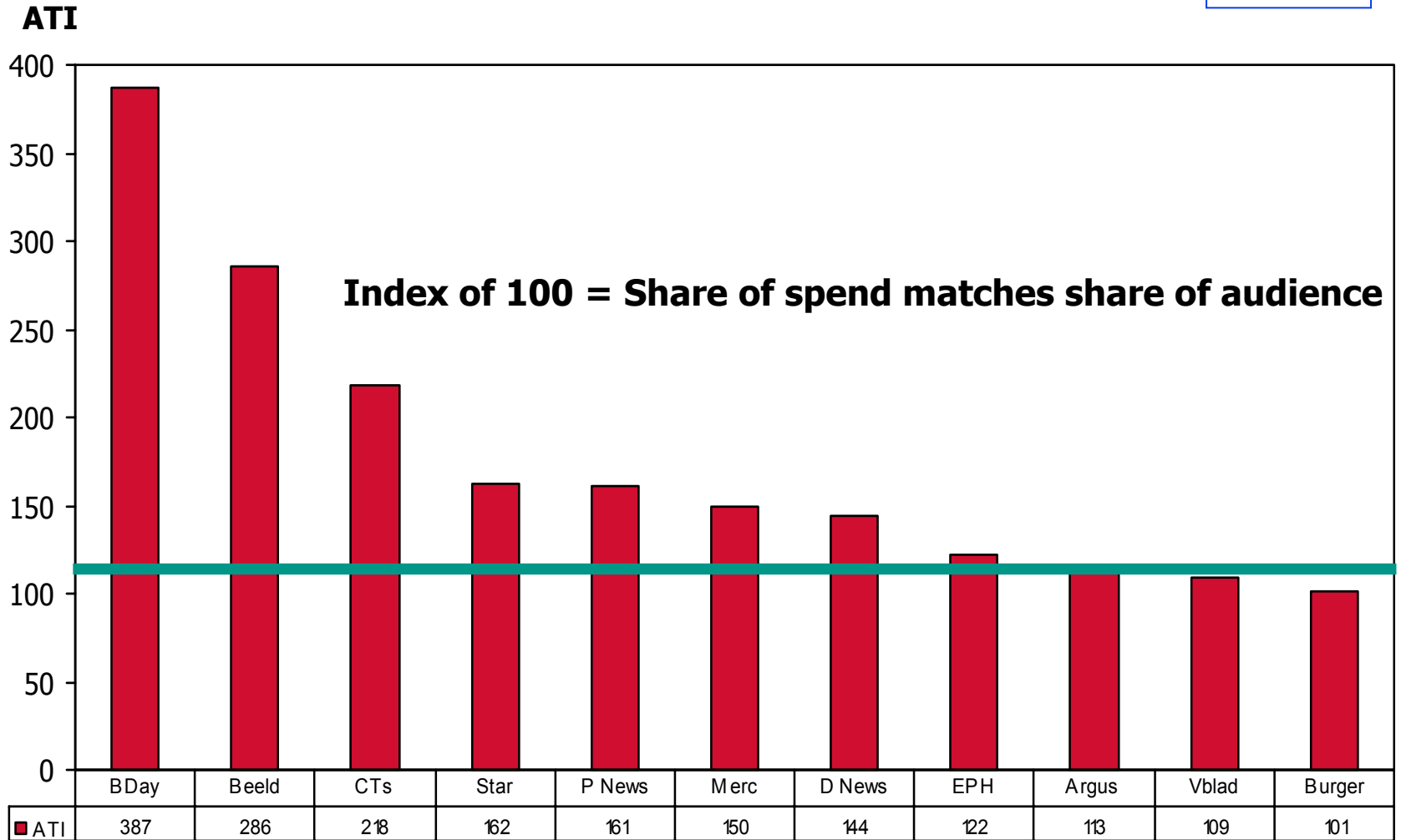
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# Index of Newspapers Share of 2001 Spend vs Share of Audience



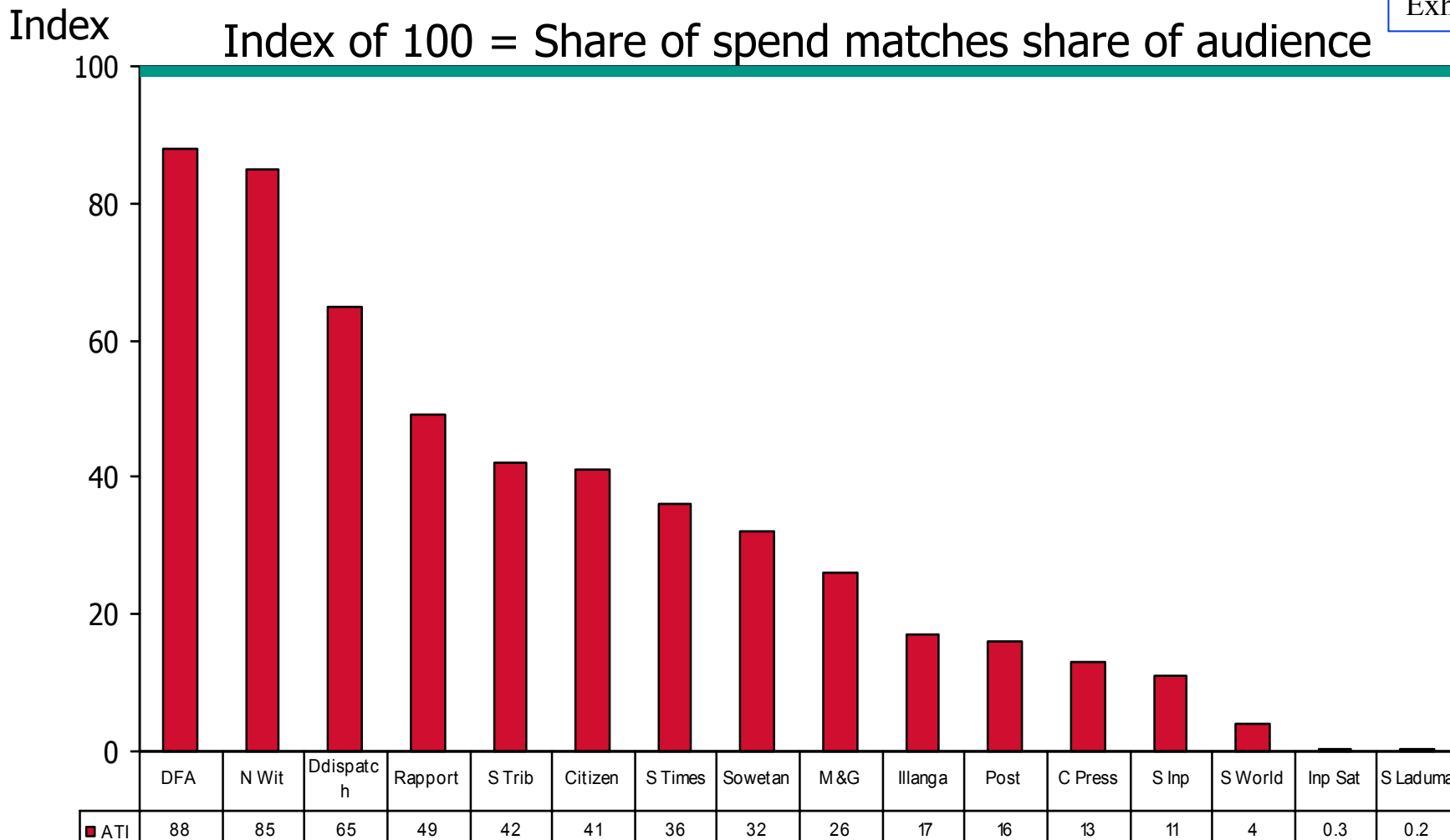
Exhibit 45



# Index of Newspapers Share of 2001 Spend vs Share of Audience (continued)



Exhibit 46



# Newspapers Share of 2002 Spend, Share of Audience against LSM Profile



Rank on AATI	Newspaper	Spend in Rands	SOV	Rank on SOV	Audience in 000's	Rank on Audience	Share of Audience	ATI Index	Rank on ATI	LSM Index	AATI
1	BUSINESS DAY	80,080,577	3.87%	10	104	26	0.40%	956	1	8.0	120.0
2	BEELD	261,027,930	12.61%	2	549	13	2.14%	590	2	8.4	70.4
3	PRETORIA NEWS	65,131,108	3.15%	11	196	23	0.76%	412	3	7.0	58.7
4	THE STAR	302,263,047	14.61%	1	1,167	8	4.54%	321	6	6.7	47.8
5	MERCURY	61,012,829	2.95%	12	219	20	0.85%	346	4	8.1	42.5
6	DAILY NEWS	81,679,826	3.95%	9	309	15	1.20%	328	5	7.8	42.0
7	THE WITNESS	26,402,708	1.28%	18	141	24	0.55%	232	8	7.7	30.4
8	CAPE TIMES	60,022,270	2.90%	13	304	17	1.18%	245	7	8.3	29.6
9	BURGER	174,711,099	8.44%	4	1,092	10	4.25%	199	10	7.6	26.0
10	VOLKSBLAD	35,267,739	1.70%	16	215	21	0.84%	204	9	7.9	25.8
11	DAILY DISPATCH	23,216,006	1.12%	19	203	22	0.79%	142	12	6.0	23.6
12	CAPE ARGUS	144,722,780	6.99%	6	1,106	9	4.31%	162	11	8.2	19.7
13	D. F. ADVERTISER	5,173,031	0.25%	25	51	27	0.20%	126	13	6.5	19.2
14	EP HERALD	35,194,943	1.70%	17	358	14	1.39%	122	14	7.0	17.4
15	RAPPORT	145,699,687	7.04%	5	1,508	6	5.87%	120	15	7.7	15.5
16	CITIZEN	93,776,651	4.53%	8	1,353	7	5.27%	86	17	6.3	13.6
17	SUNDAY TIMES	229,880,292	11.11%	3	3,528	2	13.74%	81	18	6.8	11.9
18	SUNDAY TRIBUNE	49,634,448	2.40%	14	686	11	2.67%	90	16	7.9	11.4
19	POST	7,077,435	0.34%	23	140	25	0.55%	63	19	7.5	8.4
20	ILANGA	14,270,754	0.69%	20	637	12	2.48%	28	23	3.5	8.0
21	SOWETAN	97,552,063	4.71%	7	3,050	3	11.88%	40	21	5.3	7.5
22	INDEPENDENT ON SATURDAY	11,595,609	0.56%	21	309	16	1.20%	47	20	8.0	5.8
23	MAIL & GUARDIAN	8,174,671	0.40%	22	271	18	1.06%	37	22	7.6	4.9
24	CITY PRESS	40,510,649	1.96%	15	2,463	4	9.59%	20	25	5.3	3.8
25	SUNDAY INDEPENDENT	4,253,633	0.21%	27	234	19	0.91%	23	24	7.4	3.0
26	SOCCER LADUMA	4,542,851	0.22%	26	1,803	5	7.02%	3	26	4.6	0.7
27	SUNDAY SUN	6,493,617	0.31%	24	3,685	1	14.35%	2	27	5.4	0.4
	<b>TOTAL</b>	<b>2,069,368,253</b>			<b>25,681</b>						

Note: Star inclues Saturday Star. Same for all daillies with weekend editions

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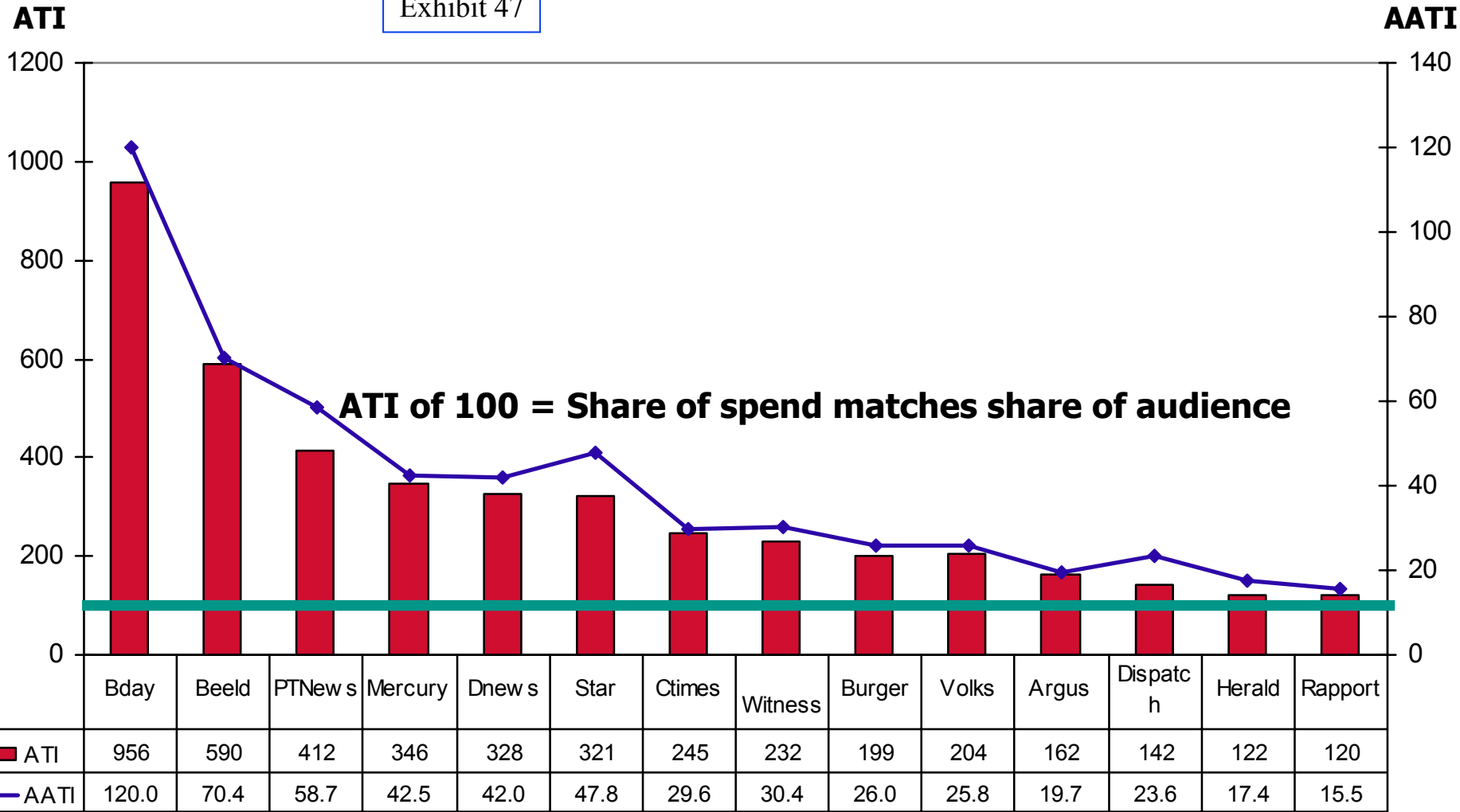
Source: AMPS 2002B & ACNielsen – Adex 2002



# Index of Newspapers Share of 2002 Spend vs Share of Audience



Exhibit 47



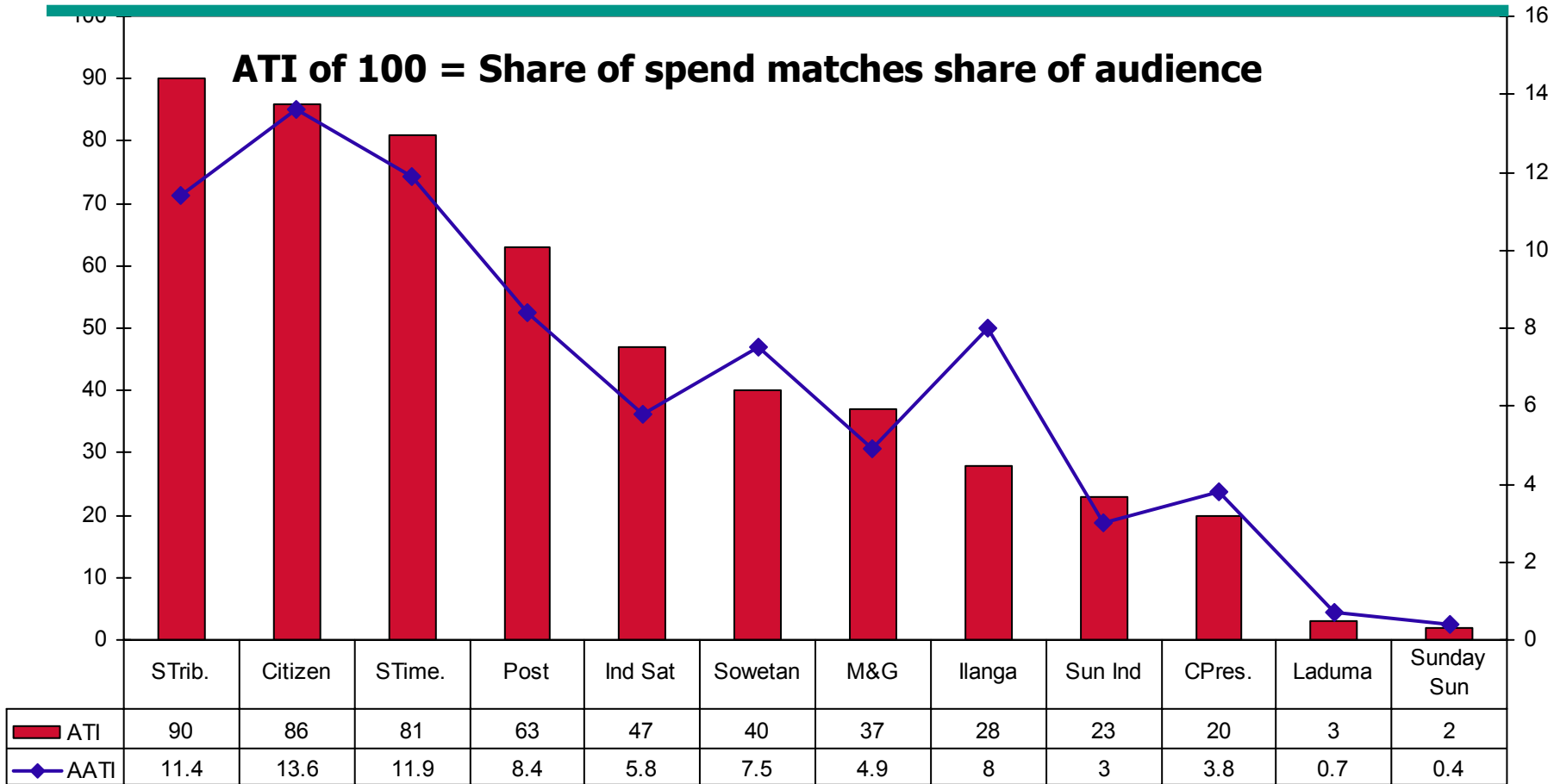
# Index of Newspapers Share of 2002 Spend vs Share of Audience (continue)



Exhibit 48

ATI

AATI



# Newspapers Share of 2003 Spend, Share of Audience against LSM Profile

Rank on AATI	Newspaper	Spend in Rands	SOV	Rank on SOV	Audience in 000's	Rank on Audience	Share of Audience	ATI Index	Rank on ATI	LSM Index	AATI
1	BUSINESS DAY	84,173,561	3.69%	10	117	27	0.44%	843	1	8.1	104.4
2	BEELD	286,528,523	12.57%	2	574	13	2.15%	585	2	8.3	70.7
3	MERCURY	70,857,421	3.11%	12	189	25	0.71%	439	3	8.0	54.6
4	PRETORIA NEWS	73,864,968	3.24%	11	244	22	0.91%	355	5	6.9	51.7
5	DAILY NEWS	94,991,821	4.17%	9	291	19	1.09%	382	4	7.5	50.9
6	THE STAR	307,207,139	13.48%	1	1,160	8	4.34%	310	6	7.1	43.8
7	CAPE TIMES	70,211,272	3.08%	13	270	20	1.01%	305	7	8.0	37.9
8	HERALD	39,316,433	1.73%	16	183	26	0.69%	252	8	7.1	35.6
9	BURGER	201,817,183	8.86%	4	1,240	7	4.64%	191	9	7.6	25.0
10	VOLKSBLAD	38,322,118	1.68%	17	249	21	0.93%	180	10	7.5	24.1
11	D. F. ADVERTISER	6,455,028	0.28%	25	50	28	0.19%	151	11	6.5	23.2
12	CITIZEN	108,948,192	4.78%	6	1,130	9	4.23%	113	14	6.5	17.4
13	DAILY DISPATCH	29,707,681	1.30%	20	368	15	1.38%	95	18	5.8	16.3
14	THE WITNESS	34,387,655	1.51%	18	334	17	1.25%	121	12	7.5	16.1
15	MAIL & GUARDIAN	22,549,494	0.99%	21	237	23	0.89%	111	15	7.3	15.3
16	CAPE ARGUS	108,189,167	4.75%	7	1,077	10	4.03%	118	13	7.9	14.9
17	SUNDAY TRIBUNE	59,606,860	2.62%	14	693	11	2.60%	101	17	7.5	13.4
18	RAPPORT	147,495,164	6.47%	5	1,652	6	6.19%	105	16	7.8	13.4
19	SUNDAY TIMES	261,510,771	11.48%	3	3,440	2	12.88%	89	19	6.8	13.1
20	SOWETAN	103,209,554	4.53%	8	3,121	3	11.69%	39	21	5.3	7.3
21	ILANGA	13,811,550	0.61%	22	555	14	2.08%	29	22	4.0	7.3
22	INDEPENDENT ON SATURDAY	12,930,608	0.57%	23	308	18	1.15%	49	20	7.8	6.3
23	ISOLEZWE	6,225,825	0.27%	26	339	16	1.27%	22	25	4.4	4.9
24	CITY PRESS	43,978,448	1.93%	15	2,211	4	8.28%	23	24	5.4	4.3
25	SUNDAY INDEPENDENT	4,709,042	0.21%	27	230	24	0.86%	24	23	7.4	3.2
26	POST	10,546,692	0.46%	24	652	12	2.44%	19	26	7.4	2.6
27	SUN	33,279,354	1.46%	19	3,685	1	13.80%	11	27	5.3	2.0
28	SOCCER LADUMA	3,983,152	0.17%	28	2,102	5	7.87%	2	28	4.7	0.5
	<b>TOTAL</b>	<b>2,278,814,676</b>	<b>100.00%</b>		<b>26,701</b>		<b>100.00%</b>				

Note: Star includes Saturday Star. Same for all dailies with weekend editions

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Source: AMPS 2003B & ACNielsen – Adex 2003

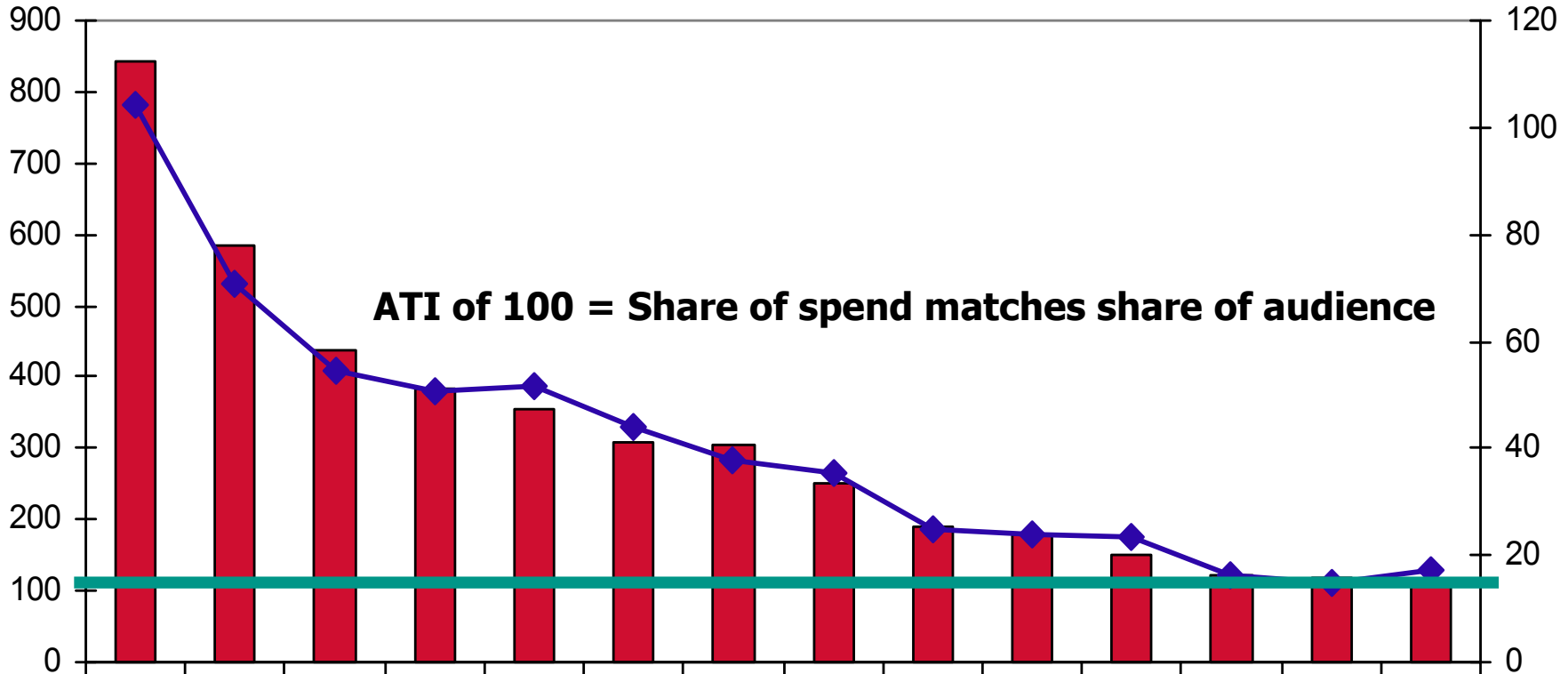
# Index of Newspapers Share of 2003 Spend vs Share of Audience



Exhibit 49

ATI

AATI



	BDay	Beeld	Mercury	DNews	PTNews	Star	CTimes	Herald	Burger	Volks	DFA	Witness	Argus	Citizen
ATI	843	585	439	382	355	310	305	252	191	180	151	121	118	113
AATI	104.4	70.7	54.6	50.9	51.7	43.8	37.9	35.6	25	24.1	23.2	16.1	14.9	17.4

# Index of Newspapers Share of 2003 Spend vs Share of Audience (continue)

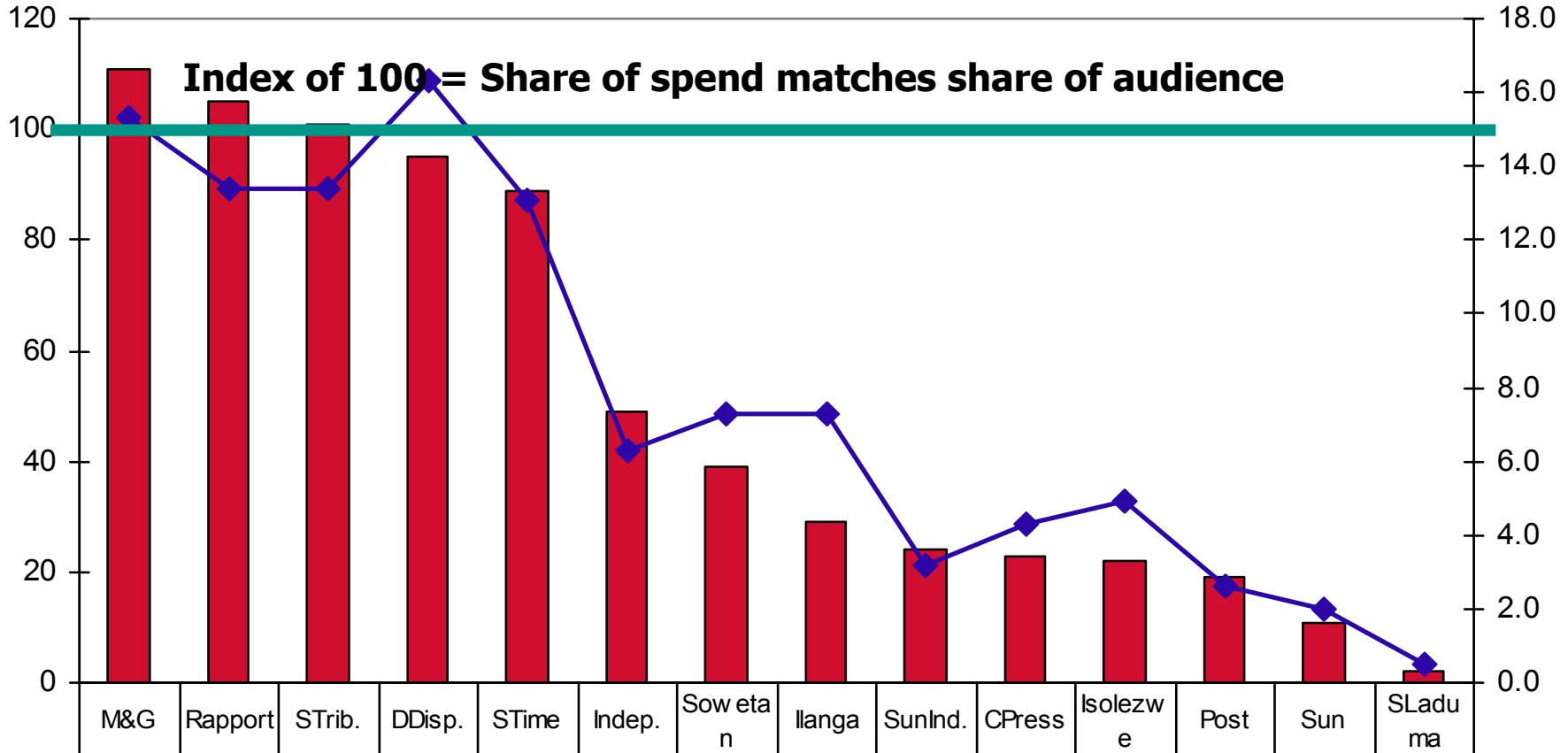


Exhibit 50

ATI

AATI

**Index of 100 = Share of spend matches share of audience**



ATI	111	105	101	95	89	49	39	29	24	23	22	19	11	2
AATI	15.3	13.4	13.4	16.3	13.1	6.3	7.3	7.3	3.2	4.3	4.9	2.6	2.0	0.5

- **Business and Afrikaans titles sit at the top**
- **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 2<sup>nd</sup> 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.***
- **Definite disadvantage for newspapers targeted at the black population, even taking LSM’s into account**
- **The Sunday / Daily Sun has not matured enough to bring in advertising, this skews the picture somewhat**



## 8. Government spending in 2001 to 2003



# 8.1 Government Adspend 2001 to 2003 by Medium



**Note: figures would exclude recruitment, notices and tender advertising.**

Spend in Rmillions

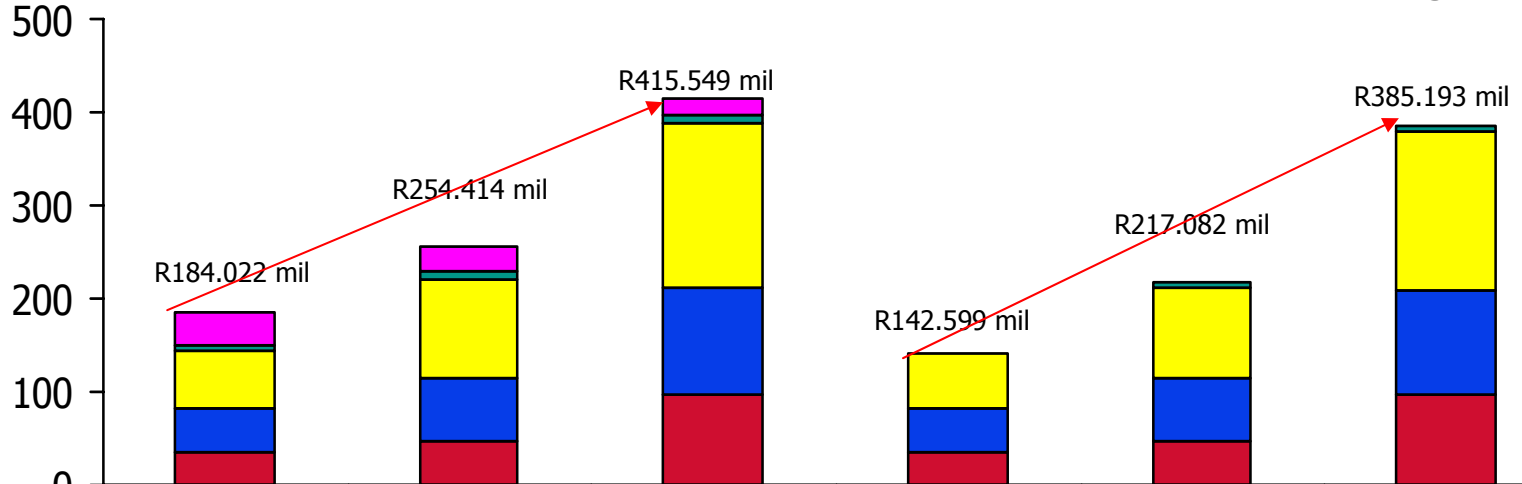


Exhibit 51

	Total Govt 2001	Total Govt 2002	Total Govt 2003	Measured Adex Govt 2001	Measured Adex Govt 2002	Measured Adex Govt 2003
Outdoor	33.813	25.726	17.738			
K&D	0.008	0.006	0.284			
Internet	0.361	0.156	0.116			
Cinema	1.017	-	0.37			
Magazines	5.051	9.317	8.504	2.694	5.11	6.071
Newspapers	61.934	103.344	177.082	58.067	96.979	170.406
Radio	47.803	68.507	115.743	47.801	67.634	113.005
TV	34.036	47.359	95.711	34.036	47.359	95.711

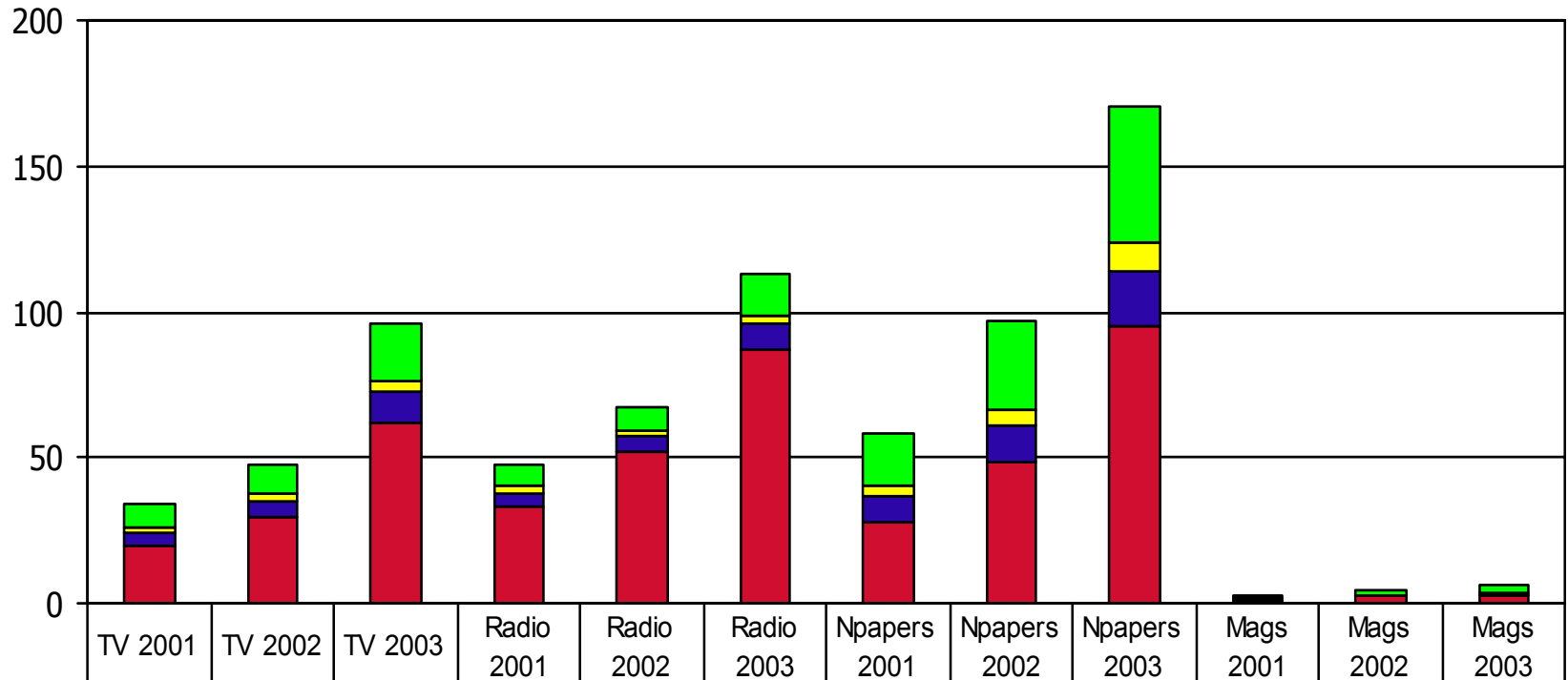
- While only 70% of the Government 2001 ATL advertising could be measured, this has now risen to 93% in 2003 because of greater spending on television
- Government recruitment is estimated to be worth an additional R30 million
- Outdoor which is a significant medium carrying R18 million cannot be accurately proportioned by race or LSM
- As with the rest of the study, communication other than Above the Line advertising spending is not included.

# 8.3 Government Spending by Medium Proportioned by Race: 2001 to 2003



Spend in Rmillion's

Exhibit 52



	TV 2001	TV 2002	TV 2003	Radio 2001	Radio 2002	Radio 2003	Npapers 2001	Npapers 2002	Npapers 2003	Mags 2001	Mags 2002	Mags 2003
White	8.243	10.007	19.211	7.79	8.444	14.076	17.51	30.275	46.879	1.085	1.696	2.334
Ind	1.594	1.975	3.915	2.362	1.858	2.646	3.762	5.506	9.466	0.065	0.14	0.211
Col	4.563	5.493	10.976	4.85	5.533	9.459	8.85	13.045	19.025	0.197	0.479	0.81
Black	19.635	29.882	61.607	32.799	51.794	86.82	27.946	48.176	95.072	1.205	2.446	2.72

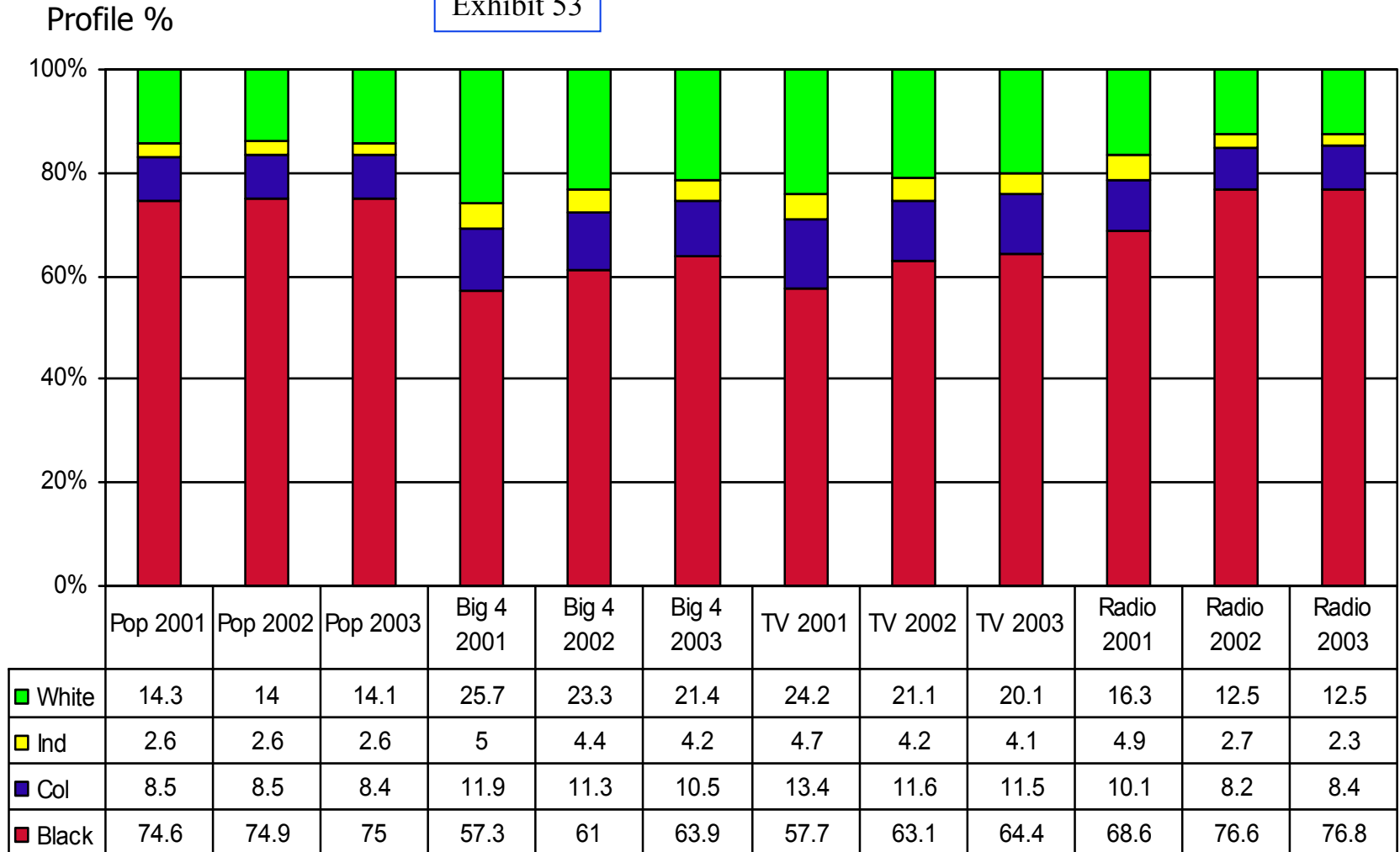
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# 8.4 Government Electronic Media Spend Profile vs the Population Profile: 2001 to 2003



Exhibit 53



Note: Big 4 = the combined adspend profile for TV, Radio, Newspaper & magazine

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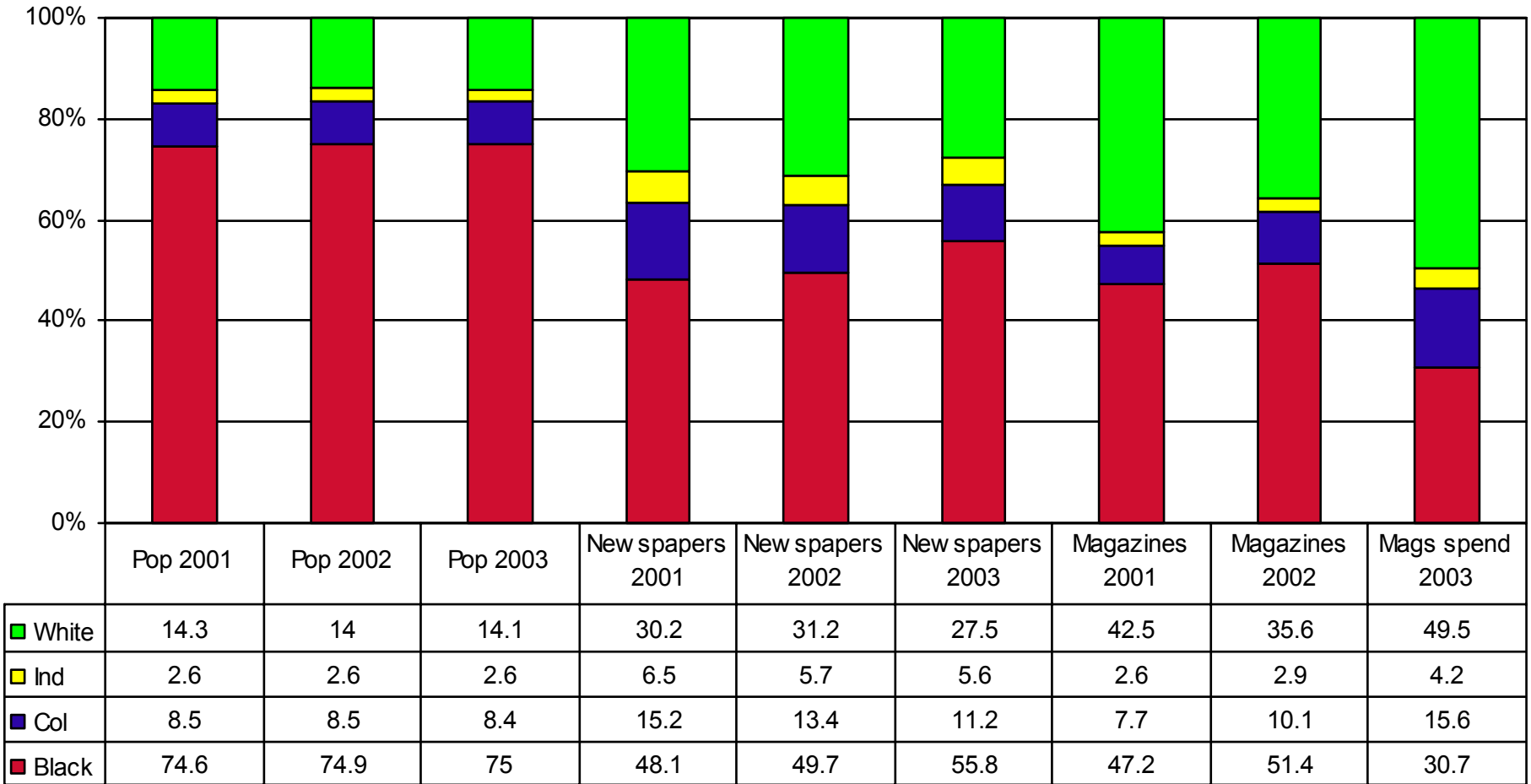
Confidential

# 8.5 Government Print Media Spend Profile vs the Population Profile : 2001 to 2003



Exhibit 54

Profile %



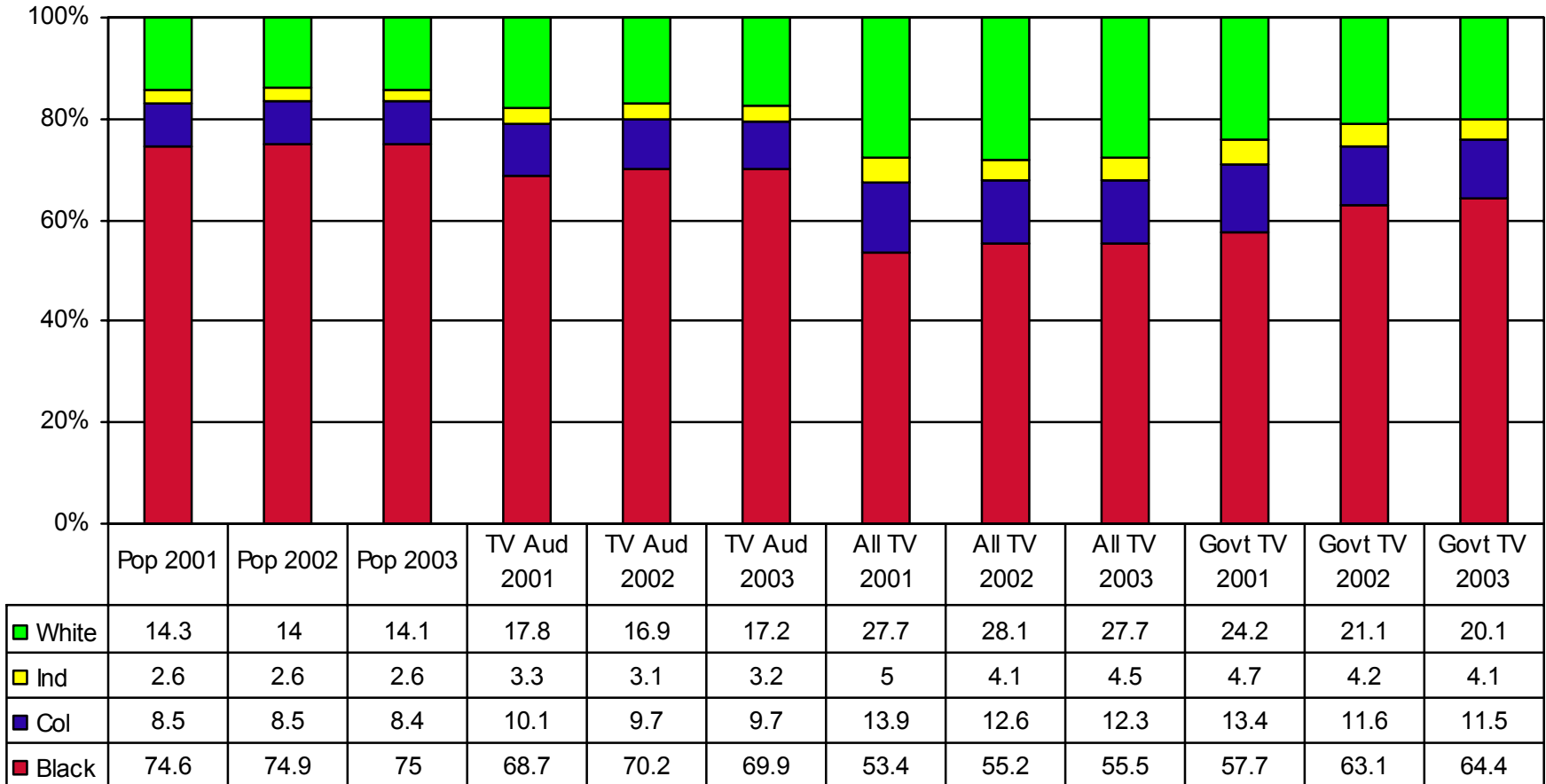
Note: Big 4 = the combined adspend profile for TV, Radio, Npapers & mags

# 8.6 Audience Profiles of Television vs 2001 to 2003 Spending Profiles



Exhibit 55

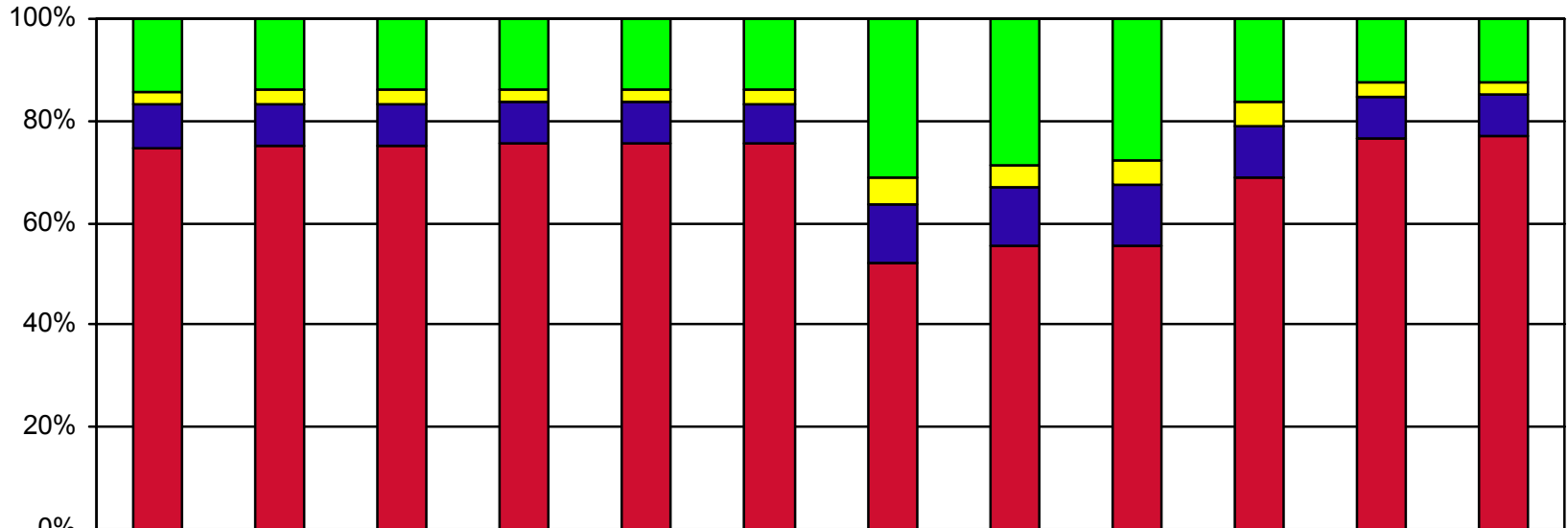
Profile %



# 8.7 Audience Profiles of Radio vs 2001 to 2003 Spending Profiles

Exhibit 56

Profile %

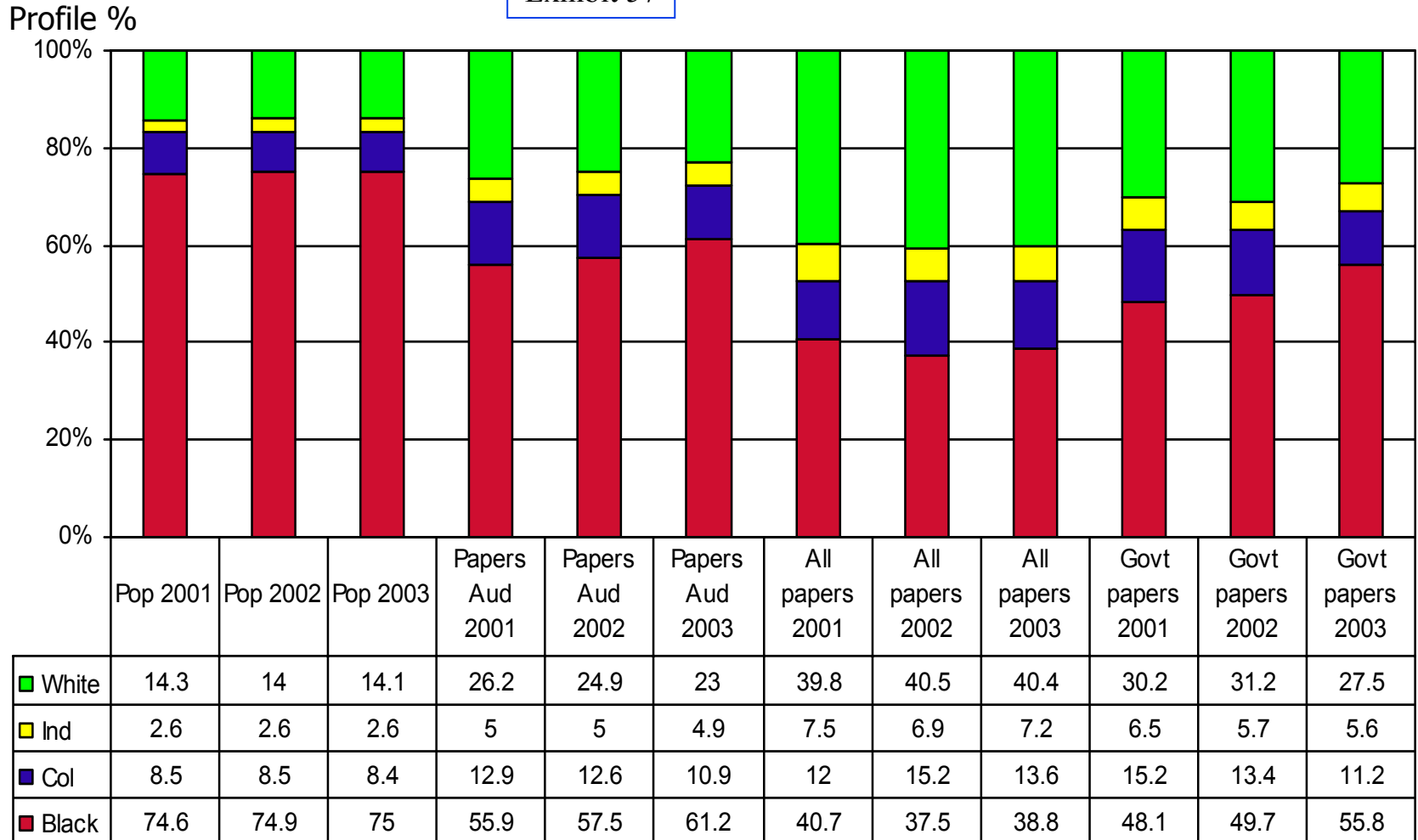


	Pop 2001	Pop 2002	Pop 2003	Radio Aud 2001	Radio Aud 2002	Radio Aud 2003	All Radio 2001	All Radio 2002	All Radio 2003	Govt Rad 2001	Govt Rad 2002	Govt Rad 2003
White	14.3	14	14.1	13.8	13.8	13.9	31.1	28.5	27.7	16.3	12.5	12.5
Ind	2.6	2.6	2.6	2.7	2.7	2.7	5.2	4.5	4.7	4.9	2.7	2.3
Col	8.5	8.5	8.4	8	8	8	11.3	11.3	12.2	10.1	8.2	8.4
Black	74.6	74.9	75	75.5	75.5	75.4	52.3	55.7	55.4	68.6	76.6	76.8

# 8.8 Audience Profiles of Newspapers vs 2001 to 2003 Spending profiles



Exhibit 57



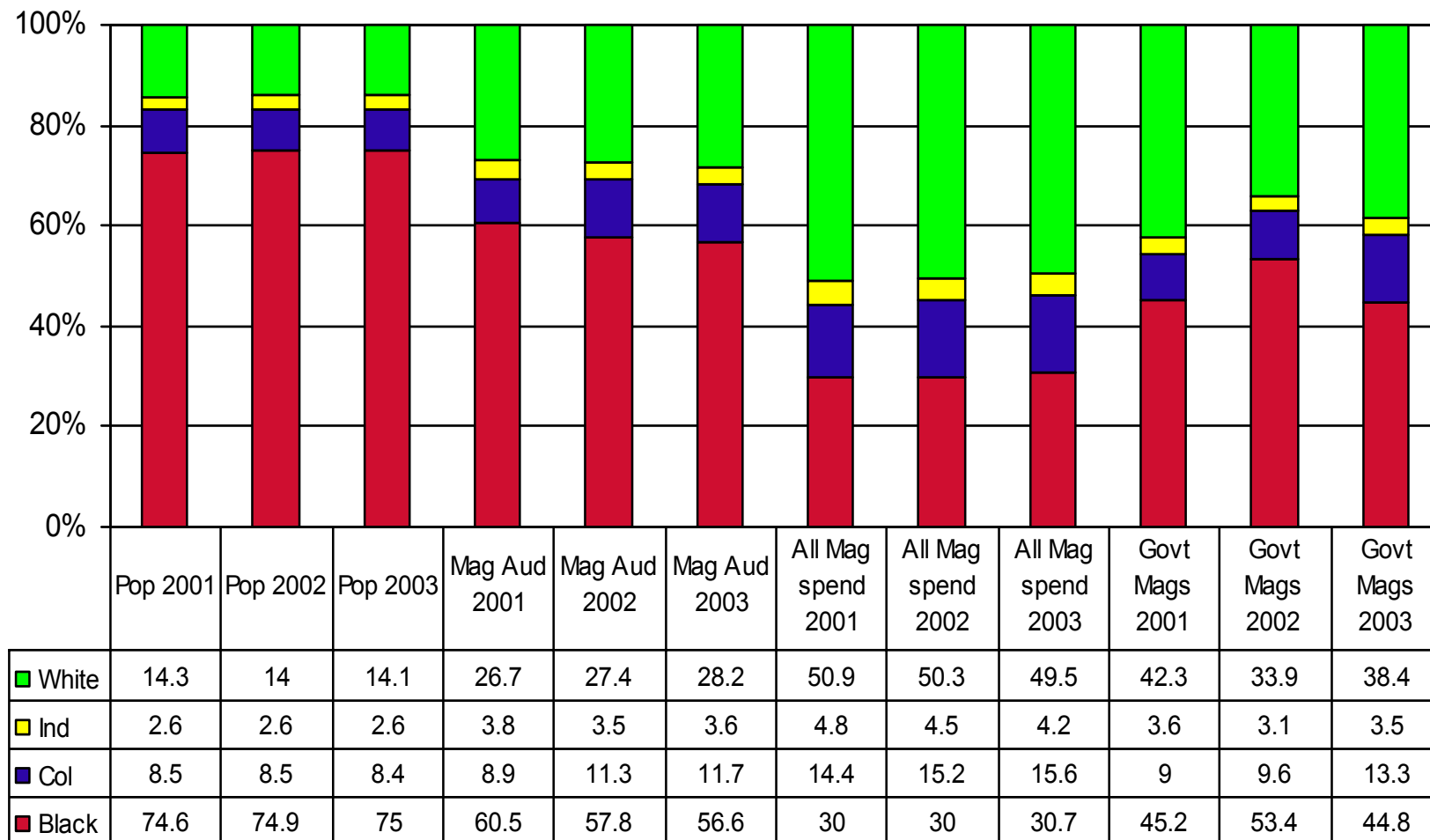


# 8.9 Audience profiles of Magazines vs 2001 to 2003 Spending Profiles



Exhibit 58

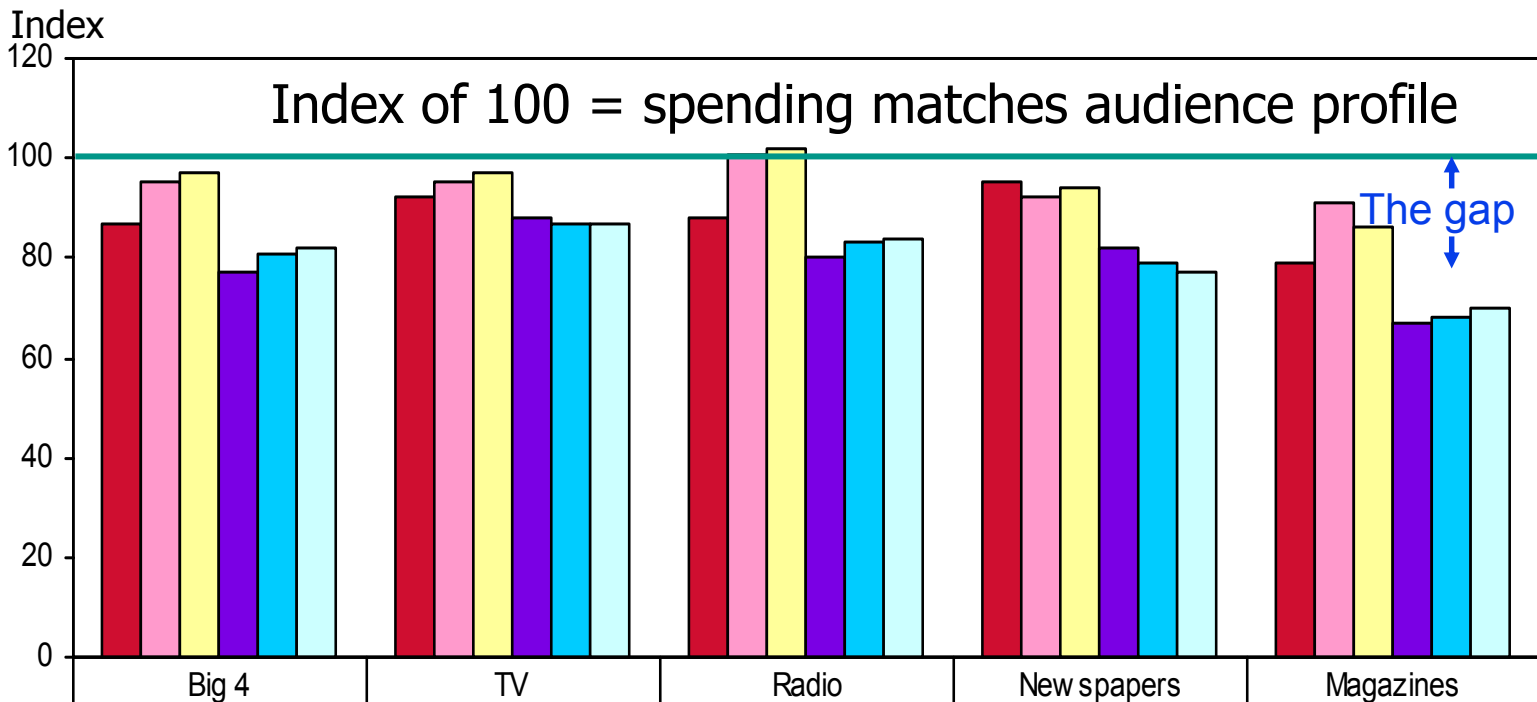
Profile %



# 8.10 Index of 2001 to 2003 Black All Spend & Govt Spending Against Black Audience Profile



Exhibit 59



	Big 4	TV	Radio	Newspapers	Magazines
■ ATI Govt 2001	87	92	88	95	79
■ ATI Govt 2002	95	95	101	92	91
■ ATI Govt 2003	97	97	102	94	86
■ ATI 2001	77	88	80	82	67
■ ATI 2002	81	87	83	79	68
■ ATI 2003	82	87	84	77	70

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

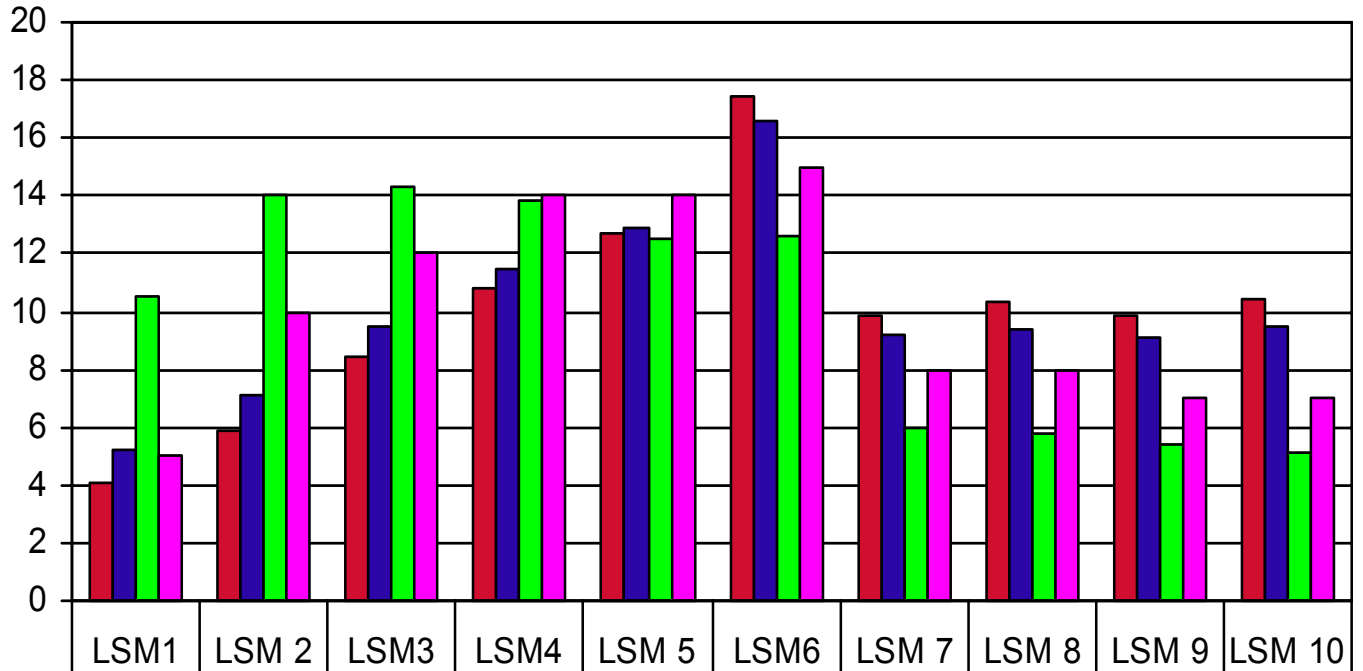
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# 8.11 Government 2001 Spend Profile by Population and Audience

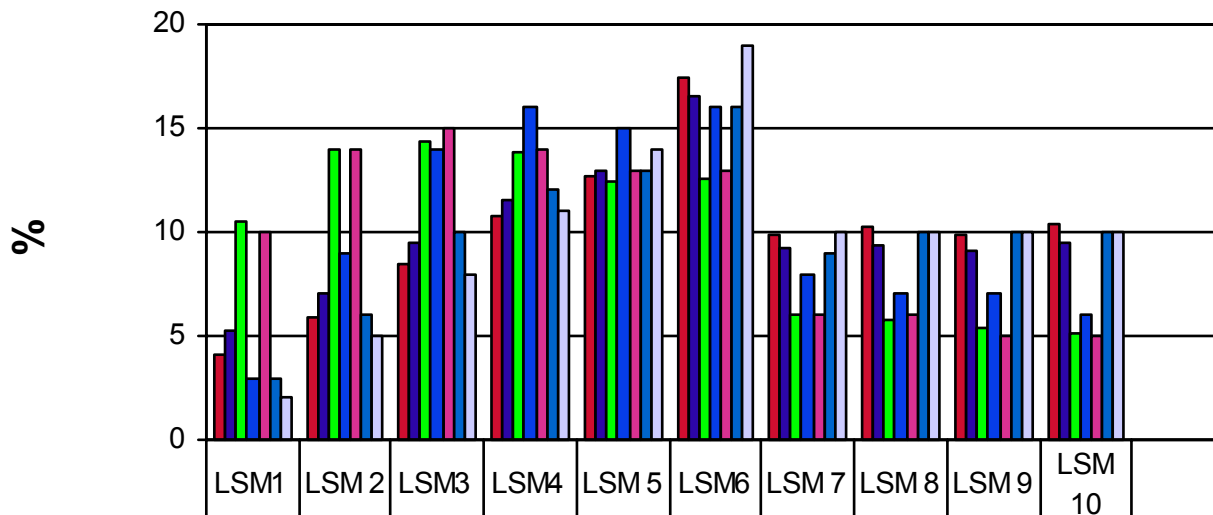
Exhibit 60

Profile %



Outdoor could make all the difference

■ profile excl outdoor	4.1	5.9	8.4	10.8	12.7	17.4	9.9	10.3	9.9	10.4
■ Est profile incl outdoor	5.2	7.1	9.5	11.5	12.9	16.6	9.2	9.4	9.1	9.5
■ Pop %	10.5	14	14.3	13.8	12.5	12.6	6	5.8	5.4	5.1
■ Audience Big4	5	10	12	14	14	15	8	8	7	7



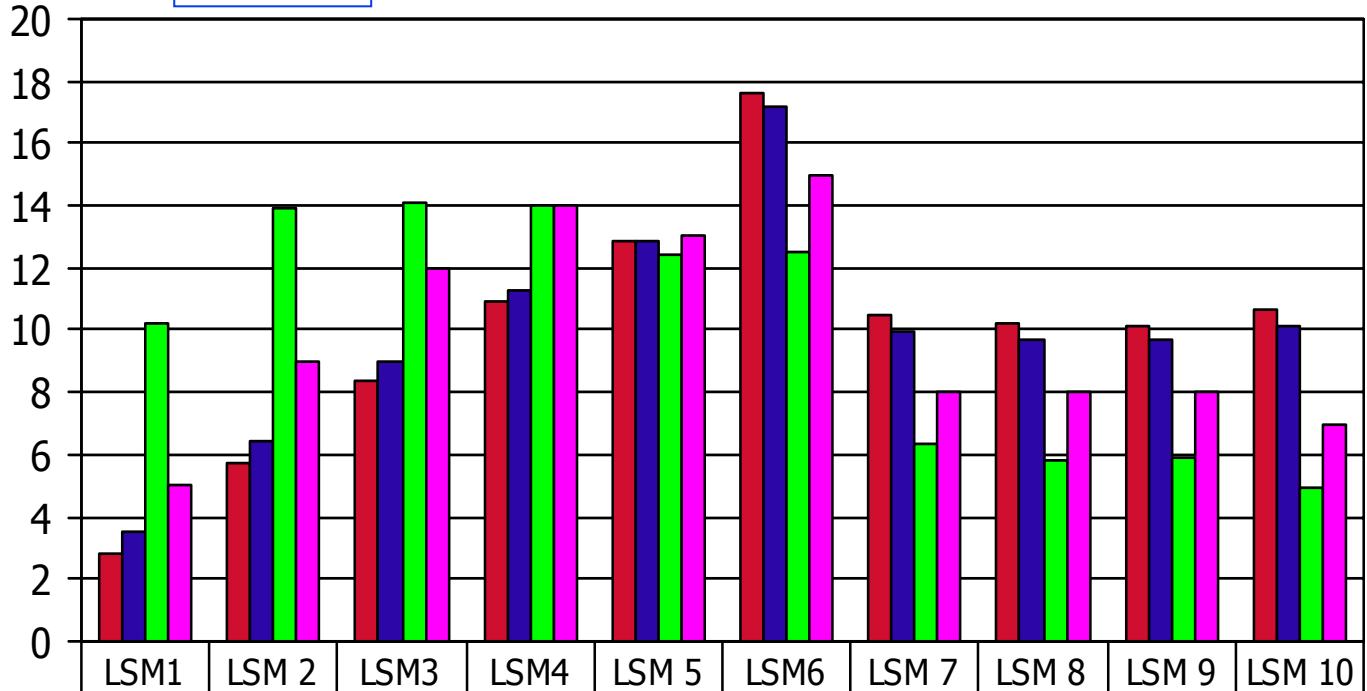
	LSM1	LSM 2	LSM3	LSM4	LSM 5	LSM6	LSM 7	LSM 8	LSM 9	LSM 10
■ profile excl outdoor	4.1	5.9	8.4	10.8	12.7	17.4	9.9	10.3	9.9	10.4
■ Est profile incl outdoor	5.2	7.1	9.5	11.5	12.9	16.6	9.2	9.4	9.1	9.5
■ Population %	10.5	14.0	14.3	13.8	12.5	12.6	6.0	5.8	5.4	5.1
■ Television P7D	3	9	14	16	15	16	8	7	7	6
■ Radio	10	14	15	14	13	13	6	6	5	5
■ Magazines	3	6	10	12	13	16	9	10	10	10
■ News Papers	2	5	8	11	14	19	10	10	10	10

# 8.12 Government 2002 Spend Profile by Population and Audience

Exhibit 61

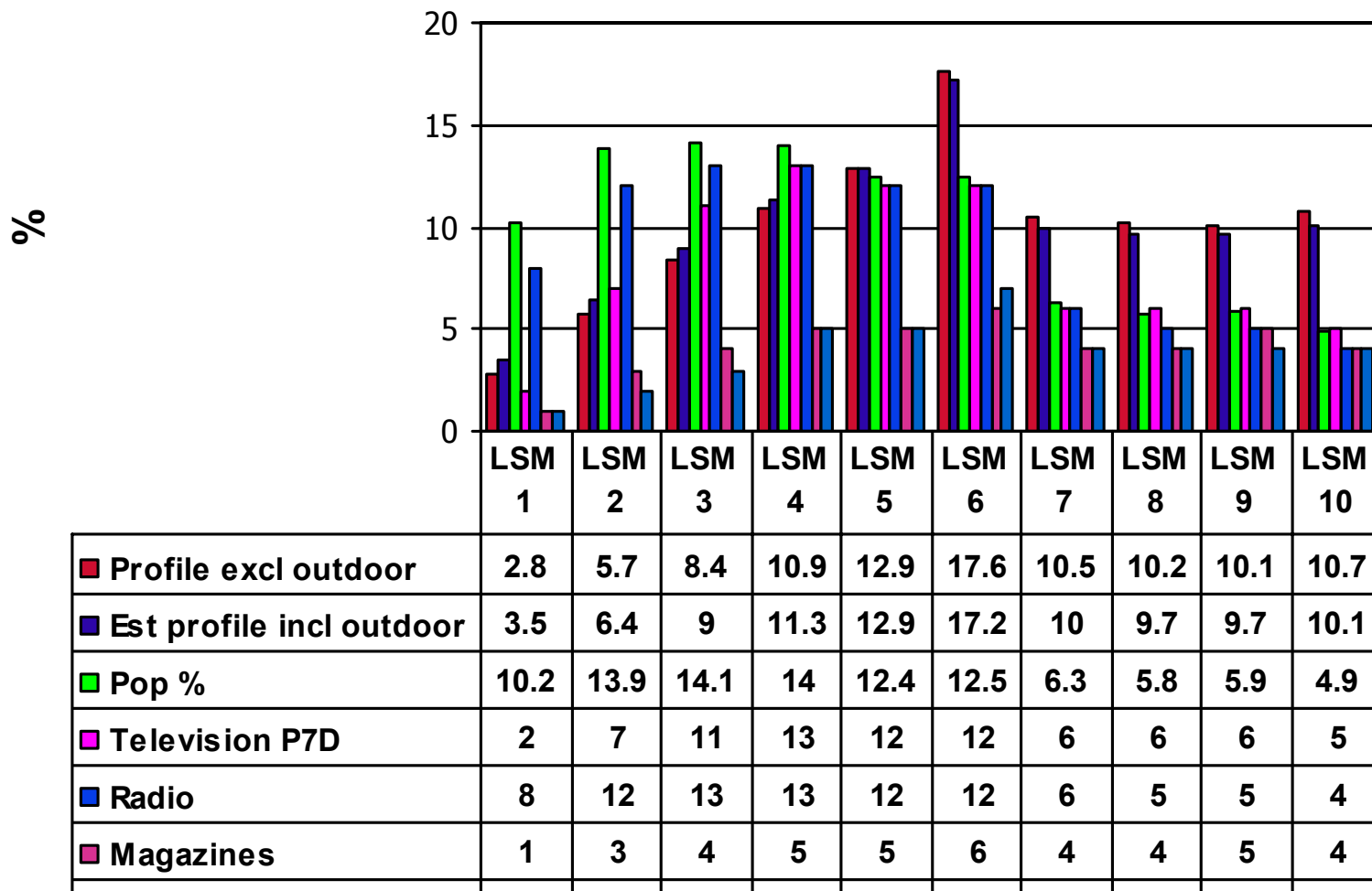
Profile %

Outdoor could make all the difference



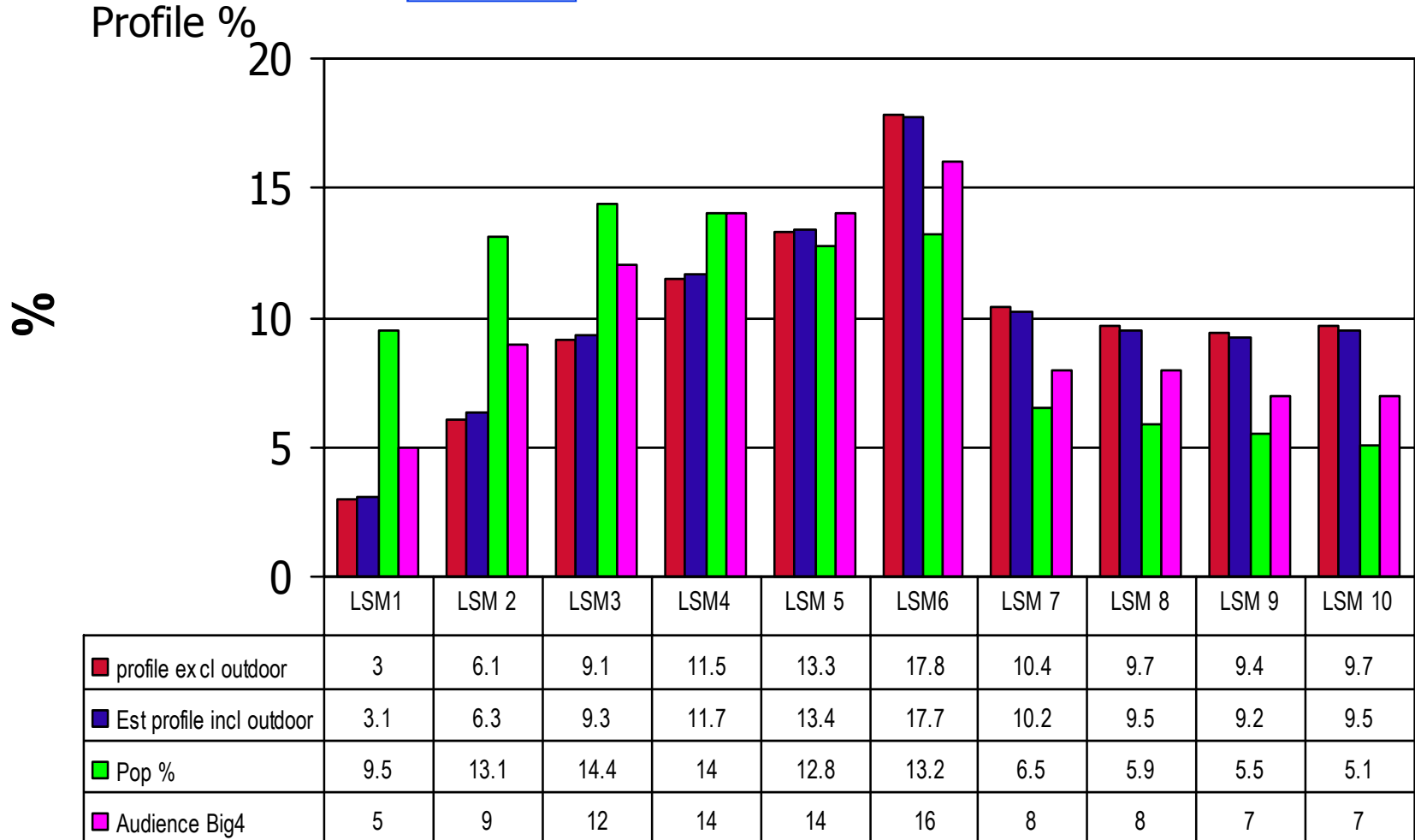
■ Profile excl outdoor	2.8	5.7	8.4	10.9	12.9	17.6	10.5	10.2	10.1	10.7
■ Est profile incl outdoor	3.5	6.4	9	11.3	12.9	17.2	10	9.7	9.7	10.1
■ Pop %	10.2	13.9	14.1	14	12.4	12.5	6.3	5.8	5.9	4.9
■ Audience Big4	5	9	12	14	13	15	8	8	8	7

# Government Spending Profile vs. Population and Audience Profile: 2002

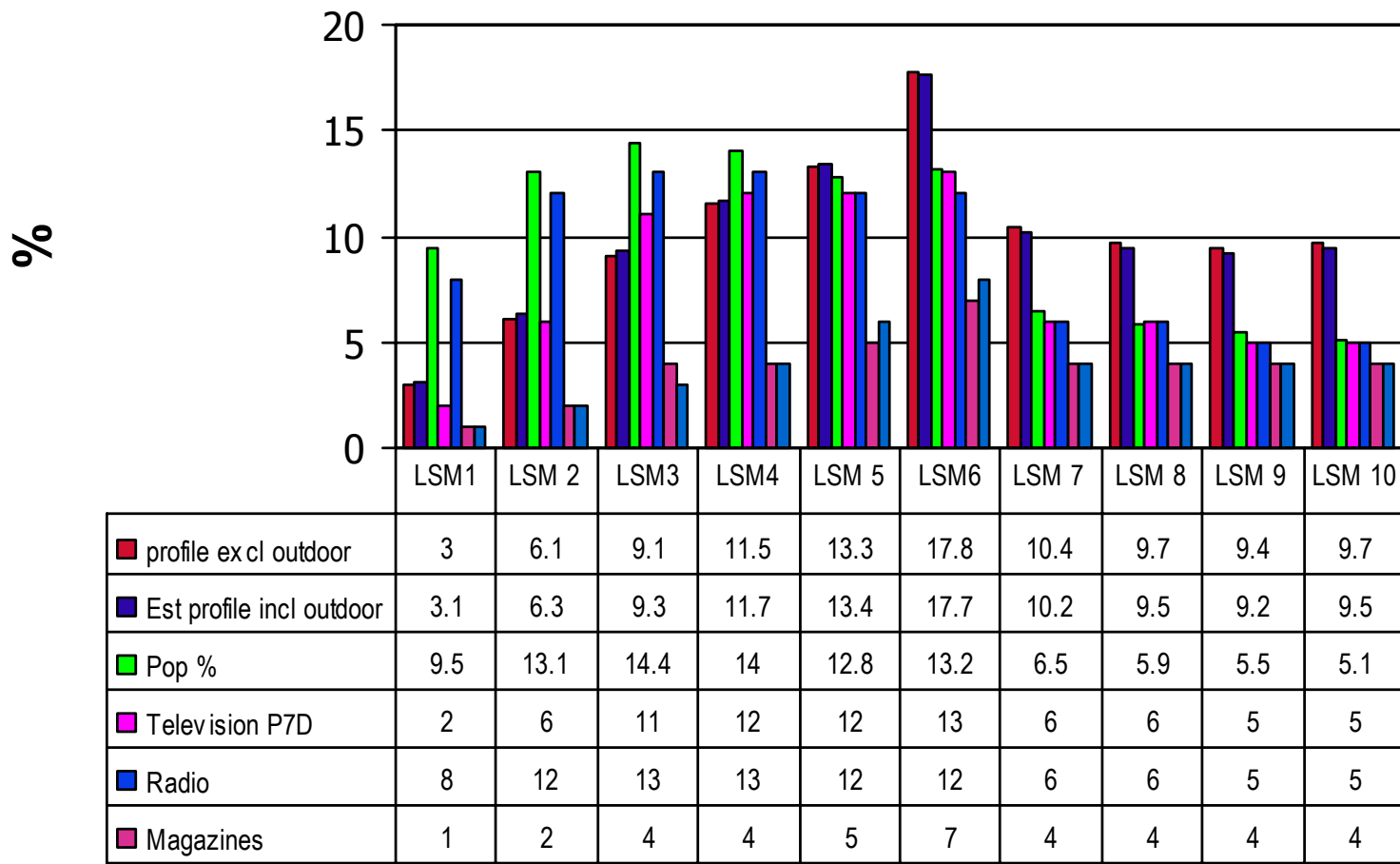


# 8.13 Government 2003 Spend Profile by LSM

Exhibit 62



# Government Spending Profile vs. Population and Audience Profile: 2003





- Government seems to have done a somewhat better job than commercial advertisers, but still fall short of addressing all citizens equally. We believe that Government is not seeking a return on investment but rather to inform, educate and change attitudes, and its overall communication effort should reflect this.
- There is no doubt that the inclusion of outdoor into the analysis could improve the Government spending much further.
- 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.

## 9. Conclusions

- Clearly there is growth in the advertising industry.
- It is quite clear that the advertisers chase the outlets that are targeted at higher LSMs.
- The Gap between adspend and audiences is not closing fast enough if at all.
- 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.
- Government spend also needs to focus on distribution of adspend to those platforms that have previously been ignored by advertisers and media planners.

***END***

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