

MEDIA

Advertising association cuts forecast

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Political uncertainty is a major concern for advertisers in the second half of this year and will probably affect advertising spending if the situation worsens.

This has prompted the Media Agency Association of Thailand (MAAT) to cut its ad spending projection to only 3% growth of 116 billion baht this year, down from 10% or 124 billion.

Last year, total ad spending was 113 billion.

"The political protests brought back memories of the red-shirt protests in 2010. It's a critical point for many advertisers as they allocate their budgets for the last quarter of the year," said president Wannee Rattanapon.

She said if the situation becomes more severe, the ad industry could see flat growth this year.

The decline in consumer purchasing power was given as a major problem. And the fast-moving consumer goods sector is also slowing including Unilever Thai Holdings, Proctor & Gamble, Beiersdorf and L'Oréal, which are the top ad spenders.

But out-of-home and transit media as well as some TV programmes have hiked their ad air rates by 5-6% since last month. BBTV Co, the operator of Channel 7, announced a 5% increase in its ad air rates for July 1-Sept 30.

Media planners must maximise their ad budgets to create more sales opportunities for advertisers, said Ms Wannee.

This year's first-ever MAAT Media Awards will reward creativity and results reaching brand objectives. Successful nominees will have demonstrated a thorough understanding of target audiences and their brand relationships.