

HONG KONG ADSPEND REPORT Q1 2023

Local Adspend in Q1 2023 reached 6.85 billion with an increase of 22% YOY

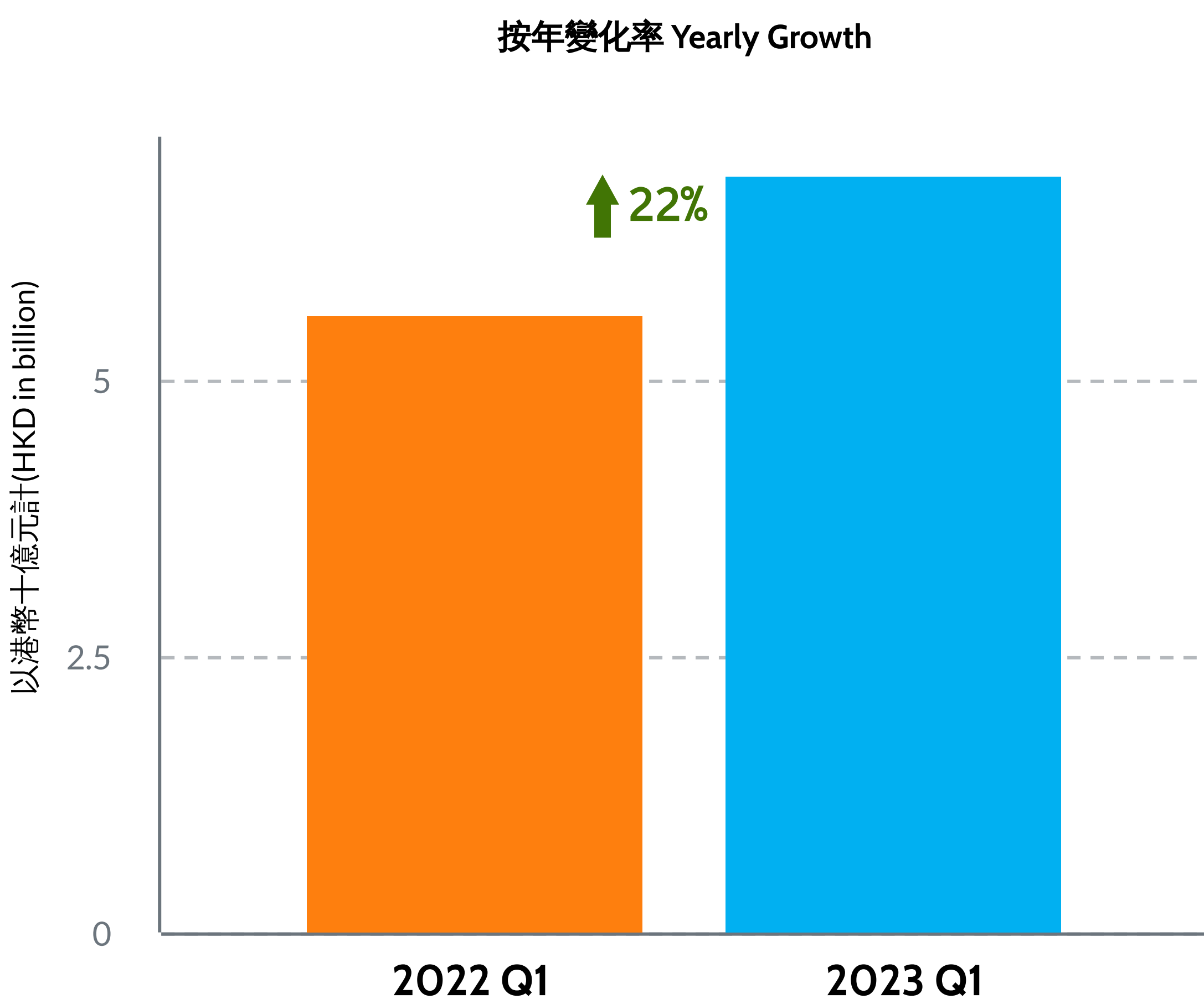
According to admanGo, the first quarter of 2023 saw a remarkable surge in advertising spending in Hong Kong, reaching a total value of HKD 6.85 billion with a YOY increase of 22%. This considerable growth in local adspend can be attributed to the lowered comparison base last year due to the impact of the fifth wave of the pandemic. During the first quarter of 2023, as the preventative measures against the outbreak gradually eased, life in Hong Kong gradually returned to normal. In addition, the implementation of the Quarantine-Free Travel between Hong Kong and mainland China in early January of this year resulted in an increased exchange of people and opportunities for local businesses to expand into the mainland tourist market. The decline in pandemic cases has boosted market confidence, compelling enterprises to increase their advertising investments to improve brand recognition and drive sales, ultimately leading to an upsurge in local adspend in the first quarter. With the issuance of new consumption vouchers in mid-April and the upcoming Labour Day Golden Week in May poised to provide further opportunities for various industries, Hong Kong advertising market is expected to continue on a steady growth trajectory.

In terms of media, adspend for Free Newspapers and Outdoor increased by 39% and 20% YOY respectively. In the Digital Media sector, Mobile and Social Media adspend recorded YOY increase of 44% and 23% respectively in the first quarter.

十大最高廣告支出行業 (2023年 第一季) Top 10 Industries (Q1 2023)

排名 Rank	2022年排名 Rank in 2022	行業 Industries	按年變化率 YOY
1	1	Banking & Investment Services 銀行、信用卡及投資服務	-6%
2	2	Pharmaceuticals & Healthcare 藥物及醫護	25%
3	3	Toiletries & Household 浴室及家居用品	16%
4	7	Property & Real Estate 地產	49%
5	8	Health & Beauty Food 健美食品及補充劑	34%
6	9	Cosmetics & Skincare 化妝及護膚用品	33%
7	6	Retail 零售	21%
8	23	Travel & Tourism Services 旅遊	324%
9	12	Restaurants 餐廳	37%
10	14	Fashion, Accessories & Eyewear 時裝及飾物	67%

香港總廣告支出 (2023年第一季) Total Adspend in Hong Kong (Q1 2023)



*Adspend is the advertising spending which is calculated based on the rate cards provided by the media owners. All adspend figures in this report have taken into consideration the discount factor based on an assumption of 75% off rate card rate. Actual discounts may vary.

** admanGo's digital adspend monitoring coverage only includes display ads. Search ads is not part of our coverage.

*** Social Media Adspend (Facebook, Instagram & YouTube Branded Content Adspend) is included in this report.

**** House Ads are excluded from the calculation of adspend in this report.

***** Adspend for MTR Urban Lines in Jan-Mar 2023 is not included in this report.

China-HK Customs Clearance Helps Travel Adspend Increased by 324%

The Top 10 Industries with the highest adspend generally saw an increase, with industries ranked eighth to tenth being outside of the top 10 last year. The eighth-ranked Travel industry saw a YOY increase of 324% in the first quarter. Data showed that the industry has experienced explosive growth in adspend after the resumption of social activities, ranking first among the Top 10 Industries in terms of growth rate. The adspend of Restaurants (ranked ninth) also increased to 37% YOY, while the adspend of Fashion, Accessories & Eyewear (ranked tenth) increased by 67% YOY in the first quarter. Data reflected that some industries that were greatly affected by the epidemic have increased their advertising efforts in Q1 2023.

十大最高廣告支出品牌集團 (2023年第一季) Top 10 Advertiser Groups (Q1 2023)		
排名 Rank	品牌 集團 Advertiser Groups	按年變化率 YOY
1	Vita Green Health Products (維特健靈健康產品)	21%
2	HSBC Group (匯豐集團)	19%
3	MTR Corporation (港鐵)	779%
4	Proctor & Gamble / P&G (寶潔)	25%
5	GSK (葛蘭素史克)	72%
6	Hang Seng Bank (恒生銀行)	104%
7	DFI Retail Group (DFI零售集團)	36%
8	LVMH Group	47%
9	A.S. Watson Group (屈臣氏集團)	73%
10	Samsung	-5%

With the implementation of the Hong Kong and Mainland China Quarantine-Free Travel, the atmosphere in the local property market has also started to improve. Many property developers have taken advantage of this mini-boom in the property market to launch new properties. 40% of adspend in the Residential Property category was attributed to Novo Land under SHKP, Oysterbay under MTR Corporation, Koko Rosso under Wheelock, and ATR under Star Properties, resulting in a 49% YOY increase for the fourth-ranked Property & Real Estate in the first quarter.

Despite a 6% YOY decline for the first-ranked Banking & Investment Services in the first quarter, both HSBC Group and Hang Seng Bank in the Top 10 Advertiser Groups recorded a YOY increase of 19% and 104% in their adspend in the first quarter respectively. This reflected that specific banking groups continued to allocate more resources to advertising and promotion in the first quarter.

Most of the Top 10 Advertiser Groups recorded positive YOY increase in adspend in the first quarter. MTR had the highest increase in adspend among the groups, with a 779% YOY increase in the first quarter. DFI Retail Group and A.S. Watson Group, both in the retail industry, saw a YOY increase in adspend of 36% and 73% respectively. Other top 10 Advertiser Groups that recorded positive YOY increase in adspend included Vita Green Health Products (21%), P&G (25%), GSK (72%) and LVMH Group (47%).

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admanGo is the market leader in the provision of competitive advertising and advertisement monitoring service through an online platform. The Company works with all major advertising agencies, media and advertisers in Hong Kong and China. Our services enable our clients to view, evaluate and respond to the constant stream of advertising activities on a daily basis.

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