

## MALAYSIAN DIGITAL ADEX REPORT FY2023

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### BACKGROUND

In early 2019, Media Specialists Association (MSA) of Malaysia in collaboration with Malaysian Digital Association and Malaysian Advertisers Association embarked on an initiative to provide an accurate view of the state of Digital Adex in Malaysia. 21 media agencies were involved in providing the Digital Adex for FY2017 to FY2023. MSA estimates that the 21 agencies account for approximately 60% of the total Digital Adex in the country. Information is provided by digital platforms and product categories to MSA's appointed independent auditor Messrs Ahmad Abdullah and Goh who in turn aggregated the numbers to provide a consolidated view of the total Digital Adex in Malaysia.

### OVERALL DIGITAL ADEX GROWTH

The Digital Adex has consistently increased, rising by 3.1% from RM1.381 billion in 2022 to RM1.425 billion in 2023. As a result, MSA estimates the total MY Digital Adex to be RM2.375 billion in 2023, including 40% from direct advertisers and long-tail spending. Q4 2023 stands out as the highest spending quarter, driving the growth observed throughout the year.

RM in millions	2018	2019	2020	2021	2022	2023
<b>Reported Digital Adex</b>	868.59	937.83	939.87	1,357.54	1,381.97	1,425.16
<b>Direct Advertisers/Long Tail</b>	579.06	625.22	626.58	905.03	921.31	950.11
<b>Total MY Digital Adex</b>	1,447.65	1,563.05	1,566.45	2,262.57	2,303.28	2,375.27
<b>% Growth in Spends</b>	19.4%	8.0%	0.2%	44.5%	1.8%	3.1%

### DIGITAL ADEX SHARE BY PLATFORM

In 2023, the leading 3 platforms collectively accounted for 84.2% of the total Digital Adex. Social claimed the largest share among all platforms, followed by Video and Display. Social maintained its dominance with a growth of 0.8% compared to the previous year, reaching 41.6% of the total Digital Adex. Video also showed a slight increase of 0.2% from 2022. Overall, the expenditures in 2023 remained relatively similar compared to 2022, showing no significant changes.

Platform \ Years	2018	2019	2020	2021	2022	2023
	%	%	%	%	%	%
Display	35.0	27.1	20.3	19.0	16.6	16.1
Video	24.0	25.9	28.7	27.5	26.3	26.5
Audio	0.1	0.1	0.3	0.2	0.1	0.2
Social	23.2	26.8	33.2	36.6	40.8	41.6
Native	4.1	5.2	3.3	4.2	5.7	5.7
Search	10.9	9.3	9.1	8.3	8.1	7.5
Others	2.1	2.4	5.1	4.3	2.4	2.4

### DIGITAL ADEX SHARE BY INDUSTRY

Food & Beverage, Shops and Personal Care together, accounted for 53.2% of the reported Digital Adex in 2023. Automotive garnered the most significant rise, increasing by 2.7% from 2022 to 2023. One contributing factor to this growth could be the increasing public interest in electric vehicles, prompting heightened advertising efforts in the automotive sector.

Industry \ Years	2018	2019	2020	2021	2022	2023
	%	%	%	%	%	%
Finance & Banking	7.3	8.7	6.9	6.8	8.9	8.2
Tech & Electronics	21.2	20.8	20.1	21.9	19.0	16.3
Food & Beverage	18.0	18.8	24.5	21.8	20.9	20.1
Shops	13.1	14.3	14.8	16.9	17.3	16.7
Education	0.7	0.5	0.7	0.5	0.4	0.4
Personal Care	12.8	14.3	13.8	14.3	13.8	16.4
Clothing	1.5	1.6	1.3	1.0	1.2	1.7
Household Care	2.6	1.9	2.6	2.2	2.2	1.7
Automotive	10.0	8.6	3.1	4.9	5.9	8.6
Housing	1.8	1.2	1.8	1.7	0.7	1.4
Pharmaceuticals	1.0	2.2	2.3	2.1	3.0	2.1
Travel & Tours	3.7	2.6	0.7	0.5	1.1	1.4
Others	6.2	4.5	4.4	5.6	5.6	5.0

## GLOSSARY

Platform	Description	Sample Media Owners & Ad Formats
Display	Also known as banner ads, appears in a typically define by width and height (WxH) format and either static, animated or rich media format.	Standard / rich media banners, dynamic banners, mobile interstitial, site takeovers bought via direct premium publishers, ad networks (e.g. Innity, Amobee, GDN or programmatic platforms (e.g. DV360, The Trade Desk etc.).
Video	Video ads are ads that are showed before (pre-roll), during (mid-roll) or after (post-roll); can be in-stream or out-stream.	Pre / mid / post-roll in-stream video ad, out-stream video ads (in-read, in-banner) bought via direct premium publishers, ad networks or programmatic platforms (e.g. YouTube, TonTon, Viu, Unruly, DV360, Adobe etc.).
Audio	Description: Audio ads are ads in audio form appearing in between live, on-demand or podcast content. Ads can be inserted pre, mid or post roll during stream.	Pre / mid / post-roll in-stream audio ad, sponsorship packages bought via direct premium publishers or programmatic platforms (e.g. JOOX, Spotify, Programmatic Radio, AdWizz etc)..
Social	Description: Paid ads on social platforms (includes display, video, boosted etc.)	Any format buys (e.g. display, video, stories, messenger ads) on Facebook, Instagram, Twitter, LinkedIn, WeChat, LINE etc. Also includes paying for posting on other people (e.g. blogger, influencer) / brands / media social pages (e.g. social seeding, branded post etc.). * Not including organic postings or social media content development or management fees
Native	Ads that follows the natural form and function of where it is place. Mostly appears as a sponsored content, in-image or content recommendation.	Sponsored editorial write-up / articles on online publishers' sites (e.g. SAYS, PenMerah, Lowyat.net etc.) or sponsored content as paid media strategies that fit the form & function of the surrounding editorial content on a website. It could also be content dissemination/ recommendation ad with networks such as Outbrain, Taboola, FreakOut etc.
Search	Paid search ads that appears on search engine result pages (SERPs).	Paid search ads on Google, Bing, Yahoo!, Baidu
Others	Other digital expenditure that does not fall into the above categories can be lump to others.	Any other forms of digital advertising such as email, forum seeding, affiliate marketing etc.