

MALAYSIAN DIGITAL ADEX REPORT FOR Q2, 2023

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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 the state of Digital Adex in Malaysia. 21 media agencies were involved in providing the Digital Adex for FY2017 and each subsequent year up to FY2022. 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 Messr 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

Reported Digital Adex grew by 2% to RM 587mil in Q2 2023 vs. Q2 2022 RM 576mil.

	Q2 2022 (RM)	Q2 2023 (RM)
Reported Digital Adex	345,946,590.20	352,524,684.60
Direct Advertisers/Long Tail	230,631,060.13	235,023,123.07
Total MY Digital Adex	576,577,650.33	587,557,807.67
% Growth in Spends		2%

DIGITAL ADEX SHARE BY FORMAT

The top 3 formats accounted for 84% of the overall Reported Digital Adex in Q2 2023, which are Social, Video and Display. We saw a 1% increase in ad spend on Social while the other formats remained the same. These formats are mainly driven by Food Outlets & Restaurants sub-category with Cosmetics a close second. Overall, the spending across formats are similar compared to Q2 2022.

Format	Period	Q2 2022	Q2 2023
Social		42%	43%
Video		26%	26%
Display		15%	15%
Search		8%	8%
Native		6%	6%
Others		3%	2%
Audio		0.1%	0.2%

DIGITAL ADEX SHARE BY INDUSTRY

Food & Beverage category maintained the top spot as the highest digital spending category in Q2 2023 with 20.8%, followed closely by Personal Care with 17.6%. The highest growth percentage is shown in the Automotive category with 4.3% increase compared to Q2 2022.

Category	Q2 2022 (%)	Q2 2023 (%)
Food & Beverage	21.2	20.8
Personal Care	15.3	17.6
Tech & Electronics	19.5	15.8
Shops	14.6	15.6
Automotive	4.4	8.7
Finance & Banking	8.5	7.2
Others	6.7	5.2
Household Care	2.9	2.0
Pharmaceuticals	3.4	1.9
Clothing	1.2	1.7
Housing	0.7	1.5
Travel & Tours	1.2	1.4
Education	0.2	0.5
Health & Wellness	0.10	0.01

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.