

MALAYSIAN DIGITAL ADEX REPORT FOR Q4, 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 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 dropped by 2.3% to RM 625mil in Q4 2023 vs. Q4 2022 RM 640mil.

	Q4 2022 (RM)	Q4 2023 (RM)
Reported Digital Adex	384,291,245	375,528,339
Direct Advertisers/Long Tail	256,194,163	250,352,226
Total MY Digital Adex	640,485,409	625,880,565
% Growth in Spends		-2.3%

DIGITAL ADEX SHARE BY FORMAT

In Q4 2023, the top three formats (Social, Video, and Display) accounted for 84% of the total reported Digital Adex. Spending increased across all formats except for Social, Display, and Search. Video ad spending rose by 4%, mainly fuelled by the Food & Beverage and Personal Care categories. Overall, spending across formats was similar to Q4 2022.

Format	Period	Q4 2022	Q4 2023
Social		41%	40%
Video		24%	28%
Display		18%	16%
Search		8%	7%
Native		6%	6%
Others		3%	3%
Audio		0.2%	0.3%

DIGITAL ADEX SHARE BY INDUSTRY

The Food & Beverage category retained its position as the top digital spending category in Q4 2023, accounting for 19%, closely followed by Personal Care at 17%. The Personal Care category also demonstrated the highest growth percentage, with a 5.4% increase compared to Q4 2022.

Category	Q4 2022 (%)	Q4 2023 (%)
Food & Beverage	21.8	18.7
Personal Care	11.7	17.1
Tech & Electronics	14.4	17.1
Shops	19.2	14.5
Automotive	8.5	10.3
Finance & Banking	10.5	7.6
Others	4.2	5.4
Pharmaceuticals	4.5	2.5
Clothing	1.3	2.1
Household Care	1.9	1.9
Travel & Tours	0.9	1.3
Housing	0.6	1.1
Education	0.6	0.3
Health and wellness	0.01	0.1

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.