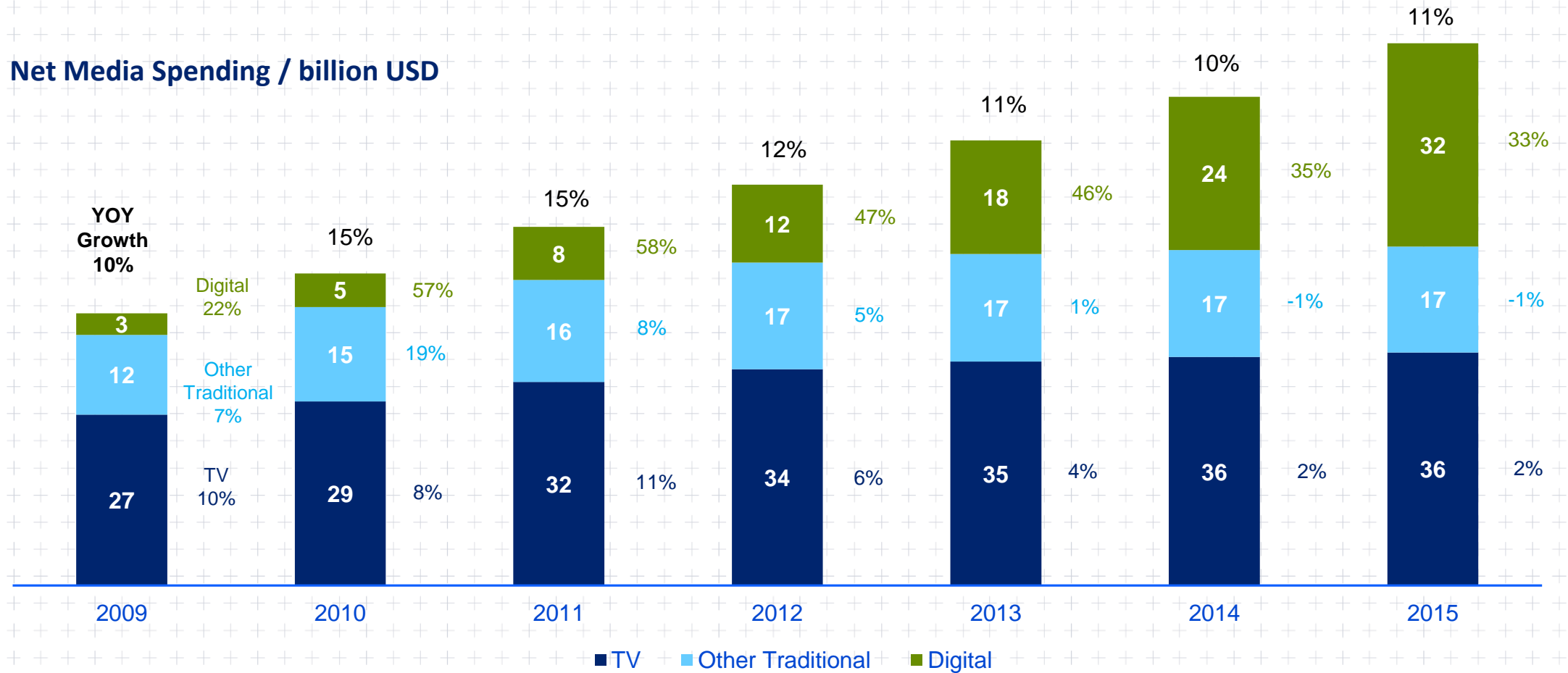


# MEDIA IN CHINA

London | November 18, 2015

# TRADITIONAL SPENDING GROWTH SLOWS DOWN, DIGITAL GROWTH REMAINS HIGH

Net Media Spending / billion USD



# MEDIA VENDORS PROLIFERATE GREATLY AS DIGITAL GROWS RAPIDLY

# of  
Traditional  
Vendor

TV  
166

Radio  
153

Newspaper  
1915

Magazine  
9577

# of digital  
Vendor

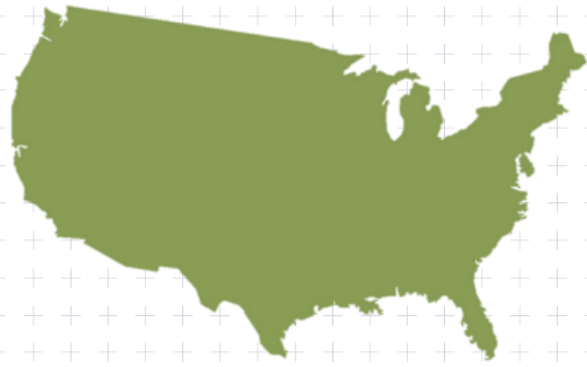
Website  
200K

APP  
+10K

PC + APP  
Vendor  
+1000

Tech  
Partner  
+100

# AN UNIQUE DIGITAL LANDSCAPE IN CHINA



**260m** Internet user  
**194m** Mobile-internet users  
**81%** Penetration



**668m** Internet user  
**594m** Mobile-internet users  
**49%** Penetration

## Key player comparison:



# RISK & OPPORTUNITY COEXIST IN THIS HIGHLY REGULATED MARKET. NEED ACCURATE JUDGEMENT & SWIFT RESPONSE TO PROTECT CLIENT'S & OUR OWN INTEREST

## Policies on Traditional Media

- One TV drama, up to two PSTVs
- Patriotic and anti Fascist drama
- More regulations on programs that provide information & health care tips

## Policies on New Media

- Ban video player Internet TV set-top-box
- Strengthen control on internet drama, micro film, online radio & video programs
- Combat Internet piracy
- Restrictions on simultaneous broadcast of foreign programs in China
- Programs banned in traditional media are also not allowed in new media

## Anti Corruption Drive

- Investigation on state owned enterprises, resulting in stricter procurement process
- More invitation to pitch
- Very difficult to sign additional opt in agreement
- MSI Challenge

# GROUPM IN CHINA: A SNAPSHOT

## Core Management Team

---



Patrick Xu  
CEO, GroupM China



Nils Roehrig  
Chief Digital Officer,  
GroupM China



Amrita Randhawa  
CEO, Mindshare China



Gordon Domlija  
CEO, MEC China



Rupert McPetrie  
CEO, MediaCom China



Annie Hsiao  
CEO, Maxus China

## Operation

---

A WPP Company  
4 offices in SH, BJ, GZ, NJ  
3,030 Full-time employees

## Financials\*

---

US \$ 9 b China Billings  
32 big clients (spending > US\$ 50m)  
38 local Chinese clients (spending > US\$10m)

## Biz Highlights

---

Exceptional **buying power**  
Unrivalled **digital momentum**  
Extraordinary competence in **content**

## 4 Media Agencies

---



Fuelled by **Adaptive Marketing**, Mindshare help brands win in digital!



Don't Just Live. **Thrive.**



The **Content + Connections** Agency



We **know China** better than anyone!

## Our Value & Brand Personality

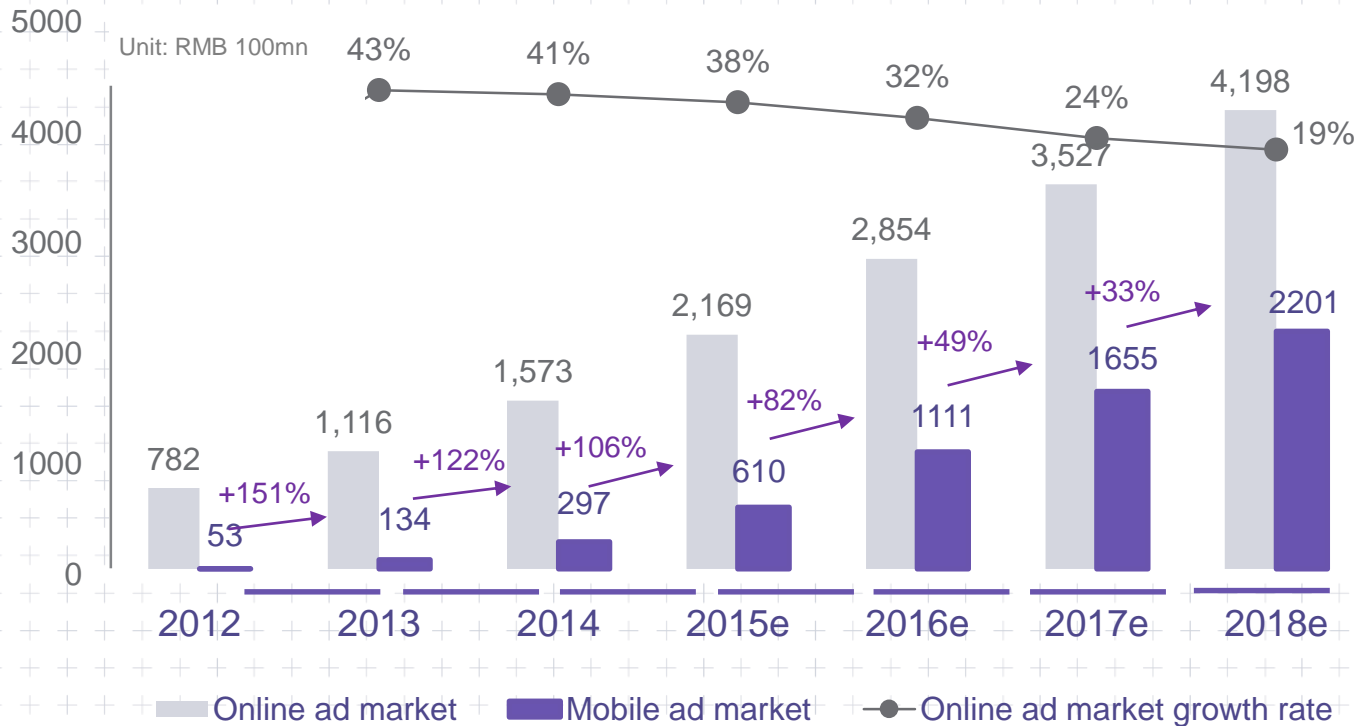
---

Open-minded Collaboration  
Visionary Leadership  
Formidable Inventiveness



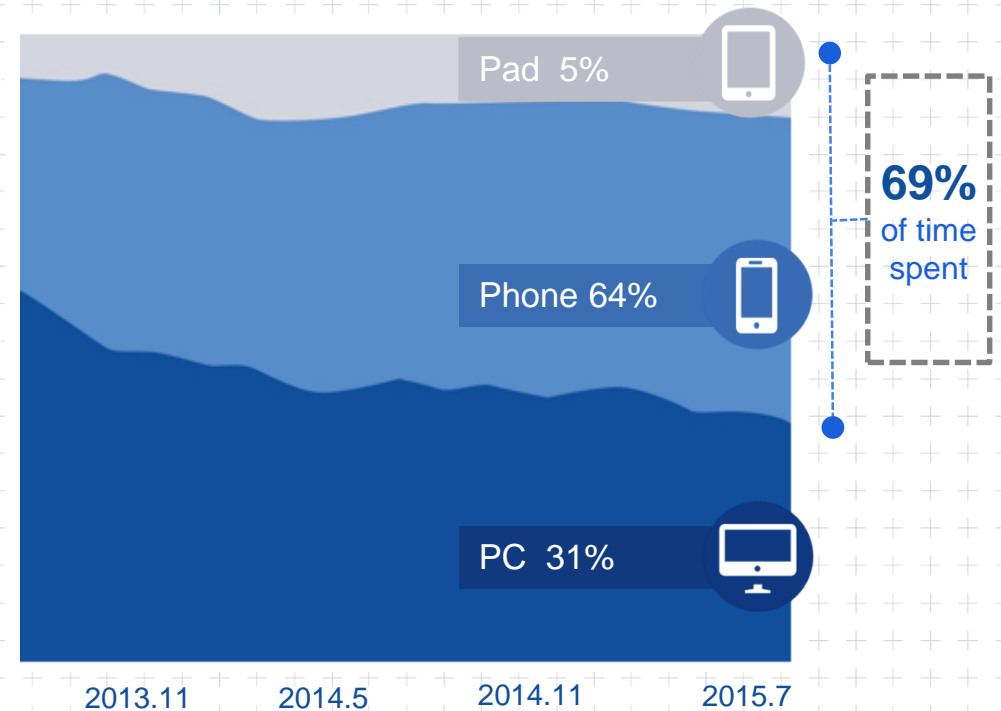
# HUGE OPPORTUNITY IN MOBILE FOR CHINA

China online ad market size



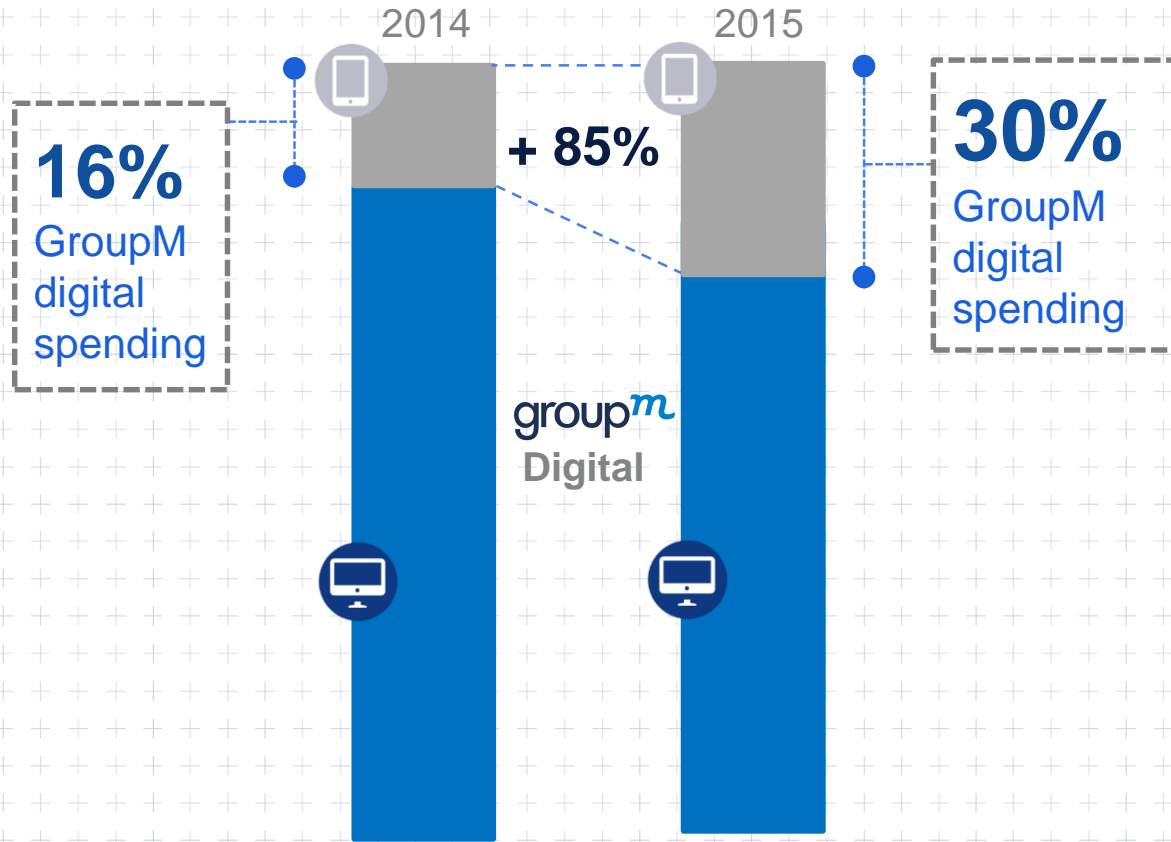
China mobile ad spend to grow 106% in 2015, 82% in 2016

Monthly time spent by device

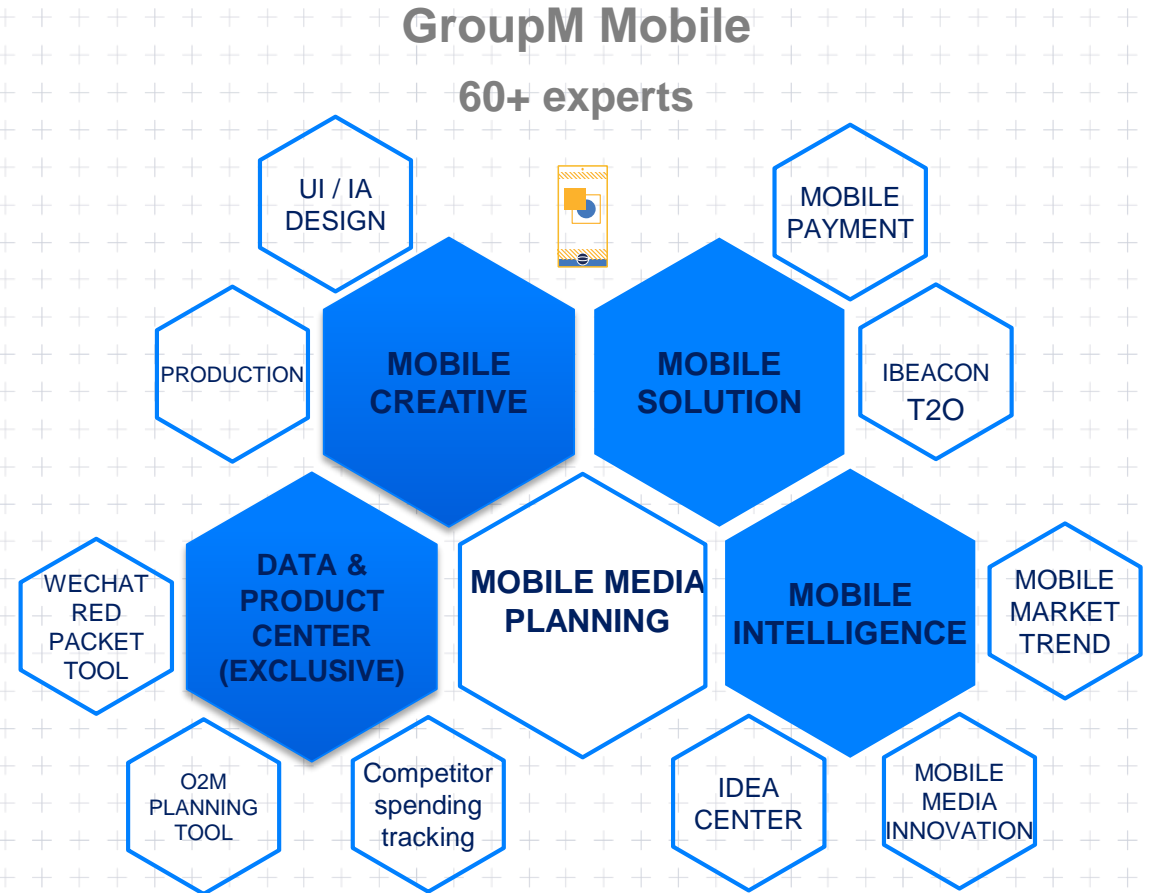


% time spend on mobile jumps from 25% to 69% over past three years

# GROUPM MOBILE: FIRST MOBILE PLANNING SUITE IN MARKET



The fastest growing segment in digital spending



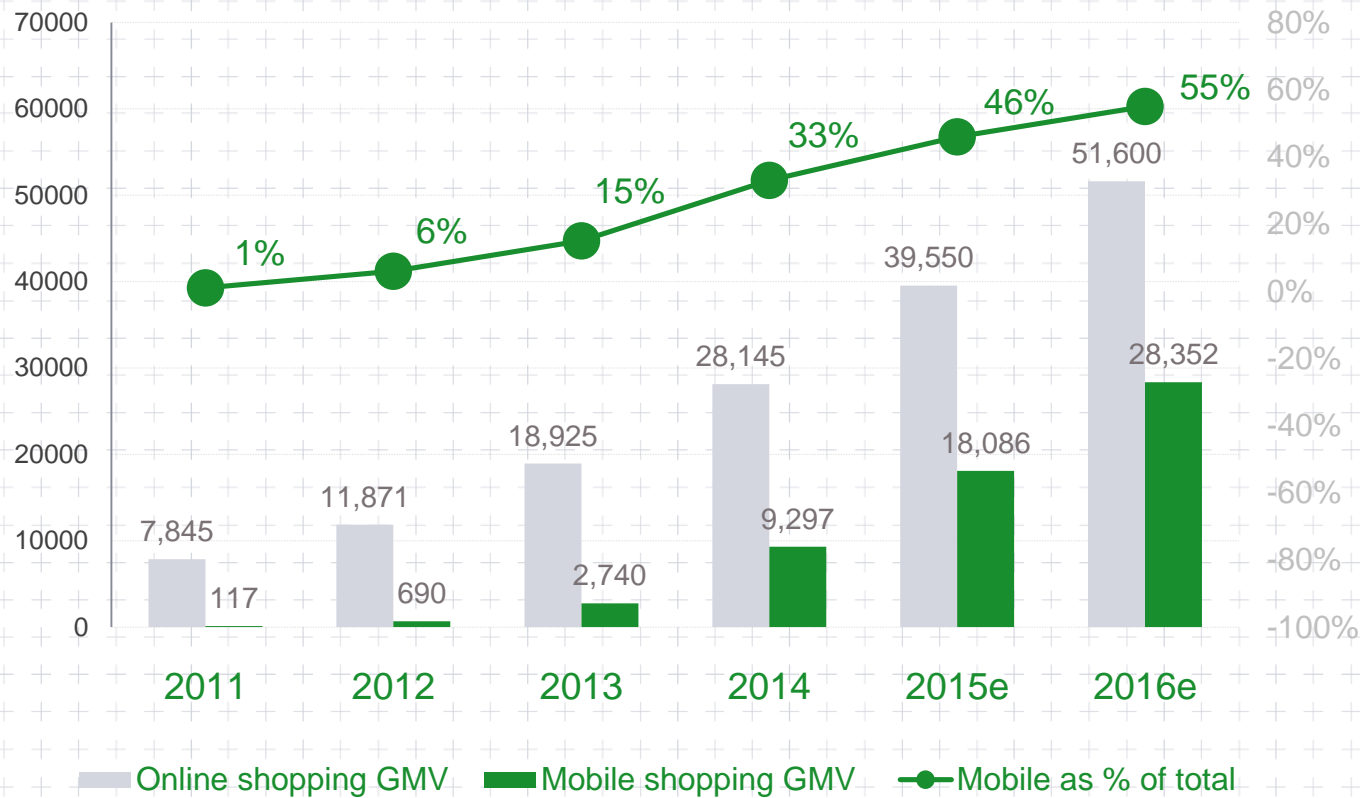
First mobile planning suite in market



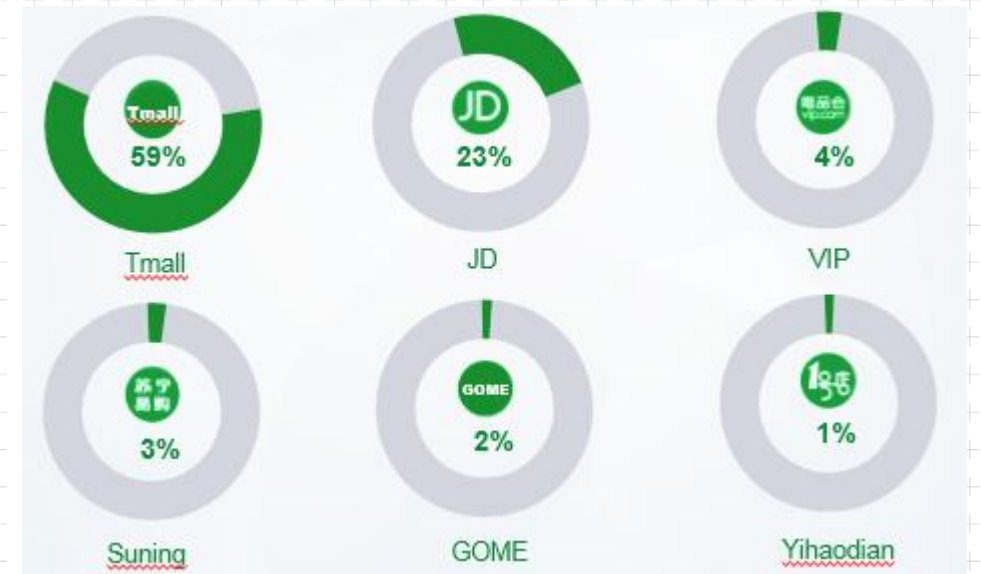
# CHINA E-COMMERCE: MARKET SO LARGE AND FAST-GROWING THAT BRANDS MUST DIVE IN

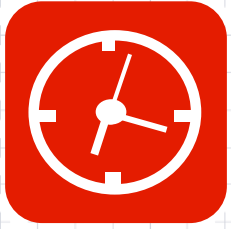
China online shopping GMV

Unit: RMB 100M

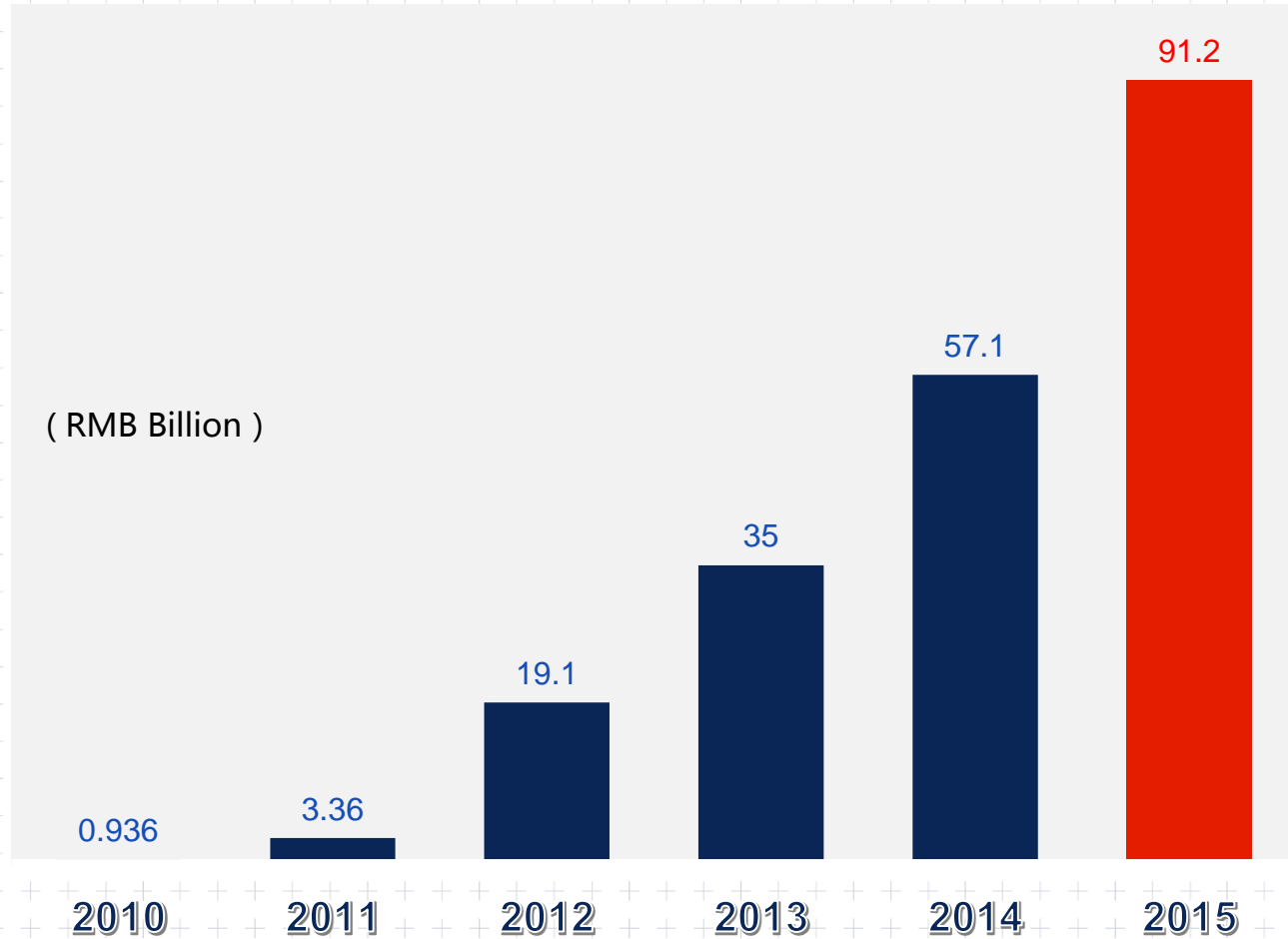


B2C market share 2015Q1





# NEW HISTORICAL SALES RECORD OF 91.2B SALES ON 11.11





# GROUPM ECOMMERCE TEAM DELIVER AMAZING PERFORMANCE ON TMALL 11.11 SHOPPING FESTIVAL

We serve

**1.5B** Tmall Sales only

**55M** EC in-site spending(all platforms)

Amazing brand sales on Tmall

**1.193B**

荣耀 honor

**120M**



## ALL THE BRANDS WE SERVE IN 11.11

- Huawei- Honor
- Danone- Nurilon, Aptamil, Karecare, Dumex
- P&G- Gillette, Braun, Rejoice, VS, etc.
- Dell

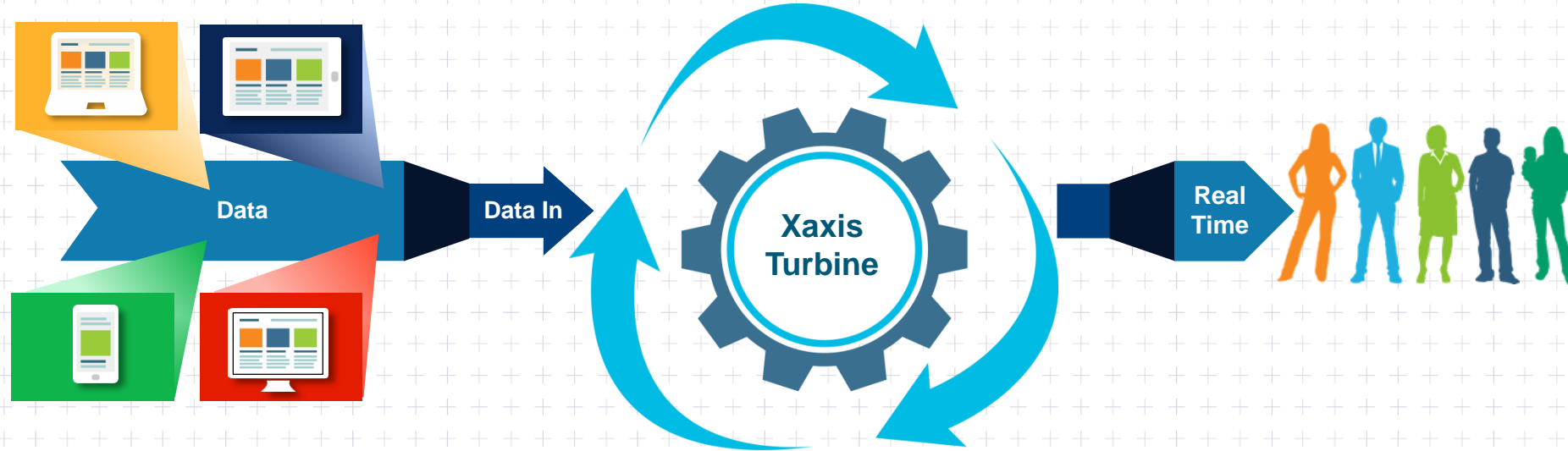
- Pfizer
- GSK
- Brita
- Bailey

- Cetaphil
- Brands
- Ford

# DATA PARTNERSHIP IN CHINA

## XAXIS TURBINE

*First* and *only* DMP that creates proprietary and anonymous audience segments in real-time and then actions them across premium inventory along all digital channels.



DATA Alliance



Purchase Behavior Targeting

Social Targeting capabilities

group<sup>m</sup>

# GROUPM CONTENT MARKETING IN CHINA

GroupM Content biz generates revenue of nearly US\$10M in 2015, with a growth rate of 207% vs. 2014, contribute 3.9% out of GroupM China revenue.

1. Content biz aim to contribute 10% revenue in 5 years
2. Unlock digital and sports content opportunity
3. Expand the boarder of content by model trading and co-investment (GME)



# CHALLENGERS UNION – PEPSI & L'OREAL

## Record breaking on rating

**No.1** Rating of ZJPSTV entertainment program in Q1

**No.1** Rating of seasonal reality show on Saturdays

## Over 1.2 Billion online video viewership

Avg. **120 Mil** / Episode on Sohu, Tencent, Youtu, iQiyi and LeTV



## Incredible social buzz generate

Sina Weibo branded #Challengers Union# impressions

**over 2.35billion**

Engagement: **782,634+** Total Impressions:

**192million**



# SURVIVOR GAMES - FAW-VW AUDI



Rating reaches **0.77** in Audi' key markets (P4+), **0.63** amongst its TA (P25-45) in which more than **200,000+ ppl** have watched the show

Online viewership (4 episodes): **130 Mil**

Premiered on Sep. 16th from 21:20 to 22:50 on **Dragon TV**

**First natural explorations reality show in China** with 8 pop stars surviving in the extremes.

They will explore the waterfall, eat odd food, and tell us **Never Ever Give up**



THANK YOU