

## What drove the increases in Direct Mail advertising activity across 2010?

With the just released annual edition of our Top Media Advertisers Report for calendar year 2010, we deliver a clearer picture of Australia's advertising industry turnaround. The good news is that on the back of a strong rebound in advertising activity in late 2009 and throughout 2010, the advertising recovery turned around well ahead of expectations.

As would be expected after a strong rebound, in the first half of 2010 there were substantial year on year increases in ad spending, including Direct Mail.

Overall for 2010, ad spending in Direct Mail recorded a 6.2% lift YOY, with mail volumes also increasing YOY. The Top 25 advertisers in Direct Mail spent an estimated \$113.6 million on postage in January to December 2010, representing 43% of all Direct Mail ad spending reported by our Nielsen MailPix service. This also represented 1.1 cents of every ad dollar spent in Australia's main media.

### What were the key drivers of growth and renewed investment in DM?

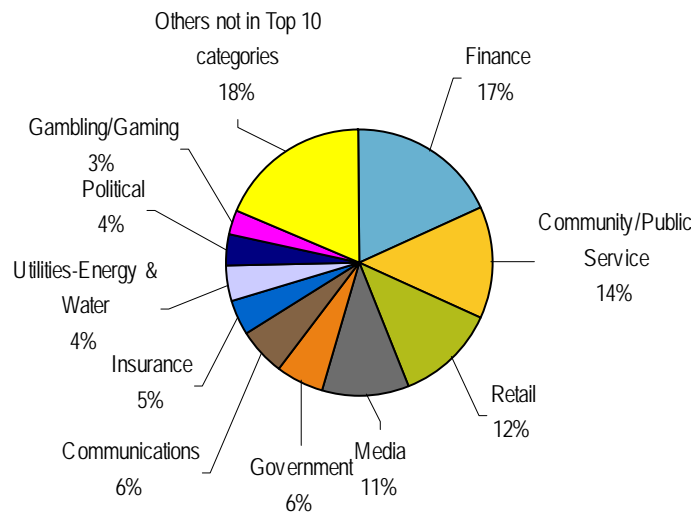
This resurgence in DM activity is a tangible sign that marketers have rebounded, with six of the Top 10 spending Categories recording growth YOY. Although the Finance sector remains challenged by the fall out in advertising spending post GFC, others such as Community /Public Service (14% share of all DM spend) and Media (11% share) showed strong rebounds in activity, while 3rd ranked Retail, equalled its overall presence with the previous 12 months period.

There were also strong surges from the Government sector, with a robust 49% lift YOY, however, the biggest increase (472%) saw Political advertising rise into 9th position, snaring almost 20% of all main media ad spending in 2010.

2010 Pos	The Top Advertising Categories in 2010 (\$M)	Direct Mail		
		2010	% YOY	% Media
1	Finance	48.6	-7%	7.6
2	Community/Public Service	36.3	20%	21.4
3	Retail	31.5	0%	1.4
4	Media	27.9	-7%	10.4
5	Government	15.3	49%	5.8
6	Communications	14.8	-6%	4.4
7	Insurance	12.3	-6%	4.3
8	Utilities-Energy & Water	10.6	10%	13.6
9	Political	10.3	472%	18.0
10	Gambling/Gaming	8.2	4%	7.1
	<i>Others not in Top 10 categories</i>	49.5		

Source: Nielsen MailPix

**The Top 10 DM Advertising Categories & Others.**  
**Source: Nielsen Top Media advertisers Report 2010**



In line with the top Categories performance, six of the Top 10 Advertisers recorded strong increases in overall spending, a key indicator that budgets in the DM space were moving positively in 2010.

Reader's Digest maintained top position among the Top 10 advertisers with a 4% increase YOY to an estimated \$11.9M. Despite a generally cautious approach across most of the key players in the top ranked Finance sector, there were robust performances recorded for Westpac (+28%) and American Express (+13%).

2010 Pos	Top 10 Advertiser Groups / Advertisers in 2010 (\$M)	Direct Mail		
		2010	2009	% YOY
1	Reader's Digest	11.9	11.4	4%
2	ANZ Banking Group	9.3	9.4	-1%
3	Westpac Banking Corporation	7.8	6.1	28%
4	Horizon Media	7.4	7.2	3%
5	Spotlight Stores	6.0	6.5	-7%
6	Government NSW	5.4	4.8	13%
7	Telstra Corp Limited	5.2	7.5	-32%
8	American Express Int Inc	5.0	4.5	13%
9	Southern Phone Company	5.0	2.2	133%
10	Commonwealth Bank Australia	4.7	6.6	-29%

**Source: Nielsen Top Media Advertisers Report 2010**

## Creative Snapshots from our Nielsen MailPix website...

These are just a few samples from over 50,000 mail campaigns recorded and readily accessible through our unique MailPix website.



If you haven't already used MailPix or viewed our Creative campaigns library, here is your opportunity to see for yourself why many of Australia's leading marketers rely on MailPix to understand the scope of addressed advertising communications that Australians are receiving in their mailboxes.

Check out MailPix today by contacting: [Ian.Renshaw@Nielsen.com](mailto:Ian.Renshaw@Nielsen.com) or call: (02) 8873 7617

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